

FOX-WIZEL LTD ("The Company")

Registration no. 512157603

The securities of the corporation are listed for trading on the Tel Aviv Stock Exchange

Abbreviated name: Fox

Address: 6 Ha'hermon st., Airport City 70100

Tel: 972-3-9050100; Fax: 972-3-9050200

e-mail: itzik@fox.co.il

Transmission date: July 21, 2014

Reference: 2014-01-118110.

Israel Securities Authority;

www.isa.gov.il

Tel Aviv Stock Exchange Ltd.

www.tase.co.il

**Immediate Report Regarding Event or Matter Not in the Ordinary Course of Business
of the Corporation**

Regulation 36(a) of the Securities Regulations (Periodic and Immediate Reports), 5730-1970

Nature of the event: *Immediate Report*

Fox-Wizel Ltd. (Hereinafter: "**The Company**") hereby announces that on Sunday, July 20th, 2014, at 11:30 A.M., The Company signed an agreement with Yanga Ltd. (Hereinafter "**The Purchased Company**" and/or "**Yanga**") for the purchase and allotment of shares, that will constitute 50% of the outstanding share capital of The Purchased Company (Hereinafter: "**The Agreement**").

Upon Closing of the transaction as defined below, The Company will pay Yanga, in consideration for the allotted shares, a total amount of 5,500 Thousand N.I.S. and in consideration for the shares purchased from Yanga's founders, defined below, The Company will pay each of the two founders a total sum of 1,750 thousand N.I.S. (a total of 3,500 thousand N.I.S.).

Upon Closing of the transaction, The Purchased Company will repay owner's loans to the founders, which total, at the date of signing of the Agreement, approximately 1,463 thousand N.I.S. The owner's loans will be repaid of the consideration paid for the allotted shares.

Closing of the transaction will take place within 7 days of the fulfillment of the suspending condition (receipt of the approval of the general director of the antitrust authority for the merger contemplated in the Agreement) and subject to completion of all actions The Purchased Company must complete in accordance with the Agreement (Hereinafter: The "**Date Of Completion**").

The Purchased Company is a private company incorporated in Israel, owned by Mr. Nir Horvitz and Mrs. Meital Young Horvitz ("**The Founders**"), that buys, manufactures and distributes boutique fashion for women in a vintage/romantic style under the name "Yanga". Yanga distributes its products to retail clients through a chain of 7 stores throughout Israel. To date, Yanga operates only within Israel and distributes its products in the Israeli market.

Below is material financial data from The Purchased Company's financial reports in the two calendar years preceding the date of this immediate report and during the six month period that ended on June 30th, 2014, as they were presented before the Company's management prior to the signing of the Agreement:

	Thousand N.I.S.		
	For the six months that ended on June 30 th , 2014	For the calendar year that ended on December 31 st , 2013	For the calendar year that ended on December 31 st , 2012
Total assets	6,100	5,519	2,893
Total Liabilities	3,525	3,954	2,840
Equity	2,575	1,565	52
Sales	7,970	12,007	6,792
Gross Profit	5,040	7,390	3,675
Operational Profit	1,471	1,944	277
Net Profit	1,010	1,512	117

The Company will finance the transaction detailed in this report of its own resources.

The Company and The Purchased Company intend to act in collaboration to develop the Yanga brand in the Israeli market and to open additional stores under the Yanga brand in Israel.

The Purchased Company's C.E.O., Mr. Nir Horvitz (a controlling shareholder in The Purchased Company), will retain his current position in The Purchased Company.

There were no business relations between the Company and The Purchased Company and/or their respective controlling shareholders prior to the transaction described in this report.

No interested person in the Company has any personal interest in the transaction described in this report.

Fox-Wizel Ltd.

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