

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

If you are in any doubt as to the action to take, you should immediately consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000. If you have sold or transferred all your ordinary shares in Techfinancials, Inc., you should pass this document and the accompanying form of proxy to the bank, stockbroker or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee.

**TECHFINANCIALS, INC.**

(Registered in the British Virgin Islands No. 1535269)  
(the "Company")

**Directors:**

Christopher Bell (Chairman)

Asaf Lahav  
Jeremy Lange  
Eitan Yanuv  
Hillel (Hillik) Nissani

**Registered Office:**

Craigmuir Chambers, Road Town  
Tortola VG1110,  
British Virgin Islands

26 May 2016

To the holders of Ordinary Shares

Dear Shareholder

**2016 Annual General Meeting**

The 2016 Annual General Meeting of the Company ("AGM") is to be held on Wednesday 6 July 2016 at 11 a.m. at the offices of Grant Thornton UK LLP, 30 Finsbury Square, London EC2P 2YU. The notice convening the AGM is set out at the end of this letter and I am writing to give you more information about the resolutions to be considered at the AGM.

A copy of the 2015 Annual Report and Accounts is enclosed. This contains the financial statements for the year ended 31 December 2015. The financial statements shall be presented as part of the ordinary business of the AGM.

The information set out below explains the reasons for Resolutions 1 to 3:

**Resolutions 1 and 2 – Re-election of directors:**

In accordance with Regulations 7.5 to 7.10 of the Company's Articles of Association, Messrs. Jeremy Lange and Eitan Yanuv will retire by rotation from their positions as directors of the Company and stand for re-election at the AGM.

**Resolution 3 – Authority to allot shares and disapplication of pre-emption rights.**

Regulation 1.6 of the Articles of Association of the Company provides that the shareholders may authorise the directors, in advance and on an annual basis, to raise funds in an issue on a non-pre-emptive basis,

by way of issuance of shares representing up to 15% of the issued shares of the Company (from time to time), and further provided, that the Company's general meeting may determine minimum terms and conditions (including price) for such issues, up to a 15% discount of the average mid-market price for the shares of the Company on the AIM Market of the London Stock Exchange over the 5 trading days prior to issue.

The purpose of Resolution 3 is to give the directors the authority to issue a total of up to 15% of the issued shares of the Company (including the Disapplied Shares) until the date that is 12 months after the AGM.

It is the directors' intention to seek renewal of this authority annually. This authority is being sought so as to maintain flexibility in the financing of the Company and to give the directors the opportunity to take advantage of business opportunities as they arise. This authority will enable the directors to raise additional working capital by way of a placing.

Holders of ordinary shares, or their duly appointed representatives, are entitled to attend and vote at the AGM. Shareholders are entitled to appoint a proxy to exercise all or any of their rights to attend and speak and vote on their behalf at the meeting. A form of proxy for use by certificated shareholders at the AGM is enclosed. Certificated shareholders are requested to complete and return the form of proxy in accordance with the instructions printed on it so as to arrive at the Company's registrars Capita Asset Services, PXS 1, 34 Beckenham Road, Beckenham BR3 4TU, United Kingdom as soon as possible, but in any event no later than 11 a.m. on Monday 4 July 2016. The return of a form of proxy will not preclude a shareholder from attending and voting at the AGM if he/she/it so wishes.

The Depository Interests holders (the "**DI Holders**") may only appoint Capita IRG Trustees Limited (the "**Depository**") as their proxy. A form of direction for the use by the DI Holders at the AGM is enclosed. DI Holders are requested to complete and return the form of direction in accordance with the instructions printed on it so as to arrive at the Company's registrars Capita Asset Services, PXS 1, 34 Beckenham Road, Beckenham BR3 4TU, United Kingdom as soon as possible, but in any event no later than 11 a.m. on Friday 1 July 2016.

If you are unsure as to what form applies to you, proxy or form of direction, you may contact Mr. Yuval Tovias, Chief Financial Officer of the Company, for further clarifications at the following email address: [yuvalt@techfinancials.com](mailto:yuvalt@techfinancials.com)

Yours sincerely

**Christopher Bell**   
Independent Non-Executive Chairman

## NOTICE OF ANNUAL GENERAL MEETING

### TECHFINANCIALS, INC.

Notice is hereby given that the Annual General Meeting of Techfinancials, Inc. will be held on Wednesday 6 July 2016 at 11 a.m. at the offices of Grant Thornton UK LLP, 30 Finsbury Square, London EC2P 2YU for the following purposes:

To receive the Company's Report and Accounts for the year ended 31 December 2015.

To adopt the following resolutions:

1. To re-elect Mr. Jeremy Lange, as a Director.

2. To re-elect Mr. Eitan Yanuv, as a Director.

3. To authorize the Board, in accordance with Regulation 1.6 of the Articles of Association, to raise funds in an issue on a non-pre-emptive basis, by way of issuance of shares representing up to 15% of the issued shares of the Company (from time to time), up to and including 30 June 2017, provided that the per share price in such issue may not reflect a discount of more than 15% of the average mid-market price for the shares of Techfinancials, Inc. on the AIM Market of the London Stock Exchange over the 5 trading days prior to the issue.

**Registered Office:**

Craigmuir Chambers,  
Road Town,  
Tortola VG1110,  
British Virgin Islands

**By Order of the Board**

Asaf Lahav  
CEO



26 May 2016

## Notes

1. Only those shareholders entered on the Company's register of members at 7 p.m. on Monday 4 July 2016, shall be entitled to attend and vote at the meeting either in person or by proxy and the number of shares then registered in their respective names shall determine the number of votes such persons are entitled to cast on a poll at the AGM.
2. The quorum for the Annual General Meeting shall be two or more shareholders present in person or by proxy. If within two hours from the time appointed for the meeting a quorum is not present, the meeting shall be adjourned to the next business day at the same time and place or to such other time and place as the Directors may determine, and if a quorum is not present at any such adjourned meeting, the meeting shall be dissolved.
3. As of 13 May 2016 the Company's total number of shares in issue is 68,628,222 ordinary shares of US\$0.0005 par value each carrying one vote each. Therefore the total voting rights in the Company as at that date are 68,628,222.
4. A copy of this notice and other information can be found [www.techfinancials.com](http://www.techfinancials.com).



Form or Proxy

(FOR THE USE OF CERTIFICATED SHAREHOLDERS ONLY)  
TECHFINANCIALS, INC.  
(the "Company")

Form of proxy for completion by certificated shareholders of the Company in respect of the Annual General Meeting to be held on Wednesday 6 July 2016 at 11 a.m. at the offices of Grant Thornton UK LLP, 30 Finsbury Square, London EC2P 2YU.

I/We \_\_\_\_\_  
Please insert full name(s) and address(es) in BLOCK CAPITALS

Of \_\_\_\_\_  
being a Shareholder of the Company hereby appoint **the Chairman of the Meeting or**

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

to be my/our proxy to attend, speak and vote for me/us at the meeting of Shareholders to be held on the 6th day of July 2016 and at any adjournment thereof.

I/We direct that my/our proxy to vote on the following resolutions as I/we have indicated by marking the appropriate box with an 'X'. If no indication is given, my/our proxy will vote or abstain from voting at his or her discretion and I/we authorise my/our proxy to vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the meeting.

| Resolutions   | For                      | Against                  | Abstaint                 |
|---|--------------------------|--------------------------|--------------------------|
| Resolution 1 – Re-election of Mr. Jeremy Lange, as a Director                     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 2 – Re-election of Mr. Eitan Yanuv, as a Director                      | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 3 – Authority to allot shares and disapplication of pre-emption rights | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

## Notes

1. A certificated shareholder can appoint the Chairman of the meeting or anyone else to be his/her/it's proxy at the meeting. A proxy need not be a shareholder. To appoint as a proxy a person other than the Chairman of the meeting, it is required to delete the words "the Chairman of the Meeting or" and insert the full name of the proxy preferred and initial the alteration. In case a shareholder appoints as a proxy someone other than the Chairman, the shareholder will be responsible for ensuring that the proxy attends the meeting and is aware of the shareholder's voting intentions. In order for the proxy to make any comments on behalf of the shareholder, the shareholder will need to appoint someone other than the Chairman and give them the relevant instructions directly.
2. Any alterations made to this proxy should be initialled.
3. In the case of a corporation this proxy should be given under its Common Seal or under the hand of an officer or attorney duly authorised in writing.
4. Please indicate how you wish your votes to be cast by placing "X" in the box provided. On receipt of this duly signed, you will be deemed to have authorised the person you appointed as your proxy to vote, or to abstain from voting, as per your instructions. If no voting instruction is indicated, you will be deemed to have instructed your proxy to abstain from voting on the specified resolution. Your proxy may 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. All Proxy Forms must be signed and, to be effective, must be lodged with the Company's registrar Capita Asset Services, PXS 1, 34 Beckenham Road, Beckenham, Kent BR3 4TU together with the power of attorney or other authority (if any) under which it is signed (or a notarized certified copy of such power of attorney) so as to arrive not later than 11 a.m. on Monday 4 July 2016.
6. The return of a completed proxy form will not prevent a shareholder attending the AGM and voting in person if he/she/it wishes to do so.



Form or Direction

**(FOR THE USE OF DEPOSITORY INTERESTS HOLDERS ONLY)**  
**TECHFINANCIALS, INC.**  
**(the "Company")**

Form of Direction for completion by Depository Interests Holders ("DI Holder") representing shares on a 1 for 1 basis in the Company in respect of the Annual General Meeting to be held Wednesday 6 July 2016 at 11 a.m. at the offices of Grant Thornton UK LLP, 30 Finsbury Square, London EC2P 2YU.

I/We \_\_\_\_\_  
Please insert full name(s) and address(es) in BLOCK CAPITALS

Of \_\_\_\_\_

being a DI Holder of representing shares in the Company hereby appoint Capita IRG Trustees Limited ("Depository") to be my/our proxy to attend, speak and vote for me/us at the meeting of Shareholders to be held on the 6th day of July 2016 and at any adjournment thereof as indicated by an X in the appropriate boxes below.

**Resolutions**

|   | <b>For</b>               | <b>Against</b>           | <b>Abstain</b>           |
|---|--------------------------|--------------------------|--------------------------|
| Resolution 1 – Re-election of Mr. Jeremy Lange, as a Director                     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 2 – Re-election of Mr. Eitan Yanuv, as a Director                      | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 3 – Authority to allot shares and disapplication of pre-emption rights | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Company.  
Signature: \_\_\_\_\_

Date: \_\_\_\_\_

## Notes

1. To be effective, this Form of Direction and the power of attorney or other authority (if any) under which it is signed, or a notarially or otherwise certified copy of such power or authority, must be deposited at Capita Asset Services, PXS 1, 34 Beckenham Road, Beckenham BR3 4TU, United Kingdom no later than 11 a.m. on Friday 1 July 2016.
2. Any alterations made to this Form of Direction should be initialled
3. In the case of a corporation this Form of Direction should be given under its Common Seal or under the hand of an officer or attorney duly authorised in writing.
4. Please indicate how you wish your votes to be cast by placing "X" in the box provided. On receipt of this form duly signed, you will be deemed to have authorised the Depository to vote, or to abstain from voting, as per your instructions. If no voting instruction is indicated, you will be deemed to have instructed the Depository to abstain from voting on the specified resolution.
5. 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.
6. DI Holders wishing to attend the meeting should contact the Depository at Capita IRG Trustees Limited, 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 7 a.m. on Friday 1 July 2016.