

Skyline Investments Inc. (the “Company”)

April 11, 2025

Hon.
Tel Aviv Stock Exchange Ltd.
Vila Magna

Hon.
Israel Securities Authority
Via Magna

Dear Madam /Sir,

Re: Immediate Report on the Convening of a Special General Meeting of Shareholders of the Company (the “Report”) pursuant to the Securities (Periodic and Immediate Reports) Regulations, 5730-1970 (“Reporting Regulations”), the Companies Regulations (Notice and Announcement of a General Meeting and Class Meeting in a Public Company), 5760-2000, the Companies Regulations (Voting in Writing and Position Statement), 5765-2005 (“Written Vote Regulations”), and the Companies Law, 5759-1999 (the “Companies Law”) (the “Report”)

The Company hereby respectfully announces the convening of a special general meeting of the Company’s shareholders, where the items on the agenda are as set forth in this report (the “Meeting”).

1 The Place, Date and Time of the Meeting

The Meeting will be held on Monday, May 19, 2025, at 3:00 p.m. (Israeli time), at the offices of Matry, Meiri, Wacht & Co. (“Mishorim”), 4 Ariel Sharon Street, Givatayim (HaShachar Tower, 17th floor) (“MMW Offices”). If, within half an hour of the time set for the Meeting, no quorum is present, as set forth below, the Meeting will be adjourned to Monday, May 26, 2025, at the same time and in the same place.

2 The Items on the Agenda and the Proposed Resolutions

2.1 Approval of Amended Compensation Policy

- 2.1.1 Approval of an amendment to the Company’s compensation policy that incorporates the following changes compared to the current compensation policy, in the form of the amended compensation policy attached hereto as **Appendix A (“Amended Compensation Policy”)**, which will remain in effect for a three year period commencing April 1, 2025, and ending March 31, 2028, in line with the recommendation and approval of the Company’s Compensation Committee and Board of Directors dated April 9, 2025.

Listed below are the main changes to the current compensation policy:

- 2.1.2 **The ratio between the fixed and variable components (clause 3.3)** – It is proposed to update that the variable remuneration component will not exceed 100% of the total remuneration package for the CEO of the Company.
- 2.1.3 **Cancellation of the Restriction relating to Meeting Annual Budget Targets as a Condition for Granting an Annual Bonus.** It is proposed to omit the restriction whereby no annual bonus may be paid to officers of the Company unless the Company meets 90% of the economic targets set in the annual budget.

- 2.1.4 Bonus Mechanism for the Company's CEO (Section 8 of the Amended Compensation Policy). It is proposed to amend the mechanism of the CEO's annual bonus and to determine that the CEO's annual bonus will be based on criteria of meeting sale of assets targets, cost reduction targets and/or debt collection targets, to be determined by the Compensation Committee and the Board of Directors, and to limit such bonus so it does not exceed the number of salaries for meeting each target as provided for in Section 8 of the Amended Compensation Policy. It is further proposed to determine that the CEO's discretionary bonus will not exceed 3 months' base salaries per year. It is also proposed to determine that the CEO's measurable annual bonus and discretionary bonus, collectively, will not exceed 12 months' base salaries per year.
- 2.1.5 Long Term Bonus. It is proposed to omit the possibility of granting a long-term bonus to officers of the Company (grants, options, performance units, restricted shares or any other similar equity right).
- 2.1.6 Retirement Arrangements (Section 12 of the Amended Compensation Policy). It is proposed to add that the Company may determine that, if the CEO is dismissed without cause or resigns after a minimum period set in his/her employment agreement, he/she will be entitled to a one-time payment of up to 12 months' base salary as well as benefits for such period, and, if relevant, the Company will pay severance pay as required by applicable labor laws.
- 2.1.7 Advance Notice Period (Section 13 of the Amended Compensation Policy). It is proposed to determine that in the event of termination for cause, the CEO will also be entitled to payment of benefits until the date of termination of employment, and in the event of termination of an officer's employment without cause, or dismissal, the advance notice period to which officers may be entitled will be the greater of 6 months and the minimum notice of termination (or payment in lieu of such notice), and provision of continued benefits as required by applicable employment standards legislation, plus, if applicable, payment of severance pay to the extent required by applicable employment standards legislation.
- 2.1.8 See Appendix A hereto for the complete version of the Amended Compensation Policy.
- 2.1.9 The following are the ratios between the employment costs of the Company's officers and the average and median cost of employment of the rest of the Company's employees (it should be clarified that the calculation includes 6 employees overall): CEO 0.51, VP Finance: 0.32; average employment cost ratio: CEO 3.09, VP Finance: 1.94; median employment cost ratio CEO 3.13, VP Finance: 1.96.
- 2.1.10 The ratio between the variable and fixed components (assuming a 100% STI bonus and a 100% discretionary bonus): CEO 100%; VP Finance: 50%.
- 2.1.11 The Compensation Committee and Board of Directors' Main Reasoning for the Approval of the Amended Compensation Policy

- 2.1.11.1 In recent years, including 2024, material changes have occurred in the Company's business profile and scope of operations. The changes incorporated in the Amended Compensation policy were established based on the experience acquired by the Company in implementing the previous compensation policy and due to the need to adapt the compensation policy to the Company's operations, nature and needs. The considerations that guided the members of the Company's Compensation Committee and Board of Directors in deciding to approve the Amended Compensation Policy included promoting the Company's objectives as well as its strategy and work plans.
- 2.1.11.2 The Amended Compensation includes specific arrangements relating to the terms of office of the current CEO, which were established with the intention of creating incentives that will link the CEO's interests to those of the Company, and with an emphasis on the relationship between actual performance and compensation, taking into account the Company's financial position, current needs, scope of operations and plans according to its strategy.
- 2.1.11.3 The members of the Compensation Committee and the Board of Directors believe that it is currently important to collect debts owed to the Company, reduce the Company's costs and at the same time sell its existing assets at the most appropriate timing and price. In determining the compensation policy, the members of the Compensation Committee and the Board took into account the scope of work and responsibility imposed on the Company's officers, given the small management team, while recognizing the importance of retaining high-quality officers for top positions in the Company, and taking into account the competitive environment where the Company operates and the skills and reputation acquired by such officers.
- 2.1.11.4 The Amended Compensation Policy was approved by the Company's Compensation Committee and Board of Directors after reviewing the considerations required by Section 267 of the Companies Law and the First Schedule thereto..
- 2.1.11.5 The members of the Compensation Committee and the Board of Directors are of the opinion that the proposed changes to the Amended Compensation Policy are reasonable and fair, reflect the Company's needs and serve its interests.
- 2.1.11.6 The resolutions were unanimously adopted by the Company's Compensation Policy and Board of Directors.

Proposed Resolution Wording

"To approve the Amended Compensation Policy in the form attached hereto as **Appendix A** for a period of three years commencing April 1, 2025."

2.2 Approval of the Terms of Office and Employment of Mrs. Neha Kapelus, the Company's CEO

- 2.2.1 On March 27, 2025, the Board of Directors of the Company approved the appointment of Mrs. Neha Kapelus ("**Mrs. Kapelus**"), who was the Company's CFO¹, to serve as the Company's CEO. Mrs. Kapelus stepped into her role as CEO on April 1, 2025.
- 2.2.2 On April 9, 2025 following approval by the Compensation Committee, the Company's Board of Directors approved the terms of office and employment of Mrs. Kapelus as the Company's CEO.
- 2.2.3 **Details of the Terms of Office and Employment of Mrs. Kapelus as the Company's CEO**

2.2.3.1 The term of Mrs. Kapelus' employment as the Company's CEO commenced on April 1, 2025 ("**Office Commencement Date**"), and in unlimited in time.

2.2.3.2 Mrs. Kapelus base salary will be CAD 350 thousand per year (approx. CAD 29,167 a month) ("**Base Salary**").

2.2.3.3 Mrs. Kapelus will be entitled to reimbursement of car expenses in the amount of CAD 12 thousand per year, plus 20 days or 4 weeks of vacation per year, as well as laptop and mobile phone, and will continue to be entitled to all group benefits accepted by the Company, such as health insurance.

2.2.3.4 Mrs. Kapelus will also be entitled to be included in the Company's officers' liability insurance policy and future policies, as in effect from time to time, which will comply with the terms of the Company's compensation policy, and will also be entitled to receive an indemnification undertaking in the form of the Indemnification and Insurance Letter approved for officers of the Company.²

2.2.3.5 Mrs. Kapelus will be entitled to a measurable bonus of up to 12 salaries per year, to be calculated as follows:

Sales Target. A binding sale agreement entered, or to be entered, into by the Company prior to the termination of Mrs. Kapelus' employment, with all closing conditions being satisfied within 8 months from termination of her employment, will entitle Mrs. Kapelus to a bonus, based on the following division: for the sale of the Autograph Hotel – 9 months' Base Salaries; for the sale of each of Courtyard Ft. Myers Cape Coral Hotel and Courtyard Ithaca Airport/University Hotel – 3 months' Base Salaries; and for the sale of Hyatt Regency Cleveland At The Arcade Hotel – 6 Base Salaries.

Cost Reduction Target. Meeting targets to be set by the Compensation Committee and the Board of Directors for the

¹ For details of the terms of office and employment of Mrs. Kapelus as the Company's CFO, see Regulation 21 of Part D of the Company's Periodic Report for 2024 (Reference No. 2025-01-017050).

² For details of the terms of the Indemnification and Insurance Letter currently applicable to the Company, see the Notice of General Meeting dated December 7, 2021 (Reference No. 2021-01-177459).

relevant year, effective 2025, will entitle Mr. Kapelus to a maximum of 3 months' Base Salaries.

Debt Collection Target. Collecting the full debt at the Company's Port McNicol property will entitle Ms. Kapelus to 3 salaries. Partial collection of the debt of at least 50% will entitle Ms. Kapelus to a proportional bonus to the portion of the debt collected.

- 2.2.3.6 The measurable bonus will not exceed 12 months' Base Salaries per year, and the total bonus to which Mrs. Kapelus will be entitled (measurable and discretionary) will not exceed 12 months' Base Salaries per year.
- 2.2.3.7 The Company may terminate Mrs. Kapelus' employment at any time for Cause (any conduct which would constitute just cause for dismissal, as recognized by law), such as theft, breach of trust, fraud, non-compliance with a lawful directive from the Company, finding of fault or imposition of any disciplinary remedy against Mrs. Kapelus by any regulatory authority, conviction or admission of a crime that results in a sentence of imprisonment or that involves moral turpitude, any material or ongoing breach of the agreement, any immoral act or an act which adversely affects the Company), and the Company will pay Mrs. Kapelus vacation pay and any payment required under the Employment Standards Act, 2000 and other employment/labor laws that may apply to Mrs. Kapelus' employment with the Company (the "Law"), and Mrs. Kapelus will be entitled to continued benefits or other rights until the date of termination of her employment or such other date as provided by law.
- 2.2.3.8 The Company may terminate Mrs. Kapelus' employment at any time without Cause, by giving written notice specifying the effective date of termination (which may be immediate). If the Company terminates Mrs. Kapelus' employment without Cause, the Company will pay Mrs. Kapelus, in addition to the payments set out in Section 2.2.3.7 above, and in lieu of the advance notice period, an amount equal to 6 months of Mrs. Kapelus' Base Salary plus an additional six months of Base Salary as a bonus, reimbursement of car expenses, benefits and other financial rights and benefits for such period or as required by law, whichever is greater. Mrs. Kapelus will also be entitled to a bonus for meeting a sales target with respect to transactions closed prior to the termination date, provided that within eight months from the date of termination of her employment, all closing conditions of the transaction are satisfied. Mrs. Kapelus will not be entitled to a discretionary bonus unless the Compensation Committee and the Board notifies Mrs. Kapelus in writing that she will be entitled to such bonus at the end of the advance notice period.
- 2.2.3.9 Mrs. Kapelus may terminate her own employment with the Company by giving the Company written notice of three months, during which, at the Company's request, she will continue to serve

in her position. If Mrs. Kapelus resigns without Cause prior to April 1, 2026, she will not be entitled to any unpaid annual bonus or a discretionary bonus to which she could have been entitled, nor will she be entitled to payment in lieu of advance notice, severance pay, continued benefits or other rights, except as required by law. If Mrs. Kapelus terminates her own employment without Cause on or after April 1, 2026, the Company will pay Mrs. Kapelus the same amounts as in the case of dismissal without Cause under Section 2.2.3.8 above, and she will not be entitled to advance notice or additional payment in lieu of advance notice, nor severance pay, continued benefits or other entitlements, except as required by law.

- 2.2.3.10 If Mrs. Kapelus terminates her own employment with the Company for Cause prior to April 1, 2026, after giving written notice to the Company specifying the Cause, which is not cured within 30 days, the Company will pay Mrs. Kapelus the same amounts as in the case of dismissal without Cause under Section 2.2.3.8 above, and she will not be entitled to advance notice or additional payment in lieu of advance notice, nor severance pay, continued benefits or other entitlements, except as required by law.
- 2.2.3.11 Mrs. Kapelus will be entitled to reimbursement of attorney fee expenses associated with the negotiation and drafting of her employment agreement, in the amount of CAD 15 thousand.
- 2.2.3.12 **Table Based Disclosure.** Below are the details of the annual compensation to which Mrs. Kapelus will be entitled for 2025 (in annual terms), assuming the terms of employment proposed herein are approved by the General Meeting, as well as details of the annual compensation to which the retiring CEO is entitled for 2024 in accordance with the terms of his employment, in CAD thousand:

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	Details of Compensation Recipient			Compensation for Services *						Other	Total Annual Compensation
	Name	Scope of position	Percentage holding in the Company's capital	Salary	Bonus **	Long-Term Equity Compensation	Management fees	Consulting fees	Other ***		
2024	Blake D. Lyon	100%	1.2%	428	791	-	-	-	461	12	1,692
2025	Neha Kapelus	100%	-	350	-	-	-	-	-	12	362

* Compensation amounts are presented in terms of cost to the Company.

** As of the date hereof, the Company is unable to estimate the amount of the annual bonus to be paid to Mrs. Kapelus for meeting targets or the discretionary bonus.

*** Car expenses, employer taxes, social benefits and accumulation of leave provision.

2.2.4 The Compensation Committee and Board of Directors' Main Reasoning for Approving the Terms of Office and Employment of the Company's CEO

2.2.4.1 The proposed terms of employment of the Company's CEO were determined with a view to promote the Company's objectives and needs and with a desire to provide a compensation package that will create a suitable incentive for the CEO, taking into account, among other things, the size of the Company, the scope of its business, the nature of its activities and the degree of responsibility imposed on her.

2.2.4.2 The Company's CEO has been employed with the Company for nearly three years, first as VP Finance and then as CFO, to the Company's satisfaction. Mrs. Kapelus has expertise, education and knowledge of areas relevant to the Company's operations.

2.2.4.3 The compensation package proposed to Mrs. Kapelus consists of a fixed component, *i.e.*, Base Salary and benefits, and a variable component, *i.e.*, a bonus for meeting measurable targets (hereinafter, collectively: the “**Compensation Package**”). The Compensation Package is in line with the Company's compensation policy and its cost is significantly lower than the cost of the compensation paid to the retiring CEO, which, in and of itself, was within the range accepted by companies with characteristics and scope of operations similar to those of the Company.

2.2.4.4 In view of all of the foregoing, and based on the considerations and information presented to the Board of Directors and the Compensation Committee, the overall terms of employment of the Company's CEO appear to be reasonable and acceptable under the circumstances, taking into account her position, the scope of the Company's operations and in comparison to customary practices.

2.2.4.5 The resolutions were unanimously adopted by the Company's Compensation Committee and Board of Directors.

Proposed Resolution Wording

“Subject to the approval of the Amended Compensation Policy, To approve the terms of office and employment of Mrs. Neha Kapelus as the Company's CEO (as set forth in Section 2.2.3 above), effective as of April 1, 2025.”

3 The manner of determining the terms of office and employment of the Company's CEO; the governing bodies that approved the resolutions proposed above; the date of approval and details of the information presented to the governing bodies prior to approval

3.1 The terms of office and employment of the Company's CEO were discussed and approved by the Company's Compensation Committee at its meeting dated April 9, 2025, and by the Board of Directors at its meeting dated April 9, 2025.

3.2 To enable the Compensation Committee and the Board of Directors to review the terms of office and employment of the Company's CEO, the following data and information were presented to the Committee and the Board:

- (a) The provisions of the Companies Law and the terms and conditions of the Company's Compensation Policy.
- (b) The education and experience of the Company's CEO and her performance in the Company.
- (c) The existing terms of employment of the Company's retiring CEO.

3.3 Names of the Directors who participated the discussions of the Compensation Committee and the Board of Directors on the items on the agenda

- 3.3.1 The following members attended the meeting of the Compensation Committee held on April 9, 2025: Mr. Moshe Shachaf (External Director and Chairman of the Compensation Committee), Mrs. Ruhama Avraham (External Director) and Mr. Amit Muchtar (External Director).
- 3.3.2 The following members attended the meeting of the Board of Directors held on April 9, 2025: Mr. Amir Tamari (Chairman of the Board of Directors), Mr. Shimshon Marfogel, Mr. Alon Waxman, Mr. Oded Setter, Mr. Amit Muchtar, Mrs. Ruhama Avraham (External Director) and Mr. Moshe Shachaf (External Director).

4 The Majority Required to Pass the Resolutions on the Agenda

- 4.1 Approval of the resolutions on the agenda of the Meeting requires one of the following to be met:
 - 4.1.1 In counting the majority of votes at the Meeting, such majority will include a majority of all votes of shareholders participating in the vote who are not controlling shareholders or have a personal interest in the approval of the resolutions. In counting the votes of such shareholders, abstaining votes will not be taken into account. The provisions of Section 276 of the Companies Law will apply, *mutatis mutandis*, to any person who has such personal interest.
 - 4.1.2 The total number of opposing votes from among the shareholders referred to in Section 4.1.1 above will not exceed two percent (2%) of the total voting rights in the Company.
 - 4.1.3 Pursuant to Section 272C(3) of the Companies Law, the Compensation Committee and thereafter the Board of Directors, may, in special cases, approve the resolutions on the agenda of the Meeting even if the General Meeting objects to the approval, provided that the Compensation Committee, and thereafter the Board of Directors, have resolved to do so, based on detailed reasons and after discussing the matter and reviewing, *inter alia*, the objection of the General Meeting.

5 Place and Date of Convening the Meeting; Quorum; Record Date; Voting Methods

5.1 Place and Date of Convening the Meeting

The Meeting will convene on Monday, May 19, 2025, at 3:00 p.m. (Israeli time), at MMW Offices.

5.2 Quorum

No discussion shall be held unless a quorum is present at the opening of the General Meeting, *i.e.* at least two (2) shareholders who are present in person or by proxy, or who sent a voting paper to the Company indicating their vote, and who hold or represent at least one quarter (25%) of the voting rights in the Company, shall constitute a quorum (the "**Quorum**").

A shareholder or its legal representative, who also serves as a proxy of other shareholders, shall be deemed to be two or more shareholders, according to the number of shareholders represented by him.

If within half an hour of the time set for the Meeting no quorum is present, the Meeting will be adjourned to Monday, May 26, 2025, at the same time and in the same place, and at the adjourned meeting, the matters for which the original Meeting was called will be discussed (the "**Adjourned Meeting**"). If within half an hour of the time appointed for the adjourned Meeting no quorum is present, the presence, in person or by proxy, of at least two (2) shareholders, regardless of their voting rights, within half an hour of the time appointed for the Meeting, shall constitute the quorum for the adjourned Meeting

5.3 Eligibility for Voting

The record date for determining the eligibility of a shareholder to vote at the Meeting, as provided for in section 182 (b) of the Companies Law and Regulation 3 of the Companies Regulations (Voting in Writing and Position Statements), 5766-2005 ("**Written Vote Regulations**") is Thursday, April 17, 2025 (the "**Record Date**").

Any person who, as of the Record Date, is a shareholder of the Company, whether the shares are registered in his name or held by a TASE member, may participate and vote at the Meeting in person or by proxy as well as by means of a voting paper or electronic voting paper (as defined below).

The letter of authorization for the appointment of the proxy shall be signed by the shareholder or the person authorized for this purpose, in writing, and if the appointer is a corporation, such letter shall be signed in a manner that binds the corporation. The original authorization letter or a copy thereof, provided it is approved by an attorney or notary, shall be deposited at MMW Offices at least twenty-four (24) hours prior to the time fixed for the Meeting or the adjourned meeting for which the authorization letter was drawn up. A vote in accordance with the letter of authorization shall be valid even if the appointee passed away or has become incompetent, or has become bankrupt, or if it is a corporation - dissolved, canceled the authorization letter, or transferred the share in relation to the same, unless written notice of the occurrence of such event has been received at Mishorim Offices prior to the Meeting.

Pursuant to the Companies Regulations (Proof of Ownership of a Share for the Purpose of Voting at the General Meeting), 5760-2000 (the "**Proof of Ownership Regulations**"), a shareholder of the Company who holds a share registered with a TASE member and such share is included among the shares registered in the register of shareholders, shall be entitled to participate in the Meeting, in person or by proxy, only if prior to the meeting, he provides the Company with a certificate from the

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relevant TASE member with which his right to the share is registered, attesting to his ownership of the Company's shares as of the Record Date ("**Certificate of Ownership**"). Alternatively, a non-registered shareholder may direct that his certificate of ownership be provided to the Company through the Electronic Voting System (as defined below).

A shareholder whose shares are registered with a TASE member is entitled to receive the Certificate of Ownership from the TASE member through which he holds his shares, at the branch of the TASE member or by mail to his address in return for postage fees only, if he so requests, provided that a request in this regard is delivered in advance to a particular securities account.

As noted, a shareholder may vote at the Meeting by means of a voting paper, as defined in section 87 of the Companies Law, in the form attached hereto ("**Voting Paper**"). The Voting Paper and the Position Statements, as defined in section 88 of the Companies Law, if any, are available for review on the ISA Distribution Site and the TASE website. Any shareholder may directly request the Company to receive, at no charge, the text of the Voting Paper and of the Position Statements, if any. A shareholder will indicate his vote on any resolution on the agenda in the second part of the Voting Paper.

A TASE member will send a link to the text of the Voting Paper and Position Statements, if published, on the distribution site, free of charge, by e-mail to any shareholder who is not registered in the register of shareholders and whose shares are registered with such TASE member, but provided the notice has been given in respect of a particular securities account, prior to the Record Date.

The Voting Paper and the documents attached thereto as set forth in the Voting Paper must be submitted to MMW Offices (including by registered mail) together with the Certificate of Ownership (and in the case of a registered shareholder – also a photocopy of his identity card, passport or certificate of incorporation, as the case may be) up to twenty-four (24) hours prior to the time of convening the Meeting. For this purpose, the "date of delivery" is the date on which the Voting Paper and the documents attached thereto are received at MMW Offices. The Voting Paper of a non-registered shareholder will only be valid if a certificate of ownership has been attached thereto (or alternatively, if the certificate of ownership has been delivered through the electronic voting system, as defined below) and the Voting Paper of a registered shareholder will only be valid if a photocopy of an identity card has been attached thereto, as the case may be.

The deadline for shareholders to deliver Position Statements to the Company is up to ten (10) days prior to the date of the Meeting. The deadline for the Board of Directors to submit its response to Position Statements, insofar as Position Statements are submitted and the Board of Directors elects to submit its response thereto, is up to five (5) days prior to the date of the Meeting.

In addition, a non-registered shareholder may also vote by means of an electronic voting paper delivered to the Company through the electronic voting system operating under Article Two of Chapter 2 of the Securities Law ("**Electronic Vote**", "**Electronic Voting System**" and "**Electronic Voting Paper**", respectively).

Voting through an Electronic Voting Paper will be possible from the end of the Record Date and up to six (6) hours prior to the time of convening the Meeting.

It should be noted that pursuant to section 83 (d) of the Companies Law, if a shareholder has voted in more than one way, his later vote will be taken into account, and in this regard, the vote of a shareholder voting in person or by proxy shall be deemed to be a vote made after voting by means of a Voting Paper or Electronic Voting Paper.

One or more shareholders holding shares equal to 5% or more of the total voting rights in the Company as of the Record Date, and any person holding such percentage of the total voting rights that are not held by a controlling shareholder, as defined in section 268 of the Companies Law, may review the Voting Papers and voting lists received by the Company, in person or by a proxy on his behalf, after the Meeting is convened, at MMW Offices (as specified in section 9 below), during regular working hours, through the Electronic Voting System, as set out in Regulation 10 of the Written Vote Regulations.

The number of shares constituting 5% of the total voting rights in the Company is 835,024 ordinary shares of the Company with no par value.

6 Notice of Personal Interest; Connection with an Interested Party or Other Characteristics of a Shareholder

Prior to voting on the resolutions included in the agenda, each shareholder who participates in the vote at the Meeting, either in person or by proxy (and if the vote is by means of a Voting Paper or Electronic Voting Paper, on the Voting Paper or Electronic Voting Paper, as the case may be), will notify the Company of the existence or absence of a personal interest, connection or other characteristic that the shareholder may have in connection with the resolution on the agenda, and shall describe them, all as set forth in the second part of the Voting Paper attached hereto or in the Electronic Voting Paper, as the case may be. If such shareholder fails to provide the Company with such notice, or fails to mark "yes" or provide the said description, such shareholder may not vote and his vote shall not be counted.

In addition, any shareholder wishing to participate in the vote will be required to notify the Company, including by way of marking in the place designated for this purpose in the Voting Paper, Electronic Voting Paper and/or power of attorney, whether or not he is an interested party of the Company, a senior officer and/or institutional investor.

7 Changes in the Agenda; Deadline for Submitting a Shareholder's Request to Include an Item on the Agenda

Changes to the agenda may be made following publication of this Report, including the addition of an item to the agenda, and additional Position Statements may be published. The updated agenda and Position Statements, if published, will be available in the Company's reports on the distribution Site.

A shareholder's request under section 66 (b) of the Companies Law to include an item on the agenda of the General Meeting shall be delivered to the Company no later than seven (7) days after the convening notice of the meeting ("**Shareholder's Request**"). If the Board of Directors finds that an item that a shareholder seeks to include on the agenda is suitable to be discussed at the Meeting, the Company shall prepare a revised agenda and an amended Voting Paper and shall publish them no later than seven (7) days from the deadline for the submission of a Shareholder's Request.

8 The Company's Representative for Handling the Immediate Report

The Company's representative for the purpose of handling this immediate report are the Company's external legal counsels, Matry, Meiri, Wacht & Co. Law Firm, phone: +972-3-610-9000, fax: +972-3-610-9009.

9 Review of Documents

A shareholder may review the full text of the resolutions on the agenda and any document relating to the resolutions that are the subject of this report, at MMW Offices, following prior coordination with the MMW Secretariat at +972-3-610-9000, Sunday through Thursday 9:00 – 16:00, until the date of the meeting. In addition, this Report and the Voting Paper are available for review on the Distribution Site and the TASE Website.

Sincerely,

Skyline Investments Inc.

The report was signed by Mrs. Neha Kapelus, CEO