

**EMBLAZE LTD.**

*(Incorporated and registered in the State of Israel with registered number 52-004292-0)*

132 Menachem Begin Road, Azrieli Center, Triangle Tower (40<sup>th</sup> floor), Tel Aviv 6702301, Israel  
Tel: +972 (0)3 740 1770

**NOTICE OF ANNUAL GENERAL MEETING**

NOTICE OF THE ANNUAL GENERAL MEETING TO BE HELD IN THE FROBISHER ROOM, BARBICAN CENTRE, SILK STREET, LONDON EC2Y 8DS ON THURSDAY 3 JULY 2014

**EMBLAZE LTD.**

INCORPORATED AND REGISTERED IN THE STATE OF ISRAEL UNDER THE COMPANIES LAW  
WITH REGISTERED NUMBER 52-004292-0

Registered Office:

132 Menachem Begin Road  
Azrieli Center  
Triangle Tower (40<sup>th</sup> floor)  
Tel Aviv 6702301  
Israel

30 May, 2014

Dear Shareholder,

This letter contains notice of the forthcoming annual general meeting of the shareholders (the "**Meeting**") of Emblaze Ltd. ("**Emblaze**" or "**the Company**") to be held on Thursday 3 July, 2014. With this letter we would like to provide you with some additional information regarding the resolutions to be proposed at the Meeting.

Except as provided hereunder, all resolutions proposed for adoption at the Meeting require, under the Israeli Companies Law, 5759-1999 and any regulations promulgated thereunder (the "**Israeli Companies Law**"), the affirmative vote of the holders of a majority of the ordinary shares represented at the Meeting, in person or by proxy, entitled to vote and voting on the matter.

Shareholders are asked to receive the directors' report and independent auditors' report for the year ended 31 December 2013. A copy of the 2013 Annual Report and Accounts are available on the Company's website at [www.emblaze.com](http://www.emblaze.com). A member of our management will be available at the Meeting to review and discuss our auditor's report and consolidated financial statements for the year ended 31 December 2013.

**RESOLUTION 1 (RE-APPOINTMENT AND REMUNERATION OF AUDITORS)**

According to the provisions of the Israeli Companies Law, the term of a company's independent auditor shall expire at each annual general meeting of a company. However, the independent auditor may be nominated for re-appointment. Under the Israeli Companies Law, shareholders may also authorise the board of directors of the Company (the "**Board**") to determine the independent auditor's remuneration.

It is proposed to re-appoint Kost Forer Gabbay & Kasierer, a registered public accounting firm and a member of Ernst & Young Global, to serve as the Company's auditors for the year ending 31 December 2014 and until the next annual general meeting and to authorise the Board, with the approval of the audit committee of the Board, to determine the remuneration of the auditors.

## **RESOLUTIONS 2 TO 5 (RE-ELECTION OF DIRECTORS)**

Pursuant to the Company's articles of association (the "**Articles**") and the provisions of the Israeli Companies Law, at each annual general meeting the directors of the Company (other than statutory external directors appointed in accordance with the Israeli Companies Law (the "**External Directors**")) cease to hold office and may be nominated for re-election. In accordance with the Articles and the provisions of the Israeli Companies Law, elected directors will hold office until the next annual general meeting of the Company.

It is proposed to re-appoint Rabbi Abraham Wolff, Mr. Israel Jossef Schneerson, Mr. Yossef Schvinger and Mr. Chanoch Winderboim to the Board, each to hold the office of a director until the next annual general meeting of the Company.

Brief biographical details of the directors are available from the Company's website at [www.emblaze.com](http://www.emblaze.com) and in the 2013 Annual Report and Accounts.

## **RESOLUTION 6 (APPROVAL OF NON-EXECUTIVE DIRECTORS' REMUNERATION)**

Details of the remuneration of those non-executive directors who are not External Directors of the Company, are included in the Report on Directors' Remuneration set out in the Company's 2013 Annual Report and Accounts, copies of which are available from the Company's website at [www.emblaze.com](http://www.emblaze.com).

There has been no change in the remuneration of those non-executive directors who are not External Directors since the last general meeting of the Company, which was held on 4 April 2013.

## **RESOLUTION 7 (CHANGE OF NAME OF THE COMPANY)**

Further to changes in the management, business strategy and operations of the Company, it is proposed to change the Company's name to "B.S.D Group Ltd." (in Hebrew: "קבוצת בי.אס.די. בע"מ") or any other similar name, as approved by the Israeli Company's Registrar. Accordingly, subject to the approval of this resolution, the name of the company will be changed in the Company's memorandum of association and in the Articles. According to the Israeli Companies Law, such change requires the affirmative vote of 75% of the holders of ordinary shares represented at the Meeting, in person or by proxy, entitled to vote and voting on the matter.

## **RESOLUTION 8 (CHANGE OF ARTICLES)**

In order to enable a member of the senior management of the Company to be appointed as the chairman of general meetings of the Company, it is proposed to amend article 9.4.3 of the Articles so as to read as follows:

### *"9.4.3 Chairman*

*The Chairman of the Board, the chief executive officer or the chief financial officer of the Company shall preside at every General Meeting of the Company and shall be appointed as the Chairman of the General Meeting. If one of the Chairman of the Board, the chief executive officer or the chief financial officer of the Company was not appointed, or if the Chairman of the Board, the chief executive officer or the chief financial officer of the Company is not present within 15 minutes after the time scheduled for the meeting, or is unwilling to take the chair, the Shareholders present shall choose someone of their number to be the chairman of such meeting. The office of Chairman of a General Meeting shall not, by itself*

*entitle the holder to vote at any General Meeting nor shall it grant him a second or casting vote (without derogating, however, from the right of such Chairman to vote as a shareholder or proxy of a shareholder if, in fact, he is also a shareholder or such proxy)".*

According to the Israeli Companies Law. The above amendment to the Articles requires the affirmative vote of 75% of the holders of ordinary shares represented at the Meeting, in person or by proxy, entitled to vote and voting on the matter.

#### **RESOLUTION 9 (DIRECTORS' POWERS TO ALLOT SHARES)**

Without derogating from any rights attributable to the Board in accordance with law, this resolution would permit the Board to allot up to 35 million shares, an amount equal to just under one third of the currently issued share capital (excluding any "Treasury" shares bought back by the Company).

The Board does not have any present plans to issue shares other than in connection with the Company's share option plans.

#### **RESOLUTIONS 10 (PRE-EMPTION)**

This resolution deals with the Board's authority to allot shares for cash. It is conditional upon the passing of Resolution 9.

This resolution provides that any such shares must (save in certain limited circumstances) be offered to existing Shareholders pro rata to their shareholdings. It does not indicate that the Board has any plans to issue shares other than in connection with the Company's share option plan. Except for issues offered to Shareholders on a pre-emptive basis and shares issued in connection with the Company's share option plan, the resolution will limit the ability of the Directors to allot shares for cash to an amount which is equal to approximately 5% of the issued share capital of the Company (excluding any Treasury shares bought back by the Company).

#### **DIRECTORS' RECOMMENDATION**

The directors believe the adoption of the resolutions that will be proposed at the Meeting to be 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.

Yours faithfully,

Rabbi Abraham Wolff  
Chairman of the Board

## EMBLAZE LTD. (THE "COMPANY")

### NOTICE OF ANNUAL GENERAL MEETING OF THE COMPANY

Notice is hereby given that the Annual General Meeting of the Company will be held in the Frobisher room, Barbican Centre, Silk Street, London EC2Y 8DS, on Thursday 3 July, 2014 at 10:00 a.m. (London time) for the following purposes:

1. To re-appoint Kost, Forer, Gabbay & Kasierer, a member of Ernst & Young Global, as auditor of the Company until the conclusion of the next annual general meeting of the Company and to authorise the Company's Board, with the approval of the audit committee of the Board, to determine their remuneration.
2. To elect Rabbi Abraham Wolff as a director until the conclusion of the next annual general meeting.
3. To elect Mr. Israel Jossef Schneerson as a director until the conclusion of the next annual general meeting.
4. To elect Mr. Yossef Schvinger as a director until the conclusion of the next annual general meeting.
5. To elect Mr. Chanoch Winderboim as a director until the conclusion of the next annual general meeting.
6. To approve the remuneration of those non-executive directors who are not External Directors, as set forth in the Remuneration Report attached to the Company's 2013 Report and Accounts and to confirm the decisions of the Remuneration Committee as approved by the Company's Board of Directors.
7. To approve the change to the Company's name, memorandum and Articles as follows: "The Company's name shall be changed to "B.S.D Group Ltd." (in Hebrew: "קבוצת בי.אס.די. בע"מ") or any other similar name, as approved by the Israeli Company's Registrar, with effect from the date of such approval".
8. To approve the change to the Company's Articles so that *article 9.4.3 of the Articles reads as follows:*

*"9.4.3. Chairman:*

*The Chairman of the Board, the chief executive officer or the chief financial officer of the Company shall preside at every General Meeting of the Company and shall be appointed as the Chairman of the General Meeting. If one of the Chairman of the Board the chief executive officer or the chief financial officer of the Company was not appointed, or if the Chairman of the Board, the chief executive officer or the chief financial officer of the Company is not present within 15 minutes after the time scheduled for the meeting, or is unwilling to take the chair, the Shareholders present shall choose someone of their number to be the chairman of such meeting. The office of Chairman of a General Meeting shall not, by itself entitle the holder to vote at any General Meeting nor shall it grant him a second or casting vote (without derogating, however, from the right of such Chairman to vote as a shareholder or proxy of a shareholder if, in fact, he is also a shareholder or such proxy)".*

9. Without derogating from any rights attributable to the Board in accordance with law, to resolve that the Board be generally and unconditionally authorised to exercise all powers of the Company to allot Relevant Shares (as defined in the Articles) up to an aggregate nominal amount of NIS 350,000 provided that this authority shall expire at the conclusion of the next annual general meeting of the Company following the passing of the resolution or, if earlier, on the date being 15 months following the passing of the resolution, save that the Company may before such expiry make an offer or agreement which would or might require Relevant Shares to be allotted after such expiry and the Board may allot Relevant Shares in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.
10. To resolve, subject to the passing of resolution 9, that the Board be empowered to allot Equity Securities (as defined in the Articles) for cash, pursuant to the authority conferred by the previous resolution, as if Article 4.2 of the Articles did not apply to any such allotment, provided that this power shall be limited:
  - a) to the allotment of Equity Securities in connection with a rights issue in favour of ordinary shareholders where the Equity Securities respectively attributable to the interests of all ordinary shareholders are proportionate (as nearly as may be) to the respective numbers of ordinary shares held by them;
  - b) to the allotment (otherwise than pursuant to sub-paragraph (i) above) of Equity Securities up to an aggregate nominal value of NIS 50,000;
  - c) to the allotment of Equity Securities pursuant to an employee share option plan that has been approved by a resolution of the shareholders of the Company.

and that such power shall (except in relation to Equity Securities allotted pursuant to an employee share option plan) expire at the conclusion of the next annual general meeting of the Company following the passing of the resolution or, if earlier, on the date being 15 months following the passing of the resolution, save that the Company may before such expiry make an offer or agreement which would or might require Equity Securities to be allotted after such expiry and the Board may allot equity securities in pursuance of such an offer or agreement as if the power conferred hereby had not expired.

By Order of the Board

**NOTES:**

1. The Board has set 6:00 p.m. on Friday 27 June, 2014 as the record date for shareholders or Depository Interest holders to be entitled to vote. Changes to entries on the register of members after that time will be disregarded in determining the right of any person to attend or vote at such Meeting.
2. Enclosed with this document is a form of proxy (the "**Form of Proxy**") for shareholders or a form of direction for Depository Interest holders (the "**Form of Direction**").
3. If you are a shareholder of the Company, whether or not you intend to be present at the Meeting, please complete and return the Form of Proxy (in accordance with the instructions set out in that document) to the Company's registrars, Capita Asset Services, PXS1, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4ZF, England, as soon as possible and in any event so as to be received by the Company's registrars by no later than forty eight hours before the time appointed for the Meeting (being 10.00 a.m. on Tuesday 1 July, 2014) or forty eight hours before any adjournment thereof. 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 holder of Depository Interests representing ordinary shares of the Company, please complete and return the Form of Direction (in accordance with the instructions set out in that document) to the Company's registrars, Capita Asset Services, PXS1, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4ZF, England, as soon as possible and in any event so as to be received by the Company's registrars by no later than seventy two hours before the time appointed for the Meeting (being 10.00 a.m. on Monday 30 June, 2014) or seventy two hours before any adjournment thereof. Holders of Depository Interests cannot vote in person at the Meeting or any adjournment thereof; therefore, please make sure that your vote is received by Capita Asset Services no later than seventy two hours before the Meeting or any adjournment thereof.
5. In the case of joint shareholders, the vote of the senior of such shareholders who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint shareholders and for this purpose seniority will be determined by the order in which the names stand in the register of members of the Company in respect of the relevant joint holding.
6. Except in respect of the resolutions number 7 and 8, each of which requires the approval of a majority of 75% of the holders of ordinary shares represented at the Meeting, in person or by proxy, entitled to vote and voting on the matter, all resolutions proposed for adoption at the Meeting require, under the Israeli Companies Law, the affirmative vote of the holders of a majority of the ordinary shares represented at the Meeting, in person or by proxy, entitled to vote and voting on the matter.

**Issued share capital and total voting rights**

7. As at 28 May, 2014 (being the last practicable date prior to the publication of this Notice) the Company's issued share capital is 140,578,154. There are 30,587,902 treasury shares. Therefore, the total voting rights in the Company as at 28 May, 2014 are 109,990,252.

**Members' rights to ask questions**

8. Members attending the meeting have the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if (i) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, (ii) the answer has already been given on a website in the form of an answer to a question, or (iii) it is undesirable in the interests of the Company or the

**NOTES:**

good order of the meeting that the question be answered.

9. Depository Interest Holders wishing to attend the meeting should contact Capita IRG Trustees Limited at The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU or by email to [custodymgt@capita.co.uk](mailto:custodymgt@capita.co.uk) in order to request a letter of representation by no later than seventy two hours before the time appointed for the Meeting (being 10.00 a.m. on Monday 30 June, 2014) or seventy two hours before any adjournment thereof. However, Depository Interest Holders will not be able to vote at the Meeting.

**Website**

10. A copy of this notice can be found at [www.emblaze.com](http://www.emblaze.com).

**Voting results**

11. The results of the voting at the Annual General Meeting will be announced through a Regulatory Information Service and will appear on our website, [www.emblaze.com](http://www.emblaze.com), by 4 July 2014.