

THIS DOCUMENT AND THE ACCOMPANYING FORM OF PROXY OR FORM OF DIRECTION ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, please seek personal financial advice immediately from your stockbroker, bank manager, fund manager, solicitor, accountant or other appropriate independent financial adviser duly authorised under the Financial Services and Markets Act 2000 if you are resident in the United Kingdom or from another appropriately authorised independent financial adviser if you are not.

If you sell or transfer or have sold or transferred all of your Ordinary Shares or Depositary Interests, please forward this document, but not the personalised Form of Proxy or Form of Direction enclosed with it, as soon as possible to the purchaser or the transferee or to the bank, stockbroker or other agent through or to whom the sale or transfer was effected for onward transmission to the purchaser or transferee. If you sell or transfer or have sold or transferred only part of your holding of Ordinary Shares or Depositary Interests, you should retain this document. If you receive this document from another shareholder or holder of Depositary Interests, or transferee, please contact the Company's Registrar for a Form of Proxy or Form of Direction.



Matomy Media Group Ltd.

(incorporated under the laws of Israel with registered number 513795427)

Notice of Extraordinary General Meeting

NOTICE OF THE EXTRAORDINARY GENERAL MEETING
TO BE HELD AT 6 HANECHOSHET ST., TEL AVIV 6971070, ISRAEL
AT 08:00 (London time) / 10:00 (Tel Aviv time) ON 27 April 2016

MATOMY MEDIA GROUP LTD.

(incorporated under the laws of Israel with registered number 513795427)

Registered Office
6 Hanechoshet St.
Tel Aviv 6971070
Israel

22 March 2016

Dear Shareholder,

This document contains notice of the upcoming extraordinary general meeting of the shareholders (the “**Meeting**”) of Matomy Media Group Ltd. (the “**Company**”) to be held at 08:00 (London time) / 10:00 (Tel Aviv time) on 27 April 2016 at the Company’s registered office.

The purpose of the Meeting is to consider, and, if thought fit, pass the resolutions set out in the notice convening the Meeting which accompanies this letter.

The Company’s directors believe the adoption of the Resolutions that will be proposed at the Meeting are 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,

Rupert Howell
Chairman

MATOMY MEDIA GROUP LTD. (the “Company”)

NOTICE OF EXTRAORDINARY GENERAL MEETING OF THE COMPANY

Notice is hereby given that the Extraordinary General Meeting of the Company will be held at 08:00 (London time) / 10:00 (Tel Aviv time) on 27 April 2016 at the Company’s registered office, for the following purposes:

- Resolution 1: As required by the Israeli Companies Law, 5759-1999 and any regulations promulgated thereunder (the “Israeli Companies Law”) and pursuant to the recommendation of the Audit Committee which included a benchmarking process and the Board, to approve the additional payment to Mr. Rupert Howell in his capacity as Chairman of the Board of Directors of the Company, substantially as described in **Exhibit I**.
- Resolution 2: As required by the Israeli Companies Law and pursuant to the recommendation of the Audit Committee and the Board to approve the amendment to the Service Agreement of Mr. Sagi Niri, as an Executive Director of the Company, substantially as described in **Exhibit II**.
- Resolution 3: As required by the Israeli Companies Law and the Articles of Association of the Company (the “Articles”), to elect Adv. Harel Locker as an “External Director” (as defined in the Israeli Companies Law) for a term of three years and the payment of the Director fees set out in **Exhibit III** hereto, which exceed the fixed amounts set by the Israeli Companies Regulations, (Rules for remuneration and expenses of External Director) 5760-2000 (the “External Directors Remuneration Rules”);

This announcement cancels and supersedes any other notices relating to the subject matters hereof.

A summary of Adv. Locker’s CV is attached as **Exhibit IV**.

Dated: 22 March 2016

By order of the Board

Notes:

1. Enclosed with this document 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 18:00 on 22 April 2016 (the “**Original Cut-off**”) shall be entitled to attend and/or vote at the Meeting, and each only in respect of such number of shares registered in his or its name at that time. If the Meeting is adjourned to a time not more than 48 hours after the original 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 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 Capita Asset Services, Proxies, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, United Kingdom, as soon as possible and in any event so as to be received by the Company’s registrars by no later than 08:00 (London time) on 22 April 2016 or 48 hours before any meeting following adjournment thereof (in accordance with the Uncertified 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 holder of Depositary 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 Capita Asset Services, PXS1, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, United Kingdom, as soon as possible and in any event so as to be received by Capita Asset Services by no later than 08:00 (London time) on 21 April 2016 or 72 hours before any meeting following adjournment thereof. Holders of Depositary Interests cannot vote in person at the Meeting; therefore, please make sure that your vote is received by Capita Asset Services by no later than 08:00 (London time) on 21 April 2016.
5. In the case of joint shareholders, the vote of the senior-most 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. As at 22 March 2016 (being the last practicable date prior to the publication of this notice) the Company’s issued share capital comprised 93,565,476 Ordinary Shares of 0.01 NIS each.
7. 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 good order of the meeting that the question be answered.
8. Depositary Interest holders wishing to attend the meeting should contact Capita IRG Trustees Limited at the Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU, United Kingdom or by email to custodymgt@capita.co.uk in order to request a letter of representation no later than 08:00 (London time) on 21 April 2016. However, Depositary Interest holders will not be able to vote at the Meeting.
9. CREST members who wish to appoint a proxy or proxies 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.

10. In order for a proxy appointment or 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. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to an instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the issuer’s agent ID (RA10) by 08:00 (London time) on 21 April 2016. 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 Application 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 to proxies appointed through CREST should be communicated to the appointee through other means.
11. CREST members and, where applicable, their CREST sponsors or voting service providers should note that CREST 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.
12. 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.
13. Copy of the letter of appointment of Harel Locker as well as a copy of his declaration as required by the Israeli Companies law will be available for inspection at the Company’s registered office during normal business hours from the date of this Notice for at least 15 minutes prior to the Meeting and during the Meeting.

**Matomy Media Group Ltd.
Form of Proxy**

Form of Proxy for completion by shareholders of the Matomy Media Group Ltd. in respect of the Extraordinary General Meeting to be held at 08:00 (London time) / 10:00 (Tel Aviv time) on 27 April 2016 at 6 Hanechoshet St., Tel Aviv 6971070, Israel.

I/We

.....

Please insert full name(s) and address(es) in BLOCK CAPITALS

of

.....

.....

being a shareholder(s) of Matomy Media Group Ltd. and entitled to attend and vote, hereby appoint

...../ the Chairman of the meeting

to act as my/our proxy and to vote for me/us as indicated below with an "X" at the Extraordinary General Meeting of Matomy Media Group Ltd. to be held at 08:00 (London time) / 10:00 (Tel Aviv time) on 27 April 2016 at 6 Hanechoshet St., Tel Aviv 6971070, Israel (and at any meeting following adjournment thereof).

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

	FOR	AGAINST	ABSTAIN
1. To approve the additional payment to Mr. Rupert Howell in his capacity as Chairman of the Board of Directors of the Company substantially as described in Exhibit I			
2. To approve the amendment to the Service Agreement of Mr. Sagi Niri, as an Executive Director of the Company, substantially as described in Exhibit II .			
3. To approve the appointment of Adv. Harel Locker as an "External Director" for a term of three years and the payment of the Director fees set out in Exhibit III .			

	YES	NO
I/we the undersigned am a controlling shareholder and/or have a personal interest in the adoption of Resolution 3 above (see Note 6).		

Signed

Date:

Notes:

1. For this Form of Proxy to be valid, it must be completed and signed and must be deposited with Capita Asset Services, Proxies, 34 Beckenham Road, Beckenham, Kent BR3 4TU, United Kingdom as soon as possible and in any event so as to be received by the Company's registrars by no later than 08:00 (London time) on 22 April 2016 or 48 hours before any meeting following adjournment thereof (in accordance with the Uncertified Securities Regulations 2001, and any other provisions notwithstanding).
2. If you sign and return this Form of Proxy with no proxy named in the box, the Chairman of the Extraordinary General Meeting will be deemed to be your proxy.
3. In the case the shareholder is a corporation, this Form of Proxy should be given under its common seal, or if not so required, under the hand of an officer duly authorised in writing.
4. In the case shareholders are joint holders, the signature of any one of them will suffice, but the vote of the senior-most shareholder who tenders a vote whether in person or by proxy will be accepted to the exclusion of the votes of the other joint holder(s), and for the purposes seniority shall be determined by the order in which the names stand on the Company's register of members in respect of the joint holding.
5. Any alteration made in the Form of Proxy should be initialled.
6. According to the Israeli Companies Law and the Articles the proposal to appoint Adv. Harel Locker as "External Director" as set forth in Resolution 3 of the Notice requires the affirmative vote of the holders of a majority of the voting power represented and voting on this proposal in person or by proxy. In addition, the shareholders' approval must either include at least a majority of the Ordinary Shares voted by holders of Depositary Interests in respect of Ordinary Shares who are neither controlling shareholders of Matomy Media Group Ltd. nor are shareholders who have a personal interest in the appointment of such "External Director" (excluding a personal interest that is not related to a relationship with the controlling shareholders), or the total Ordinary Shares of non-controlling shareholders and non-interested shareholders voting against such proposal must not represent more than two per cent of the outstanding voting power. For this purpose, you are asked to indicate in the Form of Proxy whether you are a controlling shareholder or have a personal interest in any of these proposals. If you fail to make such indication your vote shall not be taken into account. Furthermore, in calculating the majority requirements set forth above, the abstainees' vote shall not be considered.

**Matomy Media Group Ltd.
Form of Direction**

Form of Direction for completion by Depositary Interest holders representing shares on a one-for-one basis in Matomy Media Group Ltd. in respect of the Extraordinary General Meeting to be held at 08:00 (London time) / 10:00 (Tel Aviv time) on 27 April 2016 at 6 Hanechoshet St., Tel Aviv 6971070, Israel.

I/We

.....

Please insert full name(s) and address(es) in BLOCK CAPITALS

of

.....

.....

being a Depositary Interest holder representing shares in Matomy Media Group Ltd. hereby direct Capita IRG Trustees Limited (the “**Depositary**”) to vote for me/us and on my behalf in person or by proxy at the Extraordinary General Meeting of Matomy Media Group Ltd. to be held at 08:00 (London time) / 10:00 (Tel Aviv time) on 27 April 2016 at 6 Hanechoshet St., Tel Aviv 6971070, Israel (and at any meeting following adjournment thereof) as directed by an “X” in the appropriate box opposite each Resolution.

If no indication is given, you will be deemed as instructing the Depositary to abstain from voting.

	FOR	AGAINST	ABSTAIN
1. To approve the additional payment to Mr. Rupert Howell in his capacity as Chairman of the Board of Directors of the Company substantially as described in <u>Exhibit I</u>			
2. To approve the amendment to the Service Agreement of Mr. Sagi Niri, as an Executive Director of the Company, substantially as described in <u>Exhibit II</u> .			
3. To approve the appointment of Adv. Harel Locker as an “External Director” for a term of three years and the payment of the Director fees set out in <u>Exhibit III</u>			

	YES	NO
I/we the undersigned am a controlling shareholder and/or have a personal interest in the adoption of Item 1 above (see Note 7).		

Signed

Date:

Notes:

1. For this Form of Direction to be valid, it must be completed and signed and must be deposited with Capita Asset Services, PXS1, 34 Beckenham Road, Beckenham, Kent BR3 4TU, United Kingdom as soon as possible and in any event so as to be received by the Company's registrars by no later than 08:00 (London time) on 21 April 2016 or 72 hours before any adjournment thereof.
2. In the case the Depository Interest holder is a corporation, this Form of Direction should be given under its common seal, or if not so required, under the hand of an officer duly authorised in writing.
3. Please indicate how you wish your votes to be cast by marking an "X" in the boxes provided. On receipt of this Form of Direction duly signed, you will be deemed to have authorised the Depository to vote, or to abstain from voting, as per your instructions.
4. The Depository will appoint the Chairman of the meeting as its proxy to cast your votes. The Chairman may also vote or abstain from voting as he or she thinks fit on any other resolution (including amendments to resolutions) which may properly come before the meeting.
5. In the case Depository Interest holders are joint holders, the signature of any one of them will suffice, but the vote of the senior-most Depository Interest holder who tenders a vote will be accepted to the exclusion of the votes of the other joint holder(s), and for the purposes seniority shall be determined by the order in which the names stand on the Company's register of Depository Interests in respect of the joint holding.
6. Any alteration made in the Form of Direction should be initialled.
7. According to the Israeli Companies Law and the Articles, the proposal to appoint Adv. Harel Locker as "External Director" as set forth in Resolution 3 of the Notice, requires the affirmative vote of the holders of a majority of the voting power represented and voting on this proposal in person or by proxy. In addition, the shareholders' approval must either include at least a majority of the Ordinary Shares voted by holders of Depository Interests in respect of Ordinary Shares who are neither controlling shareholders of Matomy Media Group Ltd. nor are shareholders who have a personal interest in the appointment of such "External Director" (excluding a personal interest that is not related to a relationship with the controlling shareholders), or the total Ordinary Shares of non-controlling shareholders and non-interested shareholders voting against such proposal must not represent more than two per cent of the outstanding voting power. For this purpose, you are asked to indicate in the Form of Direction whether you are a controlling shareholder or have a personal interest in any of these proposals. If you fail to make such indication your vote shall not be taken into account. Furthermore, in calculating the majority requirements set forth above, the abstainees' vote shall not be considered.
8. Depository Interests may be voted through the CREST Proxy Voting Service in accordance with the procedures set out in the CREST manual.
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, United Kingdom or by email to custodymgt@capita.co.uk in order to request a letter of representation no later than 08:00 (London time) on 21 April 2016. However, Depository Interest holders will not be able to vote at the Meeting.

Exhibit I

To ratify and approve the additional payment to Mr. Howell in connection with his capacity as the Non-Executive Chairman of the Company in the annual sum of £107,000.

Exhibit II

Amendments to the Service Agreement of Mr. Sagi Niri

1. To replace section 6.1 in its entirety with the following:

*"6.1 The Company or the Executive may terminate this Agreement by giving the other Party written prior notice of not less than 6 (six) month (the "**Prior Notice**")."*

2. To replace section 1.1 of Exhibit A to the Service Agreement in its entirety with the following:

*"1.1. Commencing as of January 1, 2016, the Company will pay the Executive a monthly gross base salary of NIS 80,000 (the "**Salary**"). Payment of the Salary shall be made not later than the 9th day of each calendar month in respect of the previous month. "*

It is agreed that in the event that required corporate approvals are obtained after January 1, 2016, the Executive will be entitled to a onetime adjustment payment to be paid in the first Salary payment following approval equal to the difference between his salary immediately prior to this Addendum and the updated Salary set forth above multiplied by the number of months commencing as of January 1, 2016.

3. The Executive will also be entitled to a grant of an aggregate total of 300,000 Restricted Stock Units (the "RSUs"), under the Company Equity Benefit Plan and subject to the terms and conditions set forth therein and in the relevant RSUs grant documents, according to the following substantial terms:

First RSUs Grant:

Number of RSUs: 150,000

Exercise Price: None

Vesting Commencement Date: January 1, 2016

Vesting Schedule:

Percent	No. of RSUs	Vesting
50%	75,000 RSUs	12 months as January 1, 2016
30%	45,000 RSUs	24 months as January 1, 2016
20%	30,000 RSUs	36 months as January 1, 2016
Total	150,000	

Second RSUs Grant:

Number of RSUs: 150,000

Exercise Price: None

Vesting Commencement Date: January 1, 2017

Vesting Schedule:

Percent	No. of RSUs	Vesting
50%	75,000 RSUs	12 months as January 1, 2017
30%	45,000 RSUs	24 months as January 1, 2017
20%	30,000 RSUs	36 months as January 1, 2017
Total	150,000	

Exhibit III

Each of the Non-executive Directors, including External Directors other than the Chairman, is entitled to receive a fee from Matomy at a rate that is determined by the Board and approved by the Shareholders. The fees payable by Matomy to each of the eligible Non-executive Directors are set out below.

Fee Amount

Non-executive Director	£40,000
Audit committee chairmanship	£10,000
Remuneration committee chairmanship	£10,000
Nomination committee chairmanship	£ 3,000
Audit committee membership	£ 4,000
Remuneration committee membership	£ 4,000
Nomination committee membership	£ 1,500

In addition, Matomy will reimburse each Non-executive Director including External Directors all reasonable out-of-pocket expenses properly and reasonably incurred in the performance of their duties as a Non-executive Director including External Directors, in connection with their participation in board meetings outside of their respective countries of permanent residence.

Exhibit IV

Short Biography of Adv. Harel Locker

Adv. Locker served as the Director General of the Israeli Prime Minister's Office and head of Prime Minister Benjamin Netanyahu's economic headquarters, between 2011 and 2015.

Prior to joining the Prime Minister's Office, Adv. Locker practiced law in prominent Tel-Aviv and Wall Street commercial law firms as an associate and partner:

1994-1995 – Danziger, Clagsbald & Co., Law Firm, Tel Aviv, Israel

1995-2000 – Shekel & Co., Law Firm, Tel Aviv, Israel

2001-2004 – Fried, Frank, Harris, Shriver & Jacobson LLP, New York, New York

2005-2007 – Shohat, Locker & Co., Law Firm

2007-2011 – S. Friedman & Co., Law Firm

Adv. Locker earned an LL.B. from Tel-Aviv University's School of Law (1994), a B.A. degree in accounting from Tel-Aviv University Business School (1994) and an LL.M. (with distinction) in taxation from Georgetown University Law School, Washington DC (2001).

Adv. Locker does not currently serve as a director in any publicly listed companies.

Rank of captain in the Israeli Defense Forces (1984 - 1988).

Today Adv. Locker represents foreign investors seeking investments in Israel and consults Israeli companies in their activities in the Far East.

Born and raised in Tel Aviv. Married with three children and live in Ramat Ha-Sharon.