



**CONVENIENCE TRANSLATION**  
**The Hebrew version is the binding version**

**Strauss Group LTD.**  
**(The "Company")**

Messrs The Israel Securities Authority Via MAGNA	Messrs Tel Aviv Stock Exchange Ltd. Via MAGNA
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Dear Sir/Madam:

July 9<sup>th</sup>, 2019

Re: **Special General Meeting of Shareholders of the Company**

In accordance with the provisions of the Companies Law, 1999 (the "**Companies Law**"), the Companies Regulations (Notice and Announcement of General Meetings and Class Meetings in Publicly Owned Companies and Addition of an Item to the Agenda), 2000 ("**Notice and Announcement Regulations**"), The Companies Regulations (Written Votes and Position Statements), 2005 (the "**Voting Regulations**") and the Securities Regulations (Periodic and Immediate Reports), 1970 (the "**Reporting Regulations**"), immediate Notice is hereby given of the convening of a Special General Meeting of the Shareholders of the Company, which shall be held on Tuesday, August 13, 2019, at 3:00 p.m. at the offices of the Company at 49 Hasivim Street, Petach Tikva (the "**General Meeting**" or the "**Meeting**").

1. **Item on the Agenda and Proposed Resolution**

Appointment of the venerable Ms. Dorit Salinger and Ms. Dalia Lev as outside directors of the Company, for a period of 3 years, starting on the date of the approval of the General Meeting convened according to this report, as detailed in section 2 of this report. The voting for the approval of each of the directors shall be carried out separately.

**Proposed Resolution: "Appoint Ms. Dorit Salinger and Ms. Dalia Lev as outside directors of the Company, for a period of 3 years, starting on the date of the approval of the General Meeting convened according to this report, as detailed in section 2 of this report".**



2. **Further Details regarding the Appointment of Ms. Dorit Salinger and Ms. Dalia Lev as outside directors of the Company**

- 2.1 Ms. Dorit Salinger's declaration regarding her appointment as outside director of the Company according to sections 224b(a) and 241 of the Companies Law is attached as **Appendix A** of this report. The Company's Board of Directors determined, based amongst others on Ms. Dorit Salinger's declaration and on the information provided by her, that she possesses expertise in accounting and finance, as provided in the Companies Regulations ("**Qualification for Appointment**"), and is therefore an "outside expert director" according to the meaning of this term in the Companies Regulations (Remuneration and refund of expenses for an Outside Director), 2000 ("Remuneration Regulations").
- 2.2 Ms. Dalia Lev's declaration in connection with her appointment as outside director in the Company, according to sections 224b(a) and 241 of the Companies Law is attached as **Appendix B** of this report. The Company's Board of Directors determined, based amongst others on Ms. Dalia Lev's declaration and on the information provided by her, that she possesses expertise in accounting and finance, as provided in the Companies Regulations ("**Qualification for Appointment**"), and is therefore an "outside expert director" according to the meaning of this term in the Companies Regulations (Remuneration and refund of expenses for an Outside Director), 2000 ("Remuneration Regulations").
- 2.3 Each one of the candidates, Ms. Salinger and Ms. Lev, shall be entitled to the customary terms of office in the Company with regard to outside directors, according to the terms of office of outside directors who are in office today, and according to the company's Remuneration Regulations<sup>1</sup> and the decisions of the competent organs in the Company, as part of which they will be entitled to a

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<sup>1</sup> Further details regarding the terms of office for employees of the company, see the Company's Remuneration Policy in a report from 18/8/2016 (2016-01-105793), which is hereby provided by way of referral ("Remuneration Policy").



yearly remuneration and to a deductible at the maximal sum provided in the Compensations Regulations (Remuneration and refund of expenses for an Outside Director), ("**Remuneration Regulations**"), according to the Company's rank and to their classification as "expert director", entitled to the addition provided in regulation 5a to the Remuneration Regulations. In addition, they will be entitled to a letter of indemnity and an exemption, identical to those of the other directors and officials of the Company, as shall be provided from time to time, as well as to be included in an insurance policy for Liability of Officers and Functionaries, and to a reimbursement of expenses.

2.4 Here are the required details by regulation 26 of the Reporting Regulations regarding the candidacy for outside directors, to the best of the Company's knowledge:

<b>Ms. Dorit Salinger</b>	
I.D. Card:	056615487
Date of Birth:	12 August 1960
Address for Service of process:	Hamaavak Street 11, Givatayim, 53523
Citizenship:	Israeli
Membership of Committee or Directorate Committees:	None. After her appointment as outside director, she is meant to be appointed as member of the audit committee as the chair person and as a member of the remuneration committee
Independent director, outside director, with expertise in accounting and finance, or with professional qualification. An expert outside director.	Expert outside director with expertise in accounting and finance.
Is she an employee of the company, its	No.



subsidiary, an associated company, or a company with an interest in it?.	
Family Relations to an interested party:	No.
Foreseen Date for beginning of office:	Subject to the approval of the General Meeting, from the date of approval, as mentioned.
Education:	BA graduate in Economy and Management, Technion - Israel Institute of Technology; MA in Business Management with expertise in funding, Leon Recanati Graduate School of Business Administration, Tel Aviv University.
Occupation in the last 5 years and details of the corporations in which she serves as director:	<u>Occupation in the last 5 years:</u> Commissioner of the Capital Market, Insurance and Saving Authority; Director at M.I. HOLLIDINGS LTD. <u>Corporations in which she serves as director:</u> Dorit Salinger Ltd.
Does the Company consider him/her as having expertise in accounting and finance as set out by the Board of Directors?	Yes.

<b>Ms. Dalia Lev</b>	
I.D. Card:	007555337
Date of Birth:	2 August 1947
Address for Service of process:	Bnei Moshe Street 16, Tel Aviv 62308
Citizenship:	Israeli



Membership of Committee or Directorate Committees:	None. After her appointment as outside director, she is meant to be appointed as member of the audit committee, the remuneration committee, and the committee for the approval of financial reports.
Independent director, outside director, with expertise in accounting and finance, or with professional qualification. An expert outside director.	Expert outside director with expertise in accounting and finance.
Is she an employee of the company, its subsidiary, an associated company, or a company with an interest in it?.	No.
Family Relations to an interested party:	No.
Foreseen Date for beginning of office:	Subject to the approval of the General Meeting, from the date of approval, as mentioned.
Education:	BA graduate in accounting, Hebrew University, Jerusalem; MA in Law, Bar Ilan University. ISMP – Harvard University, Massachusetts, USA.
Occupation in the last 5 years and details of the corporations in which she serves as director:	<u>Occupation in the last 5 years:</u> Director in Paz Oil Company Ltd; Independent Director in Strauss Group Ltd.; Director in FIBI (First International Bank of Israel). <u>Corporations in which she serves as director:</u> Belgal Ltd.; Outside Director in Bank Hapoalim.
Does the Company consider him/her as having	Yes.



expertise in accounting and finance as set out by the Board of Directors?	
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### **Notice Regarding the Convening of a Special General Meeting**

#### 3. **Meeting Type, Date and Venue**

Notice is hereby given that on Tuesday, August 13, 2019, at 3:00 p.m. a Special General Meeting of Shareholders of the Company will convene at the offices of the Company at 49 Hasivim Street, Petach Tikva, on the agenda of which is the adoption of resolutions on the item set forth in clause 1 above.

#### 4. **Required Majority**

The majority required for the adoption of the resolutions proposed in item 1 on the agenda, **for each candidate separately, as provided**, is the majority of votes of the shareholders present in the Meeting, in person or by proxy, who are entitled to participate in the vote, provided, however, that one of the following is satisfied: (a) the majority of votes in the General Meeting will include a majority of all votes of shareholders who are not controlling shareholders of the Company or have a personal interest in the approval of the appointment, who participate in the vote, with the exception of personal interest which does not arise from connections with the controlling shareholder of the Company; the tally of all votes of said shareholders will not include abstaining votes; (b) the total opposing votes among the shareholders mentioned in paragraph (a) do not exceed two percent (2%) of all voting rights in the Company.<sup>2</sup>

A shareholder who has a personal interest will be subject to the provisions of section 276 of the Companies Law, with the necessary alterations.

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<sup>2</sup> Note that the total shares held by the controlling shareholders of the Company does not suffice for giving them the required majority for adopting the resolutions proposed in item 1 on the agenda, because a special majority is required for the adoption of this resolution.



5. **Notice of Personal Interest**

A shareholder participating in the vote on the resolution proposed in item 1 on the agenda shall inform the Company prior to the vote in the Meeting, or, if the vote is via a voting deed, shall indicate in part B of the voting deed in the designated space, if he is considered or represents a controlling shareholder of the Company, or if he has or does not have a personal interest in the approval of said resolution. If a shareholder has failed to give such notice, he shall not vote and his vote shall not be counted with respect to said resolution.

6. **Quorum and Adjourned Meeting**

A quorum shall be deemed present when at least two shareholders are present, in person or by proxy, who hold or represent 25% of the voting rights in the Company ("**Quorum**"). If within half-an-hour from the time appointed for the Meeting a Quorum is not present, the Meeting shall stand adjourned to Tuesday, August 20, 2019, at the same time and place (the "**Adjourned Meeting**"). If within half-an-hour from the time appointed for the Adjourned Meeting a Quorum is not present, the shareholders present shall constitute a Quorum.

7. **Record Date and Persons Entitled to Vote in the Meeting**

7.1 The record date for determining a shareholder's entitlement to participate and vote in the Meeting and the Adjourned Meeting, as provided in section 182(B) of the Companies Law and in regulation 3 of the Voting Regulations, is the close of trading on the Tel Aviv Stock Exchange Ltd. ("**TASE**") on Tuesday, July 16, 2019 (the "**Record Date**"). If there is no trading on the Record Date, the Record Date shall be the last trading day preceding said date.

7.2 In accordance with the Companies Regulations (Proof of Ownership of a Share for the Purpose of Voting at a General Meeting), 2000, a shareholder in whose favor a share is registered with a member of the TASE, and such share is included among the shares of the Company that are registered on the Register of Shareholders in the name of the nominee company (hereinafter: "**Unregistered Shareholder**"), who wishes to vote in the General Meeting, will submit to the



Company confirmation from the TASE member with whom his title to the share on the Record Date, in accordance with the form in the schedule to said regulations ("**Confirmation of Title**"). An Unregistered Shareholder may direct the TASE member to deliver confirmation of his title to the share to the Company via the electronic voting system. Without derogating from the foregoing, pursuant to said regulations, an electronic mail approved pursuant to section 44K5 of the Securities Law, which pertains to the particulars of users of the electronic voting system, shall be deemed tantamount to confirmation of title with respect to all shareholders included therein.

7.3 A shareholder may vote in person or via a proxy in accordance with the provisions of the Articles of Association of the Company, subject to the Companies Law. Instruments of proxy and the poser of attorney by virtue of which the instrument of proxy was signed (if any) shall be deposited at the registered office of the Company at least 48 hours before the time appointed for the Meeting or the Adjourned Meeting. Notwithstanding the foregoing, the chairman of the Meeting may, at his discretion, accept an instrument of proxy and a power of attorney as provided in this clause above also after said time, if he so deems fit, at his discretion.

## 8. Voting via a Voting Deed and Position Statements

8.1 According to the Voting Regulations, a shareholder who is entitled to participate and vote in the Meeting may vote on the resolutions on the agenda brought for approval by the Meeting via a voting deed. For this purpose, the vote of a shareholder who voted via a voting deed shall be considered a vote by a shareholder who was present and participated in the Meeting.

8.2 The form of the voting deed and position statements (if any) is available on the Israel Security Authority's distribution site at <http://www.magna.isa.gov.il> (the "Distribution Site") and on the TASE website at <http://www.maya.tase.il>.

8.3 The vote will be cast by using the second part of the voting deed, as published on the Distribution Site, which is attached as **Appendix C** to this report.





- 8.4 A shareholder may contact the Company directly to obtain the voting deed and position statements (if any).
- 8.5 The voting deed of an Unregistered Shareholder shall be delivered to the Company together with confirmation of title, in such manner that the voting deed shall reach the offices of the Company by not later than four hours before the time appointed for the Meeting.
- 8.6 A shareholder who is registered on the Register of Shareholders shall deliver the voting deed to the Company together with a photocopy of his ID card or passport or certificate of incorporation, in such manner that the voting deed shall reach the offices of the Company by not later than four hours before the time appointed for the Meeting.
- 8.7 A shareholder may visit the registered office of the Company, and after having proved his identity, may withdraw his voting deed and confirmation of title up to 24 hours before the time appointed for the Meeting.
- 8.8 The final date for submitting position statements is up to ten days before the date appointed for the meeting, i.e. until August 3, 2019.
- 8.9 The final date for submitting a position statement on the Company's behalf, which shall include the Board of Directors' response to position statements submitted by shareholders, is not later than five days before the date appointed for the Meeting, i.e. until August 7, 2019.
- 8.10 The TASE member will send via email, for no consideration, a link to the form of the voting deed and position statements (if any) on the Distribution Site to any shareholder who is not registered on the Register of Shareholders whose shares are registered in street name, unless the shareholder has advised the TASE member that he does not wish to receive said link, provided that the notice was given with respect to a particular securities account and before the Record Date.
- 8.11 A shareholder whose shares are registered with a TASE member is entitled to receive confirmation of his title to the shares from the TASE member or by mail to the Shareholder's



address in consideration for the payment of postage only, if he has so requested. A request to this effect shall be made in advance for a particular securities account.

9. **Voting via the Electronic Voting System**

9.1 An Unregistered Shareholder may vote via a voting deed that shall be sent to the Company via the electronic voting system as defined in the Voting Regulations, subject to the terms and conditions set forth in the Voting Regulations ("**Electronic Voting Deed**").

9.2 The Electronic Voting Deed shall be opened for voting at the close of the Record Date. Upon receipt of an identifying number and access code from the TASE member and after completing an identification process, an Unregistered Shareholder may vote via the electronic voting system at <https://votes.isa.gov.il>.

9.3 Voting via the electronic voting system **ends 6 hours before the time** appointed for the Meeting (i.e. on Tuesday, August 13, 2019' at 09:00 a.m., when the electronic voting system shall be closed. The electronic vote may be changed or cancelled until the closing of the electronic voting system, after which it cannot be changed via the system. If a shareholder has voted by more than one method, the last of his votes shall be counted, with the vote of the shareholder in person or by proxy in the Meeting being deemed later than a vote via the Electronic Voting Deed.

10. **Final Date for Inclusion of an Item on the Agenda by a Shareholder**

The final date for submitting requests by shareholders pursuant to section 66(B) of the Companies Law to include an item on the agenda for the Meeting is up to seven (7) days after the Meeting was summoned. It is noted that if a request is submitted there may be changes in the agenda for the Meeting, including the addition of an item or addition of a position statement, and the up-to-date agenda and position statements may be reviewed in the Company's reports on the Distribution Site.

11. Inspection of Documents



Shareholders of the Company may review this report and other documents pertaining to the proposed resolutions on the agenda, subject to applicable law, at the offices of the Company at 49 Hasivim Street, Petach Tikva on Sunday to Thursday between the hours of 9:00 a.m. and 4:00 p.m. following prior coordination by telephone at 03-6752499, and on the ISA Distribution Site at <http://www.magna.isa.gov.il> and the TASE website at <http://www.maya.tase.il>.

12. **Company Representatives with Regard to the Immediate Report**

The Company's representative for purposes of this report is Mr. Michael Avner, Adv., Senior Vice President, CLO and Company Secretary, whose office is at 49 Hasivim Street, Petach Tikva, tel. 03-6752499, fax 03-6752279.

Yours Sincerely

Strauss Group Ltd.

Date Signed: July 9, 2019

Signatories: Michael Avner, Senior Vice President, CLO and Company Secretary

Noa Herman-Shifris, Adv.

For further information please contact:

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