

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to what action you should take, you are recommended to seek your own financial advice from your stockbroker or other independent adviser authorised under the Financial Services and Markets Act 2000 (as amended) if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.**

If you have sold or transferred all of your Ordinary Shares in Albert Technologies Ltd. or depositary interests representing Ordinary Shares, please forward this document, together with the accompanying documents, as soon as possible either to the purchaser or transferee or to the person who arranged the sale or transfer so they can pass these documents to the person who now holds the shares or such depositary interests. However, this document should not be forwarded or transmitted in or into any jurisdiction in which such act would constitute a violation of the relevant laws of such jurisdiction. If you have sold only part of your holding of Ordinary Shares, or depositary interests representing Ordinary Shares, please contact your stockbroker, bank or other agent through whom the sale or transfer was effected immediately.

The Directors (whose names and functions appear on page 5 of this document) and the Company accept responsibility, both collectively and individually, for the information contained in this document and compliance with the AIM Rules. To the best of the knowledge and belief of the Directors and the Company (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Ordinary Shares are admitted to trading on AIM. Application will be made for the Placing Shares to be admitted to trading on AIM. It is expected that Admission will become effective and that dealings will commence in the Placing Shares at 8.00 a.m. on 25 June 2018. **AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the United Kingdom Listing Authority. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. The London Stock Exchange has not itself examined or approved the contents of this document. Prospective investors should read this document in its entirety.**

This document contains no offer of transferable securities to the public within the meaning of section 102B of the FSMA, the Act or otherwise. Accordingly, this document does not constitute a prospectus within the meaning of section 85 of the FSMA and has not been drawn up in accordance with the Prospectus Rules or approved by the FCA or any other competent authority. It is emphasised that no application is being made for admission of the Ordinary Shares to the Official List of the United Kingdom Listing Authority.

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# Albert Technologies Ltd.

*(a company incorporated under the laws of Israel with registered number 514497601)*

## Proposed Placing and Notice of General Meeting

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**This document should be read as a whole. However, your attention is drawn to the letter from the Independent Non-Executive Chairman of the Company which is set out in part 1 of this document and which contains, amongst other things, the Directors' unanimous recommendation that you vote in favour of the Resolutions to be proposed at the General Meeting.**

Cantor Fitzgerald Europe ("**Cantor Fitzgerald**"), which is authorised and regulated in the United Kingdom by the FCA, is acting as nominated adviser and sole broker to the Company in connection with matters set out in this document and will not be acting for any other person (including a recipient of this document) or otherwise be responsible to any person for providing the protections afforded to clients of Cantor Fitzgerald or for advising any other person in respect of the matters set out in this document or any transaction, matter or arrangement referred to in this document. Cantor Fitzgerald's responsibilities as the Company's nominated adviser and sole broker are owed solely to London Stock Exchange and are not owed to the Company or to any Director or to any other person in respect of his decision to acquire shares in the Company in reliance on any part of this document.

Apart from the responsibilities and liabilities, if any, which may be imposed on Cantor Fitzgerald by the FSMA or the regulatory regime established thereunder, Cantor Fitzgerald does not accept any responsibility whatsoever for the contents of this document, including its accuracy, completeness or verification or for any other statement made or purported to be made by it, or on its behalf, in connection with the Company or the matters set out in this document. Cantor Fitzgerald accordingly disclaims all and any liability whether arising in tort, contract or otherwise (save as referred to above) in respect of this document or any such statement.

**Notice of the General Meeting of Albert Technologies Limited, to be held at the offices of Bryan Cave Leighton Paisner LLP, Adelaide House, London Bridge, London, United Kingdom EC4R 9HA at 10.00 a.m. on 22 June 2018, is set out at the end of this document. To be valid, the accompanying Form of Proxy and/or Form of Direction for use in connection with the General Meeting should be completed, signed and returned as soon as possible to the Company's registrars, Link Asset Services, PXS, 34 Beckenham Road, Beckenham, United Kingdom BR3 4TU. The Form of Direction should be received by Link Asset Services by no later than 10.00 a.m. on 19 June 2018 (or, if the General Meeting is adjourned, 72 hours (excluding any part of a day that is not a working day) before the time fixed for the adjourned meeting). The Form of Proxy should be received by Link Asset Services by no later than 10.00 a.m. on 21 June 2018 (or, if the General Meeting is adjourned, 24 hours (excluding any part of a day that is not a working day) before the time fixed for the adjourned meeting). Completion and return of Forms of Proxy and/or Forms of Direction will not preclude Shareholders from attending and voting at the General Meeting should they so wish.**

**Shareholders who hold depositary interests representing Ordinary Shares in uncertificated form in CREST may alternatively use the CREST Proxy Voting Service in accordance with the procedures set out in the CREST Manual as explained in the notes accompanying the Notice of General Meeting at the end of this document. Proxies submitted via CREST must be received by Link Asset Services (ID RA10) by no later than 10.00 a.m. on 19 June 2018 (or, if the General Meeting is adjourned, 72 hours (excluding any part of a day that is not a working day) before the time fixed for the adjourned meeting). The appointment of a proxy using the CREST Proxy Voting Service will not preclude Shareholders from attending and voting in person at the General Meeting should they so wish.**

A copy of this document will be made available from the Company's website, [www.albert.ai.com](http://www.albert.ai.com). Neither the content of the Company's website nor any website accessible by hyperlinks to the Company's website is incorporated in, or forms part of, this document.

## **IMPORTANT NOTICE**

### **Cautionary note regarding forward-looking statements**

This document includes statements that are, or may be deemed to be, “forward-looking statements”. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms “believes”, “estimates”, “plans”, “projects”, “anticipates”, “expects”, “intends”, “may”, “will”, or “should” or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include matters that are not historical facts. They appear in a number of places throughout this document and include statements regarding the Directors’ current intentions, beliefs or expectations concerning, among other things, the Group’s results of operations, financial condition, liquidity, prospects, growth, strategies and the Group’s markets.

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Actual results and developments could differ materially from those expressed or implied by the forward-looking statements.

Forward-looking statements may and often do differ materially from actual results. Any forward-looking statements in this document are based on certain factors and assumptions, including the Directors’ current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Group’s operations, results of operations, growth strategy and liquidity. Whilst the Directors consider these assumptions to be reasonable based upon information currently available, they may prove to be incorrect. Save as required by law or by the AIM Rules, the Company undertakes no obligation to publicly release the results of any revisions to any forward-looking statements in this document that may occur due to any change in the Directors’ expectations or to reflect events or circumstances after the date of this document.

### **Notice to overseas persons**

The distribution of this document and/or the Form of Proxy/Form of Direction in certain jurisdictions may be restricted by law and therefore persons into whose possession these documents come should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

### **Presentation of financial information**

Certain data in this document, including financial, statistical and operational information has been rounded. As a result of the rounding, the totals of data presented in this document may vary slightly from the actual arithmetical totals of such data. Percentages in tables have been rounded and, accordingly, may not add up to 100 per cent.

### **Interpretation**

Certain terms used in this document are defined and certain technical and other terms used in this document are explained at the section of this document under the heading “Definitions”, which begins on page 12.

All times referred to in this document, the Form of Proxy and Form of Direction are, unless otherwise stated, references to London time.

All references to legislation in this document, the Form of Proxy and Form of Direction are to the legislation of England and Wales unless the contrary is indicated. Any reference to any provision of any legislation or regulation shall include any amendment, modification, re-enactment or extension thereof.

Words importing the singular shall include the plural and vice versa, and words importing the masculine gender shall include the feminine or neutral gender.

## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

|  |                            |
|--|----------------------------|
| Publication and mailing of this document, the Notice of General Meeting, Form of Proxy and Form of Direction | 31 May 2018                |
| Latest time and date of receipt of completed Forms of Direction  | 10.00 a.m. on 19 June 2018 |
| Latest time and date of receipt of completed Forms of Proxy  | 10.00 a.m. on 21 June 2018 |
| General Meeting  | 10.00 a.m. on 22 June 2018 |
| Issue date for the Placing Shares  | 25 June 2018               |
| Admission and commencement of dealings in Placing Shares on AIM  | 8.00 a.m. on 25 June 2018  |
| Expected date of dispatch of definitive share certificates   | by 1 July 2018             |

### Notes:

The times and dates set out in the expected timetable of principal events above and mentioned throughout this document may be amended by the Company, subject to the AIM Rules for Companies, in which event details of the new times and dates will be notified by means of an announcement through a Regulatory Information Service.

All times referred to in this document, the Form of Proxy and Form of Direction are, unless otherwise stated, references to London time.

## PLACING STATISTICS

|   |                |
|---|----------------|
| Number of Existing Ordinary Shares at the date of this document               | 62,408,320     |
| Placing Price   | 37p            |
| Number of Placing Shares  | 36,756,757     |
| Number of Ordinary Shares in issue immediately following Admission            | 99,165,077     |
| Percentage of Enlarged Issued Share Capital represented by the Placing Shares | 37.1 per cent. |
| Gross proceeds receivable by the Company under the Placing                    | £13.6 million  |
| Net proceeds receivable by the Company under the Placing                      | £12.7 million  |

## CHAIRMAN'S LETTER

# Albert Technologies Ltd.

*(a company incorporated under the laws of Israel with registered number 514497601)*

### Directors:

John Allwood (*Independent Non-Executive Chairman*)  
Or Shani (*Chief Executive Officer*)  
Yoram Freund (*Chief Financial Officer*)  
Lisa Gordon (*Independent Non-Executive Director*)  
Ofir Gomeh (*Independent Non-Executive Director and External Director*)  
Barak Salomon (*Independent Non-Executive Director and External Director*)

### Registered office:

20 Lincoln St.  
Tel Aviv 6713412  
Israel

31 May 2018

## **To the Shareholders, the Depository Interest Holders and, for information only, to the holders of options over Ordinary Shares**

Dear Shareholder or Depository Interest Holder

### **Introduction**

Today, the Company announced it had conditionally raised £13.6 million (approximately US\$18.05 million) (before expenses) by way of a Placing to institutional investors at a price of 37 pence per Ordinary Share. The Placing is conditional upon, among other things, approval of the Resolutions at the General Meeting to authorise the Directors to issue the Placing Shares.

The purpose of this document is to explain the background to and reasons for the Placing. It explains why the Directors consider the Placing to be in the best interests of the Company, its Shareholders and Depository Interest Holders as a whole and why the Directors unanimously recommend that you vote in favour of the Resolutions to be proposed at the General Meeting, as the Directors intend to do in respects of their own beneficial shareholdings.

Notice of the General Meeting to be held at the offices of Bryan Cave Leighton Paisner LLP, Adelaide House, London Bridge, London, United Kingdom EC4R 9HA on 22 June 2018 at 10.00 a.m. at which the Resolutions required to approve the Placing will be proposed, is set out at the end of this document.

### **Overview of the Company**

Albert Technologies' proprietary software solution branded "Albert" is an artificial intelligence SaaS solution that is designed to allow major global brands and advertising agencies to run their online advertising campaigns autonomously and deliver a higher return on investment, improve effectiveness and help reduce the cost of human intervention.

The real-time platform analyses a significant amount of advertising and social media data, converts this data into insights and autonomously manages and optimises campaigns across channels, devices and formats.

Albert replaces the manual media buying process with a fully automated solution that delivers continuously improved results through its machine learning functionality. A brand provides Albert with access to its Google, Facebook, Bing, Twitter and other online marketing channels and when a brand manager wishes to launch a new online advertising campaign, all that is needed is to simply log into Albert and deploy that new campaign.

Albert autonomously creates hundreds of micro campaigns across all relevant online marketing channels (Google, Facebook, Bing, Twitter, Instagram, Display, Email, etc.), then reviews these micro campaigns every few minutes and optimises each of them as needed. Albert works in very much the same way that a human campaign manager would, making correlation and cost/benefit-based decisions, but its AI functionality enables Albert to process and learn from actions at a volume and speed that is beyond human capability.

Where an experienced campaign manager could possibly make circa 100 decisions per day, Albert can make thousands per minute. Albert's ability to launch hundreds of micro strategies and review and amend them all every few minutes typically brings about a significant increase in ROI. In addition, all learnings from the decisions made remain in-house, and the brand has full and instant transparency and can easily scale up marketing activities through larger budgets or applications to new brands and new geographies, without hiring new expert campaign managers.

Albert's targeting is based on a combination of previously collected CRM data and incoming campaign data. The algorithm is able to break the information down into customer segments including current/returning customers, site visitors, lookalikes or an entirely new audience. The algorithm takes the knowledge gathered from these segments and creates micro-segments, testing thousands of variables against these segments in seconds. By looking at geography, demographics, behaviours and interests, as well as other customer data points, Albert evolves to identify potential customer profiles. In addition, Albert can execute and optimise campaigns across devices to maximise the efficiency of marketing spend.

### **Background to and reasons for the Placing and use of proceeds**

2017 was a significant year of transition and evolution of Albert Technologies as it closed its legacy indirect business to focus exclusively on Albert, the Company's proprietary technology developed with eight years of R&D investment.

Having launched Albert as an independent SaaS solution in 2016, the Company saw excellent growth in customers, monthly recurring revenues and average revenue per customer.

The AI Marketing space, which is currently a nascent market, represents very significant growth opportunity for the Company. A recent MarketsandMarkets report predicts that the AI Marketing space will grow to US\$40 billion value by 2025. The Directors believe that a growing number of brands and agencies are seeking transparent, cost-efficient and results-driven technology solutions to manage their digital marketing campaigns. AI plays a critical role in delivering peak performance, higher returns on marketing spend, and ground-breaking efficiencies. The Directors believe that Albert is a recognized industry leader in AI at a time when utilising the very best marketing technologies for global brands and agencies is becoming increasingly essential. The Directors believe the next few years will see AI technology enter the mainstream in digital advertising.

In 2017, the Company achieved some important milestones in its execution strategy. It made significant progress in deploying a strategy that allowed it to combine a sales strategy that could focus on both small-to-medium-sized business customers as well as large brands and global enterprises. Several strategic partnerships and relationships with global advertising agencies and distribution partners were established in the 2017 financial year including:

- a 12-month rolling contract with one of the world's largest nutrition, health and wellness companies; and
- a strategic partnership with a leading business services group in Australia and New Zealand.

The Company has a strong pipeline of new business, as well as some ongoing pilot projects with leading global brands and agencies.

In April 2018, the Company announced the appointment of WPP veteran, Rob Norman, as an adviser to the Board (and a prospective Non-Executive Director). Rob's significant sector knowledge and industry contacts within the brands and agencies are already yielding benefits in business development as the Company pursues both the brand-direct and the agency routes to market.

As at 31 December 2017, the Company had cash, cash equivalents and short-term bank deposits of US\$11.1 million. As stated in the preliminary results of the Company for the year to 31 December 2017, the Board has adopted a contingency plan to reduce costs in the absence of additional funding to allow it to continue to meet its obligations. Whilst the implementation of this plan would allow the Company to meet its liquidity requirements, the Board also believes that such a plan would constrain the Company's ability to continue the progress being made and to capture the market opportunity.

The Board believes that the Company has an excellent opportunity to capitalise on increasing engagement and interest in the use of AI technology in digital advertising campaigns and to fully exploit the pipeline of opportunities created by the progress made over the last 15 months with the Albert SaaS model. Therefore, the net proceeds of the Placing will provide the Company with the capital required to not only enable it continue to invest in the ongoing development and enhancement of Albert to maintain, what the Directors believe is, a market leading AI marketing platform, but also to continue to convert the pipeline of opportunities into customers and increase its sales and marketing presence to expand the Company's reach. The Board therefore intends to use the net proceeds of the Placing to:

- expand the Company's direct sales and marketing activities to support continued growth in its client numbers, as well as increasing the use of Albert within the Company's current customers' digital advertising and media buying campaigns;
- continue to develop and scale the Company's reach through further distribution partnerships and agreements with media agencies;
- continue to invest in the development and enhancement of Albert to ensure the platform retains its position as a market leader;
- further enhance the Company's ability to facilitate and improve the on-boarding process for larger scale commercial opportunities;
- invest in people, processes and infrastructure to support the growing business; and
- provide general working capital to the Company.

### **Current trading and prospects**

The Company has continued the momentum it saw in 2017 through into 2018 and trading in the year to date has been in line with the Board's expectations. The Board's strategy remains to capitalise on the increasing interest in the benefits of AI in digital advertising campaigns and to act as a solution provider to both enterprises and media agencies seeking to use AI technology as part of their digital marketing strategy. The simplicity of use and the effectiveness of Albert means that the Group not only sells to small and medium sized enterprises with relatively low digital marketing budgets, but also to global brands and media agencies.

The Company has continued to deploy Albert in pilot phase and commercial contracts and the Board are seeing increased traction and interest with global media agencies. Since the start of 2018, the Company has:

- signed a pilot agreement with one of the top five global advertising agencies;
- secured a 12-month contract with one of the top 25 independent advertising agencies in North America;
- started a pilot project with one of Europe's leading telecommunications companies;
- commenced a pilot project with a Fortune 50 consumer goods corporation, in a key Latin American territory;
- begun a pilot project with one of the top five retailers in Latin America; and
- started a pilot project with one of the world's biggest insurance companies.

The Company has seen a threefold increase in average monthly revenue per customer during the period from March 2017 to March 2018 and monthly recurring revenues in March had increased to US\$0.36 million, approximately four times greater than that in March 2017. Revenue for the first quarter of 2018 was approximately US\$1 million, over five times the amount of Q1 revenues for 2017.

The Directors were also delighted to announce the appointment of Rob Norman as an advisor to the Board. Having worked for companies within the WPP media agency network for over three decades, most recently as Global Chief Digital Officer of GroupM, Rob Norman brings significant knowledge, expertise and industry relationships to help the Company continue the significant progress made since the start of 2017.



## **Board Changes**

Following the transition of the business model since its admission to trading on AIM to focus exclusively on the Company's proprietary technology, the Company continues to broaden the experience of the members of the Board. As announced on 30 April 2018, the Company appointed Rob Norman, previously Global Chief Digital Officer and, before that, Chief Executive of GroupM (North America) at WPP's GroupM as an advisor to the Board with the intention that he join the Board at the forthcoming AGM. Rob brings with him a wealth of media agency experience.

The Board has been informed by John Allwood of his intention to retire from the Board at the next Annual General Meeting of the Company, having served as an Independent Non-Executive Director since its admission to trading on AIM in June 2015, and his decision to start to step back from his commitments. It is the intention of the Board to appoint current Independent Non-Executive Director, Lisa Gordon, into this role on John's retirement.

The Board would like to take this opportunity to thank John for his hard work, his commitment to the Company over the last three years and to wish him well in the future. The Company will monitor and evolve the composition of the Board over the coming years to ensure that it continues to attract high calibre individuals who will contribute to the continued growth and development of the Company.

## **Details of the Placing**

The Company has conditionally raised approximately £13.6 million (approximately US\$18.05 million) (before expenses) through the Placing conducted by way of an accelerated bookbuilding process undertaken by Cantor Fitzgerald acting as sole bookrunner. Pursuant to the Placing, 36,756,757 Placing Shares have been conditionally placed with new and existing institutional investors at the Placing Price. The Placing is not underwritten and is subject to the conditions and termination rights set out in the Placing Agreement.

The Placing Shares will represent approximately 37.1 per cent. of the Enlarged Issued Share Capital immediately following Admission. The Placing Price represents a discount of approximately 1.3 per cent. to the closing price of 37.5 pence per Ordinary Share on the Latest Practicable Date. Upon Admission, the Enlarged Issued Share Capital is expected to comprise 99,165,077 Ordinary Shares. Therefore, the figure of 99,165,077 Ordinary Shares may be used by Shareholders following Admission as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change in their interest in, the share capital of the Company under the FCA's Disclosure Guidance and Transparency Rules.

The Placing is conditional upon, among other things, the approval of the Resolutions at the General Meeting, Admission becoming effective and the Placing Agreement becoming unconditional and not being terminated in accordance with its terms.

The Ordinary Shares to be issued pursuant to the Placing will rank *pari passu* with the Existing Ordinary Shares.

Application will be made to the London Stock Exchange for the Placing Shares to be admitted to trading on AIM. It is expected that Admission will take place at 8.00 a.m. on 25 June 2018.

At the General Meeting, the Company will be seeking to pass both ordinary and special resolutions, the latter requiring votes in favour from at least 75 per cent. of the Ordinary Shares voting at the General Meeting, whether in person or by proxy, in order to give the Directors authority to allot the Placing Shares on a non-pre-emptive basis.

## **The General Meeting**

The Placing is conditional upon the approval of the Resolutions by the Shareholders at the General Meeting to be held at the offices of Bryan Cave Leighton Paisner LLP, Adelaide House, London Bridge, London, United Kingdom EC4R 9HA at 10.00 a.m. on 22 June 2018. The notice convening the General Meeting is incorporated in this document.

The Directors do not have sufficient authority to allot all of the Placing Shares for cash on a non-pre-emptive basis. The Company is therefore proposing to seek specific authorities at the General



Meeting to allot the Placing Shares. Resolution 1 provides the Company with authority to allot the Placing Shares, Resolution 2 waives the pre-emption rights applicable to those Placing Shares as if Article 10.2 of the Articles did not apply to such allotment and issue and Resolution 3 increases the authorised share capital of the Company.

The Resolutions can be further summarised as follows:

***Resolution 1 – general authority to the Placing Shares***

Under the Companies Law, the Board may only allot the entire amount of the Placing Shares if authorised to do so by the Shareholders in a general meeting. Resolution 1 therefore provides an authority to the Board to allot the entire amount of the Placing Shares.

Resolution 1 will be proposed as an ordinary resolution requiring a majority of votes cast in favour of it at the General Meeting, whether in person or by proxy, in order for it to be passed.

***Resolution 2 – authority to allot the Placing Shares free of pre-emption rights***

Under Article 10 of the Articles, if the Directors wish to allot any shares or grant rights over shares (other than pursuant to an employee share scheme) for cash, they must in the first instance offer them to existing Shareholders in proportion to their holdings unless this provision is waived by a special resolution. Resolution 2 therefore asks Shareholders to do this, and provides for the non-pre-emptive allotment of the Placing Shares.

Resolution 2 will be proposed as a special resolution requiring 75 per cent. of the votes cast at the General Meeting to be in favour of it, whether in person or by proxy, for it to be passed.

***Resolution 3 – increase of authorised share capital and amendment of Articles***

Under the Companies Law, the Company requires sufficient unissued authorised share capital in order to allot the Placing Shares. In order for the Company's authorised share capital to be increased, and for the Articles to be amended to reflect such increase, a resolution of the Shareholders in a general meeting is required.

Following the issuance of the Placing Shares, 99,165,077 NIS 0.01 Ordinary Shares will be in issue. In addition, the Company currently has outstanding options in respect of 5,579,303 Ordinary Shares. The Company's authorised share capital is currently NIS 1,000,000. As the Enlarged Issued Share Capital together with the Ordinary Shares currently under option will exceed the Company's current authorised share capital, the Board proposes to increase the authorised share capital by NIS 500,000 shares such that following such increase, the Company's authorised share capital will be NIS 1,500,000, divided into 150,000,000 Ordinary Shares of NIS 0.01 each. The Board also proposes to amend the Articles to reflect the increase in authorised share capital.

Resolution 3 will be proposed as an ordinary resolution requiring a majority of votes cast in favour of it at the General Meeting, whether in person or by proxy, in order for it to be passed.

Shareholders should note that the Resolutions in relation to the Placing to be proposed at the General Meeting are inter-conditional and if one of them is not passed the Placing will not proceed.

The Directors, who between them hold shares representing an aggregate of approximately 46.9 per cent. of the Existing Ordinary Shares, intend to vote in favour of the Resolutions.

**Action to be taken by Shareholders and Depositary Interest Holders**

The action to be taken in respect of the General Meeting depends on whether you hold your Ordinary Shares in certificated form or as Depositary Interests.

### **Certificated Shareholders**

Please check that you have received a Form of Proxy with this document for use at the General Meeting.

Whether or not you propose to attend the General Meeting, please complete, sign and return the Form of Proxy in accordance with the instructions printed on it as soon as possible but, in any event, so as to be received by post at Link Asset Services, PXS, 34 Beckenham Road, Beckenham, United Kingdom BR3 4TU or, during normal business hours, by hand, in each case by no later than 10.00 a.m. on 21 June 2018.

This will enable your vote to be counted at the General Meeting in the event of your absence. The completion and return of the Form of Proxy will not prevent you from attending and voting in person at the General Meeting, or any adjournment of the General Meeting, should you wish to do so.

### **Depositary Interest Holders**

Please check that you have received a Form of Direction with this document for use in the General Meeting.

Whether or not you propose to attend the General Meeting, please complete, sign and return the Form of Direction in accordance with the instructions printed on it as soon as possible but, in any event, so as to be received by post at Link Asset Services, PXS, 34 Beckenham Road, Beckenham, United Kingdom BR3 4TU or, during normal business hours, by hand, in each case by no later than 10.00 a.m. on 19 June 2018.

This will enable your vote to be counted at the General Meeting. If you would like to attend the General Meeting in person as a Depositary Interest Holder, please contact the Depositary to request a Letter of Representation to be issued to you.

### **Importance of vote**

Shareholders should be aware that, if the Resolutions are not approved at the General Meeting, the net proceeds of the Placing will not be received by the Company. As at 31 December 2017, the Company had cash, cash equivalents and short-term bank deposits of US\$11.1 million. For the year ended 31 December 2017, total operating expenses incurred by the Company were approximately US\$13.3 million. As at the end of April 2018, the Company had a cash balance of approximately US\$7.3 million.

As set out in the preliminary results of the Company for the year to 31 December 2017 announced on 12 March 2018, the Company management and the Board of Directors believed that the Company's financial resources were adequate to satisfy the Company's expected liquidity requirements through to the end of 2018. In addition, it was announced that the Board had adopted a contingency plan to be effected, in whole or in part, at its discretion, to preserve cash to allow the Company to continue its operations and meet its obligations, to the extent required for at least one year from the date of approval of the consolidated financial statements.

Should the Resolutions not be approved, the Directors believe that it will need to adopt the contingency plan. The adoption of this plan will help to preserve cash as costs are extracted from the Company but, as set out above, the Directors believe that whilst the adoption of such a plan will allow it to meet its financial obligations, it will constrain the Company's ability to convert the pipeline of opportunity into clients, capitalise on the market opportunity the Directors believe is available to the Company and continue the growth demonstrated over the last 12 months.

**Recommendation**

The Directors consider that the Resolutions set out in the Notice and being put to the General Meeting are in the best interests of the Company and its Shareholders and are most likely to promote the success of the Company for the benefit of the Shareholders as a whole. Accordingly, the Directors unanimously recommend that Shareholders vote in favour of the proposed Resolutions, as the Directors intend to do in respect of their holdings amounting to an aggregate of 29,265,431 Ordinary Shares, representing approximately 46.9 per cent. of the Company's Existing Ordinary Shares.

The contents and the distribution of this Circular have been approved by the Board.

Yours faithfully

**John Allwood**

*Chairman*

## DEFINITIONS

In this document the following terms and expressions have the following meanings unless the context requires otherwise. References to the singular shall include references to the plural, where applicable, and vice versa.

|  |   |
|--|---|
| <b>“£”, “pounds”, “pence” and “sterling”</b> | the legal currency for the time being of the United Kingdom.  |
| <b>“Admission”</b>                           | the admission of the Placing Shares to trading on AIM in accordance with Rule 29 of the AIM Rules for Companies.  |
| <b>“AIM”</b>                                 | AIM, the market of that name operated by the London Stock Exchange.   |
| <b>“AIM Rules for Companies”</b>             | the rules and guidance for companies whose shares are admitted to trading on AIM published by the London Stock Exchange, as amended from time to time.                          |
| <b>“Articles”</b>                            | the articles of association of the Company from time to time.   |
| <b>“Board”</b>                               | the directors of the Company from time to time.   |
| <b>“Cantor Fitzgerald”</b>                   | Cantor Fitzgerald Europe of One Churchill Place, Canary Wharf, London E14 5RB.  |
| <b>“Company”</b>                             | Albert Technologies Ltd., incorporated and registered under the laws of Israel with registered number 514497601 whose registered office is 20 Lincoln Street, Tel Aviv 6713412. |
| <b>“Companies Law”</b>                       | Israeli Companies Law, 5759-1999.   |
| <b>“CREST”</b>                               | the computerised settlement system operated by Euroclear, which facilitates the transfer of title to securities in uncertificated form.   |
| <b>“Depository”</b>                          | Link IRG Trustees Limited, PXS, 34 Beckenham Road, Beckenham, Kent, United Kingdom BR3 4TU.   |
| <b>“Depository Interest Holders”</b>         | the holders of Depository Interests.  |
| <b>“Directors”</b>                           | the directors of the Company whose names appear on page 5 of this document.   |
| <b>“Enlarged Issued Share Capital”</b>       | the entire issued Ordinary Share capital of the Company immediately following Admission comprising the Existing Ordinary Shares and the Placing Shares.                         |
| <b>“Existing Ordinary Shares”</b>            | the 62,408,320 Ordinary Shares in issue at the date of this document.   |
| <b>“Form of Direction”</b>                   | the form of direction for use by Depository Interest Holders in connection with the General Meeting.  |
| <b>“Form of Proxy”</b>                       | the proxy form for use by Shareholders in connection with the General Meeting.  |
| <b>“General Meeting”</b>                     | the extraordinary general meeting of the Company convened for 10.00 a.m. on 22 June 2018, the notice of which is incorporated into this document.                               |

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| <b>“Group”</b>                          | the Company and its subsidiaries.   |
| <b>“ISIN”</b>                           | International Securities Identification Number.   |
| <b>“Last Practicable Date”</b>          | 30 May 2018.  |
| <b>“London Stock Exchange”</b>          | London Stock Exchange plc.  |
| <b>“NIS”</b>                            | New Israeli Shekels, the currency for the time being of Israel.   |
| <b>“Notice”</b>                         | the notice of General Meeting which is incorporated into this document.   |
| <b>“Ordinary Shares”</b>                | the ordinary shares of NIS 0.01 each in the share capital of the Company.   |
| <b>“Placing”</b>                        | the placing of the Placing Shares pursuant to the Placing Agreement.  |
| <b>“Placing Agreement”</b>              | the agreement between the Company and Cantor Fitzgerald dated 31 May 2018 pursuant to which Cantor Fitzgerald has agreed to procure subscribers for the Placing Shares at the Placing Price, subject to certain conditions. |
| <b>“Placing Price”</b>                  | 37 pence per Placing Share.   |
| <b>“Placing Shares”</b>                 | the 36,756,757 Ordinary Shares to be issued to placees pursuant to the Placing subject to, amongst other things, the passing of the Resolutions.  |
| <b>“Regulatory Information Service”</b> | one of the regulatory information services authorised by the London Stock Exchange to receive, process and disseminate regulatory information in respect of AIM traded companies.   |
| <b>“Resolutions”</b>                    | the resolutions to be proposed at the General Meeting set out in the Notice.  |
| <b>“Shareholders”</b>                   | the holders of Ordinary Shares.   |
| <b>“United Kingdom”</b>                 | the United Kingdom of Great Britain and Northern Ireland.   |
| <b>“United States”</b>                  | the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia and any other area subject to its jurisdiction.                                       |
| <b>“US\$”, “\$” or “dollars”</b>        | the currency for the time being of the United States.   |

# ALBERT TECHNOLOGIES LTD.

## NOTICE OF EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS

Notice is hereby given that the extraordinary general meeting of the Company (the “**General Meeting**”) will be held at the offices of Bryan Cave Leighton Paisner LLP, Adelaide House, London Bridge, London, United Kingdom EC4R 9HA on 22 June 2018 at 10.00 a.m. for the purpose of considering and, if thought fit, passing the resolutions specified below (“**Resolutions**”) of which Resolution 1 and Resolution 3 will be proposed as ordinary resolutions and Resolution 2 will be proposed as a special resolution.

- 1 **THAT**, subject to the passing of Resolutions 2 and 3, for the purposes of section 274 of the Companies Law, the Directors be and are hereby generally and unconditionally authorised to allot shares in the Company or grant rights to subscribe for, or to convert any security into, shares in the Company, up to a maximum nominal amount of NIS 367,567.57 in connection with the Placing (as defined in the Circular accompanying this notice of extraordinary general meeting) (the “**Placing Shares**”) at a price of 37 pence per Ordinary Share (the “**Placing Price**”).
- 2 **THAT**, subject to the passing of Resolutions 1 and 3, the Directors be and are hereby authorised to allot the Placing Shares as if Article 10.2 of the Companies articles of association (the “**Articles**”) did not apply to any such allotment.
- 3 **THAT**, subject to the passing of Resolutions 1 and 2 pursuant to Article 5 of the Articles, the authorised share capital of the Company be increased to 1,500,000 NIS divided into 150,000,000 Ordinary Shares of NIS 0.01 each and Article 4.1 of the Articles be amended to reflect such increase.

DATED 31 May 2018

By order of the Board

**Hadar Harosh Fabian**  
*Company Secretary*

20 Lincoln St.  
Tel Aviv 6713412  
Israel

Incorporated under the laws of Israel with registered number 514497601

### Notes to the Notice of General Meeting:

- 1 **ENCLOSED WITH THIS NOTICE OF GENERAL MEETING IS A FORM OF PROXY FOR SHAREHOLDERS (THE “FORM OF PROXY”) OR A FORM OF DIRECTION FOR DEPOSITARY INTEREST HOLDERS (THE “FORM OF DIRECTION”).**
- 2 Only those Shareholders registered in the Company’s register of members as of the close of business on 21 June 2018 (the “**Original Cut-off**”) shall be entitled to attend and/or vote at the General Meeting, and each only in respect of such number of shares registered in their name at that time. If the General Meeting is adjourned to a time not more than 24 hours after the original General Meeting time, the Original Cut-off will continue to apply. Any changes to the Company’s register of members made after the Original Cut-off shall be disregarded for these purposes.
- 3 If you are a Shareholder, whether or not you intend to be present at the General Meeting, please complete and return the Form of Proxy (in accordance with the instructions set out in that document) to Link Asset Services, PXS, 34 Beckenham Road, Beckenham, United Kingdom BR3 4TU as soon as possible and in any event so as to be received by no later than 10.00 a.m. on 21 June 2018 or 24 hours before any meeting following adjournment thereof (in accordance with the Uncertificated Securities Regulations 2001, and any other provisions notwithstanding). Completion and return of a signed Form of Proxy will not prevent you from attending the Meeting and voting in person, if you so wish.
- 4 If you are a Depositary Interest Holder, please complete and return the Form of Direction (in accordance with the instructions set out in that document) to Link Asset Services, PXS, 34 Beckenham Road, Beckenham, United Kingdom BR3 4TU as soon as possible and in any event so as to be received by no later than 10.00 a.m. on 19 June 2018 or 72 hours before any meeting following adjournment thereof.

- 5 In the case of joint holders, the signature of only one of the joint holders is required on the Form of Proxy, or Form of Direction (as applicable) but the vote of the first named on the register of members or register of Depositary Interests (as applicable) will be accepted to the exclusions of the other joint holders.
- 6 According to the Israeli Companies Law, 5759-1999 (the “**Israeli Companies Law**”) the proposed resolutions of the Notice of General Meeting require the affirmative vote of the holders of a majority of the voting power represented and voting on this proposal in person or by proxy.
- 7 Depositary Interest Holders wishing to attend the meeting should contact the Depositary at Link Market Services Trustees Limited, 34 Beckenham Road, Beckenham, United Kingdom BR3 4TU or by email to [custodymgt@linkgroup.co.uk](mailto:custodymgt@linkgroup.co.uk) in order to request a Letter of Representation no later than 10.00 a.m. on 19 June 2018. However, Depositary Interest Holders will not be able to vote at the Meeting.
- 8 Depositary Interest Holders who are CREST members and who wish to issue an instruction through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a service provider, should refer to their CREST sponsor or voting service provider, who will be able to take the appropriate action on their behalf.
- 9 In order for an instruction made using the CREST service to be valid, the appropriate CREST message (a “**CREST Proxy Instruction**”) must be properly authenticated in accordance with Euroclear UK & Ireland Limited specifications, and must contain the information required for such instruction, as described in the CREST Manual (available via [www.euroclear.co.uk](http://www.euroclear.co.uk)). The message, regardless of whether it constitutes an instruction or is an amendment to a previously made instruction must, in order to be valid, be transmitted so as to be received by the issuer’s agent (ID RA10) by 10.00 a.m. on 19 June 2018. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer’s agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions made through CREST should be communicated to the appointee through other means.
- 10 CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST Personal Member, or sponsored member, or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider takes) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
- 11 A corporation which is a member may by resolution of its directors or other governing body authorise a person to act as its representative who may exercise, on its behalf, all its powers as a member, provided they do not do so in relation to the same shares.
- 12 Please note that the Company takes all reasonable precautions to ensure no viruses are present in any electronic communication it sends out but the Company cannot accept responsibility for loss or damage arising from the opening or use of any email or attachments from the Company and recommends that shareholders and Depositary Interest Holders subject all messages to virus checking procedures before use. Any electronic communication received by the Company, including the lodgment of an electronic proxy form, that is found to contain any virus will not be accepted.
- 13 As at close of business on 31 May 2018, the Company’s issued share capital comprised 62,408,320 Ordinary Shares. Each Ordinary Share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at close of business on 31 May 2018 is 62,408,320.
- 14 Voting on all Resolutions will be by way of a show of hands.



