

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the action you should take, you should immediately consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000.

If you have sold or otherwise transferred all your shares in SimiGon Ltd., please send this document and the accompanying documents to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

SIMIGON LTD.

(Registered in Israel under company number 51-268551-2)

NOTICE OF GENERAL MEETING

Notice of the general meeting to be held at the offices of the Company's subsidiary at 111 S. Maitland Avenue, Suite 210, Maitland, Florida 32751, USA, on Thursday, April 16, 2020 commencing at 9.00 a.m. Eastern Standard Time (2.00 p.m. UK time) is set out on page 3 of this circular. Copies of this document and related materials will be available to the public from its date until the date of the general meeting at the Company's offices, the offices of finnCap at 60 New Broad Street London EC2M 1JJ England, on the Company's website www.simigon.com, or by contacting the Company at the contact information as detailed below.

SIMIGON LTD.

(Incorporated and registered in Israel under company no 51-268551-2)

Registered Office:
1 Sapir St.
Herzlia, Israel
Tel: +972 (0)9-9561777
efim@simigon.com

March 12, 2020

Dear Shareholder:

General Meeting: Thursday, April 16, 2020

You are cordially invited to attend a general meeting of shareholders (the "**Meeting**") of SimiGon Ltd. (the "**Company**") to be held at 9.00 a.m. Eastern Standard Time (2.00 p.m. UK time) on Thursday, April 16, 2020 at 111 S. Maitland Avenue, Suite 210, Maitland, Florida 32751, USA.

The Meeting is required due to a lawsuit filed by a shareholder, D.D Goldstein Real Estate and Investments Limited (the "**Plaintiff**"), against the Company and its directors, in which such shareholder claims that all the resolutions (except the appointment of the auditor) adopted at the Annual General Meeting of Shareholders held on December 30, 2019 (the "**AGM**") are invalid, due to certain technicalities that the Plaintiff claims were not fulfilled and due to an allegation that Mr. Ami Vizer is a "controlling shareholder" and thus subject to certain restrictions and conditions. The Company reviewed its records and has received assurances from Mr. Vizer that he is not a "controlling shareholder" and the Plaintiff has not yet provided evidence to substantiate this claim. All resolutions at the AGM were approved by an overwhelming majority of shareholders voting at the AGM, even without Mr. Vizer's vote. The Company is defending the Plaintiff's claims but, in order not to have to wait for the legal proceedings to run their course, is proposing that the shareholders at the Meeting re-approve the resolutions adopted at the AGM that are claimed to be invalid due to the above-mentioned technicalities so that most of the allegations in the Plaintiff's claims will be rendered moot. In addition, there are certain other matters on the agenda as specified below.

In order to receive additional clarity on the matter of the "controlling shareholder", the Company's shareholders are hereby requested to notify the Company as soon as possible if they have a voting agreement or other voting arrangement with Mr. Vizer.

The business to be conducted at the Meeting will be to consider and, if thought fit, pass the following resolutions:

1. To re-appoint Mr. Ran Pappo as an "External Director" of the Company (as such term is defined in the Israeli Companies Law 5759-1999), to hold office as an External Director for an additional term of three years and approve his compensation (effective as of the Annual General Meeting held on December 07, 2018).
2. To elect Mr. Simon Bentley as a non-executive director of the Company and to approve his compensation.
3. To elect Mrs. Ronit Schwartz as an "External Director" of the Company (as such term is defined in the Israeli Companies Law 5759-1999), to hold office as an External Director for a three year term and to approve her compensation.
4. To re-approve the Company's Compensation Policy for the Company's Directors and officers, as required by the Israeli Companies Law, in the form attached as **Annex A** (the "**Compensation Policy**").

5. To authorize that Mr. Amos Vizer may serve as both Chairman of the Board of Directors and Chief Executive Officer for a period of three years from the Meeting.
6. To consider the financial statements of the Company, the auditor's report and the Report of Directors for the fiscal year ended December 31, 2018. *No vote will be required regarding this item.*

General Corporate Provisions Regarding the Meeting

Requisite Majority.

The requisite majority for approving all Proposals is the affirmative vote of at least a majority of the votes of shareholders present and voting at the Meeting in person or by proxy, provided, that either (i) at least a majority of the total votes of shareholders who are not Controlling shareholders of the Company and who do not have a personal interest in the resolution, present at the Meeting in person or by proxy are voted in favour of the resolution (votes abstaining shall not be taken into account in counting the above-referenced shareholders' votes); or (ii) the total number of shares of the shareholders who are not Controlling Shareholders and who do not have a personal interest in the resolution that are voted against such proposal does not exceed two per cent (2%) of the total voting rights in the Company.

Pursuant to the Israeli Companies Law a "**personal interest**" for this purpose is defined as: (1) a shareholder's personal interest in the approval of an act or a transaction of the Company, including (i) the personal interest of his or her relative (which includes for these purposes any members of his/her (or his/her spouse's) immediate family or the spouses of any such members of his or her (or his/her spouse's) immediate family); and (ii) a personal interest of a body corporate in which a shareholder or any of his/her aforementioned relatives serves as a director or the chief executive officer, owns at least five per cent (5%) of its issued share capital or its voting rights or has the right to appoint a director or chief executive officer, but excluding: (a) a personal interest arising solely from the fact of holding shares in the Company or in a body corporate; and (b) a personal interest that is not a result of connections with a Controlling shareholder. "Controlling" for the purpose of the preceding paragraph means the ability to direct the acts of the Company, other than such ability resulting only from serving as a director or other office holder of the Company. Any person holding twenty-five per cent (25%) or more of the voting power in the Company or the right to appoint directors or the Chief Executive Officer is presumed to have control of the Company.

1. **Record Date.** Shareholders of record at the close of business on Tuesday, March 17, 2020 (the "**Record Date**") will be entitled to a notice of and to vote at the Meeting and any adjourned meeting.
2. **Quorum.** The presence, in person or by proxy, of at least two persons entitled to vote upon the business to be transacted at the Meeting and constituting at least 25% of the voting rights in the Company, is necessary to constitute a quorum at the Meeting.
3. **Voting by Non-Registered Shareholders.** If a shareholder wants to vote in person at the Meeting, but whose shares are not registered in the Company's shareholder register in such shareholder's name, the shareholder must contact the broker, bank or other nominee that holds the shares, who will then need to contact The Depository, Computershare Investor Services PLC to request a Letter of Representation to be issued.
4. **Adjournment.** If within half an hour from the time set for the meeting a quorum is not present, the meeting shall stand adjourned to same day of following week at the same time, at 111 S. Maitland Avenue, Suite 210, Maitland, Florida 32751, USA. At such adjourned meeting, if a quorum is not present, in person or by proxy, any one (1) shareholder present in person or by proxy shall constitute a quorum.

This notice shall serve as notice of such adjourned meeting if no quorum is present at the original date and time and no further notice of the adjourned meeting will be given to shareholders.

5. **Directors' Remuneration Report.** As the Company is not a UK company, it is not required to produce a separate directors' remuneration report for approval by the shareholders in accordance with the Directors' Remuneration Report Regulations 2002.

Form of proxy/Form of Instruction

You will find enclosed with this document a form of proxy (unless you are a holder of depositary interests in the Company, in which case you will receive a form of instruction) for use at the Meeting.

If you are a shareholder of the Company, whether or not you intend to be present at the meeting, you are requested to complete and return a Form of Proxy (in accordance with the instructions set out in that document) to the Company's Registrar, Computershare Investor Services (Jersey) Limited, c/o The Pavilions, Bridgwater Road, Bristol, BS99 6ZY, as soon as possible and in any event so as to be received by the Company's transfer agent by no later than 48 hours before the time fixed for the meeting or any adjourned meeting (9.00 a.m. Eastern Standard Time (2.00 p.m. UK time) on Tuesday, April 14, 2020). Completion and return of a form of proxy will not prevent you from attending the meeting and voting in person, if you so wish.

A shareholder who is entitled to attend and vote at the meeting may appoint one or more proxies to attend and vote on his or her behalf, provided that only one proxy may be appointed by a shareholder in respect of a particular share held by him/her. A proxy need not be a shareholder of the Company.

A company or other corporate body being a holder of Ordinary Shares of the Company may, by resolution of its directors or any other managing body thereof, authorize any person to be its representative at any meeting of the Company. Any person so authorized shall be entitled to exercise on behalf of such shareholder all the power which the latter could have exercised if it were an individual shareholder. Upon the request of the chairman of the meeting, written evidence of such authorization (in form acceptable to the chairman) shall be delivered to him.

If two or more persons are registered as joint holders of any Ordinary Share, the vote of the senior who tenders a vote, in person or by proxy, shall be accepted to the exclusion of the vote(s) of the other joint holder(s); and for this purpose seniority shall be determined by the order in which the names stand in the Register of Shareholders.

If you are a holder of depositary interests representing ordinary shares in the Company, please complete and return the Form of Instruction (in accordance with the instructions set out in that document) to vote on the holder's behalf at the meeting or, if the meeting is adjourned, at the adjourned meeting, to the Company's Depositary, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY, as soon as possible and in any event so as to be received by the Company's Depositary by no later than 168 hours before the time fixed for the meeting or any adjourned meeting (9.00 a.m. Eastern Standard Time (2.00 p.m. UK time) on Thursday, April 9, 2020).

To the extent any shareholder would like to state his/her/its position with respect to any of proposals described in this notice, in addition to any right such shareholder may have under applicable law, pursuant to regulations under the Israeli Companies Law 5759 – 1999, such shareholder may do so by delivery of a notice to the Company's offices located at 1 Sapir Street, Herzlia 46733 Israel, not later than March 18, 2020. The Board of Directors may respond to your notice.

Proposal 1 – Re-appointment of Mr. Ran Pappo

Mr. Ran Pappo was elected as an "External Director" of the Company (as such term is defined in the Israeli Companies Law 5759-1999) in December 2015 and was due to be re-elected at the Company's 2018 annual general meeting, but he continued to act as an External Director without being formally re-elected as required.

Certain information concerning the nominee:

Mr. Ran Poppo has 25 years of business experience while delivering results worldwide. Mr. Pappo is the Chief Executive Officer of Diva Hirschthal Ltd. a multi-million dollar organization engaged in designing, manufacturing and world wide selling of high quality swimwear. Mr. Pappo also serves as a director in JS Group Srl, supervising its financial activities while reviewing its manuals and goals.

Mr Pappo is a strategic consultant focusing on organizational workflows, financial forecasting, budgeting, auditing, human resources optimization, production planning and marketing. Mr. Pappo holds a BS in Business Administration, Finance and International Marketing, from the College for Management in Israel and has an extensive financial knowledge including budgeting, managing and auditing financial statements for multi-national Organizations and its global multinational subsidiaries.

“RESOLVED to re-elect Mr. Ran Pappo, as an “External Director” of the Company (as such term is defined in the Israeli Companies Law 5759-1999), to hold office as an External Director for additional term of three years (effective as of the Annual General Meeting held on December 07, 2018), and to approve his compensation as an External Director as follows:

The External Director shall receive a relative compensation as annual fee and participation fee (for participation in Board and Board committee meetings) in accordance with Section 8A of the Regulations. Such compensation shall not exceed the average compensation paid to “Other Directors” of the Company (as such term is defined in the Regulations) and shall not be less than the minimum prescribed in the Second Addendum and the Third Addendum under the Regulations and the lowest compensation paid to “Other Directors” of the Company (currently \$2,200 a month).

Proposal 2 – Appointment of Mr. Simon Bentley

Certain information concerning the nominee:

Mr. Simon Bentley is currently Executive Chairman of Dominion ATM Banking Systems Ltd, trading as Cash on the Move, a UK mobile cash operator and a Non-Executive Director of Premier Foods plc. Among previous appointments, Mr Bentley was Chairman and Chief Executive of Blacks Leisure Group plc from 1987 to 2002, Deputy Chairman of law firm Mishcon de Reya from 2002 to 2009 and Senior Independent Non-Executive Director of Sports Direct International plc from 2007 to 2018. Mr Bentley is a certified FCA, having previously been a senior partner at Landau Morley LLP.

Mr. Bentley has served as a non-executive director of the Company since August 1, 2019 when he was appointed by the Board of Directors following the resignation of Mr. Alistair Rae.

It is proposed that the following resolution be adopted at the Meeting:

“RESOLVED, to elect Mr. Simon Bentley as a non-executive director of the Company and to approve his compensation as a non-executive director (effective as of August 2019) of an annual fee of USD \$43,200, payable in 12 equal monthly instalments as long as his service as a director continues.

Proposal 3– Appointment of Mrs. Ronit Schwartz

Certain information concerning the nominee:

Mrs. Ronit Schwartz has considerable experience at board level of government and publicly-traded companies, and has held a wide variety of executive and non-executive roles during the course of her career. Mrs. Schwartz is currently a director at Petroleum & Energy Infrastructures, Ltd., Elad Canada and Amir Agricultural Investments, Ltd. Mrs. Schwartz has 21 years' experience in banking, part of them as a financial executive and deputy director, skilled in finance, credit risk, foreign currency trading, budgeting and corporate governance. Mrs. Schwartz holds a BA in Economics and MBA in Marketing and Finance from Tel Aviv University.

“RESOLVED To elect Mrs. Ronit Schwartz as an “External Director” of the Company (as such term is defined in the Israeli Companies Law 5759-1999), to hold office as an External Director for a three year term, and to approve her compensation as an External Director as follows:

The External Director shall receive a relative compensation as annual fee and participation fee (for participation in Board and Board committee meetings) in accordance with Section 8A of the Regulations.

Such compensation shall not exceed the average compensation paid to "Other Directors" of the Company (as such term is defined in the Regulations) and shall not be less than the minimum prescribed in the Second Addendum and the Third Addendum under the Regulations and the lowest compensation paid to "Other Directors" of the Company (currently \$2,200 a month).

Proposal 4 – Approval of Compensation Policy

Further to amendment No. 20 to the Israeli Companies Law, on December 30, 2013 the Company has adopted a Compensation Policy with respect to the terms of service and employment of office holders commencing December 30, 2013 attached hereto as **Annex A** and re-approved it on December 29, 2016. The purpose of the Compensation Policy was to set guidelines and a framework that will enable our Compensation Committee and Board of Directors to formulate personal compensation plans for any officer or Director.

Further to the requirements of Amendment 20 to the Israeli Companies Law in which the Company's Compensation Policy should be reviewed by the Company's Board of Directors and re-approved every three years, our Board of Directors has re-approved the Compensation Policy after taking into careful consideration our Compensation Committee's recommendations in this regard and recommends that the Compensation Policy will be re-approved by the shareholders.

The Board of Directors has resolved that the Compensation Policy is (i) based on principles that enable a proper balance between the desire to reward directors and officers for their achievements and the need to ensure that the compensation structure advances the Company's objectives and strategy over time; and (ii) is in the best interest of the Company.

It is proposed that the following resolution be adopted at the Meeting:

"RESOLVED, to re-approve the Company's Compensation Policy for the Company's Directors and officers, as required by the Israeli Companies Law, substantially in the form attached as **Annex A** (the "Compensation Policy").

Proposal 5 – Ratification and approval of the appointment of Mr. Amos Vizer as Chairman of the Board of Directors in addition to his position as Chief Executive Officer

According to the Israeli Companies Law, approval by the shareholders of a publicly traded company, by resolution in the General Meeting, is required to allow that the chief executive officer may also serve as chairman of the board of directors, and have the powers of the chief executive officer vested in the chairman of the board of directors for a period of not more than three years following such resolution. This resolution shall not effect Mr. Vizer's position as the Chief Executive Officer of the Company.

It is proposed that at the Meeting the following resolution be adopted:

"RESOLVED, that Mr. Amos Vizer, is authorized to serve, for a period of three years from the Meeting, in the position of the Chairman of the Board of Directors in addition to his position as Chief Executive Officer of the Company."

Compensation of Officers

The compensation for the Company's executive officers is derived from employment agreements and each executive officer's personal contribution to the Company's management, operations and its success, and is determined in accordance with the Compensation Policy, which was initially approved by the Company's shareholders at its annual general meeting of shareholders on December 30, 2013.

The Company has disclosed in its annual financial reports information regarding compensation actually received by its Chief Executive Officer and executive director Mr. Amos Vizer. Information about his remuneration for year ended December 31, 2018 is included on notes 17 and 10 under the Company's annual financial report for the fiscal year ended December 31, 2018 (the "**2018 Annual Report**").

The Company has disclosed in its annual financial reports information regarding compensation actually received by its Chief Financial Officer and director Mr. Efraim Manea. Information about his remuneration for year ended December 31, 2018 is included on notes 17 and 10 under the Company's annual financial report for the fiscal year ended December 31, 2018 (the "**2018 Annual Report**").

Further to the information already provided in the 2018 Annual Report regarding compensation received by the Company's executive officers and in accordance to the Companies Law and regulations promulgated thereunder, below is information regarding compensation actually received by the remaining four most highly paid executive officers during the year ended December 31, 2018:

Total salary of Mr. Alon Shavit, Vice President Business Development, amounted to US \$133 thousand, Social Benefits of US \$41 thousand, bonus of US \$7 thousand and Other Compensation of US \$36 thousand.

Total salary of Mr. Koby Ben Yakar, Vice President Programs, amounted to US \$127 thousand, Social Benefits of US \$32 thousand and bonuses of US \$1 thousand.

Total salary of Mr. Hagay Piechowicz, Vice President Research and Development, amounted to US \$117 thousand, Social Benefits of US \$37 thousand, bonus of US \$7 thousand and Value of Options Granted of US \$0.5 thousand.

Total salary of Mr. Ary Nussbaum Vice President Sales & Marketing, amounted to US \$122 thousands and Social Benefits of US \$9 thousand.

- (*) "Social Benefits" include payments to the National Insurance Institute, advanced education funds, managers' insurance and pension funds; work disability insurance; health insurance; life insurance; and recuperation pay as mandated by Israeli law.
- (**) "Other Compensation" includes automobile-related expenses and telephone.
- (***) "Value of Options Granted" Consists of amounts recognized as share-based compensation expense in the Company's statement of comprehensive income for the year ended December 31, 2018.

Directors' Recommendation

The Directors believe that the adoption of each of the resolutions to be proposed at the Meeting is in the best interests of the Company and its shareholders as a whole. Accordingly, the Directors recommend that you vote in favour of each resolution as they intend to do in respect of their own beneficial holdings.

Sincerely Yours,


Amos Vizer

Director, President and CEO
By Order of the Board of Directors

Annex A

SimiGon Ltd. (hereinafter: the "Company") Compensation Policy for Officers ("Compensation Policy" or the "Policy")

1. Introduction

- 1.1 This document constitutes the Compensation Policy for Officers in the Company, as defined in clause 267a(a) of the Companies Law-1999 (hereinafter: the "**Law**" or the "**Companies Law**").
- 1.2 The Compensation Policy for Officers in the Company is set according to Amendment No. 20 (hereinafter: "**Amendment 20**") to the Companies Law, which determines obligations with respect to the adoption of a compensation policy for officers in Israeli public companies or private companies which issued bonds to the public.
- 1.3 The Compensation Policy is meant to provide the Company the ability to attract, retain, reward and motivate highly skilled Officers and to assure that the compensation structure meets the Company's interests and its overall financial and strategic objectives.
- 1.4 The Company determined the Compensation Policy for Officers in accordance with the following considerations:
 - 1.4.1 Promoting the Company's objectives, work schedule and policies from a viewpoint which aims to enhance both long term and short term value for all of SimiGon's stakeholders.
 - 1.4.2 Creating appropriate incentives for the Officers of the Company, taking into consideration its risk management policy.
 - 1.4.3 The size of the Company and the nature of its activities
 - 1.4.4 With respect to variable components - the contribution of the Office holder to the achievement of the Company's objectives and the maximization of its profits, on the basis of a concept which balances long term considerations with short term considerations and in accordance with the position of the Office holder.
- 1.5 It should be emphasized that the Compensation Policy by itself does not and shall not entitle any officer in the Company to the compensation, in whole or in part, as set forth in the policy. Every officer shall be entitled only to the compensation that was specifically determined and approved with regard to that officer by the authorized organs of the Company, subject to any applicable law.
- 1.6 The Compensation Policy is placed before the Board of Directors (hereinafter: the "**Board**") for its review and approval, following the recommendation of the Compensation Committee. The approval of the Compensation Policy by the Board is subject to the approval thereof at the General Meeting of the Company's shareholders in accordance with the Law.
- 1.7 The personal employment contracts of the existing officers were examined and found to be in line with the Compensation Policy and therefore do not require any amendments.

2. Definitions

In this paper the terms specified below shall have the meanings noted alongside them:

- 2.1 An "Officer" - CEO, COO, Deputy CEO, Executive Vice President, anyone holding a position in accordance with that which has been set forth by the Company even if his title is different than those set forth herein, and a Director or any other officer who is directly subordinate to the CEO.
- 2.2 "Base Salary" or "Salary" - gross salary.
- 2.3 "Cost of Salary" - gross wages plus social and additional benefits, in terms of the cost to the Company.
- 2.4 "Compensation Package" - any payment for employment with the Company, including Company allowances, retirement related payments and all other benefit or payment.
- 2.5 "Fixed Compensation" - the Base Salary plus social and additional benefits.

3. Method for Determining the Compensation

- 3.1 The terms of an officer's employment with the Company shall be determined and approved by examining, *inter alia*, the following:
 - 3.1.1 The Officer's education, qualifications, expertise and achievements.
 - 3.1.2 The Officer's position, areas of responsibility and previous salary agreements.
 - 3.1.3 Internal Comparison -
 - 3.1.3.1 The ratio between the Compensation Package of officers and the average and the median Compensation Package of the Company's employees and service providers, and the effect of these gaps on employees' relations within the Company.
 - 3.1.3.2 The existing compensation of other officers in the Company.
 - 3.1.4 The compensation of similar officers in the market.
 - 3.1.5 Regarding the retirement related terms - the employment period of the officer, the officer's compensation during this period, the performance of the Company during this period, the contribution of the officer to the achievement of the Company's goals and the maximization of its profits, and the circumstances of the retirement.
 - 3.1.6 The objectives set forth in Section 1.3 above.

4. Fixed Compensation

4.1 Base Salary

- 4.1.1 The Base Salary compensates the officer for the time spent at work and doing his/her on-going tasks. The salary reflects the qualifications of the officer and takes into account his/her responsibility and roles.

4.1.2 The Compensation Committee and the Board may approve an update of the base salary of the Company's Officers, subject to Section 3 above, at a rate that does not exceed 35% of the base salary per year.

4.1.3 It is hereby clarified that there will be no "automatic increase" of an officer's Base Salary but, rather, only an update of the salary in accordance with an increase of the CPI for January 2014. This update will be done on a quarterly basis.

4.2 Social and Additional Benefits

The Company may, subject to the recommendation of the Compensation Committee and the approval by the Board of Directors, approve social and ancillary terms to an officer's Base Salary:

4.2.1 Social benefits - Officers shall be entitled to social terms as customary in the Company and subject to any applicable law, such as annual leave, sick leave, pension allowance and disability insurance (pension fund and/or manager's insurance, as applicable), severance pay, convalescence pay, etc.

4.2.2 Additional benefits - In addition, officers may be entitled to additional benefits as customary in the Company in accordance with the officer's position including, but not limited to, an Education Fund, Vehicle (including grossing up the tax value of the vehicle), telephone, computer and communication, health insurance, reimbursement of expenses (including flight, transportation, housing, hosting, wardrobe, stipend, etc.), tax consultancy, gifts for the holidays, subscription to newspaper, license fees and/or membership fees to professional associations and events, participation in private vacations and tuition of children, special grants for relocation and loans from the Company.

4.2.3 Exemption, Indemnification and Liability Insurance - According to the Company's Articles of Association, the officers may be entitled to exemption, indemnification and liability insurance, if and to the extent they are approved by the authorized organs of the Company and subject to any applicable law.

4.3 Fixed Compensation for Directors

4.3.1 The compensation of the Company's external directors (and any other director who is entitled to the compensation of an external director by the law) shall be in accordance with the provisions of the Companies Regulations (Rules for Compensation of an External Director) 2000 (hereinafter: the "**Companies Regulations**").

The compensation of the Company's other directors, in their capacity as such (whether in cash or equity) shall be determined, taking into account: A. the field in which the Company operates, B. comparison with companies of a similar size with global operations and structure of a similar magnitude, whether listed for trading in Israel or overseas, or privately-held, C. the contribution and active involvement in the business of the Company. Such compensation may be paid to the director or to a company controlled by such director.

5. **Variable Compensation**

5.1 Variable Performance Based Compensation - Cash Bonus

- 5.1.1 The Compensation Package of Officers may include an annual cash bonus plan based on the Company's performance as well as the attainment of personal goals. The annual bonus plan shall be approved by the Compensation Committee and the Board.
- 5.1.2 The annual bonus will be calculated separately for each of the Company officers, as follows:
 - 5.1.2.1 Company's performance objectives - The Company's performance objectives to be considered shall include clear and measurable objectives and may include but not limited to the following: revenues, pre-tax profit, EBITDA, and share price.
 - 5.1.2.2 Personal quantitative goals - The personal quantitative goals will be set by the CEO for each officer in accordance with his or her department's objectives. For each officer at least one goal will be set.
 - 5.1.2.3 The evaluation of officers other than the CEO, based on personal goals, will be done by the CEO and will be approved by the Compensation Committee and the Board of Directors. The evaluation of the CEO will be done by the Compensation Committee and will be approved by the Board of Directors.
- 5.1.3 The maximum variable compensation component, as percentage of the base salary may differ from one Officer to another based on the parameters specified in Section 3 above, and in any case will not exceed 200% of the annual base salary per year, as described above, excluding special bonus as set forth in Section 5.3 below.
- 5.1.4 The Company may determine, at its sole discretion, that the full amount of the bonus, or any portion thereof shall be paid in shares/options/restricted share units and restricted stock of the Company (according to the rate of the Company shares on the London Stock Exchange).
- 5.1.5 The Company shall recover the full amount of the bonus, or any portion thereof, if it should become clear that the bonus was provided based on data and/or information that turned out to be false and such data was restated in the Company's financial reports during the period of 2 consecutive annual financial reports after the date of the approval of the bonus.
- 5.1.6 In the event of termination of an officer's term during a calendar year, the Compensation Committee may recommend (following the recommendation of the CEO) to the Board of Directors to grant him or her a pro-rata portion (or other proportion) of the annual bonus for the term in which such officer was employed by the Company, including the early notice period.

5.2 Discretionary bonus - The Board of directors may grant an officer, following the recommendation of the CEO and Compensation Committee, a bonus at its discretion (which is not based on measurable criteria), provided the value of such discretionary bonus will not exceed 20% of the Officer's total variable compensation in a given year.

5.3 Special bonus - In addition to the annual bonus, in very special circumstances which are not in the ordinary course of business (such as significant transactions), the Board of Directors may determine following the recommendations of the Compensation Committee and the

CEO, that an officer shall be entitled to other bonuses for extraordinary achievement or effort. The conditions for receipt of such other cash bonuses and the method of calculation thereof will be determined by the Compensation Committee and the Board of Directors, provided that the total amount of such special bonuses awarded to an officer for any given year will not exceed 6 Base salaries (in addition to the maximum amounts set out in Section 5.1.3 above).

5.4 Equity Based/Long Term Compensation

5.4.1 The Board may offer every year, subject to the approval of the Compensation Committee, all or part of the officers to participate in an equity based compensation plan (Equity Incentive Plan).

5.4.2 The maximum value (on the date of issuance) for an option package which will be issued to a single officer in a specific year, in value terms on the date of issuance, based on one of the accepted methods of valuation, divided amongst the vesting period, shall be no more than One percent of SimiGon's Market Cap on the date of issuance.

5.4.3 Subject to approval of the Company's organs, as required by Law, any option plan offered or granted to officers shall include, inter alia, the following:

5.4.3.1 Maximum number of options which will be issued, so that the maximum amount of dilution will not be more than 10%.

5.4.3.2 The price of exercising such options shall be determined by the Board of Directors following the recommendations of the Compensation Committee and the CEO.

5.4.3.3 The allocation of the options between different officers and a reserve for any new incoming officers.

5.4.3.4 Vesting period – All equity-based incentives granted to Officers shall be subject to vesting periods in order to promote long-term retention of the awarded Executives. Unless determined otherwise in a specific award agreement approved by the Compensation Committee and the Board of Directors, grants to Officers other than directors shall vest gradually over a period of between 1 to 4 years.

5.4.3.5 Date of expiration of the options - not more than 10 years from the grant date.

5.4.3.6 Conditions upon leaving the Company (as a result of termination, resignation, death or an event of disability).

5.4.3.7 Option to accelerate options which have not yet vested, in whole or in part, in the event of a merger, acquisition or reorganization of the Company with one or more other entities, a sale of all or substantially all of the assets of the company, transfer of control or should the Company become a private company or removal of the Company shares from the Stock Exchange.

5.4.4 Equity Based Compensation for Directors - In addition to the compensation set forth in Section 4.3, the Company may grant the directors (including external directors) an equity based compensation in order to align the directors' interests with the interests of shareholders and to promote creation of long term value for the Company. Such grant shall be approved by the General Meeting of the Company's shareholders following the recommendation of the Compensation Committee and the approval of the Board. In any case, the maximum value (on the date of issuance) for the option package which will be issued to a single director, in value terms on the date of issuance, based on one of the accepted methods of valuation, divided amongst the vesting period, shall not exceed One percent of SimiGon's Market Cap on the date of issuance.

5.5 Discretion of the Board

The Board, following the recommendations of the CEO and the Compensation Committee, shall reserve the right to reduce the variable compensation of any officer at its sole discretion, provided that such reduction is in accordance with the considerations which have been set forth in Section 1 above, and subject to any applicable law.

6 Internal Compensation Ratio

The Compensation Committee has taken and will take into consideration while determining the Officers' compensation, the fact that the Company's employees are employed in various countries worldwide, under different terms of employment. Therefore the Compensation Committee considered the relationship between the terms of service and employment of the Office holder and the salary of the other employees of the Company in each Office holder's geographic location, and in particular the ratio of the total compensation for the Officers of the Company to the average and median salary of the Company's employees in each geographic location. The Compensation Committee found that the relationship mentioned above does not harm the Company's performance and its ability to recruit and retain its employees in the various countries.

7 Termination Related Terms

7.1 Advance Notice - An Officer is entitled, subject to the approval of the Board of Directors and the recommendation of the Compensation Committee, to advance notice in accordance with the applicable Law and up to a maximum notice as set forth in the following table:

| Position | Advance Notice Period |
|-------------------------|------------------------------|
| CEO | Up to 9 months |
| CFO | Up to 3 months |
| VP Business development | Up to 3 months |
| VP Products | Up to 3 months |
| Other Officers | 1 month |

During the advance notice period, the Officer will be required to continue to fulfill his duties, unless the Board decided to relieve him of such duties. The officer will be entitled to continued conditions of employment without any changes.

7.2 Adjustment Period - Officer shall be entitled, subject to the approval of the Board of Directors and the recommendation of the Compensation Committee, to a one time adjustment grant up to the amount set forth in the following table:

| Position | Maximum amount |
|-------------------------|-----------------------|
| CEO | Up to 6 months Salary |
| CFO | Up to 3 months Salary |
| VP Business development | Up to 3 months Salary |
| VP Products | Up to 3 months Salary |
| Other Officers | Up to 2 months Salary |

The adjustment grant shall be approved for an Officer on the condition that the Officer's termination is not based on circumstances which would justify the revocation of severance pay.

The Board of Directors of the Company, subject to the recommendation of the Compensation Committee, may determine the sum of the adjustment grant up to the amounts set forth in the above table, and all, while taking into account these parameters: (1) Performance of the Company during the term of such termination; (2) Contribution by the Officer to the accomplishment of the Company's goals and its increase in profits; and (3) the Circumstances under which the Officer was terminated.

8 Supervision and Control of the Compensation Policy for Officers

- 8.1 The responsibility for determining the Compensation Policy, the control thereof and the updating thereof shall rest with the Board of Directors, based on the Compensation Committee's and CEO's recommendations.
- 8.2 The Compensation Committee shall periodically review the Policy and monitor its implementation, and recommend to the Board of Directors to amend the Policy as it deems necessary from time to time.
- 8.3 The approval of compensation for officer shall be determined by the CEO or the Compensation Committee and subsequently approved by the Board. The Company shall be subject to any applicable law which relates to the Compensation Policy of officers.

SimiGon Ltd.

Form of Proxy

General Meeting

Before completing this form, please read the explanatory notes below.

I/We.....(please use BLOCK CAPITALS)
of.....
being (a) shareholder(s) of SimiGon Ltd. (the "**Company**") hereby appoint the Chairman of the meeting, or (see note 5) (*Insert name(s) here in block letters*) as my/our proxy to vote for me/us and on my/our behalf at the General Meeting of the Company to be held at 111 S. Maitland Avenue, Suite 210, Maitland, Florida 32751, USA, on Thursday, April 16, 2020 at 9.00 a.m. Eastern Standard Time (2.00 p.m. UK time) and at any adjournment of the meeting (the "**Meeting**").

I/We instruct my/our proxy to vote on the resolutions to be proposed at the meeting as indicated below (unless otherwise instructed, the proxy may vote or abstain from voting as he or she sees fit in relation to any business to be considered at the meeting):

Signed..... (see Notes 3 and 4) Dated 2020

Please indicate with an X in the spaces below how you wish your votes to be cast.

| Resolution | For | Against | Abstain | Please indicate ¹ whether or not do you have a "Personal Interest" in the resolution, are you a "Controlling Party" in the Company, a "Senior Office Holder" or an Israeli "Institutional Investor" ² ? | |
|--|-----|---------|---------|---|--------------------------|
| | | | | Yes | No |
| 1. To re-elect Mr. Ran Pappo, as an "External Director" of the Company (as such term is defined in the Israeli Companies Law 5759-1999), to hold office as an External Director for additional term of three years (effective as of the Annual General Meeting held on December 07, 2018), and to approve his compensation as an External Director as follows: | | | | <input type="checkbox"/> | <input type="checkbox"/> |

¹ If an X is not marked in either column, or if an X is marked in the "Yes" column and the shareholder does not provide details (in the designated place following the table) regarding the nature of the "Personal Interest" or the "Controlling Party" Interest (as the case may be) or if an X is marked in both columns, the vote shall be disqualified.

² "Institutional Investor"- is applicable only to Israeli entities and shall have the meaning defined in section 1 of the Supervisory Regulations Control of Financial Services (Provident Funds) (Participation

| Resolution | For | Against | Abstain | Please indicate ¹ whether or not do you have a "Personal Interest" in the resolution, are you a "Controlling Party" in the Company, a "Senior Office Holder" or an Israeli "Institutional Investor" ² ? | |
|--|-----|---------|---------|---|--|
| <p>The External Director shall receive a relative compensation as annual fee and participation fee (for participation in Board and Board committee meetings) in accordance with Section 8A of the Regulations. Such compensation shall not exceed the average compensation paid to "Other Directors" of the Company (as such term is defined in the Regulations) and shall not be less than the minimum prescribed in the Second Addendum and the Third Addendum under the Regulations and the lowest compensation paid to "Other Directors" of the Company (currently \$2,200 a month).</p> | | | | | |
| <p>2. To elect Mr. Simon Bentley as a non-executive director of the Company and to approve his compensation as a non-executive director (effective as of August 2019) of an annual fee of USD \$43,200, payable in 12 equal monthly instalments as long as his service as a director continues.</p> | | | | <p><i>Yes</i></p> <p><input type="checkbox"/></p> | <p><i>No</i></p> <p><input type="checkbox"/></p> |
| <p>3. To elect Mrs. Ronit Schwartz as an "External Director" of the Company (as such term is defined in the Israeli Companies Law 5759-1999), to hold office as an External Director for a three year term, and to approve her compensation as an External Director as follows:</p> | | | | <p><i>Yes</i></p> <p><input type="checkbox"/></p> | <p><i>No</i></p> <p><input type="checkbox"/></p> |

of a Managing Company at a General Meeting), 2009, and a managing company of a Joint Investment Trust Fund as defined in the Joint Investment Trust Law, 1994.

| Resolution | For | Against | Abstain | Please indicate ¹ whether or not do you have a "Personal Interest" in the resolution, are you a "Controlling Party" in the Company, a "Senior Office Holder" or an Israeli "Institutional Investor" ² ? | |
|--|-----|---------|---------|---|--|
| <p>The External Director shall receive a relative compensation as annual fee and participation fee (for participation in Board and Board committee meetings) in accordance with Section 8A of the Regulations. Such compensation shall not exceed the average compensation paid to "Other Directors" of the Company (as such term is defined in the Regulations) and shall not be less than the minimum prescribed in the Second Addendum and the Third Addendum under the Regulations and the lowest compensation paid to "Other Directors" of the Company (currently \$2,200 a month).</p> | | | | | |
| <p>4. To re-approve the Company's Compensation Policy for the Company's Directors and officers, as required by the Israeli Companies Law, substantially in the form attached as Annex A.</p> | | | | <p><i>Yes</i></p> <p><input type="checkbox"/></p> | <p><i>No</i></p> <p><input type="checkbox"/></p> |
| <p>5. That Mr. Amos Vizer, is authorized to serve, for a period of three years from the Meeting, in the position of the Chairman of the Board of Directors in addition to his position as Chief Executive Officer of the Company.</p> | | | | <p><i>Yes</i></p> <p><input type="checkbox"/></p> | <p><i>No</i></p> <p><input type="checkbox"/></p> |

Please detail why you have a "Personal Interest" in the resolution, why you constitute a "Controlling Party" in the Company, a "Senior Office Holder" or an Israeli "Institutional Investor"³

³ There is no need to detail regarding "Personal Interest" if such interest is not resulting from a connection with the Controlling Shareholder.

Notes:

1. A completed and signed proxy must be delivered to the Company's Registrar, Computershare Investor Services (Jersey) Limited, c/o The Pavilions, Bridgwater Road, Bristol, BS99 6ZY, together with any power of attorney or other authority under which it is signed, by no later than 48 hours before the time fixed for the meeting or any adjourned meeting (9.00 a.m. Eastern Standard Time (2.00 p.m. UK time) on Tuesday, April 14, 2020). Completion and return of this proxy will not preclude a shareholder from attending and voting at the meeting in person.
2. Please indicate with an "X" in the appropriate box how you wish to vote. If this form of proxy is returned signed, but without indication in the manner provided for above, the proxy will vote or abstain as he thinks fit, in respect of the shareholder's total holding.
3. In the case of a corporation, this form of proxy must be executed under its common seal or signed on its behalf by a duly authorised attorney or duly authorised officer of the corporation.
4. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of any joint holders. For these purposes, seniority shall be determined by the order of the names appearing in the register of shareholders in respect of the joint holding.
5. If you wish to appoint a proxy other than the chairman of the meeting, please delete the words "the chairman of the meeting or", insert in block letters in the space provided the name of your proxy and initial the alteration.
6. A shareholder who is entitled to attend and vote at the meeting may appoint one or more proxies to attend and vote on his or her behalf, provided that only one proxy may be appointed by a shareholder in respect of a particular share held by him/her. A proxy need not be a shareholder of the Company.
7. Entitlement to attend and vote at the meeting and the number of votes which may be cast thereat will be determined by reference to the Depository Interest Register at close of business on March 17, 2020. Changes to entries on the Depository Interest Register after that time shall be disregarded in determining the rights of any person to attend and vote at the meeting.
8. Any alteration made to this form of proxy should be initialled.

Form of Instruction

General Meeting

Before completing this form, please read the explanatory notes below.

Form of Instruction for completion by holders of Depositary Interests representing shares on a 1 for 1 basis in the Company in respect of the General Meeting of the Company to be held at 9.00 a.m. Eastern Standard Time (2.00 p.m. UK time) on Thursday, April 16, 2020 at 111 S. Maitland Avenue, Suite 210, Maitland, Florida 32751, USA and at any adjournment of the meeting.

I/We(please use BLOCK CAPITALS)
of

being a holder of Depositary interests representing shares in the Company hereby appoint Computershare Company Nominees Limited, as my/our proxy to vote for me/us and on my/our behalf at the General Meeting of the Company to be held on the above date (and at any adjournment thereof) as directed by an "X" in the spaces below.

| Resolution | For | Against | Abstain | Please indicate ⁴ whether or not do you have a "Personal Interest" in the resolution, are you a "Controlling Party" in the Company, a "Senior Office Holder" or an Israeli "Institutional Investor" ⁵ ? | |
|--|-----|---------|---------|---|------------------------------------|
| | | | | Yes | No |
| 1. To re-elect Mr. Ran Pappo, as an "External Director" of the Company (as such term is defined in the Israeli Companies Law 5759-1999), to hold office as an External Director for additional term of three years (effective as of the Annual General Meeting held on December 07, 2018), and to approve his compensation as an External Director as follows: | | | | Yes <input type="checkbox"/> | No <input type="checkbox"/> |

⁴ If an X is not marked in either column, or if an X is marked in the "Yes" column and the shareholder does not provide details (in the designated place following the table) regarding the nature of the "Personal Interest" or the "Controlling Party" Interest (as the case may be) or if an X is marked in both columns, the vote shall be disqualified.

⁵ "Institutional Investor"- **is only applicable to Israeli entities** and shall have the meaning defined in section 1 of the Supervisory Regulations Control of Financial Services (Provident Funds) (Participation of a Managing Company at a General Meeting), 2009, and a managing company of a Joint Investment Trust Fund as defined in the Joint Investment Trust Law, 1994.

| Resolution | For | Against | Abstain | Please indicate ⁴ whether or not do you have a "Personal Interest" in the resolution, are you a "Controlling Party" in the Company, a "Senior Office Holder" or an Israeli "Institutional Investor" ⁵ ? | |
|--|-----|---------|---------|---|--|
| <p>The External Director shall receive a relative compensation as annual fee and participation fee (for participation in Board and Board committee meetings) in accordance with Section 8A of the Regulations. Such compensation shall not exceed the average compensation paid to "Other Directors" of the Company (as such term is defined in the Regulations) and shall not be less than the minimum prescribed in the Second Addendum and the Third Addendum under the Regulations and the lowest compensation paid to "Other Directors" of the Company (currently \$2,200 a month).</p> | | | | | |
| <p>2. To elect Mr. Simon Bentley as a non-executive director of the Company and to approve his compensation as a non-executive director (effective as of August 2019) of an annual fee of USD \$43,200, payable in 12 equal monthly instalments as long as his service as a director continues.</p> | | | | <p><i>Yes</i></p> <p><input type="checkbox"/></p> | <p><i>No</i></p> <p><input type="checkbox"/></p> |
| <p>3. To elect Mrs. Ronit Schwartz as an "External Director" of the Company (as such term is defined in the Israeli Companies Law 5759-1999), to hold office as an External Director for a three year term, and to approve her compensation as an External Director as follows:</p> | | | | <p><i>Yes</i></p> <p><input type="checkbox"/></p> | <p><i>No</i></p> <p><input type="checkbox"/></p> |

| Resolution | For | Against | Abstain | Please indicate ⁴ whether or not do you have a "Personal Interest" in the resolution, are you a "Controlling Party" in the Company, a "Senior Office Holder" or an Israeli "Institutional Investor" ⁵ ? | |
|--|-----|---------|---------|---|--|
| <p>The External Director shall receive a relative compensation as annual fee and participation fee (for participation in Board and Board committee meetings) in accordance with Section 8A of the Regulations. Such compensation shall not exceed the average compensation paid to "Other Directors" of the Company (as such term is defined in the Regulations) and shall not be less than the minimum prescribed in the Second Addendum and the Third Addendum under the Regulations and the lowest compensation paid to "Other Directors" of the Company (currently \$2,200 a month).</p> | | | | | |
| <p>4. To re-approve the Company's Compensation Policy for the Company's Directors and officers, as required by the Israeli Companies Law, substantially in the form attached as Annex A.</p> | | | | <p><i>Yes</i></p> <p><input type="checkbox"/></p> | <p><i>No</i></p> <p><input type="checkbox"/></p> |
| <p>5. That Mr. Amos Vizer, is authorized to serve, for a period of three years from the Meeting, in the position of the Chairman of the Board of Directors in addition to his position as Chief Executive Officer of the Company.</p> | | | | <p><i>Yes</i></p> <p><input type="checkbox"/></p> | <p><i>No</i></p> <p><input type="checkbox"/></p> |

Please detail why you have a "Personal Interest" in the resolution, why you constitute a "Controlling Party" in the Company, a "Senior Office Holder" or an Israeli "Institutional Investor"?⁶

Signature(s):
Date: 2020

⁶ There is no need to detail regarding "Personal Interest" if such interest is not resulting from a connection with the Controlling Shareholder.

Notes:

1. To be effective, a completed and signed Form of Instruction must be delivered to the Company's Depository, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY, together with any power of attorney or other authority under which it is signed, by no later than 168 hours before the time fixed for the meeting or any adjourned meeting (9.00 a.m. Eastern Standard Time (2.00 p.m. UK time) on Thursday, April 9, 2020).
2. In the case of a corporation, this Form of Instruction must be executed under its common seal or signed on its behalf by a duly authorised attorney or duly authorised officer of the corporation.
3. Please indicate how you wish your votes to be cast by placing "X" in the box provided. On receipt of this form duly signed, you will be deemed to have authorised Computershare Company Nominees Limited, to vote, or to abstain from voting, as indicated on your form of Instruction. If the Form of Instruction is duly signed and returned, but without specific direction as to how you wish your votes to be cast, the form will be rejected.
4. Any alteration made to this Form of Instruction should be initialled.
5. Entitlement to attend and vote at the meeting and the number of votes which may be cast thereat will be determined by reference to the Depository Interest Register at close of business on March 17, 2020. Changes to entries on the Depository Interest Register after that time shall be disregarded in determining the rights of any person to attend and vote at the meeting.
6. Should the holder, or a representative of that holder wish to attend the meeting and/or vote at the meeting, they must notify the Depository in writing or email [!UKALLDITeam2@computershare.co.uk](mailto:UKALLDITeam2@computershare.co.uk) by 2.00 p.m. UK time on April 9, 2020.