



This is an English translation of a Hebrew Immediate report, including its appendices, that was published on November 21, 2021 (reference no.: 2021-01-168927) (hereafter: “the Hebrew Version”).

This English version is only for convenience purposes. This is not an official translation and has no binding force. Whilst reasonable care and skill have been exercised in the preparation hereof, no translation can ever perfectly reflect the Hebrew Version. In the event of any discrepancy between the Hebrew Version and this translation, the Hebrew Version shall prevail.

21 November 2021

Nayax Ltd.
(the “Company”)

To
Israel Securities Authority

www.magna.isa.gov.il

To
Tel Aviv Stock Exchange Ltd.

maya.tase.co.il

Re: Immediate report regarding the assembly of a special general meeting of the shareholders of the Company

An immediate report is hereby published in accordance with the Companies Law, 5759-1999 (the “**Companies Law**”), the Securities Law, 5728-1968 (the “**Securities Law**”), the Securities Regulations (Periodic and Immediate Reports), 5730-1970 (the “**Reports Regulations**”), the Companies Regulations (Announcement and Notice of General Meetings and Class Meetings in a Public Company and Adding Agenda Items), 5760-2000 (the “**Announcement and Notice Regulations**”), and the Companies Regulations (Voting in Writing and Position Statements), 5766-2005 (the “**Voting in Writing Regulations**”), regarding the assembly of a special general meeting of the shareholders of the Company (the “**Immediate Report**” and the “**General Meeting**” or the “**Meeting**”), to be held on **27 December 2021**, at 16:00, at the Company’s offices 3 Arik Einstein St., Herzliya.¹

¹ In light of the guidelines of the Israel Securities Authority dated 16 March 2020, should restrictions apply due to the impact of the coronavirus on the date of assembling the General Meeting, with respect to conducting the General Meeting by way of assembly, the General Meeting shall be held by teleconference, in which all participants shall be able to hear each other. In such instance, the Company shall provide a timely update regarding the contact information for such teleconference, by publishing an immediate report.

1. **Items on the agenda of the meeting and summary of the proposed resolutions:**

- 1.1 **Approval of change to the employment terms of Mr. Arnon Nechmad, the son of Yair Nechmad, a controlling shareholder of the Company, Chairman of the Board of Directors and CEO of the Company** – Pursuant to the resolution of the Audit Committee of the Company dated 15 November 2021 and to the resolution of the Board of Directors of the Company dated 17 November 2021, it is proposed to approve the change to the employment terms of Mr. Arnon Nechmad, the son of Yair Nechmad, a controlling shareholder of the Company, the Chairman of the Board of Directors and the CEO of the Company, and this, among other things, due to a change in his position to Account Manager at EV Meter Ltd., a wholly-owned subsidiary of the Company (“EV Meter”), pursuant to section 2.1.1 below.
- 1.2 **Approving a bonus to Mr. Shay Ben-Avi, the brother of David Ben-Avi, a controlling shareholder of the Company, a director and officer of the Company** – Pursuant to the resolution of the Audit Committee of the Company dated 15 November 2021 and the resolution of the Board of Directors of the Company dated 17 November 2021, it is proposed to approve the grant of a bonus to Mr. Shay Ben-Avi, who is employed at the Company in the position of Chief Software Architect and who is the brother of Mr. David Ben-Avi, a controlling shareholder of the Company, a director and officer of the Company (Chief Technology Officer at the Company), in the amount of ILS 260,000, for his contribution to the Company, including the Company’s IPO which was completed in May 2021, all as specified in section 2.1.2 below.
- 1.3 **Approval of change to the employment terms of Mr. Shay Ben-Avi, the brother of David Ben-Avi, a controlling shareholder of the Company, a director and officer of the Company** – Pursuant to the resolution of the Audit Committee of the Company dated 15 November 2021 and the resolution of the Board of Directors of the Company dated 17 November 2021, it is proposed to approve the change to the employment terms of Mr. Shay Ben-Avi, the brother of David Ben-Avi, a controlling shareholder of the Company, a director and officer of the Company (Chief Technology Officer of the Company), for a period of three years, starting from the date of the Company’s IPO on TASE (10 May 2021), such that: (a) the Audit Committee and the Board of Directors of the Company shall be entitled, at the recommendation of Mr. Shay Ben-Avi’s personal supervisor, to raise the monthly salary of Mr. Shay Ben-Avi (a cumulative total, according to the two agreements mentioned in section 8.1.5 of chapter 8 of the Company’s prospectus dated 10 May 2021 (Reference No. 2021-01082128) (the “**Company’s Prospectus**”)), once per calendar year, by up to 10%, provided that during the three-year period (starting from the Company’s IPO date on TASE (10 May 2021) Mr. Shay Ben-Avi’s salary is not raised by more than a cumulative total of 25%; (b) the Audit Committee and the

Board of Directors of the Company shall be entitled to approve a grant of (non-negotiable) options of the Company or other capital instruments of the Company, once per calendar year, to Mr. Shay Ben-Avi, provided that each such annual grant meets the terms specified in section 2.1.3 below; and (c) Mr. Ben-Avi shall be entitled to the accompanying conditions specified in section 2.1.3 below, which shall be valid starting from the Company's IPO date on TASE; all as explained in detail in section 2.1.3 below.

- 1.4 **Approval of change to the employment terms of Mr. Oded Frenkel, the brother-in-law of David Ben-Avi, a controlling shareholder of the Company, a director and officer of the Company** – Pursuant to the resolution of the Audit Committee of the Company dated 15 November 2021 and the resolution of the Board of Directors of the Company dated 17 November 2021, it is proposed to approve the change to the employment terms of Mr. Oded Frenkel, the brother-in-law of David Ben-Avi, a controlling shareholder of the Company, a director and officer of the Company (Chief Technology Officer of the Company), for a period of three years, starting from the date of the Company's IPO on TASE (10 May 2021), such that: (a) the Audit Committee and the Board of Directors of the Company shall be entitled, at the recommendation of Mr. Oded Frenkel's personal supervisor, to raise the monthly salary of Mr. Oded Frenkel (according to the agreement mentioned in section 8.2.16.3 of chapter 8 of the Company's Prospectus, once per calendar year, by up to 10%, provided that during the three-year period (starting from the Company's IPO date on TASE (10 May 2021) Mr. Frenkel's salary is not raised by more than a cumulative total of 15%; (b) the Audit Committee and the Board of Directors of the Company shall be entitled to approve a grant of (non-negotiable) options of the Company or other capital instruments of the Company, once per calendar year, to Mr. Oded Frenkel, provided that each such annual grant meets the terms specified in section 2.1.4 below; and (c) Mr. Frenkel shall be entitled to the accompanying conditions specified in section 2.1.4 below, which shall be valid starting from the Company's IPO date on TASE; all as explained in detail in section 2.1.4 below.
- 1.5 **Approval of change to the employment terms of Mr. Reuven Amar, the brother-in-law of David Ben-Avi, a controlling shareholder of the Company, a director and officer of the Company** – Pursuant to the resolution of the Audit Committee of the Company dated 15 November 2021 and the resolution of the Board of Directors of the Company dated 17 November 2021, it is proposed to approve the change to the employment terms of Mr. Reuven Amar, the brother-in-law of David Ben-Avi, a controlling shareholder of the Company, a director and officer of the Company (Chief Technology Officer of the Company), for a period of three years, starting from the date of the Company's IPO on TASE (10 May 2021), such that: (a) the Audit Committee and the Board of Directors of the Company shall be entitled,

at the recommendation of Mr. Reuven Amar's personal supervisor, to raise the monthly salary of Mr. Reuven Amar (according to the agreement mentioned in section 8.2.16.4 of chapter 8 of the Company's Prospectus, once per calendar year, by up to 10%, provided that during the three-year period (starting from the Company's IPO date on TASE (10 May 2021) Mr. Amar's salary is not raised by more than a cumulative total of 15%; (b) Mr. Amar shall be entitled to an annual bonus, which shall be based on Measurable Targets to be determined by the Audit Committee and the Board of Directors of the Company with respect to each calendar year, in advance, provided that the amount of the bonus with respect to any calendar year does not exceed three monthly salaries of Mr. Amar; (c) the Audit Committee and the Board of Directors of the Company shall be entitled to approve a grant of (non-negotiable) options of the Company or other capital instruments of the Company, once per calendar year, to Mr. Reuven Amar, provided that each such annual grant meets the terms specified in section 2.1.5 below; and (d) Mr. Amar shall be entitled to the accompanying conditions specified in section 2.1.5 below, which shall be valid starting from the Company's IPO date on TASE; all as explained in detail in section 2.1.5 below.

- 1.6 **Approval and ratification of the appointment of an auditing firm and authorizing the Company's Board of Directors to determine wages thereof** – It is proposed to approve and ratify the appointment of PwC Israel as the Company's auditors for the year 2021 and to authorize the Board of Directors of the Company to determine its wages for the year 2021.
2. **Details are presented below about Resolutions 1.1 to 1.5 on the agenda, pursuant to the Controlling Shareholder Regulations:**
 - 2.1 **Description of the main points of Resolutions 1.1 to 1.5 on the agenda:**
 - 2.1.1 **Proposed Resolution 1.1 – Approval of change to the employment terms of Mr. Arnon Nechmad, the son of Yair Nechmad, a controlling shareholder of the Company, Chairman of the Board of Directors and CEO of the Company**

Pursuant to the approval of the Audit Committee of the Company dated 15 November 2021 and the resolution of the Board of Directors of the Company dated 17 November 2021, it is proposed to approve the change of the employment terms of Mr. Arnon Nechmad, the son of Yair Nechmad, a controlling shareholder of the Company, the Chairman of the Board of Directors and the CEO of the Company, due in part to a change to his position to Account Manager at EV Meter.² Mr. Nechmad shall be employed

² As of 17 October 2021 Mr. Arnon Nechmad is employed as a sales representative by Nayax Retail Ltd., a subsidiary of the Company.

at EV Meter full-time, and as part of this position he shall work with EV Meter customers, and in so doing shall introduce such customers to EV Meter products, shall ensure that EV Meter products are supplied to customers on time, shall provide them with support and assistance in complex technical matters, shall pass comments and feedback from the customers on to the product manager, and shall work with the product manager and the support team of EV Meter.

The updated terms of Mr. Arnon Nechmad's employment shall be valid for a period of three years, starting from 17 October 2021. For his position, EV Meter shall pay Mr. Nechmad a (gross) monthly salary in the amount of ILS 10,500 and a lump sum for overtime in the monthly (gross) amount of ILS 4,500 (the monthly salary together with the monthly lump sum – the "**Salary**"). Mr. Nechmad shall be entitled to provisions for social benefits at standard rates with respect to the cumulative total of the two amounts as aforesaid. The Audit Committee and the Board of Directors of the Company shall be entitled, at the recommendation of Mr. Nechmad's personal supervisor, to raise the Salary of Mr. Arnon Nechmad, once per calendar year, by up to 10%, provided that during the three-year period (starting from 17 October 2021) Mr. Nechmad's Salary shall not be raised more than a cumulative total of 15%. In addition, Mr. Nechmad shall be entitled to 15 paid vacation days, and shall be entitled to accumulate 30 vacation days at most, and to sick leave according to the provisions of the Sick Pay Law, 5736-1976 (the "**Sick Pay Law**"), and the accompanying laws regarding family sick leave (where the first sick day is unpaid and from the second sick day on Mr. Nechmad shall be entitled to full pay). Mr. Nechmad's right to accumulate sick days shall be pursuant to the Sick Pay Law. In addition, Mr. Nechmad shall be entitled to convalescence pay in accordance with the law and the provisions of the general expansion orders in the economy in this regard and to monthly deposits for executive insurance or pension, per the choice of Mr. Nechmad, at standard rates. In case of termination of his employment, Mr. Nechmad shall be entitled to compensation pursuant to section 14 of the Severance Pay Law, 5723-1963. The Company shall credit Mr. Nechmad 7.5% of the monthly salary to an advanced study fund per his selection and shall deduct from his monthly salary an amount equal to 2.5% of his monthly salary that shall be deposited in said advanced study fund as the employee's share. Mr. Nechmad shall be entitled to reimbursement of travel expenses in the amount of a monthly public transportation pass, and not less than what is stipulated in the expansion order for employer participation in reimbursement of travel expenses; in addition, he shall receive a cellular phone, the use of which shall be limited to a ceiling of ILS

100 per month and he shall be entitled once every three years to a one-time reimbursement for the cellular phone device in the amount of ILS 800; Mr. Nechmad shall be entitled to reimbursement of shared meal expenses in the amount of ILS 750 per month. In addition, EV Meter shall pay disability insurance for Mr. Nechmad.

Mr. Nechmad shall be entitled to an annual bonus that shall be based on Measurable Targets to be determined by the Audit Committee and the Board of Directors of the Company with respect to each calendar year, in advance, provided that the bonus amount with respect to any calendar year does not exceed three monthly salaries of Mr. Nechmad.

In addition, the Audit Committee and the Board of Directors of the Company shall be entitled to approve a grant of (non-negotiable) options of the Company or other capital instruments of the Company, once every calendar year, to Mr. Arnon Nechmad, provided that each such annual grant meets the following conditions: (a) the maximum fair value at the time of the grant of equity remuneration to be granted to Mr. Nechmad, according to one of the accepted valuation methods, does not exceed ILS 150,000;³ (b) the price of exercising the options (insofar as options are allocated) shall be equal to the weighted average of the Company's shares on TASE in the last thirty (30) days prior to the date of approval by Board of Directors with respect to their allocation, and shall be subject to the adjustment provisions set forth in the Company's equity remuneration plan (as in effect from time to time), which shall be determined by the Audit Committee and the Board of Directors of the Company, and they shall vest over three years at least from the date of grant, subject to the adjustment and acceleration mechanisms in the Company's equity remuneration plan (as in effect from time to time).

Both EV Meter and Mr. Nechmad are entitled to terminate Mr. Nechmad's employment at any time, subject to a 30-day advance notice. Notwithstanding the foregoing, EV Meter shall be entitled to terminate Mr. Nechmad's employment without advance notice for Cause (as specified in Mr. Nechmad's employment contract).

To complete the picture, it is worth noting that on 29 October 2020, the Board of Directors of the Company approved allocation of 25,000 non-negotiable options exercisable into 25,000 ordinary shares of the Company par value ILS 0.0001 each, against payment of an exercise price of USD 0.67 per share,

³ It is clarified that this amount is not necessarily consistent with the amounts of expenses listed in the financial statements according to the Israeli Generally Accepted Accounting Principles.

to Mr. Arnon Nechmad. All such options were granted under the Company's 2018 Incentive Plan and pursuant to the terms set forth therein (for details see section 3.3.2 of chapter 3 of the Company's Prospectus).

It is clarified that subject to approval of the updated employment terms of Mr. Nechmad as specified in this section 2.1.1 by the General Meeting assembled under this Immediate Report, such updated terms of employment shall replace the contract with him as specified in section 8.2.16.2 in chapter 8 of the Company's Prospectus.

The following is a table detailing, in accordance with Schedule Six to the Reports Regulations, the remuneration expected to be paid in a full year by EV Meter to Mr. Arnon Nechmad according to his updated terms of employment (in terms of cost to the Company, in USD thousands):

Details of recipient of remuneration				Remuneration for services (in USD thousands)					Other remuneration	Total
Name	Position	Scope	Holding rate in issued capital of the corporation	Salary	Bonus	Share-based payment	Management fees	Other	Interest, leasing fees, other	
Arnon Nechmad	Account Manager	Full-time	--	73,125	--	6,368	--	--	--	79,943

2.1.2 Proposed Resolution 1.2 – Approval to grant bonus to Mr. Shay Ben-Avi, the brother of David Ben-Avi, a controlling shareholder of the Company, a director and officer of the Company

Pursuant to the approval of the Audit Committee of the Company on 15 November 2021 and the resolution of the Board of Directors of the Company on 17 November 2021, it is proposed to approve the grant of a bonus to Mr. Shay Ben-Avi, who is employed at the Company in the position of Chief Software Architect and who is the brother of Mr. David Ben-Avi, a controlling shareholder of the Company, a director and officer of the Company (Chief Technology Officer of the Company), in the amount of ILS 260,000. It is proposed to grant Mr. Ben-Avi said bonus in light of the satisfaction of the Company's management with his work, due to his importance to the Company's activity and the promotion of its business and due to his significant contribution to the Company, given his responsibility and his strong technology and management capabilities in the area of

database administration, having delivered results and improvements to Company products and performance, particularly for his professional and technological management of the area of database administration, which constitutes one of the cornerstones of the Company's activity, and for his contribution to the Company's IPO, which was completed in May 2021. It is worth noting that the bonus amount proposed for Mr. Ben-Avi is similar to the amount of the bonuses granted to other managers at the Company in connection with the completion of the IPO.

The terms of Mr. Shay Ben-Avi's employment at the Company and the details regarding options the Company has allocated to Mr. Ben-Avi, see section 8.1.5 of chapter 8 to the Company's Prospectus and Resolution No. 1.3 on the agenda of the General Meeting assembled according to this Immediate Report.

For details in table form, in accordance with Schedule Six to the Reports Regulations, of the remuneration expected to be paid in 2021 by the Company to Mr. Shay Ben-Avi, including the bonus which is proposed to be granted to Mr. Shay Ben-Avi as stated in this section 2.1.2, see section 2.1.3 below.

2.1.3 Proposed Resolution 1.3 – Approval of change to the employment terms of Mr. Shay Ben-Avi, the brother of David Ben-Avi, a controlling shareholder of the Company, a director and officer of the Company

Pursuant to the resolution of the Audit Committee of the Company dated 15 November 2021 and the resolution of the Board of Directors of the Company dated 17 November 2021, it is proposed to approve the change to the employment terms of Mr. Shay Ben-Avi, the brother of David Ben-Avi, a controlling shareholder of the Company, a director and officer of the Company (Chief Technology Officer of the Company), for a period of three years, starting from the date of the Company's IPO on TASE (10 May 2021), as follows:

- (a) The Audit Committee and the Board of Directors of the Company shall be entitled, at the recommendation of Mr. Shay Ben-Avi's personal supervisor, to raise the monthly salary of Mr. Shay Ben-Avi (a cumulative total, according to the two agreements mentioned in section 8.1.5 of chapter 8 of the Company's Prospectus), once per calendar year, by up to 10%, provided that during the three-year period (starting from the Company's IPO date on TASE (10 May 2021) Mr. Shay Ben-Avi's salary shall not be raised by more than a cumulative total of 25%.

- (b) The Audit Committee and the Board of Directors of the Company shall be entitled to approve a grant of (non-negotiable) options of the Company or other capital instruments of the Company, once per calendar year, to Mr. Shay Ben-Avi, provided that each such annual grant meets the following terms: (1) the maximum fair value at the time of the grant of equity remuneration to be allocated to Mr. Ben-Avi, according to one of the accepted valuation methods, does not exceed the amount of ILS 620,000;⁴ (2) the price of exercising the options (insofar as options are allocated) shall be equal to the weighted average of the Company's shares on TASE in the last thirty (30) days prior to the date of approval by the Board of Directors with respect to their allocation, and shall be subject to the adjustment provisions set forth in the Company's equity remuneration plan (as in effect from time to time); and (3) the options or the other capital instrument to be granted to Mr. Ben-Avi shall vest in a number of portions (equal or unequal) which shall be determined by the Audit Committee and the Board of Directors of the Company, and they shall vest over a period of at least three years from the date of their grant, subject to the adjustment and acceleration mechanisms in the Company's equity remuneration plan (as in effect from time to time).
- (c) Mr. Ben-Avi shall be entitled to 18 paid vacation days (and shall be entitled to accumulate up to 36 vacation days), which can be redeemed for cash only at the time of the settling accounts, and to sick leave pursuant to Company protocols, where the first sick day is unpaid and from the second sick day on Mr. Ben-Avi shall be entitled to full payment). In addition, Mr. Ben-Avi shall be entitled to convalescence pay pursuant to the provisions of the expansion order regarding convalescence pay. In addition, the Company shall credit Mr. Ben-Avi 7.5% of his salary to an advanced study fund of his choice and shall deduct from his monthly salary an amount equal to 2.5% of his monthly salary that shall be deposited to said short-term tax-free savings plan as the employee share. In addition, the Company shall pay disability insurance for Mr. Ben-Avi. It is clarified that it is proposed to approve and confirm the terms as aforesaid in this section (c) effective from the date of the Company's IPO.

⁴ It is clarified that this amount is not necessarily consistent with the amounts of expenses listed in the financial statements according to the Israeli Generally Accepted Accounting Principles

It is clarified that no change shall apply to the other terms of employment of Mr. Shay Ben-Avi as specified in section 8.1.5 of chapter 8 of the Company's Prospectus.

For the other terms of employment of Mr. Shay Ben-Avi vis-à-vis the Company and for details regarding options granted by the Company to Mr. Ben-Avi, see section 8.1.5 of chapter 8 of the Company's Prospectus. For a bonus that is proposed to be granted to Mr. Shay Ben-Avi, see section 2.1.2 above.

The following is a table detailing, in accordance with Schedule Six to the Reports Regulations, the remuneration expected to be paid in 2021 by the Company to Mr. Shay Ben-Avi, including the grant proposed to Mr. Shay Ben-Avi as stated in section 2.1.2 above (in terms of cost to the Company, in USD thousands):

Details of recipient of remuneration				Remuneration for services (in USD thousands)					Other remuneration	Total
Name	Position	Scope	Holding rate in issued capital of the corporation	Salary	Bonus	Share-based payment	Management fees	Other	Interest, leasing fees, other	
Shay Ben-Avi	Chief Software Architect	Full-time	--	107,250	*81,250	57,302	150,000	--	--	395,802

* Assuming Resolution 1.2 on the agenda is adopted by the General Meeting assembled pursuant to this Immediate Report.

2.1.4 Proposed Resolution 1.4 – Approval of change to the employment terms of Mr. Oded Frenkel, the brother-in-law of David Ben-Avi, a controlling shareholder of the Company, a director and officer of the Company

Pursuant to the resolution of the Audit Committee of the Company dated 15 November 2021 and the resolution of the Board of Directors of the Company dated 17 November 2021, it is proposed to approve the change to the employment terms of Mr. Oded Frenkel, the brother-in-law of David Ben-Avi, a controlling shareholder of the Company, a director and officer of the Company (Chief Technology Officer of the Company), for a period of three years, starting from the date of the Company's IPO on TASE (10 May 2021), as follows:

- (a) The Audit Committee and the Board of Directors of the Company shall be entitled, at the recommendation of Mr. Oded Frenkel's personal

supervisor, to raise the monthly salary of Mr. Oded Frenkel (a cumulative total, according to the agreement mentioned in section 8.2.16.3 of chapter 8 of the Company's Prospectus), once per calendar year, by up to 10%, provided that during the three-year period (starting from the Company's IPO date on TASE (10 May 2021) Mr. Oded Frenkel's salary is not raised by more than a cumulative total of 15%.

- (b) The Audit Committee and the Board of Directors of the Company shall be entitled to approve a grant of (non-negotiable) options of the Company or other capital instruments of the Company, once per calendar year, to Mr. Oded Frenkel, provided that each such annual grant meets the following terms: (1) the maximum fair value at the time of the grant of equity remuneration to be allocated to Mr. Frenkel, according to one of the accepted valuation methods, does not exceed the amount of ILS 307,400;⁵ (2) the price of exercising the option (insofar as options are allocated) shall be equal to the weighted average of the Company's shares on TASE in the last thirty (30) days prior to the date of approval by the Board of Directors with respect to their allocation, and shall be subject to the adjustment provisions set forth in the Company's equity remuneration plan (as in effect from time to time); and (3) the options or the other capital instrument to be granted to Mr. Frenkel shall vest in a number of portions (equal or unequal) which shall be determined by the Audit Committee and the Board of Directors of the Company, and they shall vest over a period of at least three years from the date of their grant, subject to the adjustment and acceleration mechanisms in the Company's equity remuneration (as in effect from time to time).
- (c) Mr. Frenkel shall be entitled to 20 paid vacation days (and shall be entitled to accumulate up to 40 vacation days), which can be redeemed for cash only at the time of the settling accounts, and to sick leave pursuant to the provisions of law. In addition, Mr. Frenkel shall be entitled to a cost-of-living allowance as is customary with all employees in the economy by virtue of expansion orders, and to convalescence pay pursuant to the provisions of the expansion order regarding convalescence pay. In addition, the Company shall allocate 2.5% of Mr. Frenkel's salary for disability insurance. It is clarified that it is proposed to approve and confirm the terms as aforesaid in this section (c) effective from the date of the Company's IPO.

⁵ It is clarified that this amount is not necessarily consistent with the amounts of expenses listed in the financial statements according to the Israeli Generally Accepted Accounting Principles

It is clarified that no change shall apply to the other terms of employment of Mr. Oded Frenkel as specified in section 8.2.16.3 of chapter 8 of the Company's Prospectus.

For other terms of employment of Mr. Oded Frenkel in the Company and for details regarding options granted by the Company to Mr. Oded Frenkel, see section 8.2.16.3 of chapter 8 of the Company's Prospectus.

The following is a table detailing, in accordance with Schedule Six to the Reports Regulations, the remuneration expected to be paid in 2021 by the Company to Mr. Oded Frenkel (in terms of cost to the Company, in USD thousands):

Details of recipient of remuneration				Remuneration for services (in USD thousands)					Other remuneration	Total
Name	Position	Scope	Holding rate in issued capital of the corporation	Salary	Bonus	Share-based payment	Management fees	Other	Interest, leasing fees, other	
Oded Frenkel	Director of Customer Service and Support	Full-time	--	149,858	--	44,079	--	--	--	193,937

2.1.5 Proposed Resolution 1.5 – Approval of change to the employment terms of Mr. Reuven Amar, the brother-in-law of David Ben-Avi, a controlling shareholder of the Company, a director and officer of the Company

Pursuant to the resolution of the Audit Committee of the Company dated 15 November 2021 and the resolution of the Board of Directors of the Company dated 17 November 2021, it is proposed to approve the change to the employment terms of Mr. Reuven Amar, the brother-in-law of David Ben-Avi, a controlling shareholder of the Company, a director and officer of the Company (Chief Technology Officer of the Company), for a period of three years, starting from the date of the Company's IPO on TASE (10 May 2021), as follows:

- (a) The Audit Committee and the Board of Directors of the Company shall be entitled, at the recommendation of Mr. Reuven Amar's personal supervisor, to raise the monthly salary of Mr. Reuven Amar (a

cumulative total, according to the agreement mentioned in section 8.2.16.4 of chapter 8 of the Company's Prospectus), once per calendar year, by up to 10%, provided that during the three-year period (starting from the Company's IPO date on TASE (10 May 2021) Mr. Reuven Amar's salary is not raised by more than a cumulative total of 15%.

- (b) Mr. Amar shall be entitled to an annual bonus, which shall be based on Measurable Targets to be determined by the Audit Committee and the Board of Directors of the Company with respect to each calendar year, in advance, provided that the bonus amount with respect to any calendar year does not exceed three monthly salaries of Mr. Amar.
- (c) The Audit Committee and the Board of Directors of the Company shall be entitled to approve a grant of (non-negotiable) options of the Company or other capital instruments of the Company, once per calendar year, to Mr. Reuven Amar, provided that each such annual grant meets the following terms: (1) the maximum fair value at the time of the grant of equity remuneration to be allocated to Mr. Amar, according to one of the accepted valuation methods, does not exceed the amount of ILS 230,000;⁶ (2) the price of exercising the option (insofar as options are allocated) shall be equal to the weighted average of the Company's shares on TASE in the last thirty (30) days prior to the date of approval by the Board of Directors with respect to their allocation, and shall be subject to the adjustment provisions set forth in the Company's equity remuneration plan (as in effect from time to time); and (3) the options or the other capital instrument to be granted to Mr. Amar shall vest in a number of portions (equal or unequal) which shall be determined by the Audit Committee and the Board of Directors of the Company, and they shall vest over a period of at least three years from the date of their grant, subject to the adjustment and acceleration mechanisms in the Company's equity remuneration plan (as in effect from time to time).
- (d) Mr. Amar shall be entitled to 16 paid vacation days (and shall be entitled to accumulate up to 32 vacation days), which can be redeemed for cash only at the time of the settling accounts, and to sick leave pursuant to the provisions of law. In addition, Mr. Amar shall be entitled to a cost-of-living allowance as is customary with all employees in the economy by virtue of expansion orders, and to convalescence pay pursuant to the provisions of the expansion order regarding convalescence pay. It is

⁶ It is clarified that this amount is not necessarily consistent with the amounts of expenses listed in the financial statements according to the Israeli Generally Accepted Accounting Principles

clarified that it is proposed to approve and confirm the terms as aforesaid in this section (d) effective from the date of the Company's IPO.

It is clarified that no change shall apply to the other terms of employment of Mr. Reuven Amar as specified in section 8.2.16.4 of chapter 8 of the Company's Prospectus.

For other terms of employment of Mr. Reuven Amar in the Company and for details regarding options granted by the Company to Mr. Reuven Amar, see section 8.2.16.4 of chapter 8 of the Company's Prospectus.

The following is a table detailing, in accordance with Schedule Six to the Reports Regulations, the remuneration expected to be paid in 2021 by the Company to Mr. Reuven Amar (in terms of cost to the Company, in USD thousands):

Details of recipient of remuneration				Remuneration for services (in USD thousands)					Other remuneration	Total
Name	Position	Scope	Holding rate in issued capital of the corporation	Salary	Bonus	Share-based payment	Management fees	Other	Interest, leasing fees, other	
Reuven Amar	Director of Laboratory and Logistics and Systems Maintenance at Dually Ltd. ⁷	Full-time	--	121,875	--	26,222	--	--	--	148,097

2.2 **Names of the controlling shareholders with a personal interest in the Resolutions specified in sections 1.1-1.5 above and the nature of their personal interest**

2.2.1 To the best of the Company's knowledge, as of the date of this Immediate Report, the controlling shareholders of the Company, as the term "Controlling Shareholder" is defined in section 268 in the Companies Law, are Mr. Amir Nechmad, Mr. Yair Nechmad (including by virtue of holding shares of the Company through Yair Nechmad Ltd., a company fully owned

⁷ A wholly-owned subsidiary of the Company.

by Mr. Yair Nechmad) and Mr. David Ben-Avi, the “Joint holders” as this term is defined in section 1 of the Securities Law,⁸ at 79.26% of the issued and paid-up share capital of the Company and of the voting rights therein, and at 75.60% of the issued and paid-up share capital of the Company and of the voting rights therein on a fully diluted basis.

2.2.2 The nature of the personal interest of the controlling shareholders in the approval of the employment terms of Mr. Arnon Nechmad (Resolution No. 1.1 above):

The personal interest of Mr. Yair Nechmad in the approval of the change to the employment terms of Mr. Arnon Nechmad derives from the fact that Mr. Arnon Nechmad is the son of Mr. Yair Nechmad. The personal interest of Mr. Amir Nechmad and Mr. David Ben-Avi derives from their being “Joint Holders” (as this term is defined in section 1 of the Securities Law) of Company shares and Controlling Shareholders of the Company together with Mr. Yair Nechmad.

2.2.3 The nature of the personal interest of the controlling shareholders in the approval of the bonus to Mr. Shay Ben-Avi (Resolution No. 1.2 above):

The personal interest of Mr. David Ben-Avi in the approval of the bonus to Mr. Shay Ben-Avi derives from the fact that Mr. Shay Ben-Avi is the brother of Mr. David Ben-Avi. The personal interest of Mr. Amir Nechmad and Mr. Yair Nechmad derives from their being “Joint Holders” (as this term is defined in section 1 of the Securities Law) of Company shares and Controlling Shareholders of the Company together with Mr. David Ben-Avi.

2.2.4 The nature of the personal interest of the controlling shareholders in the approval of the change to the employment terms of Mr. Shay Ben-Avi (Resolution No. 1.3 above):

The personal interest of Mr. David Ben-Avi in the approval of the change to the employment terms of Mr. Shay Ben-Avi derives from the fact that Mr. Shay Ben-Avi is the brother of Mr. David Ben-Avi. The personal interest of Mr. Amir Nechmad and Mr. Yair Nechmad derives from their being “Joint Holders” (as this term is defined in section 1 of the Securities Law) of Company shares and Controlling Shareholders of the Company together with Mr. David Ben-Avi.

⁸ To the best of the Company’s knowledge, on 9 March 2021, Mr. Amir Nechmad, Mr. Yair Nechmad, Yair Nechmad Ltd. (a company wholly owned by Mr. Yair Nechmad) and Mr. David Ben-Avi entered into a shareholders agreement regulating their joint control of the Company.

2.2.5 The nature of the personal interest of the controlling shareholders in the approval of the change to the employment terms of Mr. Oded Frenkel (Resolution No. 1.4 above):

The personal interest of Mr. David Ben-Avi in the approval of the change to the employment terms of Mr. Oded Frenkel derives from the fact that Mr. Oded Frenkel is the brother-in-law of Mr. David Ben-Avi. The personal interest of Mr. Amir Nechmad and Mr. Yair Nechmad derives from their being "Joint Holders" (as this term is defined in section 1 of the Securities Law) of Company shares and Controlling Shareholders of the Company together with Mr. David Ben-Avi.

2.2.6 The nature of the personal interest of the controlling shareholders in the approval of the change to the employment terms of Mr. Reuven Amar (Resolution No. 1.5 above):

The personal interest of Mr. David Ben-Avi in the approval of the change to the employment terms of Mr. Reuven Amar derives from the fact that Mr. Reuven Amar is the brother-in-law of Mr. David Ben-Avi. The personal interest of Mr. Amir Nechmad and Mr. Yair Nechmad derives from their being "Joint Holders" (as this term is defined in section 1 of the Securities Law) of Company shares and Controlling Shareholders of the Company together with Mr. David Ben-Avi.

2.3 **How the consideration was determined**

2.3.1 The consideration in Resolution No. 1.1 above:

The proposed employment terms of Mr. Arnon Nechmad were determined after negotiations between him and the Company, based on his position, experience and degree of responsibility he assumed from his position. In addition, his employment terms were determined pursuant to the employment terms and the salary levels accepted at the Company group and among companies with an area of activity similar to that of the Company, and after consultation with his personal supervisor. The proposed employment terms of Mr. Arnon Nechmad were found by the Audit Committee and the Board of Directors of the Company to be reasonable and appropriate, taking into account, inter alia, the intended position, professional knowhow, experience and skills of Mr. Arnon Nechmad and his suitability for the position. In this regard, see also section 2.3.6 below.

2.3.2 The consideration in Resolution No. 1.2 above:

The amount of the bonus to Mr. Shay Ben-Avi was proposed by Mr. Ben-Avi's personal supervisor and was approved by the Audit Committee and the Board of Directors of the Company, bearing in mind the satisfaction of Company management with Mr. Ben-Avi's position and his unique contribution to the Company, who yielded results and improvement to the Company's product and performance, particularly for his professional and technological management of database administration, which constitutes one of the cornerstones of the Company's activity, and for his contribution to the Company's IPO. It is worth noting that Mr. Shay Ben-Avi is perceived by the Company and its management as a professional authority in his field, a field characterized by great competition for quality manpower. It is worth noting that the bonus amount proposed for Mr. Ben-Avi is similar to the amount of the bonuses granted to other managers at the Company in connection with the completion of said IPO.

2.3.3 The consideration in Resolution No. 1.3 above

The proposed change to the employment terms of Mr. Shay Ben-Avi was determined based on his position, experience, and the degree of responsibility he assumed from his position and based on the prevailing market conditions with respect to similar functionaries at companies in the Company's field of activity and based on the practice with respect to other employees at the Company. The change to the employment terms of Mr. Ben-Avi was found by the Audit Committee and the Board of Directors of the Company as reasonable and appropriate, taking into consideration, among other things, his position, professional knowhow, experience and skills. In this regard see section 2.3.6 below.

2.3.4 The consideration in Resolution No. 1.4 above

The proposed change to the employment terms of Mr. Oded Frenkel was determined based on the prevailing market conditions with respect to similar functionaries at companies in the Company's field of activity and based on the practice with respect to other employees at the Company, and it was found by the Audit Committee and the Board of Directors of the Company as reasonable and appropriate with respect to his position. In this regard see section 2.3.6 below.

2.3.5 The consideration in Resolution No. 1.5 above

The proposed change to the employment terms of Mr. Reuven Amar was determined taking into consideration his position, professional knowhow, experience and skills and based on the prevailing market conditions with respect to similar functionaries at companies in the Company's field of

activity and based on the practice with respect to other employees at the Company. The proposed change allows the Audit Committee and the Board of Directors of the Company to determine for Mr. Amar Measurable Targets for annual bonuses, for each calendar year, in advance, provided that the bonus amount with respect to any calendar year does not exceed three monthly salaries of Mr. Amar, and this was found by the Audit Committee and the Board of Directors of the Company as a reasonable and appropriate incentive for Mr. Amar. In this regard see section 2.3.6 below

2.3.6 The consideration in Resolution Nos. 1.3-1.5 above

The proposed resolution to allow the salary of Mr. Arnon Nechmad, Mr. Shay Ben-Avi, Mr. Oded Frenkel and Mr. Reuven Amar to be raised, once every calendar year, by up to 10%, provided that during the three-year period their salary is not raised by more than a cumulative total of 15% (and with respect to Mr. Shay Ben-Avi 25%), is designed to allow Company management to conform to the standard market salary, mainly in light of the great competition existing between companies in the Company's field of activity for skilled manpower. This proposed change to their employment terms is meant to give Company management flexibility and the capacity to retain these men as Company employees for a lengthy period. It is clarified that a raise in the salary of Mr. Nechmad, Mr. Ben-Avi, Mr. Frenkel and Mr. Amar (as the case may be) pursuant to the proposed mechanism shall be subject to receipt of a recommendation from their personal supervisor for a raise in their salary and to approval of the Audit Committee and the Board of Directors of the Company. Such mechanism was approved by the Audit Committee and the Board of Directors of the Company and was found by them to be reasonable and appropriate.

The proposed resolution to allow the Audit Committee and the Board of Directors of the Company to grant options or other capital instruments of the Company, once every calendar year, to Mr. Arnon Nechmad, Mr. Shay Ben-Avi, Mr. Oded Frenkel and Mr. Reuven Amar is intended to level their status with the status of other employees of the Company and the group, in light of the fact that the Company's policy is to grant its employees and employees of the group options or other capital instruments, from time to time, in order to create incentives for group employees in the medium-to-long term and in order to create a correlation between generated value for the Company and employee remuneration.

2.4 **Required approvals and conditions for executing the contracts**

After Resolutions 1.1-1.5 on the agenda were approved by the Audit Committee and the Board of Directors of the Company in their meetings on 15 and 17 November 2021 respectively, the validity of such resolutions on the agenda is conditional upon the approval of the General Meeting by majority vote, as specified in section 3.8 below.

2.5 **A breakdown of engagements of the type of the contracts or contracts similar to them in the last few years:**

Resolutions 1.1-1.5 on the agenda concern contracts of the Company with family members of the controlling shareholders of the Company, who are employees at the Company or companies of the group. For a breakdown of the existing or previous contracts (as applicable) with these family members, see sections 8.1.5(1) and 8.2.16 of chapter 8 of the Company's Prospectus.

2.6 **Reasons of the Audit Committee and the Board of Directors of the Company for approving Resolutions 1.1-1.5 on the agenda:**

2.6.1 **Below in brief are the reasons of the Audit Committee and the Board of Directors of the Company for the approval of Resolution No. 1.1 on the agenda:**

- (a) Mr. Arnon Nechmad has skills and experience appropriate for his position as Account Manager at EV Meter, and his terms of employment presented for approval are reasonable and appropriate in relation to his position and skills, and in accordance with market norms for similar positions.
- (b) Mr. Arnon Nechmad's employment at EV Meter is expected to assist the Company's operations and contribute to the advancement of its goals.
- (c) The possibility of raising Mr. Nechmad's salary once a year by 10%, provided that in a three-year period his salary is not increased by more than a cumulative total of 15%, is intended to allow the Company's management to adjust his salary to the Company and market, especially in light of fierce competition between companies in the field of the Company's activity for quality manpower. An increase in his salary as aforesaid shall be subject to the recommendation of his personal supervisor to increase his salary, and to the approval of the Audit Committee and the Board of Directors of the Company. In the opinion of the members of the Audit Committee and the Board of Directors of the Company, this mechanism is reasonable and appropriate and in accordance with the Company's needs.

- (d) The ability of the Audit Committee and the Board of Directors of the Company to set once a calendar year, in advance, measurable targets for the granting of an annual bonus to Mr. Nechmad, provided that the amount of the bonus in relation to any calendar year does not exceed three monthly salaries of Mr. Nechmad, is an incentive for Mr. Nechmad to meet goals set for him. As such, the Audit Committee and the Board of Directors found this to be a proper and reasonable incentive.
- (e) The proposed resolution to allow the Audit Committee and the Board of Directors of the Company to grant options or other capital instruments of the Company, once a calendar year, to Mr. Nechmad stems from the importance that members of the Audit Committee and Board of Directors see in creating appropriate incentives for Company employees. The members of the Audit Committee and the Board of Directors find equity remuneration to be a suitable and appropriate means for retaining employees in the medium-to-long term, while creating an identity of interests between employee remuneration and Company success and generated value for Company shareholders in the medium and long term.
- (f) The Audit Committee and the Board of Directors examined, in accordance with the provisions of section 275(d)(1) of the Companies Law, whether approval of the engagement under the employment contract of Mr. Arnon amounts to distribution, as defined in the Companies Law. After such examination, the members of the Audit Committee and the Board of Directors came to the general conclusion that there is no distribution in the approval of the proposed engagement.
- (g) In light of these reasons, the Audit Committee and the Board of Directors are of the opinion that the proposed terms of employment of Mr. Arnon Nechmad, in their various components, favor the Company, and that they are fair and reasonable.

2.6.2 Below in brief are the reasons of the Audit Committee and the Board of Directors of the Company for the approval of Resolution Nos. 1.2 and 1.3 on the agenda:

- (a) Mr. Shay Ben-Avi has been employed by the company since 2016 and serves in the company as full-time Chief Software Architect. Mr. Shay Ben-Avi's extensive experience and many years of activity in the Company attest to his skills and importance for the Company's activities and the promotion of its business.

- (b) Mr. Shay Ben-Avi performs his duties with great diligence and dedication. His extensive understanding of the Company's areas of activity and his constant striving to promote its business have yielded results and improvements in its products and performance.
- (c) Mr. Shay Ben-Avi has extensive knowledge, skills and experience, as well as a broad understanding of his areas of activity. Mr. Shay Ben-Avi is expected to maintain a very high level of involvement in the Company's business in its field of activity for the benefit of the Company also in the coming years. In light of the above, there is great importance in retaining Mr. Shay Ben-Avi as the Chief Software Architect in the Company.
- (d) The Company's management, and per their impression from the Company's management, the Audit Committee and the Board of Directors of the Company are also satisfied with Mr. Ben-Avi's performance and are interested in retaining him at the Company, especially considering his professional and technological management of database administration, which is a cornerstone of the Company's activity and his contribution to the process of the Company's IPO, which was completed in May 2021.
- (e) The possibilities to increase Mr. Shay Ben-Avi's salary, subject to the recommendation of his personal supervisor and the approval of the Audit Committee and the Board of Directors of the Company, once per year by up to 10%, provided that over a period of three years his salary is not increased by a cumulative total of more than 25%, to grant him (non-negotiable) options of the Company or other capital instruments of the Company, once a calendar year, provided that each such annual grant meets the conditions specified in section 2.1.3, and to grant him the accompanying conditions set forth in section 2.1.3 above, effective from the date of the Company's IPO, are intended to enable the Company's management to adjust his salary and terms of his employment to market norms and standards with respect to other employees of the group, and to retain him, especially in light of fierce competition between companies in the field of the Company's activity for quality manpower. In the opinion of the members of the Audit Committee and the Board of Directors of the Company, these changes are reasonable and appropriate and in line with the Company's needs.
- (f) The Audit Committee and the Board of Directors examined, in accordance with the provisions of section 275(d)(1) of the Companies Law, whether the approval of these resolutions amounts to distribution,

as defined in the Companies Law. After such examination, the members of the Audit Committee and the Board of Directors came to the general conclusion that there is no distribution in the approval of the proposed engagement.

- (g) In light of these reasons, the Audit Committee and the Board of Directors are of the opinion that payment of the proposed bonus to Mr. Shay Ben-Avi and the proposed changes to his employment terms are justified, reasonable, appropriate, proper and in favor of the Company.

2.6.3 Below in brief are the reasons of the Audit Committee and the Board of Directors of the Company for the approval of Resolution No. 1.4 on the agenda:

- (a) Mr. Oded Frenkel has been employed by the Company since 2015. Initially, he was employed full-time in the position of head of quality testing, control and QA at the Company, and currently serves as Director of Customer Service and Support. Mr. Oded Frenkel has proven skills, expertise and experience appropriate for his role and contribution to the Company in his areas of activity.
- (b) The continued activity of Mr. Oded Frenkel is expected to continue to assist the Company's activities and contribute to the advancement of its goals. Therefore, the Company wishes to adequately reward him for his great contribution to the Company and its activity and to incentivize him to continue to do so.
- (c) The possibilities of increasing Mr. Oded Frenkel's salary, subject to the recommendation of his personal supervisor and the approval of the Audit Committee and the Board of Directors of the Company, once per year by up to 10%, provided that over a period of three years his salary is not increased by a cumulative total of more than 15%, to grant him (non-negotiable) options of the Company or other capital instruments of the Company, once a calendar year, provided that each such annual grant meets the conditions specified in section 2.1.4, and to grant him the accompanying conditions set forth in section 2.1.4 above, effective from the date of the Company's initial public offering, are intended to enable the Company's management to adjust his salary to market norms and standard terms of other employees in the group of the Company, and retain him at the Company, especially in light of fierce competition between companies in the field of the Company's activity for quality manpower. In the opinion of the members of the Audit Committee and

the Board of Directors of the Company, these changes are reasonable and appropriate and in line with the Company's needs.

- (d) The proposed change allows the Audit Committee and the Board of Directors of the Company to determine for Mr. Amar measurable targets for annual bonuses, for each calendar year, in advance, provided that the bonus amount with respect to any calendar year does not exceed three monthly salaries of Mr. Amar, and this was found by the Audit Committee and the Board of Directors of the Company as a reasonable and appropriate incentive for Mr. Amar.
- (e) The Audit Committee and the Board of Directors examined, in accordance with the provisions of section 275(d)(1) of the Companies Law, whether approval of the engagement under the employment contract of Mr. Amar amounts to distribution, as defined in the Companies Law. After such examination, the members of the Audit Committee and the Board of Directors came to the general conclusion that there is no distribution in the approval of the proposed engagement.
- (f) The members of the Audit Committee and the Board of Directors of the Company are of the opinion that a change to the terms of Mr. Amar's employment shall help retain him and incentivize him and that the continued role of Mr. Reuven Amar as Director of Laboratories and Logistics at Dually of the Company shall significantly contribute to its continued development and advancement, all this taking into consideration the challenges it faces, its goals and its objectives.
- (g) In light of these reasons, the Audit Committee and the Board of Directors are of the opinion that payment of the change to Mr. Amar's employment terms are good for the Company and that it is fair and reasonable.

2.7 The names of the Board of Directors who participated in the discussions for approval of Resolutions 1.1-1.5 on the agenda:

- 2.7.1 The following directors participated in the discussion and voting at the meeting of the Audit Committee regarding the approval of Resolutions 1.1 to 1.5, which took place on 15 November 2021: Ms. Rina Shafir (external director), Ms. Vered Raz Aviv (external director), Mr. Alon Shalev (independent director), who unanimously approved said resolutions.
- 2.7.2 The following directors participated in the discussion and voting at the Board meeting regarding the approval of Resolution Nos. 1.1 to 1.5, which took place on 17 November 2021: Mr. Reuven Ben Menachem, Ms. Rina

Shafir (external director), Ms. Vered Raz Aviv (external director), Mr. Alon Shalev (independent director), who unanimously approved said resolutions. Directors Yair Nechmad, Amir Nechmad and David Ben-Avi were not present at the discussion and did not participate in the vote in light of their personal interest in said resolutions. For details regarding their personal interest, see section 2.2 above.

3. **Assembly of the General Meeting**

3.1 **Place and time of the meeting** - The General Meeting of the Company shall be held on Monday, 27 December 2021, at 16:00, at the Company's offices at 3 Arik Einstein St., Herzliya.⁹

3.2 **Record Date, eligibility to participate at the meeting, and voting method**

In accordance with section 182(c) of the Companies Law and Regulation 3 of the Company Regulations (Voting in Writing and Position Statements), 5766-2005 (the "**Voting in Writing Regulations**"), the record date for eligibility to participate and vote at the General Meeting shall be the trading day in the Company's securities on TASE on 25 November 2021 (the "**Record Date**").

According to the Companies Regulations (Proof of Ownership of a Share for Voting at the General Meeting), 5760-2000 ("**Proof of Ownership Regulations**"), a shareholder in whose name a share is registered with a TASE member and such share is included among the shares recorded in the shareholders registry to the name of the nominee company ("**Unregistered Shareholder**"), shall be entitled to prove its ownership of the shares of the Company on the Record Date, for the purpose of voting at the General Meeting, by submitting confirmation to the Company from the TASE member with whom its right to shares is registered. An Unregistered Shareholder is entitled to receive confirmation of ownership from the TASE member through which its shares are held, at the branch of the TASE member or via mail to its address in consideration for postage only, upon request. Such requests shall be made in advance for a specific securities account.

In accordance with the provisions of Regulation 4A of the Proof of Ownership Regulations, a verified electronic message under section 44K5 of the Securities Law, regarding information of user of the Electronic Voting System, is considered confirmation of ownership for each shareholder set forth therein.

⁹ In light of the guidelines of the Israel Securities Authority dated 16 March 2020, should restrictions apply due to the impact of the coronavirus on the date of assembling the General Meeting, with respect to conducting General Meetings by way of assembly, the General Meeting shall be held by teleconference, in which all participants shall be able to hear each other. In such instance, the Company shall provide a timely update regarding the contact information for this teleconference, by publishing an immediate report.

A shareholder of the Company on the Record Date may participate at the General Meeting and vote in it in person, using a proxy statement (as described below in section 3.5), or by a proxy with power of attorney, having deposited the appointment letter at the Company's office at least 72 hours before the General Meeting gathering date ("**Appointment Letter**"). The Appointment Letter must be made in writing and signed by the appointing party or by the person authorized to do so in writing; if the appointing party is a corporation, the Appointment Letter shall be made in writing and signed in a manner binding the corporation. Furthermore, an Unregistered Shareholder holding Company shares as of the Record Date may vote at the General Meeting using the Electronic Voting System as well (as described below in section 3.4).

3.3 Voting by proxy statement

A shareholder is entitled to vote at the General Meeting, in connection with approval of all resolutions on the agenda, using the proxy statement that is attached to this Immediate Report. Written vote shall be on Part II of such proxy statement. The URLs of the Israel Securities Authority and the TASE, where you can find the text of the proxy statement and position statements, as defined in section 88 of the Companies Law, are as follows: the distribution website of the Israel Securities Authority at <http://www.magna.isa.gov.il> (the "**ISA Distribution Website**"); the website of the Tel Aviv Stock Exchange Ltd. at: <http://maya.tase.co.il> (the "**TASE Website**").

Every shareholder is entitled to contact the Company directly and receive, without consideration, the text of the proxy statement, or with the shareholder's consent, receive a link to the text of the proxy statement on the ISA Distribution Website. A TASE member shall send, no more than five days after the Record Date, without consideration, by email, a link to the text of the proxy statement and position statements on the ISA Distribution Website, to all Unregistered Shareholders holding shares through such member, unless the shareholder has informed the TASE member that it is not interested in such, or has announced that he is interested in receiving proxy statements by mail for postage only and provided the notice was made for a specific securities account and before the Record Date.

An Unregistered Shareholder interested in voting by proxy shall note in Part II of the proxy statement its direction of voting and shall submit it to the Company or send it to the Company via registered mail accompanied by confirmation of ownership, so that the proxy statement arrives at the Company's registered office no later than four (4) hours before assembly of the General Meeting.

A shareholder registered in the Company's shareholders registry and interested in voting by proxy shall note in Part II of the proxy statement its direction of voting

and shall submit it to the Company or send it to the Company via registered mail accompanied by a copy of its ID or password or passport or certificate of incorporation, so that the proxy statement arrives at the Company's registered office no later than six (6) hours before assembly of the General Meeting.

3.4 Voting via Electronic Voting System

Further to the foregoing, an Unregistered Shareholder is entitled to vote at the General Meeting in connection with approving all resolutions on the agenda, using a proxy statement to be submitted to the Company through the electronic voting system (as defined in the Voting in Writing Regulations) (the "**Electronic Voting System**").

A TASE member shall input a list into the Electronic Voting System containing all details required under section 44K4(a)(3) of the Securities Law regarding each of the Unregistered Shareholders holding securities through such TASE member on the Record Date (the "**List of Shareholders Entitled to Vote Through the System**"); however, a TASE member shall not include in the List of Shareholders Entitled to Vote Through the Electronic Voting System shareholder that have provided notice to such TASE member by 12:00 on the Record Date, whereby they do not wish to be included on the List of Shareholders Entitled to Vote Through the Electronic Voting System, in accordance with Regulation 13(d) of the Voting in Writing Regulations.

The TASE member shall transfer, as soon as possible after receiving confirmation from the Electronic Voting System regarding proper acceptance of the List of Shareholders Entitled to Vote Through the Electronic Voting System ("**Confirmation of List Acceptance**"), to each of the shareholders appearing on the List of Shareholders Entitled to Vote Through the Electronic Voting System and which receive electronic notices from the TASE member or through communications systems linked to the TASE member's computer, the necessary details for voting using the Electronic Voting System.

A shareholder appearing on the List of Shareholders Entitled to Vote Through the Electronic Voting System shall note their direction of voting and submit it to the Company using the Electronic Voting System. Voting using the Electronic Voting System shall be possible from the date of the Confirmation of List Acceptance and until six (6) hours before the time of assembling the General Meeting ("**System Lockdown Time**"), and it may be modified or cancelled up to the System Lockdown Time.

3.5 Position statements

The deadline for submitting position statements to the Company is up to 10 days before the date of assembling the General Meeting under this Immediate Report, i.e., 17 December 2021.

A shareholder is entitled to contact the Company directly and receive from it, without consideration, the position statements sent to it.

3.6 Deadline for submitting a request to include an agenda item

It is possible that after the publication of this invite to the General Meeting, a shareholder shall request to include an item on the agenda of the General Meeting, in accordance with the provisions of section 66(b) of the Companies Law. In such a case, it shall be possible to review the current agenda of the General Meeting in the Company's reports on the ISA Distribution Website and on the TASE website. The deadline for submitting a shareholder request to include an item on the agenda of the General Meeting, as stated above, is seven (7) days after publishing this meeting invite, i.e. 28 November 2021.

3.7 The legal quorum for General Meeting and adjournment of General Meeting

According to the Company's Articles of Association, a legal quorum at the meeting shall be formed when there are present in person or by proxy, or by ballot, or in any other way permitted by law, two (2) or more shareholders, having at least twenty-five percent (25%) of the voting rights in the Company, within half an hour from the date set for the opening of the meeting. If a legal quorum is not present at the General Meeting at the end of half an hour from the date set for the beginning of the General Meeting, the General Meeting shall be adjourned to the same day of the following week at the same time and place (the "**Adjourned Meeting**"). If no such legal quorum is found at the Adjourned Meeting half an hour after the scheduled date of the meeting, the Adjourned Meeting shall be held with any number of participants, regardless of the rate of participation of the participants in the voting rights in the Company.

3.8 The majority required for adopting resolutions

3.8.1 The majority required for the resolutions specified in sections 1.1 to 1.5 on the agenda is as stated in section 275(a) of the Companies Law, i.e. a majority of the votes of the shareholders participating and voting at the meeting, provided one of the following: (a) the majority of the votes at the meeting shall include a majority of the votes of shareholders who have no personal interest in approving the transaction, who participate in the voting. In counting all the votes of said shareholders the abstaining votes shall not be taken into account; or (b) the total number of dissenting votes from among

the shareholders referred to in sub-paragraph (a) above does not exceed a percentage of two percent of the total voting rights in the Company.

3.8.2 The majority required to adopt the resolution set forth in section 1.6 above is a simple majority of the votes of the shareholders present and voting at the General Meeting, without taking into account the abstentions.

3.9 Authority of the Israel Securities Authority

Pursuant to Regulation 10 of the Controlling Shareholders Regulations, within twenty-one (21) days from the date of publication of this report, the Israel Securities Authority may order the Company to provide, within a time limit, an explanation, details, information and documents regarding the engagements subject of this Immediate Report, and to instruct the Company to amend the report in such manner and at such time as it may determine. If an order is issued to amend the report as aforesaid, the Israel Securities Authority may order the adjournment of the General Meeting to a date that applies no earlier than three (3) business days and not later than thirty-five (35) days from the date of publication of the amendment to this Immediate Report.

3.10 Details of Company representatives regarding care of Immediate Report

The Company's representatives in care of this Immediate Report are Adv. Reut Alcalay and Adv. David Bitton of Herzog, Fox & Neeman, 6 Yitzhak Sadeh Street, Tel Aviv 6777506. Tel: 03-6922020, Fax: 03-6966464.

3.11 The place and time for reviewing the report

Every shareholder of the Company is entitled to review this Immediate Report and the documents as stated in section 5 of the Shareholders Regulations, at the Company's office on 3 Arik Einstein Street, Herzliya, by prior coordination with Mr. Michael Galai, telephone number 03-7694380, Sunday to Thursday, between 10:00-15:00, until the date of assembly of the General Meeting. The report is also available for review on the ISA Distribution Website and on the TASE Website.

Sincerely,

Nayax Ltd.

**Signed by: Mr. Yair Nechmad,
Chairman of the Board of Directors
and CEO of the Company**



Nayax Ltd.

Proxy Statement under the Companies Regulations (Voting in Writing and Position Statements), 5766-2005 (the "Regulations")

Part I

The immediate report of which this Proxy Statement is a schedule shall be referred to as the "Assembly Report".

1. **Name of the company:** Nayax Ltd. (the "Company").
2. **Type of general meeting and assembly date:** A special general meeting (the "General Meeting") to be assembled on Monday, 27 December 2021, at 16:00, at the Company's offices, 3 Arik Einstein St., Herzliya.¹
3. **Details of agenda items, which can be voted on by Proxy Statement**
 - 3.1 **Approval of change to the employment terms of Mr. Arnon Nechmad, the son of Yair Nechmad, a controlling shareholder of the Company, Chairman of the Board of Directors and CEO of the Company** – Pursuant to the resolution of the Audit Committee of the Company dated 15 November 2021 and to the resolution of the Board of Directors of the Company dated 17 November 2021, it is proposed to approve the change to the employment terms of Mr. Arnon Nechmad, the son of Yair Nechmad, a controlling shareholder of the Company, the Chairman of the Board of Directors and the CEO of the Company, and this, among other things, due to a change in his position to Account Manager at EV Meter Ltd., a wholly-owned subsidiary of the Company ("EV Meter"), pursuant to section 2.1.1 of the Assembly Report.
 - 3.2 **Approving a bonus to Mr. Shay Ben-Avi, the brother of David Ben-Avi, a controlling shareholder of the Company, a director and officer of the Company** – Pursuant to the resolution of the Audit Committee of the Company dated 15 November 2021 and the resolution of the Board of Directors of the Company dated 17 November 2021, it is proposed to approve the grant of a bonus to Mr. Shay Ben-Avi, who is employed at the Company in the position of Chief Software Architect and who is the brother of Mr. David Ben-Avi, a controlling shareholder of the Company, a director and officer of the Company

¹ In light of the guidelines of the Israel Securities Authority dated 16 March 2020, should restrictions apply due to the impact of the coronavirus on the date of assembling the General Meeting, with respect to conducting the General Meeting by way of assembly, the General Meeting shall be held by teleconference, in which all participants shall be able to hear each other. In such instance, the Company shall provide a timely update regarding the contact information for such teleconference, by publishing an immediate report.

(Chief Technology Officer at the Company), in the amount of ILS 260,000, for his contribution to the Company, including the Company's IPO which was completed in May 2021, all as specified in section 2.1.2 of the Assembly Report.

- 3.3 **Approval of change to the employment terms of Mr. Shay Ben-Avi, the brother of David Ben-Avi, a controlling shareholder of the Company, a director and officer of the Company** – Pursuant to the resolution of the Audit Committee of the Company dated 15 November 2021 and the resolution of the Board of Directors of the Company dated 17 November 2021, it is proposed to approve the change to the employment terms of Mr. Shay Ben-Avi, the brother of David Ben-Avi, a controlling shareholder of the Company, a director and officer of the Company (Chief Technology Officer of the Company), for a period of three years, starting from the date of the Company's IPO on the Tel Aviv Stock Exchange ("TASE") (10 May 2021), such that: (a) the Audit Committee and the Board of Directors of the Company shall be entitled, at the recommendation of Mr. Shay Ben-Avi's personal supervisor, to raise the monthly salary of Mr. Shay Ben-Avi (a cumulative total, according to the two agreements mentioned in section 8.1.5 of chapter 8 of the Company's prospectus dated 10 May 2021 (Reference No. 2021-01082128) (the "**Company's Prospectus**")), once per calendar year, by up to 10%, provided that during the three-year period (starting from the Company's IPO date on TASE (10 May 2021) Mr. Shay Ben-Avi's salary is not raised by more than a cumulative total of 25%; (b) the Audit Committee and the Board of Directors of the Company shall be entitled to approve a grant of (non-negotiable) options of the Company or other capital instruments of the Company, once per calendar year, to Mr. Shay Ben-Avi, provided that each such annual grant meets the terms specified in section 2.1.3 of the Assembly Report; and (c) Mr. Ben-Avi shall be entitled to the accompanying conditions specified in section 2.1.3 of the Assembly Report, which shall be valid starting from the Company's IPO date on TASE; all as explained in detail in section 2.1.3 of the Assembly Report.
- 3.4 **Approval of change to the employment terms of Mr. Oded Frenkel, the brother-in-law of David Ben-Avi, a controlling shareholder of the Company, a director and officer of the Company** – Pursuant to the resolution of the Audit Committee of the Company dated 15 November 2021 and the resolution of the Board of Directors of the Company dated 17 November 2021, it is proposed to approve the change to the employment terms of Mr. Oded Frenkel, the brother-in-law of David Ben-Avi, a controlling shareholder of the Company, a director and officer of the Company (Chief Technology Officer of the Company), for a period of three years, starting from the date of the Company's IPO on TASE (10 May 2021), such that: (a) the Audit Committee and the Board of Directors of the Company shall be entitled, at the recommendation of Mr. Oded Frenkel's personal supervisor, to raise the monthly salary of Mr. Oded Frenkel (according to the agreement mentioned in section 8.2.16.3 of chapter 8 of the Company's Prospectus, once per calendar year, by up to 10%, provided that during the three-year period (starting from the Company's IPO date on TASE (10 May 2021) Mr. Frenkel's salary is not raised by more

than a cumulative total of 15%; (b) the Audit Committee and the Board of Directors of the Company shall be entitled to approve a grant of (non-negotiable) options of the Company or other capital instruments of the Company, once per calendar year, to Mr. Oded Frenkel, provided that each such annual grant meets the terms specified in section 2.1.4 of the Assembly Report; and (c) Mr. Frenkel shall be entitled to the accompanying conditions specified in section 2.1.4 of the Assembly Report, which shall be valid starting from the Company's IPO date on TASE; all as explained in detail in section 2.1.4 of the Assembly Report.

3.5 **Approval of change to the employment terms of Mr. Reuven Amar, the brother-in-law of David Ben-Avi, a controlling shareholder of the Company, a director and officer of the Company**

– Pursuant to the resolution of the Audit Committee of the Company dated 15 November 2021 and the resolution of the Board of Directors of the Company dated 17 November 2021, it is proposed to approve the change to the employment terms of Mr. Reuven Amar, the brother-in-law of David Ben-Avi, a controlling shareholder of the Company, a director and officer of the Company (Chief Technology Officer of the Company), for a period of three years, starting from the date of the Company's IPO on TASE (10 May 2021), such that: (a) the Audit Committee and the Board of Directors of the Company shall be entitled, at the recommendation of Mr. Reuven Amar's personal supervisor, to raise the monthly salary of Mr. Reuven Amar (according to the agreement mentioned in section 8.2.16.4 of chapter 8 of the Company's Prospectus, once per calendar year, by up to 10%, provided that during the three-year period (starting from the Company's IPO date on TASE (10 May 2021) Mr. Amar's salary is not raised by more than a cumulative total of 15%; (b) Mr. Amar shall be entitled to an annual bonus, which shall be based on measurable targets to be determined by the Audit Committee and the Board of Directors of the Company with respect to each calendar year, in advance, provided that the amount of the bonus with respect to any calendar year does not exceed three monthly salaries of Mr. Amar; (c) the Audit Committee and the Board of Directors of the Company shall be entitled to approve a grant of (non-negotiable) options of the Company or other capital instruments of the Company, once per calendar year, to Mr. Reuven Amar, provided that each such annual grant meets the terms specified in section 2.1.5 of the Assembly Report; and (d) Mr. Amar shall be entitled to the accompanying conditions specified in section 2.1.5 of the Assembly Report, which shall be valid starting from the Company's IPO date on TASE; all as explained in detail in section 2.1.5 of the Assembly Report.

3.6 **Approval and ratification of the appointment of an auditing firm and authorizing the Company's Board of Directors to determine wages thereof**

– It is proposed to approve and ratify the appointment of PwC Israel as the Company's auditors for the year 2021 and to authorize the Board of Directors of the Company to determine its wages for the year 2021.

4. **Place and times for reviewing the full version of the proposed resolutions**

It is possible to review the full versions of the proposed resolutions on the agenda and the Assembly Report published by the Company regarding the assembly of the General Meeting of which this Proxy Statement is a schedule, at the Company's office on 3 Arik Einstein Street, Herzliya, by prior coordination with Mr. Michael Galai, telephone number 03-7694380, Sunday to Thursday, between 10:00 - 15:00, until the date of assembly of the General Meeting. The report is also available for review on the website of the Israel Securities Authority at www.magna.isa.gov.il and on the website of TASE at www.maya.tase.co.il.

5. **Required majority for adopting resolutions on the agenda items that can be voted on by Proxy Statement**

5.1 The majority required for adopting the resolutions described in sections 3.1 to 3.5 on the agenda are in accordance with section 275(a) of the Companies Law, namely – a majority of shareholders present and voting at the meeting, provided one of the following conditions is met: (a) such majority vote at the meeting such include a majority among the votes of shareholders that do not have a personal interest in approving the transaction, and participating in the vote. When counting the votes of such shareholders abstaining votes shall not be counted; or (b) the total objecting votes from among the shareholders mentioned in subsection (a) above does not exceed two percent of the total voting rights in the Company.

5.2 The majority required for adopting the resolutions described above in section 3.6 above is an ordinary majority of shareholders present and voting at the General Meeting, without counting abstaining votes.

6. **Record date**

In accordance with section 182(c) of the Companies Law, 5759-1999 (the “**Companies Law**”), and Regulation 3 of the Regulations, the record date for eligibility to participate and vote at the General Meeting shall be the trading day in the Company's securities on TASE on 25 November 2021 (the “**Record Date**”). Every shareholder of the Company on the Record Date, whether the shares are registered to their name or held through a TASE member, shall be entitled to participate and vote at the aforementioned meeting in person or by proxy.

7. **Validity of the Proxy Statement**

7.1 The Proxy Statement shall be valid with respect to a shareholder whose shares are registered with a TASE member when such shares are included in the shares registered in the shareholders' registry to the name of the nominee company (“**Unregistered Shareholder**”), only if it accompanied by confirmation of ownership or if the Company was sent confirmation of ownership through the Electronic Voting System, as defined in the Regulations (“**Electronic Voting System**”).

7.2 The Proxy Statement shall be valid with respect to anyone registered as a shareholder in the Company's shareholder registry (“**Registered Shareholder**”), only if a copy of an ID, passport or certificate of incorporation is attached.

7.3 A shareholder interested in voting by this Proxy Statement is required to submit the Proxy Statement and the relevant documents to the Company's offices at the above stated address, no later than four (4) hours before the time for assembling the General Meeting, for an Unregistered Shareholder, and no later than six (6) hours before the time for assembling the General Meeting, for a Registered Shareholder. For this purpose, the **"time of submission"** is the time the Proxy Statement and the attached documents arrive at the Company's offices.

7.4 A Proxy Statement not submitted as stated above shall have no effect.

8. **Voting by Electronic Voting System**

8.1 An Unregistered Shareholder is entitled to vote using the Electronic Voting System, from the time of receiving confirmation from the Electronic Voting System regarding proper acceptance of the list of those eligible to vote using the Electronic Voting System and up to six (6) hours before the time for assembling General Meeting, i.e. by Monday, 27 December 2021, at 10:00am (**"System Lockdown Date"**).

8.2 Vote casted through the Electronic Voting System can be changed or cancelled until the System Lockdown Date and cannot be changed or cancelled using the Electronic Voting System after such date. It is noted that under section 83(d) of the Companies Law, if a shareholder has voted in more than one way, the latter vote shall count. The Company does not allow online voting other than through the Electronic Voting System.

9. **Address for delivering proxy statements and position statements**

The address for delivering Proxy Statements and position statements is the Company's offices, at 3 Arik Einstein St., Herzliya, care of Mr. Michael Galai.

10. **Deadline for submitting position statements to the Company and deadline for submitting the response of the board of directors to position statements**

The deadline for submitting position statements to the Company is up to ten (10) days prior to the date of assembling the General Meeting, i.e. 17 December 2021. The Company's board of directors is entitled to respond to position statements up to five (5) days before the date of assembling the General Meeting, i.e. by 22 December 2021.

11. **The URL of the distribution website of the Israel Securities Authority and the website of the Tel Aviv Stock Exchange Ltd., where the Proxy Statements and position statements can be found**

The URLs for the websites of the Israel Securities Authority and TASE, containing the version of the Proxy Statements and position statements are as follow: The URL of the distribution website of the Israel Securities Authority – www.magna.isa.gov.il; the URL of TASE website – www.maya.tase.co.il.

12. **Receiving confirmation of ownership, Proxy Statements and position statements**

12.1 An Unregistered Shareholder is entitled to receive confirmation of ownership at the branch

of the TASE member or via mail, on request. Such requests shall be made in advance for a specific securities account.

12.2 An Unregistered Shareholder is entitled to receive by email, without consideration, a link to the version of the Proxy Statement and position statements on the distribution website, from the TASE member through which it holds its shares, unless it has informed the TASE member that it is not interested in receiving such a link or that it is interested in receiving Proxy Statements by mail for a fee; a notice for the purpose of voting shall also apply with respect to receiving position statements.

12.3 One or more shareholders of the Company, which on the Record Date, hold shares at the rate of five percent (5%) or more of the total voting powers in the Company, and anyone holding such a rate out of the total voting powers not held by a controlling shareholder of the Company, as such term is defined in section 268 of the Companies Law, is entitled itself or by proxy, after assembly of the General Meeting, to review the Proxy Statements at the Company's registered office, during acceptable work hours.

The number of shares comprising five percent (5%) of the total voting powers in the Company is 16,355,510 ordinary shares of the Company.

The number of shares comprising five percent (5%) of the total voting powers in the Company not held by a controlling shareholder of the Company as such term is defined in section 268 of the Companies Law, is 3,394,350 ordinary shares in the Company.

13. **Changes to the agenda and publication of position statements**

It is possible that after the Proxy Statement is published, changes could be made to the agenda of the General Meeting, including adding an item to the agenda, and position statements could be published as well. The updated agenda and published position statements shall be available for review in the Company's reports on the distribution website.

14. **Deadline for the Company to publish an amended Proxy Statement**

In the event an item is to be added to the agenda of the General Meeting, the deadline for the Company to publish the amended Proxy Statements shall be up to seven (7) days after the deadline for submitting such request, i.e. Monday, 5 December 2021.

15. **Cancelling the Proxy Statement**

A shareholder is entitled, up to twenty four (24) hours before the time for assembling the General Meeting, to contact the Company's registered office, and after proved its identity to the satisfaction of the Company secretary, or another employee appointed for such purpose, withdraw its Proxy Statement and confirmation of ownership.

A shareholder shall state the manner of voting on every item on the agenda which may be voted on using this Proxy Statement in Part II of the Proxy Statement.

Nayax Ltd.

**Proxy Statement under the Companies (Voting in Writing and Position Statements)
Regulations, 5766-2005**

Part II

Name of the Company: Nayax Ltd.

Address of the Company (for submitting and sending Proxy Statements): The Company's offices on 3 Arik Einstein St., Herzliya.

Company No.: 513639013

Date of the General Meeting: Monday, 27 December 2021, at 16:00pm.

Place of the General Meeting: The Company's office on 3 Arik Einstein Street, Herzliya.

Type of meeting: A special general meeting.

Record date: Thursday, 25 November 2021.

Shareholder's Details:

1. Name of shareholder: _____ 2. ID No.: _____

3. If the shareholder does not have an Israeli ID	4. If the shareholder is a corporation	5. For online voting
Passport No.: _____	Corporation number: _____	Identification code: _____
Issued in (country): _____	Country of incorporation: _____	Control code: _____
Valid until: _____	Number of securities: _____	Additional identifying detail: _____

3. Manner of voting:

Please check if you are an interested party²/senior officer³/institutional investor⁴/none of the above and/or other

² As defined in Section 1 of the Securities Law, 5728-1968.

³ As defined in Section 37(d) of the Securities Law, 5728-1968.

⁴ As defined in Regulation 1 of the Control of Financial Services (Provident Funds) Regulations (Participation of a Managing Company in a General Meeting), 5769-2009, and the manager of a joint investments trust fund, as defined in the Joint Investment Trust Law, 5754-1994.

<p>Interested party</p> <p><input type="checkbox"/></p>	<p>Senior officer</p> <p><input type="checkbox"/></p>	<p>Institutional investor</p> <p><input type="checkbox"/></p>	<p>None/other</p> <p><input type="checkbox"/></p>
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***If voting under power of attorney, the above details shall also be provided for the Principal**

Resolution No. (in Part I of the Proxy Statement)		Manner of voting ⁵			Regarding approval of grants and change of employment terms under section 275 of the Companies law (resolutions detailed in sections 3.1-3.5 of Part I of the Proxy Statement) - are you a controlling shareholder, have a personal interest in the resolution, senior officer or institutional investor. ⁶	
		For	Against	Abstain	Yes ⁷	No
3.1	Approval of change to the employment terms of Mr. Arnon Nechmad, the son of Yair Nechmad, a controlling shareholder of the Company, Chairman of the Board of Directors and CEO of the Company.					
3.2	Approving a bonus to Mr. Shay Ben-Avi, the brother of David Ben-Avi, a controlling shareholder of the Company, a director and officer of the Company.					
3.3	Approval of change to the employment terms of Mr. Shay Ben-Avi, the brother of David Ben-Avi, a controlling shareholder of the Company, a director and officer of the Company.					
3.4	Approval of change to the employment terms of Mr. Oded Frenkel, the brother-in-law of David Ben-Avi, a controlling shareholder of the Company, a director and officer of the Company.					
3.5	Approval of change to the employment terms of Mr. Reuven Amar, the brother-in-law of David Ben-Avi, a controlling shareholder of the Company, a director and officer of the Company.					
3.6	Approval and ratification of the appointment of an auditing firm and authorizing the Company's Board of Directors to determine wages thereof.					

Below are details regarding my status as controlling shareholder or having a personal interest in

⁵ Not checking is considered abstaining from voting on that item.

⁶ If a shareholder does not complete this column or checks "yes" without elaborating, the vote shall not be counted. It is unnecessary to elaborate on a personal interest in approving the appointment that is not the result of connection to the controlling shareholder.

⁷ Please elaborate.

approving the resolution:

Date: _____

Signature: _____

For shareholders holding shares through a TASE member (under section 177(1) of the Companies Law) - this Proxy Statement is only valid when it is accompanied by confirmation of ownership. For shareholders registered in the Company's registry of shareholders – a Proxy Statement shall be valid when accompanied by a copy of an ID/passport/certificate of incorporation.