



Notice of Annual General Meeting

Notice is hereby given that an Annual General Meeting of Taptica International Ltd. (the "Company") will be held at the office of finnCap, 60 New Broad St, London, EC2M 1JJ on 31 July 2018 at 2:00 pm for the following purposes:

To receive and discuss with the directors the financial statements of the Company for the year ended 31 December 2017 together with the report of the auditors thereon.

As ordinary business to consider, and, if thought fit, pass Resolutions 1 to 5 inclusive below:

1. To re-elect Timothy Grainger Weller, who retires by rotation pursuant to Article 42 of the Company's Articles of Association, as a director (if re-elected, Mr. Weller shall continue to serve as Chairman of the Company's Board of Directors following the Annual General Meeting).
2. To re-elect Hagai Tal, who retires by rotation pursuant to Article 42 of the Company's Articles of Association, as a director.
3. To re-elect Yaniv Carmi, who retires by rotation pursuant to Article 42 of the Company's Articles of Association, as a director.
4. To re-elect Ronni Zehavi, who retires by rotation pursuant to Article 42 of the Company's Articles of Association, as a director.
5. To re-appoint Somekh Chaikin, a member firm of KPMG International, as the Company's independent external auditor for 2018 and to authorise the Company's Board of Directors (or, the Audit Committee, if authorised by the Board of Directors) to fix its remuneration.

As special business to consider, and, if thought fit, pass Resolutions 6 to 7 inclusive below:

6. As required by Israeli law and in accordance with the recommendation of the Remuneration Committee and the Board, to approve (i) the payment to Ofer Druker, the Executive Chairman of Tremor Video DSP, of a special bonus in the amount of \$500,000 and (ii) to amend the terms of the restricted shares and options to purchase Ordinary Shares of the Company previously granted to Mr. Druker pursuant to the Company's 2017 Equity Incentive Plan and approved by the Company's shareholders at the 2017 Annual General Meeting, subject to the terms and conditions as set forth in the explanatory notes below and in the Award Agreement and Option Agreement to be entered in connection therewith.
7. As required by Israeli law, to amend and extend the term of the Company's Remuneration Policy for directors and executives.

By order of the Board of Directors

Timothy Grainger Weller
Chairman of the Board

Yaniv Carmi
Company Secretary

26 June 2018

Registered Office
121 Hahashmonaim Street
Tel Aviv
Israel
Registered in Israel number 513956060

Explanatory Notes:

Resolutions 1-4. The Company's articles of association (the "**Articles**") require the directors (other than External Directors (as defined in the Articles)) to retire and if wishing to serve again, to offer themselves for re-election by the shareholders at each Annual General Meeting (the "**AGM**"). The Company's two External Directors, Mr. Neil Jones and Ms. Joanna Parnell, were appointed in December 2017 for a term of three years in accordance with Israeli law and are not required to stand for re-election at the AGM.

Resolution 5. Resolution 5 proposes the re-appointment of Somekh Chaikin, a member firm of KPMG International, as Auditor of the Company and authorises the directors to set their remuneration.

Resolution 6. In December 2017, the Company's shareholders approved at the 2017 Annual General Meeting the remuneration package of Ofer Druker, the new Executive Chairman of Tremor Video DSP (the "**Business**"), consisting of an annual base salary of \$500,000; (ii) an annual performance-based bonus equal to 3% of the annual EBITDA of the Business; and (iii) the grant to Mr. Druker of (x) 600,000 restricted shares and (y) options to purchase 1,200,000 Ordinary Shares of the Company pursuant to the Company's 2017 Equity Incentive Plan, vesting over a three year period.

Mr. Druker has been contributing to the ongoing success of the Business since the fourth quarter of 2017. However, his term of employment with Tremor Video DSP has officially commenced only on 1 June 2018. Accordingly, notwithstanding his contribution to the success of the Business, Mr. Druker was not paid the approved annual salary and annual bonus for such period, and the vesting terms of the restricted shares and options only commenced on 1 June 2018.

Following a review of Mr. Druker's contribution to the ongoing success of the Business since the fourth quarter of 2017, the Remuneration Committee and the Board have approved, and recommended that the Company's shareholders approve at the AGM, (i) to pay Mr. Druker a special bonus of \$500,000 in lieu of the annual salary and annual bonus for such period, and (ii) to amend the terms of the restricted shares and options to purchase Ordinary Shares of the Company previously granted to Mr. Druker pursuant to the Company's 2017 Equity Incentive Plan and approved by the Company's shareholders at the 2017 Annual General Meeting, as set forth below:

- (i) In order to further align the interests of Mr. Druker with the promotion of the long-term growth of the Company, Mr. Druker was granted on 1 June 2018, upon commencement of his employment, (x) 600,000 restricted shares (the "**Restricted Shares**") and (y) options to purchase 1,200,000 Ordinary Shares of the Company pursuant to the Company's 2017 Equity Incentive Plan, with an exercise price of £3.35, consisting of two tranches: 120,000 options subject to continuous service vesting (the "**First Tranche Options**"), and 1,080,000 options subject to performance and continuous service vesting (the "**Second Tranche Options**").
- (ii) **Restricted Shares:**
Vesting Dates: Currently, 200,000 Restricted Shares are scheduled to vest on 1 June 2019, the first anniversary of the employment commencement date, and an additional 400,000 Restricted Shares shall vest in eight equal quarterly instalments of 50,000 Restricted Shares each, commencing 1 September 2019, in each case subject to Mr. Druker's continuous service through the applicable vesting date.

- *In light of Mr. Druker's contribution to the ongoing success of the Business since the fourth quarter of 2017, the Remuneration Committee and the Board have approved, and recommended that the Company's shareholders approve, setting the first vesting date at 1 October 2018 instead of 1 June 2019.*
 - *Change in Control:* Currently, if a Change in Control of the Company occurs after 1 June 2019, the first anniversary of the employment commencement date, then, subject to Mr. Druker's continuous service through the date of the Change in Control, all Restricted Shares that remain unvested on the date of the Change in Control shall immediately vest on the date of the Change in Control. If a Change in Control occurs prior to 1 June 2019, then, (A) subject to Mr. Druker's continuous service through the date of the Change in Control, 200,000 Restricted Shares that are scheduled to vest on 1 June 2019, shall immediately vest on the date of the Change in Control, and (B) subject to Mr. Druker's continuous service (including with any successor to the Company or affiliate of such successor, as applicable) through 1 June 2019, all Restricted Shares (or substituted securities of the acquirer, as applicable) that remain unvested on 1 June 2019 shall immediately vest on the earlier of (i) 1 June 2019 and (ii) the date the Company or affiliate thereof (or the successor thereof), as applicable, terminates Mr. Druker's employment after the date of the Change in Control other than for cause.
 - *In light of Mr. Druker's contribution to the ongoing success of the Business since the fourth quarter of 2017, the Remuneration Committee and the Board have approved, and recommended that the Company's shareholders approve, replacing the references above to 1 June 2019 with 1 October 2018.*
- (iii) **First Tranche Options:**
Vesting Dates: Currently, options to purchase 40,000 Ordinary Shares vest on 1 June 2019, the first anniversary of the employment commencement date, and options to purchase an additional 80,000 Ordinary Shares vest in eight equal quarterly instalments of 10,000 Ordinary Shares each, commencing 1 September 2019, in each case subject to Mr. Druker's continuous service through the applicable vesting date.
- *In light of Mr. Druker's contribution to the ongoing success of the Business since the fourth quarter of 2017, the Remuneration Committee and the Board have approved, and recommended that the Company's shareholders approve, setting the first vesting date at 1 October 2018 instead of 1 June 2019.*
 - *Change in Control:* Currently, in the event a Change in Control occurs after 1 June 2019, the first anniversary of the employment commencement date, then, subject to Mr. Druker's continuous service through the date of the Change in Control, one-third (1/3) of the First Tranche Options that remain unvested on the date of the Change in Control shall immediately vest on the date of the Change in Control.
 - *In light of Mr. Druker's contribution to the ongoing success of the Business since the fourth quarter of 2017, the Remuneration Committee and the Board have approved, and recommended that the Company's shareholders approve, replacing the reference above to 1 June 2019 with 1 October 2018.*
- (iv) **Second Tranche Options:**
Vesting Dates: Currently:
- Options to purchase 360,000 Ordinary Shares vest on the date the Company releases its audited financial statements for the year ended 31 December 2018;
 - Options to purchase 360,000 Ordinary Shares vest on the date the Company releases its audited financial statements for the year ended 31 December 2019; and
 - Options to purchase 360,000 Ordinary Shares vest on the date the Company releases its audited financial statements for the year ended 31 December 2020;
- in each case, subject to (i) Mr. Druker's continuous service through the applicable vesting date and (ii) the annual EBITDA of the Business for the applicable fiscal year exceeding 75% of the target annual EBITDA of the Business for such year.

- *No changes are proposed to be made to the vesting terms of the Second Tranche Options.*
 - *Change in Control: In the event a Change in Control occurs after 1 June 2019, the first anniversary of the employment commencement date, then, subject to Mr. Druker's continuous service through the date of the Change in Control, one-third (1/3) of the Second Tranche Options that remain unvested on the date of the Change in Control shall immediately vest on the date of the Change in Control.*
 - *In light of Mr. Druker's contribution to the ongoing success of the Business since the fourth quarter of 2017, the Remuneration Committee and the Board have approved, and recommended that the Company's shareholders approve, replacing the reference above to 1 June 2019 with 1 October 2018.*
- (v) The Remuneration Committee and the Board believe that it is in the best interest of the Company to allocate a significant portion of Mr. Druker's annual remuneration as annual and long-term variable compensation (cash and equity), notwithstanding the Company's executive remuneration policy under the Israeli Companies Law.

Resolution 7. Pursuant to the Israeli Companies Law, all public Israeli companies, including companies whose shares are only publicly-traded outside of Israel, such as the Company, are required to adopt a written remuneration policy for their executives and directors, which addresses certain items prescribed by the Israeli Companies Law. The adoption, amendment and restatement of the policy is to be recommended by the Remuneration Committee and approved by the Board and shareholders every three years. In 2015, such policy was originally adopted. In light of the significant growth in the Company's global activities and financial results in 2017, and the Company's increasing need to continue to appropriately incentivise, attract and retain qualified executives, the Remuneration Committee reviewed and proposed amendments to certain remuneration parameter guidelines in the policy, including to increase the parameters for annual variable remuneration and special bonuses and to increase the coverage for directors' and officers' liability insurance. The Board subsequently approved the policy amendments and recommended that such amendments be adopted by the shareholders at the Annual General Meeting.

Notes

1. Holders of depositary interests in respect of ordinary shares ("**DI holder**") may only appoint Link Market Services Trustees Limited (the "**Depository**") as their proxy. DI holders wishing to attend, speak and vote at the meeting should contact the Depository to request a Letter of Representation and this instruction is covered off in the notes on the Form of Direction.
2. If you do not have a Form of Proxy and believe that you should have one, or if you require additional forms, please contact Link Asset Services on +44 (0) 871 664 0300. All forms must be signed and should be returned together in the same envelope.
3. To be valid, any Form of Proxy or other instrument appointing a proxy and any power of attorney or other authority under which it is signed, or a notarially certified or office copy of such power or authority, must be received by post or (during normal business hours only) by hand at Link Asset Services, Proxies, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU by no later than 2.00 pm BST on 27 July 2018.
4. In the case of DI holders, a Form of Direction must be completed in order to appoint the Depository whose registered office is at The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU to vote on the holder's behalf at the meeting. To be effective, a completed and signed Form of Direction must be deposited at Link Market Services Trustees Limited no later than 2.00 pm BST on 26 July 2018.
5. The return of a completed Form of Proxy, Form of Direction, or other such instrument or any CREST Proxy Instruction (as described in paragraph 13 below) will not prevent a shareholder or DI holder attending the Annual General Meeting and voting in person if he/she wishes to do so.
6. Pursuant to the Israeli Companies Law, to be entitled to attend and vote at the Annual General Meeting (and for the purpose of the determination by the Company of the votes they may cast), shareholders must be registered in the register of the Company at close of business on 3 July 2018.

Changes to the Company's register after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the Annual General Meeting.

7. The quorum for the Annual General Meeting shall be two or more shareholders present in person or by proxy and holding shares conferring in the aggregate 25 per cent of the voting power of the Company. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting shall be adjourned to the same day in the next week, at the same time and place, or to such day and at such time and place as the Chairman may determine.
8. Any shareholder attending the Annual General Meeting is entitled pursuant to the Israeli Companies Law to ask any question relating to the business being dealt with at the meeting. The Company will answer any such questions unless (i) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information; or (ii) the answer has already been given on a website in the form of any 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.
9. As at 25 June 2018, the Company's issued share capital consisted of 67,687,278 ordinary shares, along with 8,088,337 shares reclassified as dormant shares under the Israeli Companies Law (without any rights attached thereon), which the Company holds in Treasury. Therefore, the total voting rights in the Company as at 25 June 2018 were 67,687,278.
10. The Board recommends that shareholders vote in favour of all items in the Notice.
11. The Company intends to introduce a Long Term Incentive Plan under which awards will be granted to Executive Directors. Awards under the LTIP will be subject to the satisfaction of performance conditions imposed at the date of grant. An external adviser has been engaged to work with the Remuneration Committee to provide advice in relation to the terms of the plan and the selection of appropriate performance conditions.
12. 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.
13. 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 CRESTCo's 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 2.00 pm BST on 26 July 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 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.
14. CREST members and, where applicable, their CREST sponsors or voting service providers should note that CRESTCo 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.
15. 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.
16. Pursuant to the Israeli Companies Law, the approval of each of Resolutions 6 and 7 requires the affirmative vote of the holders of a majority of the voting power represented and voting on the proposal in person or by proxy. In addition, the shareholders' approval for each resolution must either include at least a majority of the ordinary shares voted by DI holders who are not controlling

shareholders of the Company nor are they shareholders who have a personal interest in such resolution, or the total ordinary shares of non-controlling shareholders and non-interested shareholders voted against the resolution must not represent more than two per cent of the outstanding ordinary shares. For this purpose, you are asked to indicate in the Form of Proxy card whether you are a controlling shareholder or have a personal interest in such resolutions.

17. Copies of the Award Agreements of the Executive Directors and the Company's Remuneration Policy for Directors and Executives, which are available for inspection during normal business hours at the registered office of the Company on any weekday (Fridays and public holidays excluded) and Sundays, will also be available for inspection at the place of the AGM on the day of the AGM. Shareholders may also receive a copy of the Company's Remuneration Policy for Directors and Executives upon request.