As filed with the Securities and Exchange Commission on June 23, 2023.

Registration No. 333-

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM F-1

REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

ODDITY Tech Ltd.

(Exact Name of Registrant as Specified in its Charter)

State of Israel	**2844**	**Not applicable**
(State or Other Jurisdiction of Incorporation or Organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification No.)

ODDITY Tech Ltd.
8 Haharash Street
Tel Aviv-Jaffa, 6761304, Israel
(551) 751-7495
(Address, including zip code, and telephone number, including area code, of Registrant's principal executive offices)

ODDITY Tech US Inc.
110 Greene Street
New York, New York 10012
(551) 751-7495
(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

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Approximate date of commencement of proposed sale to the public:
As soon as practicable after the effective date of this registration statement.

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box. ☐

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933.

Emerging growth company ☒

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act. ☐

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as amended, or until the registration statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

SUBJECT TO COMPLETION, DATED JUNE 23, 2023

PRELIMINARY PROSPECTUS

Shares

Class A Ordinary Shares

This is the initial public offering of Class A ordinary shares of ODDITY Tech Ltd.

Prior to this offering, there has been no public market for our Class A ordinary shares. We are offering Class A ordinary shares and the selling shareholders identified in this prospectus are offering Class A ordinary shares. We will not receive any proceeds from the sale of Class A ordinary shares by the selling shareholders. The estimated initial public offering price is between $ and $ per share.

We have applied to list our Class A ordinary shares on the Nasdaq Global Market, or Nasdaq, under the symbol "ODD." It is a condition to the closing of this offering that the Class A ordinary shares offered hereby have been duly listed on Nasdaq.

We are both an "emerging growth company" and a "foreign private issuer" as defined under the U.S. federal securities laws and, as such, may elect to comply with certain reduced public company reporting requirements for future filings. Investing in our Class A ordinary shares involves risks and uncertainties. See "Prospectus Summary — Implications of Being an Emerging Growth Company and a Foreign Private Issuer."

We have two classes of ordinary shares outstanding: Class A ordinary shares and Class B ordinary shares. The rights of the holders of our Class A ordinary shares and Class B ordinary shares are identical, except with respect to voting, conversion, and transfer rights. Each Class A ordinary share is entitled to one vote per share and each Class B ordinary share is entitled to ten votes per share and is convertible into one Class A ordinary share at any time. Holders of Class A ordinary shares and Class B ordinary shares will vote together as a single class on all matters (including the election of directors) submitted to a vote of our shareholders, unless otherwise required by law or our amended and restated articles of association effectuated in connection with this offering. Upon the closing of this offering, based on the number of ordinary shares outstanding as of March 31, 2023, the outstanding Class B ordinary shares will represent approximately % of the voting power of our outstanding share capital, with our directors and executive officers and their affiliates holding approximately % of the voting power of our outstanding share capital, in each case assuming no exercise of the underwriters' option to purchase additional Class A ordinary shares. See the sections titled "Principal and Selling Shareholders" and "Description of Share Capital and Articles of Association" for additional information.

	Per Share	Total
Public offering price	$	$
Underwriting discounts and commissions[(1)]	$	$
Proceeds to us (before expenses)	$	$
Proceeds to the selling shareholders (before expenses)	$	$

(1) We have agreed to reimburse the underwriters for certain expenses in connection with this offering. See "Underwriting" for additional information regarding underwriter compensation.

At our request, the underwriters have reserved up to % of the Class A ordinary shares offered by this prospectus for sale at the initial public offering price per share through a directed share program to certain of our employees, directors, partners, and friends and family members of certain of our employees, directors, and partners. See the section titled "Underwriting — Directed Share Program."

We have granted the underwriters an option to purchase up to additional Class A ordinary shares from us at the public offering price, less the underwriting discounts and commissions, within 30 days from the date of this prospectus.

Investing in our Class A ordinary shares involves risks and uncertainties. See "Risk Factors" beginning on page 19 to read about factors you should consider before buying any of our Class A ordinary shares.

None of the U.S. Securities and Exchange Commission, or the SEC, any state securities commission, or the Israel Securities Authority has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

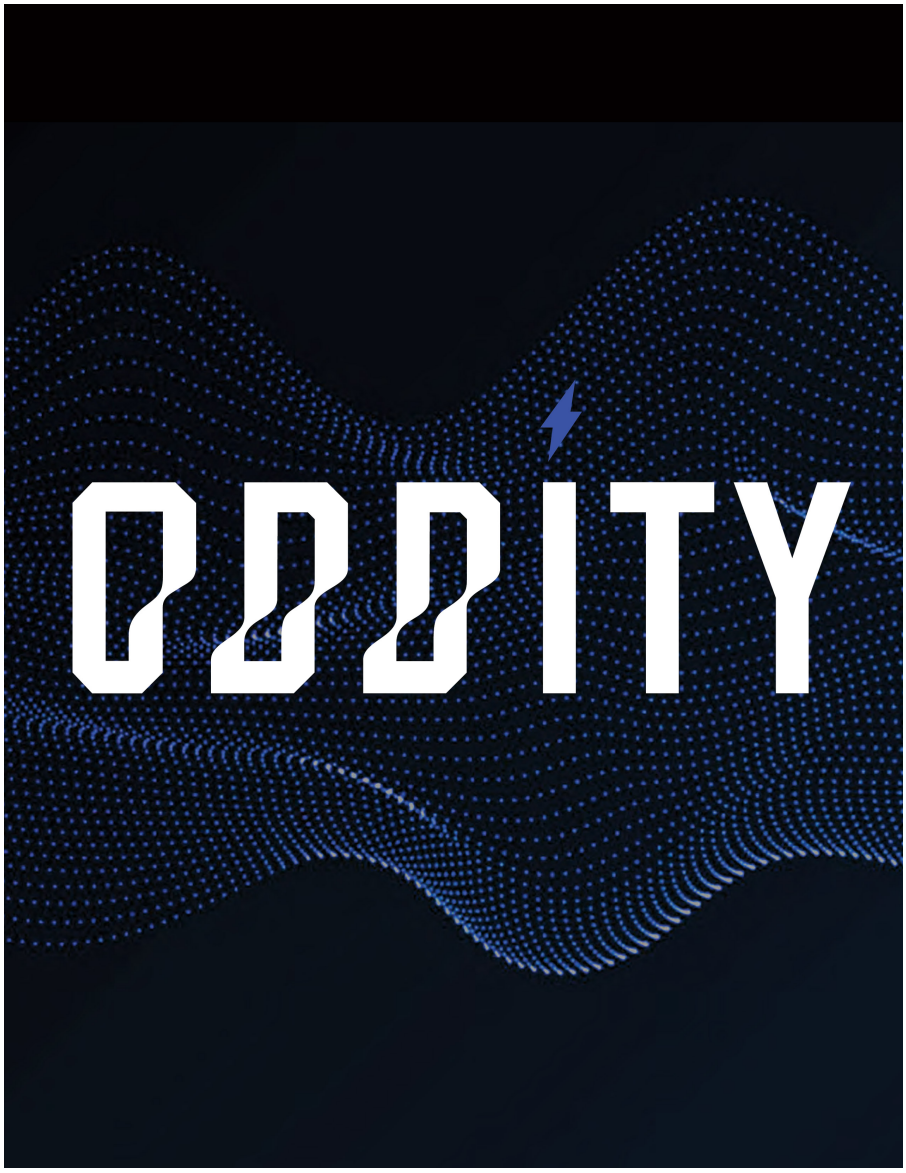
The underwriters expect to deliver the Class A ordinary shares to purchasers on or about , 2023.

Goldman Sachs & Co. LLC **Morgan Stanley** **Allen & Company LLC**

BofA Securities **Barclays** **Truist Securities**

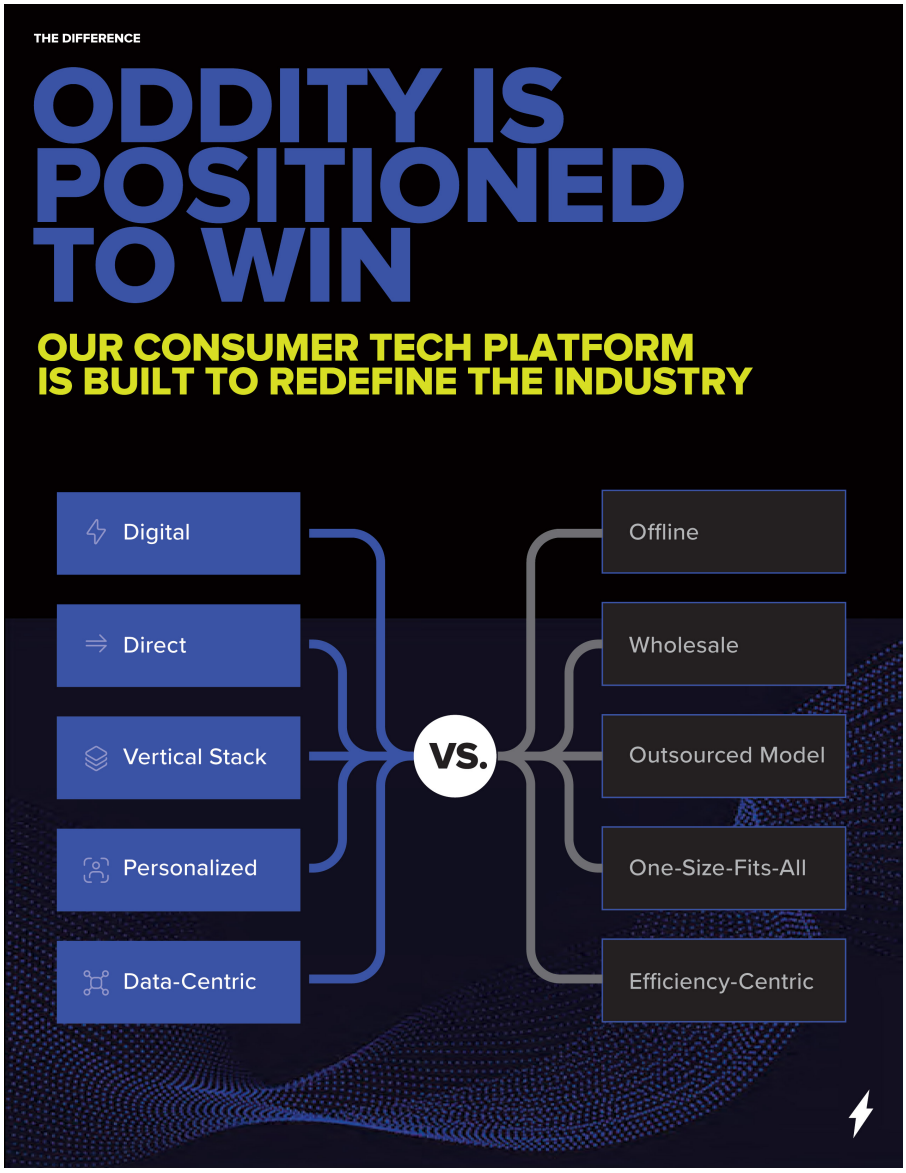
JMP Securities, A CITIZENS COMPANY **KeyBanc Capital Markets**

Prospectus dated , 2023


ODDITY


OUR
VISION
IS TO TRANSFORM THE GLOBAL
BEAUTY AND WELLNESS MARKET
THROUGH TECHNOLOGY AND
ENTREPRENEURIAL THINKING.
ODDITY


THE TEAM
DD
NEVER
EITS IN
40%
IT TAKES AN OUTSIDER
TO CHANGE AN INDUSTRY.
40% of our workforce are technologists.[1] We built our playbook from scratch with significant investments in our proprietary technology and infrastructure.
1. As of March 31, 2023.


THE DIFFERENCE
ODDITY IS POSITIONED TO WIN
OUR CONSUMER TECH PLATFORM IS BUILT TO REDEFINE THE INDUSTRY
Digital
Direct
Vertical Stack
Personalized
Data-Centric
VS.
Offline
Wholesale
Outsourced Model
One-Size-Fits-All
Efficiency-Centric

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We, the selling shareholders, and the underwriters have not authorized anyone to provide additional information or information different from that contained in this prospectus, any amendment or supplement to this prospectus or in any free writing prospectus prepared by us or on our behalf or to which we may have referred you. We, the selling shareholders, and the underwriters do not take any responsibility for, and can provide no assurance as to the reliability of, any information other than the information in this prospectus and any free writing prospectus prepared by us or on our behalf. We, the selling shareholders, and the underwriters are not making an offer to sell the Class A ordinary shares in any jurisdiction where the offer or sale is not permitted. This offering is being made in the United States and elsewhere solely on the basis of the information contained in this prospectus. You should assume that the information appearing in this prospectus is accurate only as of the date on the front cover of this prospectus, regardless of the time of delivery of this prospectus or any sale of the Class A ordinary shares. Our business, financial condition, results of operations and prospects may have changed since the date on the front cover of this prospectus. This prospectus is not an offer to sell or the solicitation of an offer to buy these Class A ordinary shares in any circumstances under which such offer or solicitation is unlawful.

For investors outside the United States: We, the selling shareholders, and the underwriters have not taken any action that would permit this offering or possession or distribution of this prospectus in any jurisdiction where action for that purpose is required, other than in the United States. You are required to inform yourselves about and to observe any restrictions relating to this offering and the distribution of this prospectus.

BASIS OF PRESENTATION

Our consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States, or U.S. GAAP. We present our consolidated financial statements in U.S. dollars.

Our fiscal year ends on December 31 of each year. Our most recent fiscal year ended on December 31, 2022.

Certain monetary amounts, percentages and other figures included elsewhere in this prospectus have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables or charts may not be the arithmetic aggregation of the figures that precede them, and figures expressed as percentages in the text may not total 100% or, as applicable, when aggregated may not be the arithmetic aggregation of the percentages that precede them.

We discuss ODDITY LABS' "science-backed" products in this prospectus to mean a product development process where ingredients are developed by scientists using a methodology that combines advanced biological models and machine learning-based tools to find new molecules for beauty and wellness applications; this includes applying algorithmic solutions to facilitate virtual screening of vast ingredient spaces (e.g., millions of molecules) and subsequent molecule prediction, allowing us to model both the intended responses and molecule structure concurrently. The FDA has not approved any of our products or otherwise determined such products to be safe and effective for any intended uses.

MARKET AND INDUSTRY DATA

Unless otherwise indicated, information in this prospectus concerning economic conditions, our industry, our markets, and our competitive position is based on a variety of sources, including information from independent industry analysts and publications, as well as our own estimates and research.

Our estimates are derived from publicly available information released by independent third-party sources, as well as data from our internal research, and are based on assumptions made by us upon reviewing such data, and our knowledge of our industry, which we believe to be reasonable. The sources of certain statistical data, estimates, and forecasts contained elsewhere in this prospectus are from Euromonitor and Women's Wear Daily, independent industry publications.

Projections, assumptions, and estimates of the future performance of the industry in which we operate and our future performance are necessarily subject to uncertainty and risk due to a variety of factors, including those described in the sections titled "Risk Factors" and "Special Note Regarding Forward-Looking Statements." These and other factors could cause results to differ materially from those expressed in the estimates made by independent third parties and by us.

TRADEMARKS

We own certain trademarks and trademark applications used in this prospectus that are important to our business, including, among others, IL MAKIAGE and SpoiledChild. Solely for convenience, our trademarks and trade names referred to in this prospectus may appear without the "®" or "™" symbols, but such references are not intended to indicate, in any way, that we will not assert, to the fullest extent possible under applicable law, our rights or the rights of the applicable licensor to these trademarks and trade names. We do not intend our use or display of other companies' trademarks, trade names, or service marks to imply a relationship with, or endorsement or sponsorship of us by, any other companies. Each trademark, trade name, or service mark of any other company appearing in this prospectus is the property of its respective holder.

PROSPECTUS SUMMARY

This summary highlights selected information contained elsewhere in this prospectus. This summary does not contain all the information that you should consider before deciding to invest in our Class A ordinary shares. You should read the entire prospectus carefully, including the sections titled "Risk Factors," "Special Note Regarding Forward-Looking Statements," "Management's Discussion and Analysis of Financial Condition and Results of Operations," and "Business" and our consolidated financial statements and related notes included elsewhere in this prospectus, before making an investment decision. Unless the context otherwise requires, the terms the "company," "we," "us," and "our" in this prospectus refer to ODDITY Tech Ltd. and its consolidated subsidiaries.

Who We Are

We are a consumer tech platform that is built to transform the global beauty and wellness market.

Our commitment to innovation through our proprietary technology is matched only by our commitment to developing empowering products of the highest quality. The ODDITY platform is designed to support a portfolio of brands and services that aim to innovate and disrupt the expansive global beauty and wellness market.

ODDITY, powered by our first brand IL MAKIAGE, has been the fastest growing global beauty direct-to-consumer platform from 2020 through 2022, according to Women's Wear Daily. Our first brand, IL MAKIAGE, was also the fastest growing digital, direct-to-consumer beauty brand in the United States through 2021, which is the latest available data from Digital Commerce 360. Our second brand, SpoiledChild, launched in 2022 with the goal of disrupting the wellness category online, and is scaling even faster than IL MAKIAGE.

Our success is based on our outsider approach. We are a technology company seeking to reinvent every aspect of a massive industry. Our tech team is the largest team within our company today and comprises over 40% of our headcount. We invest heavily in data science, machine learning, and computer vision, and we have an evergreen commitment to exploring and investing in emerging technologies. Our technology innovations, when combined with our world-class physical product range and compelling brands built to win online, aim to eliminate significant friction for customers and support a seamless end-to-end user experience.

We deploy algorithms and machine learning models leveraging user data seeking to deliver a precise product match and seamless shopping experience.

We harness our user data to develop physical beauty and wellness products that deliver excellent performance and functionality. We never settle on quality. If our data doesn't show it is the best we can deliver, we won't launch it.

It requires marrying two different worlds of tech and physical products. It's not enough to build smart machine learning models, they need to be trained to match physical products.

In April 2023, we established ODDITY LABS to bring artificial intelligence-based molecule discovery for the development of science-backed, high performance beauty and wellness products. ODDITY LABS was formed in conjunction with our acquisition of Revela, a biotechnology company focused on the development of new molecules for beauty and wellness.

Since our first digital brand launch in 2018, we have disrupted the way millions of consumers shop for beauty products by bringing them online and transforming the shopping experience. We bring visitors to our website, turn them into users by asking questions and learning about them, and then leverage the data we have across the platform to convert them into paying customers. We have built a platform of over 40 million users that we have direct access to and have generated over 1 billion unique data points on our users' beauty preferences through our digital model. As of March 31, 2023, we had over 4 million active customers, or customers that made at least one purchase with us within the last 12 months.

Our business has a powerful and rare combination of scale, growth, and profitability. Since our launch, we have proven our ability to quickly achieve success in new brands, products, categories, and

international markets. In just 18 months, and simultaneous with our rapid revenue growth, we achieved profitability due to strong repeat rates. During the year ended December 31, 2022, we scaled to $324.5 million of net revenue, including $25.9 million contributed by the launch of SpoiledChild in February 2022, compared to $222.6 million and $110.6 million for the years ended December 31, 2021 and 2020, respectively, representing 46% and more than 100% growth year-over-year, respectively. In addition, for the years ended December 31, 2022, 2021 and 2020, we achieved a gross margin of 67.2%, 68.8% and 70.3%, net income margin of 6.7%, 6.3% and 10.6%, and Adjusted EBITDA margin of 12.2%, 12.0% and 19.1%, respectively. Our Adjusted EBITDA margin in 2022 reflects the impact of costs related to the launch of SpoiledChild. In addition, our order billings grew to $395.5 million in 2022 compared to $267.8 million and $137.8 million in 2021 and 2020, respectively. For the three months ended March 31, 2023, our net revenue was $165.7 million compared to $90.4 million for the three months ended March 31, 2022. For the three months ended March 31, 2023 and 2022, we achieved gross margin of 70.9% and 66.8%, net income margin of 11.8% and 3.3%, and Adjusted EBITDA margin of 17.2% and 7.4%, respectively.

We built the ODDITY platform to support a diverse portfolio of current and future owned and partnered beauty and wellness brands, with a shared technology backbone, infrastructure, and commitment to rigorous process. In 2019, we launched our in-house New Ventures brand incubator with a mandate to pursue additional product categories ripe for disruption through our technology-powered platform. We believe we can drive significant growth and gain market leadership by developing additional standalone, digitally native brands for future launches.

Building a Platform to Transform a $600 Billion Market

We operate a different model to that of the incumbents that have dominated the global beauty and wellness market. This distinctive approach is core to our competitive advantage and ability to disrupt the market.

- ***Outsiders by Design.*** Disrupting a market requires outside thinking. Our organization is built entirely by beauty industry outsiders, who come with fresh thinking, a focus on innovation, and a desire to drive continuous improvement.
- ***Technology First.*** Our business model is centered on our in-house technology capabilities, with leading expertise in data science, machine learning, and computer vision. We operate a cutting-edge R&D and technology center in Tel Aviv that is fully integrated with our business operations in New York City. Our tech team is the largest team within our company today and comprises over 40% of our headcount. Our investments in and focus on recruiting top technology talent is a key component of our strategy. We expect our technology roadmap will define the future of beauty.
- ***Data Drives Our Business.*** We deploy our technology to better understand customers and anticipate their wants and needs. Our data moat drives all aspects of our business, including revenue, marketing, distribution, operations, and development of new products and brands. It creates a significant competitive advantage in acquiring users digitally, driving our high engagement and strong and improving repeat purchase rates. This data is also critical to training our collection of machine learning models which drive the user journey, across acquisition, purchase, and post purchase. We believe this data-driven approach is a key difference relative to industry incumbents, who are largely wholesale brands without data and technology advantages, and who heavily rely on retail partner platforms for consumer insights.
- ***Superior Product Performance.*** Our data-centric strategy enables us to create and deliver superior products to our customers and build differentiated brands across the beauty and wellness space. From inception, we construct each brand by thoughtfully leveraging data and employing an exhaustive testing process with our global user base, to determine product-market fit and develop ingredients and formulations. We are committed to only launching a product when our user data shows there is a real consumer need and that our product quality gives us the ability to win.

- ***The Growth Opportunity Ahead.*** With our rapidly growing user base, we are unlocking distribution for wellness and beauty online. The strength of our playbook is demonstrated by the rapid and consistent success we have seen with our brands in multiple markets, and the even stronger performance we have seen from SpoiledChild since its launch. We see significant potential to grow our existing brands and to disrupt additional product categories across the global beauty and wellness market. However, our ability to grow depends on a variety of factors, many of which are beyond our control. See the section titled "Risk Factors" for more information.

Our Market Opportunity

We operate in the highly attractive over $600 billion global beauty and wellness market as defined by the global beauty, personal care and dietary supplements market per Euromonitor, which is characterized by its large size, secular tailwinds, high growth, and compelling gross margin profile. We believe this market is ripe for disruption, dominated by established, largely offline, wholesale models that we feel have not sufficiently evolved to meet changing consumer preferences for a digital, personalized, and customized experience.

- ***Beauty and Wellness Represents a Massive Market Ripe for Digital Disruption.*** Today's beauty and wellness market is dominated by multi-brand brick-and-mortar retailers. Despite its size and prevalence in our daily lives, the industry has been slow to transform. According to Euromonitor, in 2022, online sales accounted for only 21% of sales in the broader beauty and personal care industry globally. We believe that this underdevelopment of online as compared to other retail categories, such as apparel, is driven by little incentive for established offline players to change their models, consumer knowledge gaps, outsourced digital distribution, over reliance on third-party retailers, lack of online innovation, and limited data-driven insights across the industry.
- ***Beauty and Wellness Industry is Slow to Innovate.*** Beauty and wellness products are typically used daily and replenished often, yet, the legacy journey to purchasing these products is far from the convenient and efficient digital experience many consumers prefer. It has lacked education and personalization historically and is typically overwhelming, complicated, time-consuming, plagued by overspending, and not personalized.

We believe the winner in the beauty and wellness industry will be the company that recognizes that technology, data and online capabilities are at the core of the business, and can leverage these strengths to innovate and address rapidly changing consumer preferences. We believe the combination of our almost entirely online and direct-to-consumer business model, deep technology expertise, and exceptional product offerings positions us best to address the modern-day beauty and wellness consumer. However, our sale of beauty and wellness products has inherent risks, including, but not limited to, fluctuations in the demand for our technology and products, our reliance on user data, and supply chain disruptions, shipping disruptions and capacity constraints, and increases in shipping costs. See the section titled "Risk Factors" for more information.

The Power of Digital

The potential reach of a successful online model is significant — unconstrained by physical store footprints or local marketing limitations. Our technology-powered model has the ability to reach a broad and diverse audience in beauty and wellness.

We are a gateway for online adoption, with almost half of our customers making their first online beauty purchase with us, based on internal estimates. We expect our market share position to strengthen as beauty and wellness purchases increasingly shift online.

- ***An Expansive Customer Demographic.*** Our model allows us to build funnels that attract a broad range of customers. We convert customers across geographies, demographic characteristics, and purchasing behavior. As of December 31, 2022, our customer base was distributed evenly across the United States, with representation across different age groups and

skin tones. Our direct, tech-enabled and data-driven model strongly appeals to a broad demographic audience, giving us a unique opportunity to capture this growing source of demand and compete in categories traditionally dominated by legacy brands with waning relevance.

- ***A Holistic End-to-End User Journey Enabled by Technology.*** ODDITY is powered by our vision and commitment to revolutionize the beauty and wellness industry through technology innovations and outside thinking. We have built a holistic, end-to-end customer journey, with each of our user touchpoints seeking to enhance and optimize the overall experience. Our integrated model aims to eliminate significant friction, bringing discovery, product matching, tutorial, purchase, and repeat engagement under a single platform. We do so by making technology core to our business model and through proprietary innovations, such as Kenzza, our collection of machine learning models that drive the user journey including PowerMatch / SpoiledBrain, and computer vision / hyperspectral technologies.
- ***Proprietary, Actionable User Data.*** From inception, our platform was built on the premise of asking and learning. We bring visitors to our website, turn visitors into users by asking questions and learning about them, then leverage the data we have across the platform to convert them into paying customers, and then watch them become repeat customers. Users represent visitors that have interacted with our website and shared at least 50 unique data points with us. Data points include, for example, user beauty preferences collected through surveys. Our users have generated over 1 billion unique data points that we have used across multiple vectors, including product recommendations, remarketing and retargeting, new product and brand development, and machine learning. Moreover, as we engage with our customers directly, versus through third-party retailers, we continue to own the customer experience and have direct access to valuable, real-time data.
- ***Loyal Customer Behavior.*** Our data and consumer tech platform, coupled with our direct model, drives high customer loyalty and strong and improving repeat purchase rates across customer cohorts.

When Beauty Meets Israeli Technology

We operate an elite technology organization, and technology is at the center of everything we do. An ethos of innovation, creation, agility, and disruption permeates our entire company. Our dedicated workforce includes in-house engineers, data scientists, computer vision experts, and product teams that comprise over 40% of our global headcount. Our tech team is completely integrated with the business teams, working hand-in-hand across areas like growth, customer experience, marketing, and product development to drive the business.

To execute our extensive roadmap, we deploy new versions of our platform and funnels every week. The multiple deployments improve and add features that the customer wants and needs.

Our operating method is a hallmark of the most advanced technology companies and allows us to keep a strong pace of innovation and execution as we scale. The tech team is organized in squads devoted to key domains, each organized as small standalone startups with dedicated project managers, software developers, and quality assurance. This allows all teams to push domains in parallel and avoid bottlenecks. We work in weekly sprints that include planning, coding, deploying, testing, analyzing performance, and optimizing.

We take enormous pride in our tech team. We recruit from the most attractive pockets of talent in the world, and our tech team receives focus from the highest levels of leadership in our organization. Based in Tel Aviv, one of the most advanced R&D hubs in the world, ODDITY's R&D organization has attracted talent from elite Israeli technology centers including the Israeli Defense Forces' Unit 81, its Special Operations Division's technology unit.

Our technology capabilities are characterized as the following:

- ***Massive Data Usage Fuels Growth and Profitability.*** We have gained over 1 billion unique data points from over 40 million users. We believe ODDITY has one of the largest databases in the beauty and wellness industry. Each of our brands can generate and collect

its own data, and we can leverage the aggregation of user data points across all ODDITY brands to create platform-level synergies, enhance growth, and expand into other countries and product categories. In addition to the business advantages, this continuous data building further allows us to refine and optimize our algorithms to drive higher accuracy of product matching models. As compared to traditional beauty companies that rely on wholesale distribution models and lack user data collection, we believe that our technology and massive existing user base would be difficult for other companies to achieve or replicate. Data is leveraged in five main ways: to generate revenue, remarket or retarget users, develop new products, develop new brands, and enhance our machine learning. We believe our consumer tech platform enables us to collect substantially more data than others in our space, which creates a flywheel that continuously improves and drives the business.

- ***PowerMatch / SpoiledBrain.*** Our proprietary algorithms and machine learning models match customers with accurate complexion and beauty products. Using artificial intelligence, or AI, PowerMatch and SpoiledBrain help users identify the correct products, formulations, and shades, reducing the risk of incorrect selection and eliminating the need to physically try on products in-store. We use many real-time predictions drawn from our pool of user data and are constantly improving our models to increase accuracy and conversion.
- ***Computer Vision.*** Patented software technology allows existing smartphone cameras to provide hyperspectral information, which until now could only be obtained using expensive, dedicated, and complex hyperspectral cameras that cost $20,000 or more. Our hyperspectral vision technology can detect 31 wavelengths that are invisible to the human eye. By applying unique, physics-based AI technology to recover and interpret this hyperspectral information, we can analyze skin and hair features, detect facial blood flows, monitor heart-rate, and create melanin and hemoglobin maps. We believe this imaging technology will allow us to rapidly expand our product capabilities with a lower amount of data needed for our machine learning models, such as more personalized products and brands in categories that traditionally require in-person diagnostics.
- ***Kenzza.*** We believe we own the largest collection of on-demand bespoke beauty media content in the world, created by our incredible global network of beauty and wellness content creators. Through thousands of videos available for streaming. Kenzza, our proprietary and patented platform, brings video-on-demand content and experiences that change the way users buy beauty online. Instead of showing more products, we are providing content and education. This unparalleled education engine leads to high user confidence and therefore lower friction, which drives scale and profitability. Kenzza is an important part of our international and new category expansion strategy as we launch with a full library of content from local creators in local languages to deliver an authentic and supportive experience for our users.

The ODDITY Platform is Unlocking Distribution for Beauty and Wellness Online

Based on the success and online demand we have experienced in the past three years, we believe that beauty will be 50% online in the near term. We are uniquely positioned for the future of beauty and are years ahead in terms of technology and online capabilities. We believe our business is completely different from those of the legacy beauty companies.

With over 40 million unique users as of March 31, 2023, we are unlocking distribution for wellness and beauty online using data and in-house technology. Our strategy is to grow separate and standalone digitally native brands to disrupt new categories.

We established our New Ventures brand incubator in 2019 to support the in-house development of new brands. The New Ventures team operates with the mandate to build brands and their technology products from start to finish, while targeting the most attractive pockets of demand in the global beauty and wellness market.

Our current brand portfolio consists of:

- ***IL MAKIAGE.*** IL MAKIAGE is a prestige digital beauty brand powered by ODDITY's consumer tech platform, which leverages data science, machine learning and computer vision

capabilities to deliver high-quality online experiences for consumers. IL MAKIAGE defines and builds the future of beauty by using ODDITY's unparalleled technology to connect people with a superior, painstakingly tested, wide range of beauty products. Since the brand's launch in 2018, according to our customer surveys, IL MAKIAGE has converted millions of consumers from shopping for beauty products in stores to making purchases online and disrupted the industry in the process. Our exceptional products and unparalleled technology have contributed to IL MAKIAGE's massive success as the fastest growing online beauty brand in the United States through 2021, which is the latest available data from Digital Commerce 360. In 2020, IL MAKIAGE started its global expansion with launches in the UK, Germany, and Australia. The company is experiencing tremendous momentum globally with sales outside of United States accounting for approximately 26% and 27% of our net revenue for the years ended December 31, 2022 and 2021, respectively.

- ***SpoiledChild.*** We launched our multi-category second brand, SpoiledChild, in February 2022 with the goal of disrupting the wellness industry. SpoiledChild is a prestige, online-only wellness brand powered by ODDITY's scalable technology platform, including its AI and machine learning capabilities, along with superior products and sustainable design. Empowering a new generation to redefine the rules of aging, SpoiledChild allows consumers to control their future by offering an individualized approach to age-control. Through SpoiledBrain, the brand's proprietary machine learning algorithm, SpoiledChild matches customers to their perfect products across multiple categories based on their unique individual profile. This multi-category offering, with a full line of products addressing hair, skin, and other health and wellness needs, was developed through a wide-scale, meticulous consumer-first product development process. In addition, SpoiledChild seeks to promote sustainability with its patented refillable packaging, designed to reduce waste.

Our playbook is extensible to incremental brands layered into our portfolio, developed both internally through our New Ventures incubator, or brought in via partnerships and acquisition.

Our Competitive Strengths

We have created something new: an industry-redefining, digitally native beauty and wellness company built around an extensible consumer tech platform. Our competitive strengths include:

- ***Israeli Technology to Disrupt the Beauty and Wellness Category.*** Innovation is core to our culture. Our team of beauty outsiders sought to disrupt the beauty industry from within by developing a proprietary, scalable technology platform that is purpose-built for beauty and wellness consumers. Everything we do, from product development to marketing to operations, is grounded in the data we optimize from users. Data and machine learning drive the business and results. Our roadmap is full of tech products and capabilities that we believe will define the future of beauty and our network in the Israeli tech scene allows us to have strong visibility into new technologies that will help us shorten timelines to innovation.
- ***Data-Centric and Online Business Model.*** Our data drives revenue, product development, marketing, distribution, operations, and new brand development. It creates a significant competitive advantage in acquiring users digitally, driving our high engagement and improving repeat purchase rates. Since the launch of our first brand, IL MAKIAGE, we have been continuously refining our machine learning models. Our extensive data moat allows us to build machine learning models with zero-example learning capabilities to drive efficiencies and speed to market for new product launches. In turn, our AI capabilities deliver a hyper personalized beauty experience to the customer to drive customer loyalty and repeat purchase rates.
- ***Extensible Platform Built for Developing and Scaling Transformative Brands.*** ODDITY's consumer tech platform was created to launch transformative products and brands across the beauty and wellness space. Our proven brand development playbook began with the launch of IL MAKIAGE in 2018, which was the fastest growing beauty brand in the United States through 2021, and continued with the successful launch of SpoiledChild in 2022, which generated $25.9 million of net revenues during the year ended December 31, 2022, scaling even faster than IL MAKIAGE. We are focused on investing in our technology platform rather than

just the top-down brand. Through the combination of our New Ventures team, existing user data, product match technology, and in-house marketing capabilities, we believe we will be able to effectively develop new brands, including in categories beyond cosmetics, skin and hair, and introduce them to targeted customers.

- ***ODDITY LABS to Power the Discovery and Development of Science-Backed Products***. We established ODDITY LABS in conjunction with our acquisition of Revela in April 2023 to bring biotechnology and AI-based molecule discovery to beauty and wellness. ODDITY LABS is designed to deepen our competitive advantage by supporting the development of proprietary, science-backed, and high performance products. We believe AI-based molecule discovery is a transformative frontier in product development, driven by the advancements of key enabling technologies, including synthetic biology, genomic sequencing, robotics, and AI, that can support the discovery and development of molecules at speed and scale. We are incorporating Revela's AI-based discovery model into our product development process to accelerate growth across beauty and wellness categories.
- ***Strong Unit Economics Creates a Proven Business Model.*** The strength of our unit economics underpins our ability to scale and grow profitably. In just 18 months, and simultaneous with our rapid revenue growth, we achieved profitability. For the three months ended March 31, 2023 and 2022, we generated net income of $19.6 million and $3.0 million and Adjusted EBITDA of $28.4 million and $6.7 million, respectively. During the year ended December 31, 2022, we generated net income of $21.7 million, compared to $13.9 million and $11.7 million for the years ended December 31, 2021 and 2020, respectively, and Adjusted EBITDA of $39.5 million for the year ended December 31, 2022, compared to $26.6 million and $21.1 million for the years ended December 31, 2021 and 2020, respectively. Our gross margin of 70.9% and 66.8%, net income margin of 11.8% and 3.3% and Adjusted EBITDA margin of 17.2% and 7.4% for the three months ended March 31, 2023 and 2022, respectively, and our gross margin of 67.2%, 68.8% and 70.3%, net income margin of 6.7%, 6.3% and 10.6% and Adjusted EBITDA margin of 12.2%, 12.0% and 19.1% for the years ended December 31, 2022, 2021 and 2020, respectively, are functions of our attractive unit economics. See "Management's Discussion and Analysis of Financial Condition and Results of Operations" for additional information regarding these measures.
- ***Founder-Led Management Team.*** Our entrepreneurial brother-sister founding team saw an industry ripe for disruption after observing the disconnect between online beauty discovery and offline purchasing behavior. As our name suggests, our corporate DNA values the ability to be unconstrained by historical conventions. We are uncompromising in our mission to make the first move, set the pace for the industry, take big swings, and continuously raise the bar — wild vision combined with hard work and a hands-on approach. Our success and future growth depend largely upon the continued services of our executive officers and other key employees, including our co-founders. See the section titled "Risk Factors" for more information.

Our Growth Strategies

Our intention is to sustain our high-growth and attractive margin profile that consistently delivers great outcomes for our stakeholders. To do this, we believe it is vital to have a clear long-term growth strategy that guides our continued investments in areas that align with our customers' wants and needs, and our own growth objectives.

- ***Continue to Build Our User Base.*** We aim to continue to grow our user base globally as we launch in new geographies, categories and brands. As of March 31, 2023, we had over 40 million unique users.
- ***Convert Users into Customers.*** We have succeeded in converting our users into customers through our data-driven personalization engines. Our massive amount of data points on our users allows us to convert users to customers at high conversion rates over time. We generate a high contribution margin through this conversion. As of March 31, 2023, we had over 4 million active customers.

- ***Continue to Increase Customer Loyalty and Wallet Share.*** We continuously seek to deepen our existing customer relationships to improve our already strong and growing revenue retention rates and increase our wallet share. We continue to drive repeat behavior through improvements in data-driven personalization, product recommendations, customer service, and engagement, in addition to new products and brands launches that are all informed by customer data. New brand launches are core to our growth strategy and will enable us to unlock the potential for our customers to cross-shop brands. Each of these initiatives is designed to increase the loyalty of our users.
- ***Expand Our Global Footprint.*** Our upfront investments in technology allow us to scale in new markets quickly and with limited asset intensity. Our rapid and profitable expansion into the UK, various markets in Continental Europe, and Australia gives us confidence in our ability to drive a large part of our business overseas. Sales outside of the United States accounted for approximately 26% and 27% of our net revenue for the years ended December 31, 2022 and 2021, respectively, below the penetration level of our large global competitors and providing significant room for growth. When entering a new geography, we market directly to consumers via our localized multilingual digital platform, have a dedicated native customer support team, and ramp up our digital marketing spend.
- ***Grow Our Existing Brands.*** We estimate that IL MAKIAGE comprises less than 2% of the total beauty market in the United States with the potential to significantly increase market share driven by the brand's differentiated, digital and data-first approach to customer acquisition and retention. We believe SpoiledChild has the opportunity to become one of the largest online wellness brands, with dominant franchises in haircare, skincare, and additional wellness categories, based on the financial performance in its first year, ODDITY's platform for scaling transformative brands, and SpoiledChild's reach across multiple categories.
- ***Expand Our Portfolio of Brands and Services.*** Our track record of success with IL MAKIAGE across multiple markets and our recent launch of SpoiledChild reinforce our commitment to launching multiple transformative brands and growth vectors. We believe our brand launch playbook has been proven out with IL MAKIAGE in the United States and in multiple international markets, and reinforced with the success of SpoiledChild. This playbook is extensible to incremental brands layered into our portfolio, developed both internally through our New Ventures incubator, or brought in via partnerships and acquisitions. We believe that expanding the scope of our platform to additional product categories will further expand our addressable market, and are building capabilities that will extend our reach beyond physical product sales into consumer facing and business-to-business, or B2B, service models.

Recent Developments

Estimated Selected Preliminary Results for the Three Months Ended June 30, 2023 (unaudited)

Set forth below are certain estimated preliminary unaudited financial results for the three months ended June 30, 2023. Our unaudited interim consolidated financial statements for the three months ended June 30, 2023 are not yet available. We have provided ranges, rather than specific amounts, because these results are preliminary and subject to change. These ranges are forward-looking statements and based on the information available to us as of the date of this prospectus. Our actual results may vary from the estimated preliminary results presented below, including due to the completion of our financial closing and other operational procedures, final adjustments, and other developments that may arise between now and the time the financial results for the three months ended June 30, 2023 are finalized.

You should not place undue reliance on this preliminary data. See the sections titled "Risk Factors," "Special Note Regarding Forward-Looking Statements," and "Management's Discussion and Analysis of Financial Condition and Results of Operations" for additional information regarding factors that could result in differences between the preliminary estimated ranges of our financial results presented below and the actual financial results we will report for the three months ended June 30, 2023.

The estimated preliminary financial results for the three months ended June 30, 2023 have been prepared by, and are the responsibility of, management. Our independent registered public accounting firm, Kost, Forer, Gabbay and Kasierer, a member of Ernst & Young Global, has not audited, reviewed, compiled or performed any procedures with respect to the estimated preliminary financial results. Accordingly, our independent registered public accounting firm does not express an opinion or any other form of assurance with respect thereto.

	Three Months Ended June 30,		
	2023 Estimated		
	Low	High	2022 Actual
	(in thousands)		
GAAP Financial Measures			
Net revenue	$	$	$97,659
Net income	$	$	$16,624
Non-GAAP Financial Measure			
Adjusted EBITDA[(1)]	$	$	$23,766

(1) Adjusted EBITDA is defined as net income before financial expenses (income), net, taxes on income, depreciation and amortization as further adjusted to exclude share-based compensation expense and non-recurring adjustments.

- For the three months ended June 30, 2023, we expect net revenue to be between $ million and $ million, as compared to net revenue of $97.7 million for the three months ended June 30, 2022, an of % at the midpoint. The expected is driven by .
- For the three months ended June 30, 2023, we expect net income to be between $ million and $ million, as compared to net income of $16.6 million for the three months ended June 30, 2022, an of % at the midpoint. The expected is driven by .
- For the three months ended June 30, 2023, we expect Adjusted EBITDA to be between $ million and $ million, as compared to Adjusted EBITDA of $23.8 million for the three months ended June 30, 2022, an of % at the midpoint. The expected is driven by .

The following table presents a reconciliation of Adjusted EBITDA for the periods presented above to net income, the most directly comparable financial measure presented in accordance with U.S. GAAP:

	Three Months Ended June 30,		
	2023 Estimated		
	Low	High	2022 Actual
	(in thousands)		
Net income	$	$	$16,624
Financial expenses (income), net			(1,243)
Taxes on Income			5,070
Depreciation and amortization			1,071
Share-based compensation			2,123
Non-recurring adjustments			121
Adjusted EBITDA	$	$	$23,766

Risk Factors

Investing in our Class A ordinary shares involves substantial risks and uncertainties, and our ability to successfully operate our business and execute our growth plan is subject to numerous risks and uncertainties. You should carefully consider the risks and uncertainties described in the section titled "Risk Factors" before making a decision to invest in our Class A ordinary shares. If any of these risks or uncertainties actually occur, our business, financial condition, or results of operations could be materially and adversely affected. In such case, the trading price of our Class A ordinary shares would likely decline, and you could lose all or part of your investment. The following is a summary of some of the principal risks and uncertainties we face:

- Our brands are critical to our success, and the value of our brands may be adversely impacted by negative publicity. If we fail to maintain the value of our brands or our marketing efforts are not successful, our business, financial condition, and results of operations would be adversely affected.
- Our inability to anticipate and respond to market trends and changes in consumer preferences could adversely affect our business, financial condition, and results of operations.
- If we fail to attract new customers, retain existing customers, or fail to maintain or increase sales to those customers, our business, financial condition, and results of operations will be adversely affected.
- Our business depends on our ability to maintain a strong base of engaged customers and content creators, including through the use of social media. We may not be able to maintain and enhance our brand if we experience negative publicity related to our marketing efforts or use of social media, fail to maintain and grow our network of content creators, or otherwise fail to meet our customers' expectations.
- We rely on single source suppliers for certain component materials of our products and the loss of suppliers or shortages or disruptions in the supply of raw materials or finished products could adversely affect our business, financial condition, and results of operations.
- If we are unable to accurately forecast consumer demand, manage our inventory and plan for future expenses, our business, financial condition, and results of operations could be adversely affected.
- Our recent rapid growth may not be sustainable or indicative of future growth, and we expect our growth rate to ultimately slow over time.
- If we do not continue to successfully introduce and effectively market new brands, or develop and introduce new, innovative, and updated products, our ability to continue to grow may be adversely affected and we may not be able to maintain or increase our sales and profitability. Difficulty in forecasting may also adversely affect our business, financial condition, and results of operations.
- Changes in data privacy and security laws, rules, regulations, and standards, including laws, rules, and regulations governing our collection, use, disclosure, retention, transfer, storage, and other processing of personal information, including payment card data, and our actual or perceived failure to comply with such obligations may have an adverse effect on our business, financial condition, and results of operations.
- We rely significantly on the use of information technology, including technology provided by third-party service providers. Any failure, error, defect, inadequacy, interruption, or data breach or other security incident of our information technology systems, or those of our third-party service providers, could have an adverse effect on our business, reputation, financial condition, and results of operations.
- Any failure to obtain, maintain, protect, defend, or enforce our intellectual property rights could impair our ability to protect our proprietary technology and our brand.
- The share price of our Class A ordinary shares may be volatile, and you may lose all or part of your investment.

- The dual class structure of our ordinary shares has the effect of concentrating voting power with our existing shareholders prior to the consummation of this offering, which will limit your ability to influence the outcome of important transactions, including a change in control.

We have in the past, and may in the future identify material weaknesses in our internal control over financial reporting. If we experience material weaknesses in the future or if we fail to maintain an effective system of disclosure controls and internal control over financial reporting, our ability to produce timely and accurate financial statements or comply with applicable regulations could be impaired.

Corporate Information

We were incorporated on June 23, 2013 in Israel under the Companies Law, 5759-1999, or the Companies Law. Our principal executive offices are located at 8 Haharash Street, Tel Aviv-Jaffa 6761304, Israel. Our website address is https://oddity.com. Information contained on, or that can be accessed through, our website does not constitute a part of this prospectus and is not incorporated by reference herein. We have included our website address in this prospectus solely for informational purposes. Our agent for service of process in the United States is ODDITY Tech US Inc., located at 110 Greene Street, New York, New York 10012.

Implications of Being an Emerging Growth Company and a Foreign Private Issuer

We qualify as an "emerging growth company" pursuant to the Jumpstart Our Business Startups Act of 2012, as amended, or the JOBS Act. An emerging growth company may take advantage of specified exemptions from various requirements that are otherwise applicable generally to U.S. public companies. These provisions include:

- an exemption that allows the inclusion in an initial public offering registration statement of only two years of audited financial statements and selected financial data and only two years of management's discussion and analysis of financial condition and results of operations disclosure;
- reduced executive compensation disclosure; and
- an exemption from the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act of 2002, or the Sarbanes-Oxley Act, in the assessment of the emerging growth company's internal control over financial reporting.

We may take advantage of these provisions until such time as we are no longer an emerging growth company. We will remain an emerging growth company until the earliest of:

- the last day of our fiscal year during which we have total annual gross revenue of at least $1.235 billion;
- the last day of our fiscal year following the fifth anniversary of the closing of this offering;
- the date on which we have, during the previous three-year period, issued more than $1.0 billion in non-convertible debt securities; or
- the last day of our fiscal year in which we are deemed to be a "large accelerated filer" under the Exchange Act, which would occur if the market value of our ordinary shares that are held by non-affiliates is at least $700 million as of the last business day of our most recently completed second fiscal quarter.

In addition, Section 107 of the JOBS Act also permits an emerging growth company to take advantage of an extended transition period to comply with new or revised accounting standards applicable to public companies until such time as those standards would otherwise apply to private companies. We have elected to take advantage of this extended transition period and, as a result, our operating results and financial statements in the future may not be comparable to the operating results and financial statements of companies who have adopted the new or revised accounting standards.

In addition, upon the closing of this offering, we will report under the Exchange Act as a "foreign private issuer." As a foreign private issuer, we may take advantage of certain provisions under

rules that allow us to follow Israeli law for certain corporate governance matters. Even after we no longer qualify as an emerging growth company, as long as we qualify as a foreign private issuer under the Exchange Act, we will be exempt from certain provisions of the Exchange Act that are applicable to U.S. domestic public companies, including:

- the rules under Section 14 of the Exchange Act that impose disclosure obligations and procedural requirements for the solicitation of proxies, consents, or authorizations in respect of a security registered under the Exchange Act;
- for our directors and principal shareholders, the reporting and "short-swing" profit recovery provisions of Section 16 of the Exchange Act and the rules to file public reports with respect to their share ownership and purchase and sale of our ordinary shares;
- the rules under the Exchange Act requiring the filing with the SEC of quarterly reports on Form 10-Q containing unaudited financial and other specified information, or current reports on Form 8-K, upon the occurrence of specified significant events; and
- Regulation Fair Disclosure, or Regulation FD, which regulates selective disclosures of material information by issuers.

In addition, we will not be required to file annual reports and financial statements with the SEC as promptly as U.S. domestic issuers. Foreign private issuers, like emerging growth companies, also are exempt from certain more stringent executive compensation disclosure rules. Thus, even if we no longer qualify as an emerging growth company, but remain a foreign private issuer, we will continue to be exempt from the more stringent compensation disclosures required of public companies that are neither an emerging growth company nor a foreign private issuer.

We may take advantage of these exemptions until such time as we are no longer a foreign private issuer. We are required to determine our status as a foreign private issuer on an annual basis at the end of our second fiscal quarter. We would cease to be a foreign private issuer at such time as more than 50% of our outstanding voting securities are held by U.S. residents and any of the following three circumstances applies:

- the majority of our executive officers or directors are U.S. citizens or residents;
- more than 50% of our assets are located in the United States; or
- our business is administered principally in the United States.

We have chosen to take advantage of certain of the reduced disclosure requirements and other exemptions described above in the registration statement of which this prospectus forms a part and intend to continue to take advantage of certain exemptions in the future. As a result, the information that we provide may be different than the information you receive from other public companies in which you hold stock.

THE OFFERING

Class A ordinary shares offered by us	Class A ordinary shares.
Class A ordinary shares offered by the selling shareholders	Class A ordinary shares.
Option to purchase additional Class A ordinary shares offered by us	We have granted the underwriters an option for a period of 30 days after the date of this prospectus to purchase up to additional Class A ordinary shares.
Class A ordinary shares to be outstanding after this offering	Class A ordinary shares (or Class A ordinary shares if the underwriters exercise in full their option to purchase additional ordinary shares).
Class B ordinary shares to be outstanding after this offering	Class B ordinary shares.
Total Class A ordinary shares and Class B ordinary shares to be outstanding after this offering	ordinary shares (or ordinary shares if the underwriters exercise in full their option to purchase additional ordinary shares).
Use of proceeds	We estimate that the net proceeds to us from the sale of our Class A ordinary shares in this offering, after deducting underwriting discounts and commissions and estimated offering expenses payable by us, will be approximately $ million (or approximately $ million if the underwriters exercise in full their option to purchase additional Class A ordinary shares), assuming an initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus. We will not receive any proceeds from the sale of Class A ordinary shares by the selling shareholders. The principal purposes of this offering are to obtain additional working capital, to create a public market for our Class A ordinary shares, and to facilitate our future access to the public equity markets. We intend to use the net proceeds from this offering for developing and launching new brands, working capital, and other general corporate purposes. We may also use a portion of the proceeds to acquire or invest in businesses, brands, products, services, or technologies; however, we do not have agreements or commitments for any material acquisitions or investments at this time. See the section titled “Use of Proceeds.”
Voting rights	We have two classes of ordinary shares outstanding: Class A ordinary shares and Class B ordinary shares. Each Class A ordinary share is entitled to one vote per share and each Class B ordinary share is entitled to ten votes per share. Holders of Class A ordinary shares and Class B ordinary shares will vote together as a single class on all matters (including the election of directors) submitted to a vote of our shareholders, unless otherwise required by law or our

	amended and restated articles of association. Upon the closing of this offering, based on the number of ordinary shares outstanding as of March 31, 2023, the outstanding Class B ordinary shares will represent approximately % of the voting power of our outstanding share capital, with our directors and executive officers and their affiliates holding approximately % of the voting power of our outstanding share capital, in each case assuming no exercise of the underwriters' option to purchase additional Class A ordinary shares. The holders of our outstanding Class B ordinary shares will have the ability to control the outcome of matters submitted to our shareholders for approval, including the election of our directors. See the sections titled "Principal and Selling Shareholders" and "Description of Share Capital and Articles of Association" for additional information.
Dividend policy	We have never declared or paid any dividends on our ordinary shares. We do not anticipate paying any dividends in the foreseeable future. We currently intend to retain future earnings, if any, to finance operations and expand our business. Our board of directors has sole discretion whether to pay dividends. If our board of directors decides to pay dividends, the form, frequency, and amount will depend upon our future operations and earnings, capital requirements and surplus, general financial condition, contractual restrictions, and other factors that our directors may deem relevant. The Companies Law imposes restrictions on our ability to declare and pay dividends. See the section titled "Dividend Policy."
Directed share program	At our request, the underwriters have reserved up to % of the Class A ordinary shares offered by this prospectus for sale at the initial public offering price per share through a directed share program to certain of our employees, directors, partners, and friends and family members of certain of our employees, directors, and partners. The number of Class A ordinary shares available for sale to the general public will be reduced by the number of reserved shares purchased by these individuals in the directed share program. Any reserved shares not purchased by these individuals will be offered by the underwriters to the general public on the same basis as the other Class A ordinary shares offered by this prospectus. Any shares sold under the directed share program will not be subject to the terms of any lock-up agreement, except in the case of shares purchased by our officers or directors. For additional information, see the section titled "Underwriting — Directed Share Program."
Risk factors	See the section titled "Risk Factors" and other information included in this prospectus for a discussion of factors you should carefully consider before deciding to invest in our Class A ordinary shares.
Listing	We have applied to list our Class A ordinary shares on Nasdaq under the symbol "ODD."

The number of our Class A ordinary shares and Class B ordinary shares to be outstanding immediately after this offering is based on ordinary shares outstanding as of March 31, 2023 and excludes:

- 12,403 Class A ordinary shares issuable upon on the exercise of options to purchase Class A ordinary shares outstanding under our equity incentive plans as of March 31, 2023 at a weighted-average exercise price of $199.56 per share;
- 173,142 Class A ordinary shares and 173,142 Class B ordinary shares issuable upon the exercise of 173,142 options to purchase Class A ordinary shares and Class B ordinary shares outstanding under our equity incentive plans as of March 31, 2023 (each such option being exercisable into one Class A ordinary share and one Class B ordinary share) at a weighted-average exercise price of $291.65 per option;
- 13,674 Class A ordinary shares and 6,141 Class B ordinary shares issuable upon the vesting and settlement of restricted share units outstanding under our equity plans as of March 31, 2023;
- 430,228 Class A ordinary shares issuable upon the exercise of options outstanding issued subsequent to March 31, 2023 under our incentive plans at a weighted-average exercise price of $420.07 per share;
- 51,973 Class A ordinary shares issuable upon the vesting of restricted share units issued subsequent to March 31, 2023 under our equity plans;
- Class A ordinary shares reserved under our 2023 Incentive Award Plan, or 2023 Plan, which will become effective in connection with the completion of this offering (as well as any shares that become issuable pursuant to provisions in the 2023 Plan that automatically increase the share reserve under the 2023 Plan); and
- Class A ordinary shares reserved for issuance under our 2023 Employee Share Purchase Plan, or ESPP, which will become effective in connection with the completion of this offering (as well as any shares that become issuable pursuant to provisions in the ESPP that automatically increase the share reserve under the ESPP).

Unless otherwise indicated, all information in this prospectus assumes or gives effect to:

- a -for-one reverse split of our ordinary shares, or the Share Split;
- no exercise by the underwriters of their option to purchase up to additional Class A ordinary shares;
- no exercise of the outstanding options described above after March 31, 2023;
- no purchase of our Class A ordinary shares by our existing shareholders, including our directors and executive officers and their affiliates, through the directed share program described in the section titled “Underwriting — Directed Share Program”;
- the automatic conversion of all outstanding Redeemable A shares into an aggregate of 63,904 shares of our Class A ordinary shares immediately prior to the closing of this offering;
- the issuance of Class A ordinary shares upon the automatic conversion of our digital securities in connection with this offering, based on the assumed initial public offering price of $, which is the midpoint of the price range set forth on the cover page of this prospectus, or the Digital Security Conversion (see “Description of Share Capital” for additional information regarding the digital securities);
- the adoption of our amended and restated articles of association prior to the closing of this offering, which will replace our amended and restated articles of association as currently in effect; and
- an initial public offering price of $ per Class A ordinary share, which is the midpoint of the price range set forth on the cover page of this prospectus.

SUMMARY CONSOLIDATED FINANCIAL AND OTHER DATA

The following tables present our summary consolidated financial and other data. We prepare our consolidated financial statements in accordance with U.S. GAAP. The summary historical consolidated financial data for the years ended December 31, 2022 and 2021 have been derived from our audited consolidated financial statements, which are included elsewhere in this prospectus. In order to provide additional historical financial information, we have included supplemental historical consolidated financial data for the year ended December 31, 2020, which has been derived from our audited consolidated financial statements not included elsewhere in this prospectus. The summary historical consolidated financial data for the three months ended March 31, 2023 and 2022 have been derived from our unaudited consolidated financial statements, which are included elsewhere in this prospectus. In our opinion, the unaudited interim financial statements have been prepared on a basis consistent with our audited financial statements and contain all adjustments, consisting only of normal and recurring adjustments, necessary for a fair presentation of such interim financial statements.

The financial data set forth below should be read in conjunction with, and is qualified by reference to, the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and related notes included elsewhere in this prospectus. Our historical results for any prior period are not necessarily indicative of results expected in any future period and our interim results are not necessarily indicative of the results that may be expected for a full fiscal year.

	Three Months Ended March 31,		Year Ended December 31,		
	2023	2022	2022	2021	2020
	(in thousands, except share and per share data)				
Consolidated Statement of Operations Data:					
Net revenue	$ 165,654	$ 90,414	$ 324,520	$ 222,555	$ 110,638
Cost of revenue	48,169	30,047	106,470	69,374	32,811
Gross profit	117,485	60,367	218,050	153,181	77,827
Selling, general and administrative expenses	92,764	56,732	190,385	133,669	61,168
Operating income	24,721	3,635	27,665	19,512	16,659
Financial expenses (income), net	157	(443)	(1,247)	877	1,250
Income before taxes on income	24,564	4,078	28,912	18,635	15,409
Taxes on income	4,974	1,067	7,184	4,715	3,696
Net income	$ 19,590	$ 3,011	$ 21,728	$ 13,920	$ 11,713
Net income per share, basic[1]	$ 5.65	$ 0.87	$ 6.27	$ 4.07	$ 3.45
Net income per share, diluted[1]	$ 5.34	$ 0.82	$ 5.94	$ 4.01	$ 3.45
Pro forma net income per share attributable to ordinary shareholders, basic and diluted[2]					
Pro forma weighted-average shares used in computing net income per share attributable to ordinary shareholder, basic and diluted[2]					

(1) See Note 2 to our consolidated financial statements included elsewhere in this prospectus for an explanation of the method used to calculate the historical basic and diluted net income per share and the weighted-average number of shares used in the computation of the per share amounts.

(2) Pro forma net income per share gives effect to: (i) the renaming of our ordinary shares to Class A ordinary shares, (ii) the Share Split, (iii) the automatic conversion of all outstanding Redeemable A shares into an aggregate of shares of our Class A ordinary shares, (iv) the Digital Security Conversion, and (v) the adoption or our amended and restated articles of association.

	As of March 31, 2023		
	Actual	Pro Forma[1]	Pro Forma As Adjusted[2][3]
		(in thousands)	
Consolidated Balance Sheet Data:			
Cash and cash equivalents, restricted cash and short term deposits	$ 110,099		
Working capital[4]	76,144		
Total assets	272,509		
Retained earnings	62,834		
Total shareholders' equity	$ 120,354		

(1) The pro forma consolidated balance sheet data reflects (i) the renaming of our ordinary shares to Class A ordinary shares, (ii) the issuance and distribution of 1,697,311 Class B ordinary shares to holders of the Class A ordinary shares, (iii) the Share Split, (iv) the automatic conversion of all outstanding Redeemable A shares into an aggregate of 63,904 shares of our Class A ordinary shares, (v) the Digital Security Conversion, and (vi) the adoption or our amended and restated articles of association.

(2) The pro forma as adjusted consolidated balance sheet data reflects the pro forma adjustments described immediately above and the issuance and sale of Class A ordinary shares in this offering at an assumed initial public offering price of $ per ordinary share, which is the midpoint of the price range set forth on the cover page of this prospectus, after deducting underwriting discounts and commissions and estimated offering expenses payable by us.

(3) Each $1.00 increase (decrease) in the assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase (decrease) the pro forma as adjusted amount of each of cash and cash equivalents, working capital, total assets, and total shareholders' equity by $ million, assuming that the number of Class A ordinary shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting underwriting discounts and commissions. Each increase (decrease) of 1,000,000 shares in the number of Class A ordinary shares offered by us would increase (decrease) the pro forma as adjusted amount of each of cash and cash equivalents, working capital, total assets, and total shareholders' equity by $ million, assuming the assumed initial public offering price remains the same and after deducting underwriting discounts and commissions.

(4) Working capital is defined as total current assets minus total current liabilities. See our consolidated financial statements and related notes included elsewhere in this prospectus for further details regarding our current assets and current liabilities.

Key Operating and Non-GAAP Financial Measures

We regularly review certain key operating and non-GAAP financial measures to evaluate our business, measure our performance, identify trends, prepare financial projections, and make business decisions. The information set forth below should be considered in addition to, not as a substitute for or in isolation from, our financial results prepared in accordance with U.S. GAAP. Other companies, including companies in our industry, may calculate these measures differently or not at all, which reduces their usefulness as comparative measures. See the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations — Key Operating and Non-GAAP Financial Measures" for additional information on the key operating measure, order billings, and non-GAAP financial measures set forth below, including a reconciliation of the non-GAAP financial measures, Adjusted EBITDA, Adjusted EBITDA margin, Adjusted operating income and Adjusted net income to the most directly comparable financial measures calculated in accordance with U.S. GAAP.

	Year Ended December 31,		
	2022	2021	2020
	(in thousands)		
Key Operating Measure			
Order billings[1]	$ 395,489	$ 267,814	$ 137,775

(1) Order billings represents amounts invoiced to customers during the period.

	Three Months Ended March 31,		Year Ended December 31,		
	2023	2022	2022	2021	2020
			(in thousands)		
Non-GAAP Financial Measures					
Adjusted EBITDA[1]	$ 28,432	$ 6,714	$ 39,471	$ 26,628	$ 21,128
Adjusted EBITDA margin[2]	17.2%	7.4%	12.2%	12.0%	19.1%
Adjusted operating income[3]	$ 26,532	$ 5,571	$ 35,063	$ 22,622	$ 16,869
Adjusted net income[4]	$ 21,034	$ 4,440	$ 27,298	$ 16,243	$ 11,873

(1) Adjusted EBITDA is defined as net income before financial expenses (income), net, taxes on income, depreciation and amortization as further adjusted to exclude share-based compensation expense and non-recurring adjustments.

(2) Adjusted EBITDA margin is defined as Adjusted EBITDA divided by net revenue.

(3) Adjusted operating income is defined as operating income after adjusting for share-based compensation and non-recurring adjustments.

(4) Adjusted net income is defined as net income after adjusting for share-based compensation, non-recurring adjustments, and the tax effect of non-GAAP adjustments.

RISK FACTORS

You should carefully consider the risks and uncertainties described below and the other information in this prospectus before making a decision to invest in our Class A ordinary shares. Additional risks and uncertainties not presently known to us, or that we currently deem immaterial, may also impair our business operations. Our business, financial condition, or results of operations could be materially and adversely affected by any of these risks and uncertainties. The trading price and value of our Class A ordinary shares could decline due to any of these risks and uncertainties, and you may lose all or part of your investment. This prospectus also contains forward-looking statements that involve risks and uncertainties. See the section titled "Special Note Regarding Forward-Looking Statements." Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the risks and uncertainties faced by us described below and elsewhere in this prospectus.

Risks Related to Our Business and Industry

Our brands are critical to our success, and the value of our brands may be adversely impacted by negative publicity. If we fail to maintain the value of our brands or our marketing efforts are not successful, our business, financial condition, and results of operations would be adversely affected.

Our success depends on the value of our brands, which are integral to our business, as well as to the implementation of our strategies for expanding our business. Maintaining, promoting, and positioning our brands will depend largely on the success of our marketing, our technology, and our ability to provide consistent, high quality products. Our brands could be adversely affected if we fail to achieve these objectives or if our public image or reputation were to be tarnished by negative publicity through traditional or social media platforms, including negative publicity about our products, technology, customer service, personnel, marketing efforts, or suppliers. Content that is adverse to our interests, whether or not accurate or truthful, could be posted to social media platforms and immediately disseminated to broad audiences without any filter or verification of such content. Even isolated incidents involving us, suppliers or third-party service providers, or the products we sell, could erode the trust and confidence of our customers and damage the strength of our brands, especially if such incidents result in adverse publicity, governmental investigations, product recalls, or litigation. We cannot guarantee that our brand development strategies will prevent or mitigate the occurrence of such incidents, accelerate the recognition of our brands, or increase revenue.

In addition, the importance of our brands may increase to the extent we experience increased competition, which could require additional expenditures on our brand promotion activities. Maintaining and enhancing the image of our brands also may require us to make additional investments in areas such as marketing and online operations. These investments may be substantial and may not ultimately be successful. Moreover, if we are unsuccessful in obtaining, maintaining, protecting, defending, and enforcing our intellectual property rights in our brands, the value of our brands may be harmed. Any harm to our brands or reputation could adversely affect our ability to attract and engage customers and adversely affect our business, financial condition, and results of operations.

Our inability to anticipate and respond to market trends and changes in consumer preferences could adversely affect our business, financial condition, and results of operations.

Our continued success depends on our ability to anticipate, gauge, and react in a timely and cost-effective manner to changes in consumer tastes for beauty and wellness products, attitudes toward our industry and brand, as well as to where and how consumers shop. We must continually work to maintain and enhance the recognition of our brands, develop, manufacture, and market new technologies and products, maintain and adapt to existing and emerging distribution channels, successfully manage our inventories, and modernize and refine our approach as to how and where we market and sell our products. Consumer tastes and preferences cannot be predicted with certainty and can change rapidly. This issue is compounded by the increasing use of digital and social media by consumers and the speed by which information and opinions are shared. If we are unable to anticipate

and respond to sudden challenges that we may face in the marketplace, trends in the market for our products, and changing consumer demands and sentiment, our business, financial condition, and results of operations will be adversely affected. In addition, from time to time, sales growth or profitability may be concentrated in a relatively small number of our products or countries. If such a situation persists or a number of products or countries fail to perform as expected, there could be an adverse effect on our business, financial condition, and results of operations.

If we fail to attract new customers, retain existing customers, or fail to maintain or increase sales to those customers, our business, financial condition, and results of operations will be adversely affected.

Our success depends in large part upon widespread adoption of our products by consumers. To attract new customers and continue to expand our customer base, we must appeal to and attract consumers who identify with our beauty and wellness products. If the number of consumers who are willing to purchase our products does not continue to increase, if we fail to deliver a high quality shopping experience, or if our current or potential future customers are not convinced that our technology and products are superior to alternatives, then our ability to retain existing customers, acquire new customers, and grow our business may be harmed. We have made significant investments in enhancing our brands and attracting new customers, and we expect to continue to make significant investments to promote our products. Such campaigns can be expensive and may not result in new customers or increased sales of our products. Further, as our brands become more widely known, we may not attract new customers or increase our revenue at the same rates as we have in the past. If we are unable to acquire new customers who purchase products in numbers sufficient to grow our business, we may not be able to generate the scale necessary to drive beneficial network effects with our suppliers, our revenue may decrease, and our business, financial condition, and results of operations will be adversely affected.

In addition, our future success depends in part on our ability to increase sales to our existing customers over time, as a significant portion of our revenue is generated from sales to existing customers, particularly those existing customers who are highly engaged and make frequent and/or large repeat purchases of the products we offer. If existing customers no longer find our products or technology appealing or are not satisfied with our customer service and online technology, including shipping times, or if we are unable to timely update our products, technology, and websites to meet current trends and customer demands, our existing customers may not make purchases, or if they do, they may make fewer or smaller purchases in the future.

If we are unable to continue to attract new customers or our existing customers decrease their spending on the products we offer or fail to make repeat purchases of our products, our business, financial condition, results of operations, and growth prospects will be adversely affected.

Our business depends on our ability to maintain a strong base of engaged customers and content creators, including through the use of social media. We may not be able to maintain and enhance our brand if we experience negative publicity related to our marketing efforts or use of social media, fail to maintain and grow our network of content creators, or otherwise fail to meet our customers' expectations.

We currently partner with content creators who help raise awareness of our brands and engage with our customers. Our ability to maintain relationships with our existing content creators and to identify new content creators is critical to expanding and maintaining our customer base. As our market becomes increasingly competitive or as we expand internationally, recruiting and maintaining content creators may become increasingly difficult and expensive. If we are not able to develop and maintain strong relationships with our network of content creators, our ability to promote and maintain awareness of our brands may be adversely affected. Further, if we incur excessive expenses in this effort, our business, financial condition, and results of operations may be adversely affected.

We and our content creators use third-party social media platforms to raise awareness of our brands and engage with our customers. As existing social media platforms evolve and new platforms develop, we and our content creators must continue to maintain a presence on these platforms and

establish a presence on emerging popular social media platforms. If we are unable to cost-effectively use social media platforms as marketing tools, our ability to acquire new customers and our financial condition may suffer. Furthermore, as laws and regulations governing the use of these platforms evolve, any failure by us, our content creators, our sponsors, or other third parties acting at our direction to abide by applicable laws and regulations in the use of these platforms could subject us to regulatory investigations, class action lawsuits, liability, fines, or other penalties and adversely affect our business, financial condition, and results of operations. In addition, an increase in the use of social media for product promotion and marketing may cause an increase in the burden on us to monitor such materials, and increase the risk that such materials could contain problematic product or marketing claims in violation of applicable regulations. For example, in some cases, the Federal Trade Commission, or the FTC, has sought enforcement action where an endorsement has failed to clearly and conspicuously disclose a financial relationship or material connection between a social media content creator and an advertiser.

We also do not prescribe what content creators post on social media, and our content creators could engage in behavior or use their platforms in a manner that reflects poorly on our brands or is in violation of applicable regulations or platform terms of service, and all these actions may be attributed to us. Negative commentary regarding us, our products, our content creators, or other third parties, whether accurate or not, may be posted on social media platforms at any time and may adversely affect our reputation, brand, and business. The harm may be immediate, without affording us an opportunity for redress or correction and could adversely affect our business, financial condition, and results of operations.

In addition, customer complaints or negative publicity related to our website, products, product delivery times, customer data handling, marketing efforts, data privacy or security practices, or customer support, especially on blogs and social media websites, could diminish customer loyalty and customer engagement.

Further, laws and regulations, including associated enforcement priorities, rapidly evolve to govern social media platforms and other internet-based communications, and any failure by us, our ambassadors, or other third parties acting at our direction or on our behalf to abide by applicable laws and regulations in the use of these platforms could subject us to regulatory investigations, class action lawsuits, liability, fines, or other penalties. Other risks associated with the use of social media and internet-based communication include improper disclosure of proprietary information, negative comments about our brand or products, exposure of confidential or personal information, fraud, hoaxes, or malicious dissemination of false information. Damage to the brand image and our reputation could have an adverse effect on our business, financial condition, and results of operations.

We rely on single source suppliers for certain component materials of our products and the loss of suppliers or shortages or disruptions in the supply of raw materials or finished products could adversely affect our business, financial condition, and results of operations.

Certain of the component materials used in our products rely on a single or a limited number of suppliers. We acquire raw material and packaging from third-party suppliers and our finished products are assembled by third-party suppliers. In the past, we have been able to obtain an adequate supply of our finished products on a purchase order basis and currently believe we have an adequate supply for virtually all components of our products. However, we may encounter supply issues with raw materials due to increases in global demand and limited supply capacity. If our finished product suppliers are unable to perform, or our relationship with a supplier is terminated, and we are required to find alternative sources of supply, these new suppliers may have to be qualified under applicable industry, governmental, and our own vendor standards, which can require additional investment and be time-consuming. We cannot guarantee that we will be able to establish alternative relationships with suppliers on similar terms, without delay or at all, that they will be able to supply the same product formulations, or that those alternative relationships will provide an adequate supply.

We are also subject to other risks inherent in the manufacturing of our products and their supply chain, including industrial accidents, natural disasters (including as a result of climate change), environmental events, strikes, and other labor disputes, capacity constraints, disruptions in ingredient,

material, or packaging supplies, as well as global shortages, disruptions in supply chain or information technology, loss or impairment of key manufacturing sites or suppliers, product quality control, safety, increase in commodity prices and energy costs, licensing requirements and other regulatory issues, as well as natural disasters and other external factors over which we have no control. If such an event were to occur, it could have an adverse effect on our business, financial condition, and results of operations. In addition, we may experience interruptions with our suppliers and other supply chain disruptions as a result of the COVID-19 pandemic.

We believe our third-party suppliers have adequate resources and facilities to overcome many unforeseen interruptions of supply. However, the inability of our suppliers to provide an adequate supply of finished products and materials used in our products or the loss of any of these suppliers and any difficulties in finding or transitioning to alternative suppliers would adversely affect our business, financial condition, and results of operations. Changes in the financial or business condition of our suppliers could subject us to losses or adversely affect our ability to bring products to market. Further, the failure of our suppliers to deliver goods and services in sufficient quantities, in compliance with applicable standards, and in a timely manner could adversely affect our customer service levels, brands, and overall business. If we experience supply shortages, price increases, or regulatory impediments with respect to the raw materials, ingredients, components, or packaging we use for our products, we may need to seek alternative supplies or suppliers and may experience difficulties in finding replacements that are comparable in quality and price. In addition, in order to meet demand, we may be required to reformulate or substitute ingredients in our products due to shortages of specific raw materials. If we are unable to successfully respond to such issues, our business, financial condition, and results of operations would be adversely affected.

The majority of our suppliers are located in the United States, Italy, China, and Taiwan. Any interruptions in operations at these locations could result in our inability to satisfy product demand. Despite efforts by our suppliers to safeguard their facilities, a number of factors could damage or destroy the manufacturing equipment or our inventory component of supplies or finished goods, cause substantial delays in manufacturing, supply and distribution of our products, result in the loss of key information, and cause us to incur additional expenses, including:

- operating restrictions, partial suspension, or total shutdown of production imposed by regulatory authorities;
- equipment malfunctions or failures;
- technology malfunctions;
- work stoppages;
- damage to or destruction of the facility due to natural disasters including wildfires, earthquakes, or other events; or
- regional or local power shortages.

The vast majority of our raw material suppliers are located outside of both the United States and Israel, and as a result, we are subject to risks associated with doing business abroad, including:

- the imposition of new laws and regulations, including those relating to labor conditions, quality and safety standards, imports, duties, taxes, and other charges on imports, as well as trade restrictions and restrictions on currency exchange or the transfer of funds;
- political unrest, terrorism, labor disputes, and economic instability resulting in the disruption of trade from foreign countries in which our products are manufactured;
- reduced protection for intellectual property rights, including trademark protection, in certain countries;
- disruptions or delays in shipments whether due to port congestion, labor disputes, product regulations and/or inspections or other factors, natural disasters, or health pandemics, or other transportation disruptions; and

- the impact of health conditions, including the ongoing COVID-19 coronavirus pandemic, and related government and private sector responsive actions, and other changes in local economic conditions in countries where our suppliers or customers are located.

While we maintain business interruption insurance that we believe is appropriate for our operations, our insurance may not cover losses in any particular case, or insurance may not be available on commercially reasonable terms to cover certain of these catastrophic events or interruptions. In addition, regardless of the level of insurance coverage, damage to these facilities or any disruption that impedes our ability to manufacture our products in a timely manner could adversely affect our business, financial condition, and results of operations.

These and other factors beyond our control could interrupt our suppliers' production in offshore facilities, influence the ability of our suppliers to export our products cost-effectively or at all, and inhibit our suppliers' ability to procure certain materials, any of which could harm our business, financial condition, and results of operations.

If we are unable to accurately forecast customer demand, manage our inventory, and plan for future expenses, our business, financial condition, and results of operations could be adversely affected.

We base our current and future inventory needs and expense levels on our operating forecasts and estimates of future demand. To ensure adequate inventory supply, we must be able to forecast inventory needs and expenses and place orders sufficiently in advance with our suppliers, based on our estimates of future demand for particular products. Failure to accurately forecast demand may result in inefficient inventory supply or increased costs. This risk may be exacerbated by the fact that we may not carry a significant amount of inventory and may not be able to satisfy short-term demand increases. Accordingly, if we fail to accurately forecast customer demand, we may experience excess inventory levels or a shortage of products available for sale. Inventory levels in excess of customer demand may result in inventory write-downs or write-offs or the sale of excess inventory at discounted prices, which would cause our gross margins to suffer and could impair the strength and premium nature of our brands. Conversely, if we underestimate customer demand, including as a result of unanticipated growth, our suppliers may not be able to deliver products to meet our requirements, and we may be subject to higher costs in order to secure the necessary production capacity or we may incur increased shipping costs. An inability to meet customer demand and delays in the delivery of our products to our customers could result in reputational harm and damaged customer relationships, harm our brands, cash flows, and prospects for growth, and have an adverse effect on our business, financial condition, and results of operations.

Moreover, while we devote significant attention to forecasting efforts, the volume, timing, value, and type of the orders we receive are inherently uncertain. In addition, we cannot be sure the same growth rates, trends, and other key performance metrics are meaningful predictors of future growth. Our business, as well as our ability to forecast demand, is also affected by general global economic and business conditions and the degree of customer confidence in future economic conditions, and we anticipate that our ability to forecast demand due to these types of factors will be increasingly affected by conditions in international markets. A significant portion of our expenses is fixed, and as a result, we may be unable to adjust our spending in a timely manner to compensate for any unexpected shortfall in revenue. Any failure to accurately predict revenue or gross margins could cause our operating results to be lower than expected, which could adversely affect our financial condition and results of operations.

Our recent rapid growth may not be sustainable or indicative of future growth, and we expect our growth rate to ultimately slow over time.

We have recently experienced significant and rapid growth. Our historical rate of growth may not be sustainable or indicative of our future rate of growth, and in future periods, our revenue could grow more slowly than we expect or decline. We believe that continued growth in revenue, as well as our ability to improve or maintain margins and profitability, will depend upon, among other factors, our ability to address the challenges, risks, and difficulties described elsewhere in this “Risk Factors” section. We

cannot provide assurance that we will be able to successfully manage any such challenges or risks to our future growth. Any of these factors could cause our revenue growth to slow or decline and may adversely affect our margins and profitability. Even if our revenue continues to increase, we expect that our growth rate may slow for a number of other reasons, including if there is a slow-down in the growth of demand for our products, increased competition, a decrease in the growth or reduction in the size of our overall market, or if we cannot capitalize on growth opportunities. Failure to continue to grow our revenue or improve or maintain margins would adversely affect our business, financial condition, and results of operations. You should not rely on our historical rate of growth as an indication of our future performance.

We operate in highly competitive categories.

We face competition from beauty and wellness companies throughout the world, including multinational consumer product companies. Most of our competitors have greater resources than we do, some others are newer companies and some are competing in distribution channels or territories where we are not yet active or are less represented. Our competitors also may be able to respond to changing business and economic conditions more quickly than we can due to larger research and development operations, manufacturing capabilities, and sales forces. Competition in the beauty and wellness industry is based on a variety of factors, including innovation, technology, effectiveness of beneficial attributes, accessible pricing, service to the consumer, promotional activities, marketing, special events, new brand and product introductions, e-commerce initiatives, and other activities. It is difficult for us to predict the timing and scale of our competitors' actions in these areas.

Our ability to compete also depends on the continued strength of our brands and products, our ability to attract and retain key talent and other personnel, the influence of social media content creators, the efficiency of our third-party manufacturing facilities and distribution network, our relationships with our customers, our ability to continue to innovate in online technology to match customers with the adequate products from our offering, and our ability to obtain, maintain, protect, defend, and enforce our intellectual property and other proprietary rights used in our business. We believe we have a well-recognized and strong reputation in our core markets and that the quality and performance of our products, our emphasis on innovation, and engagement with our professionals and customer base position us to compete effectively. However, if our reputation is adversely affected, our ability to attract and retain customers would be impacted. In addition, certain of our suppliers may have agreements with companies that market and sell competing brands and, as a result, our ability to compete may be affected. Our inability to continue to compete effectively in key countries around the world would have an adverse effect on our business, financial condition, and results of operations.

The fluctuating cost of raw materials could increase our cost of goods sold and adversely affect our business, financial condition, and results of operations.

While we have not in the past experienced material fluctuations or volatility in the cost of raw materials required to make our products, we may in the future experience such fluctuations, including for reasons beyond our control. The costs for raw materials may be affected by, among other things, competition, supply and distribution challenges, weather, customer demand, speculation on the commodities market, the relative valuations and fluctuations of the currencies of producer versus consumer countries, and other factors that are generally unpredictable and beyond our control. Increases in the cost of raw materials could increase our costs of goods sold, which could adversely affect our business, financial condition, and results of operations.

The illegal distribution and sale by third parties of counterfeit versions of our products or the unauthorized diversion by third parties of our products could have an adverse effect on our net revenue and a negative impact on our reputation and business.

Third parties may illegally distribute and sell counterfeit versions of our products. These counterfeit products may be inferior in terms of quality and other characteristics compared to our authentic products and/or the counterfeit products could pose safety risks that our authentic products would not otherwise present to consumers. Consumers could confuse counterfeit products with our authentic products, which

could damage or diminish the image, reputation and/or value of our brand, and cause consumers to refrain from purchasing our products in the future, which could adversely affect our reputation, business, financial condition, and results of operations.

Shipping is a critical part of our business and any changes in, or disruptions to, our shipping arrangements could adversely affect our business, financial condition, and results of operations.

We currently rely on third-party global providers to deliver our products. If we are not able to negotiate acceptable pricing and other terms with these providers, or if these providers experience capacity restraints, performance problems, or other difficulties in processing our orders or delivering our products to customers, it could negatively impact our results of operations and our customers' experience. For example, changes to the terms of our shipping arrangements or the imposition of surcharges or surge pricing may adversely impact our margins and profitability. In addition, our ability to receive inbound inventory efficiently and ship products to customers in a timely manner may be negatively affected by factors beyond our and these providers' control, including the COVID-19 pandemic, inclement weather, fire, flood, power loss, earthquakes, acts of war or terrorism, or other events specifically impacting other shipping partners, such as labor shortages or disputes, container shortages, financial difficulties, system failures, and other disruptions to the operations of the shipping companies on which we rely.

The shipping industry is also currently experiencing issues with port congestion and pandemic-related port closures and ship diversions. Labor disputes among freight carriers and at ports of entry are common, and we expect labor unrest and its effects on shipping our products to be a challenge for us. A port worker strike, work slow-down, or other transportation disruption at ports of entry could significantly disrupt our business. We have experienced disruptions due to multiple factors brought about by the COVID-19 pandemic, such as supply and demand imbalance, a shortage of truck drivers, transport equipment (tractors and trailers), and other causes, which have resulted in heightened congestion, bottleneck, and gridlock, leading to abnormally high transportation delays. Delays in e-commerce shipping could also cause some customers to stop shopping with us and instead make purchases with our competitors that have larger physical retail footprints. If significant disruptions continue, we could experience significant disruptions in our business, delays in shipments, and profitability shortfalls, which could adversely affect our business, financial condition, and results of operations.

The global shipping industry is also experiencing unprecedented increases in shipping rates from the trans- Pacific ocean carriers due to various factors, including limited availability of shipping capacity. Similarly, supply chain disruptions such as those described in the preceding paragraphs may lead to an increase in transportation costs. If the products ordered by our customers are not delivered in a timely fashion, including to international customers, or are damaged or lost during the delivery process, our customers could become dissatisfied and cease buying products from us, which would adversely affect our business, financial condition, and results of operations.

If we are unable to manage our growth effectively, including our employee base and hiring needs, our business, financial condition, and results of operations could be harmed.

We have expanded our operations rapidly since our founding. To manage our growth effectively, we must continue to implement our operational plans and strategies, implement new brands and products, improve and expand our infrastructure of people and information systems, and expand, train and manage our employee base. To support our continued growth, we must effectively integrate, develop, and motivate a large number of new employees. We face significant competition for personnel, including in New York, Israel, and Ukraine. To attract top talent, we may need to increase our employee compensation levels to remain competitive in attracting and retaining talented employees. Further, to support our growth, we could be required to continue to expand our sales and marketing, technology development, brand implementation, product development, and distribution functions, to upgrade our management information systems and other processes and technology and to obtain more space for our expanding workforce. Additionally, the growth of our business places significant demands on our existing management and other employees.

In addition, we are required to manage relationships with a growing number of customers, suppliers, distributors and other third parties. If we are unable to expand supply, manufacturing, and distribution capabilities when required, or our information technology systems and our other processes are inadequate to support the future growth of these relationships, we could experience delays in customer service, order response, and shipping times, which would adversely impact our reputation and brands. If we are unable to manage the growth of our organization effectively, our business, financial condition, and results of operations may be adversely affected.

A general economic downturn, or sudden disruption in business conditions may affect consumer purchases of discretionary items and/or the financial strength of our customers, which would adversely affect our business, financial condition, and results of operations.

The general level of consumer spending is affected by a number of factors, including general economic conditions, inflation, interest rates, energy costs, and consumer confidence generally, all of which are beyond our control. Consumer purchases of discretionary items tend to decline during recessionary periods, when disposable income is lower, and may impact sales of our products.

Sudden disruptions in local or global business conditions from events such as a pandemic or other health issues, geo-political or local conflicts, civil unrest, terrorist attacks, adverse weather conditions, climate changes, or seismic events, can have a short-term and, sometimes, long-term impact on consumer spending, which in turn could adversely affect our business, financial condition, and results of operations. Moreover, a downturn in the economies of, or continuing recessions in, the countries where we manufacture or sell our products, or a sudden disruption of business conditions in those countries, could adversely affect consumer confidence, the financial strength of our distributors, and, in turn, our sales and profitability.

Volatility in the financial markets and a related economic downturn in key markets or markets generally throughout the world could have an adverse effect on our business. We may need or choose to seek additional financing to operate or expand our business, and deterioration in global financial markets or an adverse change in our credit ratings could make future financing difficult or more expensive.

Our corporate culture is a key contributor to our success. Accordingly, we depend on our executive leadership team and other key employees, and the loss of the services of our co-founders, who are also our Chief Executive Officer and Chief Product Officer, or of other key employees or an inability to attract and retain highly skilled employees could adversely affect our business, financial condition, and results of operations.

Our success and future growth depend largely upon the continued services of our executive officers and other key employees in the areas of technology, research and development, marketing, finance, sales, products, and general administrative functions, including our co-founders, Mr. Holtzman and Ms. Holtzman-Erel, who also serve as Chief Executive Officer and Chief Product Officer, respectively.

From time to time, there may be changes in our executive management team or other key employees resulting from the hiring or departure of these personnel. Our executive officers and other key employees are employed on an at-will basis, which means that these personnel could terminate their employment with us at any time. The loss of one or more of our executive officers, or the failure by our executive team to effectively work with our employees and lead our company, could have an adverse effect on our business, financial condition, and results of operations. We also are dependent on the continued service of existing employees in our technology area because of the complexity of our technology.

To execute our growth plan, we must attract and retain highly qualified personnel. Competition for personnel is intense, especially for engineers experienced in designing and developing technology. If we are unable to attract such personnel remotely or in cities where we are located, we may need to hire in other locations which may add to the complexity and costs of our business operations. From time to time, we have experienced, and we expect to continue to experience, difficulty in hiring and retaining employees with appropriate qualifications. Many of the companies with which we compete for

experienced personnel have greater resources than we have. If we hire employees from competitors or other companies, their former employers may attempt to assert that these employees or we have breached their legal obligations, resulting in a diversion of our time and resources.

We also believe that our culture has been and will continue to be a key contributor to our success. We expect to continue to hire aggressively as we expand, and we will need to maintain our culture among a larger number of employees, dispersed across various geographic regions. If we do not continue to maintain our corporate culture as we grow, we may be unable to foster the innovation, creativity, and entrepreneurial spirit we believe we need to support our growth. The continued growth and expansion of our business and our transition from a private company to a public company may also result in changes to our corporate culture, which could harm our ability to attract, recruit, and retain employees, as well as our business and our prospects for future growth.

In addition, prospective and existing employees often consider the value of the equity awards they receive in connection with their employment. If the amount or value of equity awards offered to employees is perceived to be less favorable than equity awards offered by other companies with whom we compete for talent, or the perceived value of our equity awards declines, experiences significant volatility, or increases such that prospective employees believe there is limited upside to the value of our equity awards, it may adversely affect our ability to recruit and retain key employees. Failure to manage our employee base and hiring needs effectively, including successfully integrating our new hires, may adversely affect our business, financial condition, and results of operations.

If we do not continue to successfully introduce and effectively market new brands, or develop and introduce new, innovative, and updated products, our ability to continue to grow may be adversely affected and we may not be able to maintain or increase our sales and profitability. Difficulty in forecasting may also adversely affect our business, financial condition, and results of operations.

A key element of our growth strategy depends on our ability to develop and market new brands that meet our standards for quality and appeal to our customers. The success of our innovation and product development efforts is affected by our ability to successfully leverage consumer data, the technical capability of our innovation staff, developing and testing product formulas and prototypes, our ability to comply with applicable governmental regulations, and the success of our management and sales and marketing teams in introducing and marketing new brands. There can be no assurance that we will successfully develop and market new brands that appeal to consumers. Any such failure may lead to a decrease in our growth, sales, and ability to achieve profitability, which could adversely affect our business, financial condition, results of operations, and prospects.

Additionally, the development and introduction of new brands requires substantial marketing expenditures, which we may be unable to recoup if new brands do not gain widespread market acceptance. If we are unsuccessful in meeting our objectives with respect to new or improved brands, our business, financial condition, and results of operations could be adversely affected.

Furthermore, our success depends in part on our ability to anticipate and react to changing consumer demands for existing products in a timely manner. All of our products are subject to changing consumer preferences that cannot be predicted with certainty. If we do not continue to introduce new products or innovations on existing products in a timely manner or our new brands or products are not accepted by our customers, or if our competitors introduce similar products in a more timely fashion, our brand or our market position could be harmed.

Additionally, our new products and innovations on existing and future products may not receive the same level of consumer acceptance as our products have in the past. Our failure to anticipate and respond in a timely manner to changing consumer preferences could lead to, among other things, lower sales, excess inventory or inventory shortages, markdowns and write-offs, and diminished brand loyalty. Even if we are successful in anticipating consumer needs and preferences, our ability to adequately address those needs and preferences will in part depend upon our continued ability to develop and introduce innovative, high quality products and maintain our distinctive brand identity as we expand the range of products we offer.

New brand implementations and product offerings may generate significant activity and a high level of purchasing for the new brand or product or current products, which can result in a higher-than-normal increase in revenue during the quarter and skew year-over-year comparisons. These offerings may also increase our product return rate. We may experience difficulty effectively managing growth associated with the launch of new brands and products. If we are unable to accurately forecast sales levels in each market for brand or product launches, we may incur higher expedited shipping costs and we may temporarily run out of stock of certain products, which could negatively impact our relationships with customers. Conversely, if demand does not meet our expectations for a product launch or ongoing product sales or if we change our planned launch strategies or initiatives, we could incur inventory write-downs.

A failure to effectively introduce new brands, products, or innovations on existing products that appeal to our customers, or a failure to forecast accurately, could result in a decrease in revenue and excess inventory levels, which could adversely affect our business, financial condition, and results of operations.

The COVID-19 pandemic could adversely affect our business, financial condition, and results of operations.

While the COVID-19 pandemic has not had a significant negative impact on our operations or financial performance to date, the measures adopted to contain and mitigate the effects of the COVID-19 pandemic, including stay-at-home, business closure, social distancing, capsuled labor, and other restrictive orders, and the resulting changes in consumer behaviors, have disrupted our normal operations and impacted our employees and suppliers. We expect these disruptions and impacts may continue. In addition, certain of our manufacturers experienced delays and shut-downs due to the COVID-19 pandemic and we have experienced supply chain disruptions due to multiple factors, such as fulfillment center disruption and limited shipping capacity. This has led to abnormally high transportation delays and shipping costs, which has increased our cost of goods sold. Further, the continuation of the COVID-19 pandemic has led to increased operational and cybersecurity risks, including those related to a number of our employees working remotely. These risks include, among others, increased demand on our information technology resources and systems, the increased risk of phishing, and other cybersecurity attacks as cybercriminals try to exploit an increased number of points of possible attack, such as laptops and mobile devices, both of which are now being used in increased numbers. Any failure to effectively manage these increased operational and cybersecurity demands and risks, including to timely identify, appropriately respond to, and remediate cybersecurity attacks and other security incidents, may materially adversely affect our results of operations and the ability to conduct our business. For a further discussion of cybersecurity risks, see the section titled "— Risks Related to Data Privacy and Security, Information Technology, and Intellectual Property" below.

The degree to which COVID-19 will affect our business, financial condition, and results of operations will depend on future developments that are highly uncertain and cannot currently be predicted. These developments include, but are not limited to, the duration, extent, impact and severity of the COVID-19 pandemic in different geographies, the effectiveness of our transition from work-from-home arrangements to a gradual return to our offices, actions taken to contain the COVID-19 pandemic, the long-term efficacy, global availability and acceptance of vaccines, related restrictions on economic activity and domestic and international trade, and the extent of the impact of these and other factors on our employees, suppliers, and customers. The COVID-19 pandemic and related restrictions could limit supplier and distributors' ability to continue to operate (limiting their abilities to obtain inventory, generate sales, ship and dispatch orders, or make timely payments to us). It could disrupt or delay the ability of employees to work because they become sick or are required to care for those who become sick or for dependents for whom external care is not available. In addition, the COVID-19 pandemic may also result in reduced consumer spending and adverse or uncertain economic conditions globally, which in turn may impact our revenue.

We have experienced in the past, and expect to continue to experience, seasonal fluctuations in our revenue. If we fail to accommodate increased volumes during peak seasons and events, our business, financial condition, and results of operations may be adversely affected.

Our revenue is typically highest in the first quarter of the calendar year, and our revenue will generally decline in the third and fourth quarter of each calendar year relative to the first and second quarter of

each calendar year. Any disruption in our products, especially during the first quarter, could have a negative effect on our financial condition, and results of operations. Surges in volumes during peak periods may strain our technological infrastructure and support activities which may reduce our revenue and the attractiveness of our products. Any disruption to our operations could lead to a material decrease in revenue relative to our expectations for the first quarter, which could result in a significant shortfall in revenue and operating cash flows for the full year, and may have an adverse effect on our business, financial condition, and results of operations.

We may be unable to maintain profitability.

We began our U.S. operations in 2018 and achieved profitability in 2020. We expect our operating expenses to increase in the future as we increase our sales and marketing efforts, continue to invest in launching new brands and developing new products, hire additional personnel, expand our operating infrastructure, and expand into new geographies. Further, as a public company, we will incur additional legal, accounting, and other expenses that we did not incur as a private company. These efforts and additional expenses may be more costly than we expect, and we cannot guarantee that we will be able to increase our revenue to offset our increased operating expenses. Our revenue growth may slow for a number of other reasons, including if we experience reduced demand for our products, increased competition, a decrease in the growth or reduction in the size of our overall market, or if we cannot capitalize on growth opportunities. If our revenue does not increase at a greater rate than our operating expenses, we will not be able to maintain our current level of profitability.

We have a limited operating history at our current scale, which may make it difficult to evaluate our business and future prospects.

We have a limited history of generating revenue at our current scale. As a result, we have limited financial data that can be used to evaluate our business and future prospects. Any evaluation of our business and prospects must be considered in light of our limited operating history, which may not be indicative of future performance. Because of our limited operating history, we face increased risks, uncertainties, expenses, and difficulties, including the risks and uncertainties discussed in this section.

We plan to continue to expand into additional international markets, which will expose us to new and significant risks.

Our future growth depends in part on our expansion efforts into new international markets. We also have limited experience with regulatory environments and market practices outside of Israel and the United States and cannot guarantee that we will be able to penetrate or successfully operate in any market outside of Israel and the United States. In connection with our expansion efforts, we may encounter obstacles we do not currently face, including cultural and linguistic differences, differences in regulatory environments and market practices, difficulties in keeping abreast of market, business, and technical developments, and foreign consumers' tastes and preferences.

We may also encounter difficulty expanding into new markets because of limited brand recognition in those markets, leading to delayed acceptance of our products by consumers there. In particular, we have no assurance that our marketing efforts will prove successful outside of the Israel and the United States. The expansion into new markets may also present competitive, technological, forecasting, and distribution challenges that are different from or more severe than those we currently face. There are also other risks and costs inherent in doing business in international markets, including:

- the need to adapt and localize products for specific countries to account for, among other things, different cultural tastes, size and fit preferences, or regulatory requirements;
- difficulty establishing and managing international operations and the increased operations, travel, infrastructure, including establishment of local delivery service and customer service operations, and legal compliance costs associated with locations in different countries or regions;
- increased shipping times to and from international markets;
- the need to vary pricing and margins to effectively compete in international markets;

- increased competition from local providers of similar products;
- difficulty obtaining, maintaining, protecting, defending, and enforcing intellectual property rights abroad;
- the need to offer customer services in various languages;
- difficulties in understanding and complying with local laws, regulations, and customs in other jurisdictions;
- compliance with anti-bribery laws, such as the U.S. Foreign Corrupt Practices Act, or the FCPA, relevant provisions of Israeli Penal Law 5737-1977, and the UK Bribery Act 2010, or UK Bribery Act, by us, our employees, and our business partners;
- complexity and other risks associated with current and future legal requirements in other countries, including legal requirements related to consumer advertising protection, consumer product safety, and data privacy and security frameworks, including, but not limited to, the EU General Data Protection Regulation 2016/679, or GDPR;
- varying business practices and customs related to the sale of beauty and wellness products;
- varying levels of internet technology adoption and infrastructure, and increased or varying network and hosting service provider costs;
- tariffs and other non-tariff barriers, such as quotas and local content rules, as well as tax consequences;
- fluctuations in currency exchange rates and the requirements of currency control regulations, which might restrict or prohibit conversion of other currencies into U.S. dollars; and
- political or social unrest or economic instability in a specific country or region in which we operate, including, for example, the effects of the UK's withdrawal from the EU, or Brexit, which could have an adverse impact on our operations in that location.

Our failure to successfully manage these risks could harm our international operations and have an adverse effect on our business, financial condition, and results of operations.

Our e-commerce channel business faces distinct risks, and our failure to successfully manage those risks could have a negative impact on our profitability.

As an e-commerce retailer, we encounter risks and difficulties frequently experienced by businesses with significant online sales. The successful operation of our business as well as our ability to provide a positive shopping experience that will generate orders and drive subsequent visits depends on efficient and uninterrupted operation of our e-commerce order-taking and fulfillment operations. If we are unable to allow real-time and accurate information regarding product availability to quickly and efficiently fulfill our customers' orders using the fulfillment and payment methods they demand, provide a convenient and consistent experience for our customers, or effectively manage our online sales, our ability to compete and our results of operations could be adversely affected. Risks associated with our e-commerce business include:

- uncertainties associated with our websites and in-store systems including changes in required technology interfaces, website downtime and other technical failures, costs, and technical issues as we upgrade our systems software, inadequate system capacity, computer viruses, human error, data breaches and other security incidents, legal claims related to our systems operations, and other challenges with order fulfillment;
- changes in website interfaces, website downtime, and other technical failures;
- disruptions in internet service or power outages;
- reliance on third parties for computer hardware and software, as well as delivery of products to our customers;
- rapid technology changes;

- credit or debit card fraud and other payment processing related issues;
- changes in applicable federal, state, and international regulations;
- liability for online content;
- cybersecurity and data privacy concerns and laws, rules, and regulations; and
- natural disasters or adverse weather conditions.

Our online sales also expose us to broader applicability of regulations, as well as additional regulations, rules relating to registration of internet sellers, and certain anti-money laundering, trade sanction, anti-corruption, anti-bribery, and international trade laws. Compliance problems in any of these areas could result in a reduction in sales, increased costs, sanctions or penalties, and damage to our reputation and brands.

In addition, we must keep up to date with competitive technology trends, including the use of new or improved technology, creative user interfaces, virtual and augmented reality, and other e-commerce marketing tools such as paid search, which may increase our costs and which may not increase sales or attract customers, as intended. Our competitors, some of whom have greater resources than we do, may also be able to benefit from changes in e-commerce technologies, which could harm our competitive position.

We are subject to financial risks as a result of our international operations, including exposure to foreign currency fluctuations and the impact of foreign currency restrictions.

Although the majority of our expenses and revenue are incurred in U.S. dollars, some of our revenue and expenses are generated in other currencies, such as the NIS, Euro, Pound Sterling, or Australian dollar. Our exposure to foreign currencies may increase as we expand our business in foreign markets. As a result, our operating results are subject to fluctuations due to changes in currency exchange rates. If we are not able to successfully hedge against the risks associated with currency fluctuations, our operating results could be adversely affected. Although we may engage in transactions intended to reduce our exposure to foreign-currency fluctuations, there can be no assurance that these transactions will be effective. Complex global political and economic dynamics can affect exchange rate fluctuations. It is difficult to predict future fluctuations and the effect these fluctuations may have upon future reported results or our overall financial condition.

If we do not successfully optimize, operate, and manage the expansion of the capacity of our distribution centers, or if we experience problems with our distribution and warehouse management system, our ability to meet customer expectations, manage inventory, manage inflation, complete sales, and achieve objectives for operating efficiencies could be harmed, and our business, financial condition, and results of operations could be adversely affected.

We anticipate the need to add additional distribution center capacity and lease new warehouse space to serve as distribution centers as our business continues to grow. If we continue to add distribution and warehouse capabilities, add product categories with different fulfillment requirements, or change the mix in products that we sell, our distribution network will become increasingly complex and operating it will become more challenging. The expansion of our distribution center capacity may put pressure on our managerial, financial, operational, and other resources. We cannot assure you that we will be able to locate suitable facilities on commercially acceptable terms in accordance with our expansion plans, nor can we assure you that we will be able to recruit qualified managerial and operational personnel to support our expansion plans. In addition, we may be required to expand our capacity sooner than we anticipate. If we are unable to secure new facilities for the expansion of our operations, recruit qualified personnel to support any such facilities, or effectively control expansion-related expenses, our order fulfillment and shipping times may be delayed and our business, financial condition, and results of operations could be adversely affected. Furthermore, we cannot predict the effect inflation, including wage inflation, may have on our distribution network and our ability to maintain operating efficiencies.

Our distribution centers include computer-controlled and automated equipment and rely on warehouse management systems to manage supply chain fulfillment operations, which means its

operations are complicated and may be subject to a number of risks related to cybersecurity, the proper operation of software and hardware, electronic or power interruptions, or other system failures. In addition, our operations could also be interrupted by labor difficulties, or by floods, fires, or other natural disasters near our distribution centers. We maintain business interruption insurance, but it may not adequately protect us from the adverse effects that could result from significant disruptions to our distribution system, such as the long-term loss of customers or an erosion of our brand image. Moreover, if we or our third-party logistics providers are unable to adequately staff our distribution centers to meet demand or if the cost of such staffing is higher than it has been historically or projected costs increase due to mandated wage increases, regulatory changes, hazard pay, international expansion, or other factors, our results of operations could be harmed. In addition, operating distribution centers comes with potential risks, such as workplace safety issues and employment claims for the failure or alleged failure to comply with labor laws or laws respecting union organizing activities. Our distribution capacity is also dependent on the timely performance of services by third parties, including the shipping of our products from our suppliers to our distribution facilities. We may need to operate additional distribution centers in the future to keep pace with the growth of our business, and we cannot assure you that we will be able to locate suitable facilities on commercially acceptable terms in accordance with our expansion plans, nor can we assure you that we will be able to recruit qualified managerial and operational personnel to support our expansion plans. If we encounter problems with our distribution and warehouse management systems, our ability to meet customer expectations, manage inventory and fulfillment capacity, complete sales, fulfill orders in a timely manner, and achieve objectives for operating efficiencies could be harmed, which could also harm our reputation, and our relationship with our customers.

Product returns could harm our business.

We allow our customers to return our products, subject to our return policy. We generally accept product returns for refund if returned within up to 60 days of the original purchase date and for exchange up to up to 60 days from the original purchase date. We also have a “Try Before You Buy” program whereby customers choose several similar products for a trial and initially pay only shipping costs, paying only for the products they keep after the trial period. Our net revenue is reported net of discounts and estimated returns. We estimate our liability for product returns based on historical return trends and an evaluation of current economic and market conditions. We record the expected customer refund liability as a reduction to revenue. The introduction of new products, changes in consumer confidence or shopping habits, or other competitive and general economic conditions could cause actual returns to exceed our estimates. If actual return costs differ from previous estimates, the amount of the liability and corresponding revenue are adjusted in the period in which such costs occur. In addition, from time to time, our products may be damaged in transit, which can also increase return rates. Moreover, due to the nature of our products, we do not resell returned goods. Competitive pressures could cause us to alter our return policies or our shipping policies, which could result in an increase in damaged products and an increase in product returns. If the rate of product returns increases significantly or if product return economics become less efficient, our business, financial condition, and results of operations could be adversely affected.

Any failure by us or our suppliers to comply with ethical business practices or product safety, labor, or other laws, provide safe conditions for our or their workers, or use or be transparent about ethical business practices may damage our reputation and brand and harm our business.

Operating with integrity is core to our values, which makes our reputation sensitive to allegations of unethical or improper business practices, whether real or perceived. The failure of any of our suppliers to provide safe and humane factory conditions and oversight at their facilities could damage our reputation and brand or result in legal claims against us. We rely on our suppliers’ compliance reporting in order to comply with regulations applicable to our products. This is further complicated by the fact that expectations of ethical business practices continually evolve and may be substantially more demanding than applicable legal requirements.

We do not control our suppliers or their businesses, and they may not comply with our guidelines or applicable law. The products we sell are subject to regulation by the U.S. Food and Drug Administration,

or the FDA, the Federal Consumer Product Safety Commission, the FTC, and similar local and international regulatory authorities from the jurisdictions in which we operate. Product safety, labeling, and licensing concerns may require us to voluntarily remove selected products from our inventory. Such recalls or voluntary removal of products can result in, among other things, lost sales, diverted resources, potential harm to our reputation, and increased customer service costs and legal expenses, which could adversely affect our results of operations. Moreover, failure of our suppliers to comply with applicable laws and regulations and contractual requirements could lead to litigation against us or cause us to seek other vendors, which could increase our costs and result in delayed delivery of our products, product shortages, or other disruptions of our operations.

Ethical business practices are also driven in part by legal developments and by groups active in publicizing and organizing public responses to perceived ethical shortcomings. In addition to evaluating the substance of companies' practices, such groups also often scrutinize companies' transparency as to such practices and the policies and procedures they use to ensure compliance by their suppliers and other business partners. If we do not meet the transparency standards expected by parties active in promoting ethical business practices, we may attract negative publicity, regardless of whether the actual labor and other business practices adhered to by us and our independent manufacturers are consistent with ethical business practices. Such negative publicity could harm our brand image, and adversely affect our business, financial condition, and results of operations.

Our sales and profitability may decline if product costs increase or selling prices decrease.

The sales prices for our products may be subject to change for a variety of reasons, including competitive pricing pressures, discounts, anticipation of the introduction of new products, general economic conditions, or changes in our marketing, consumer acquisition, and technology costs and, as a result, we anticipate that we will need to change our pricing model from time to time. In the past, including in connection with the COVID-19 pandemic, we have sometimes adjusted our prices in certain situations, and expect to do so from time to time in the future. Moreover, demand for our offerings is price-sensitive. Competition continues to increase in the beauty and wellness industry, and we expect competition to further increase in the future, thereby leading to increased pricing pressures. Larger competitors with more diverse offerings may reduce the price of offerings that compete with ours or may bundle them with other offerings. Similarly, certain competitors may use marketing strategies that enable them to acquire consumers more rapidly or at a lower cost than us, or both, and we may be unable to attract new customers or grow and retain our customer base based on our historical pricing. As we develop and introduce new brands and products, as well as integrations, capabilities, and other enhancements, we may need to, or choose to, revise our pricing. We may also face challenges setting prices for new and existing products in any new geographies into which we expand. There can be no assurance that we will not be forced to engage in price-cutting initiatives or to increase our marketing and other expenses to attract customers in response to competitive or other pressures. Any decrease in the sales prices for our products, without a corresponding decrease in costs, increase in volume or increase in revenue from our other products, would adversely affect our revenue and gross profit. We cannot assure you that we will be able to maintain our prices and gross profits at levels that will allow us to achieve and maintain profitability.

Our technology platform is at the core of our business, and any decline in demand for our technology occasioned by malfunction, inferior performance, increased competition, or otherwise, will adversely affect our business, financial condition, and results of operations.

Our proprietary technology is at the core of our business. Accordingly, market acceptance of our technology platform is critical to our success. If demand for our technology declines, the demand for the associated product sales will also decline. Demand for our technology is affected by a number of factors, many of which are beyond our control, such as marketing, continued market acceptance of beauty and wellness technologies by consumers, the timing of new brands and products, alternatives introduced by our competitors, and growth or contraction in our addressable markets. If we are unable to continue to meet consumer demand, or if our technology platform fails to compete effectively, achieve more widespread market acceptance, or meet applicable requirements, then our business, financial condition, and results of operations would be adversely affected.

If we are unable to continue to improve our AI models or if our AI models contain errors or are otherwise ineffective, our business, financial condition, and results of operations may be adversely affected.

Our PowerMatch technology and other technologies used in the commercialization of our products are based on our AI models, and our ability to attract new customers, retain existing customers, or increase sales of our products to existing customers will depend in large part on our ability to maintain a high degree of accuracy and automation in our advanced computer vision and on our other algorithms and technologies. As with many developing technologies, AI presents risks and challenges that could affect our products' further development, adoption, use, and therefore, our business. AI algorithms may be flawed, and data sets may be insufficient, of poor quality, or contain biased information. Inappropriate or controversial data practices by data scientists, engineers, and end-users of our systems could impair the acceptance of AI solutions. If the analyses that AI applications assist in producing are deficient or inaccurate, we could be subjected to competitive harm, potential legal liability, and brand or reputational harm. For example, if our AI models fail to accurately analyze facial and hair features, or any of the other components of our advanced computer vision fail, we may experience higher than forecasted returns, and our ability to attract new customers, retain existing customers, or increase sales of our products to existing customers and our business, financial condition, and results of operations may be adversely affected.

Our AI models are designed to utilize statistical, physics-based, and/or vision-based models to match users to specific products with high accuracy. However, it is possible that our AI models may prove to be less accurate than we expect, or than they have been in the past, for a variety of reasons, including inaccurate assumptions or other errors made in building or training such models, incorrect interpretations of the results of such models, and failure to timely update model assumptions and parameters. Further, the successful performance of our AI models relies on the ability to constantly review and process large amounts of data. If we are unable to attract new customers, retain existing customers, or increase sales of our products to existing customers, the amount of data reviewed and processed by our AI models will be reduced or fail to grow at a pace that will allow us to continue to maintain or improve the accuracy and efficiency of our AI models. Additionally, such models may not be able to effectively account for matters that are inherently difficult to predict or are otherwise beyond our control, such as personal preferences that may not align with AI data. Material errors or inaccuracies in such AI models could lead us to make inaccurate or sub-optimal operational or strategic decisions, which could adversely affect our business, financial condition, and results of operations.

Our proprietary AI models rely in part on the use of our customers' data and other third-party data, and if we lose the ability to use such data, or if such data contain inaccuracies, our business could be adversely affected.

Our proprietary AI models are statistical models built using a variety of data-sets. Our AI models rely on a wide variety of data sources, including data collected from our customers and, in some cases, data collected from third parties. Such data may have restrictions on how it may be used, including, for example, restrictions on the collection, use, or other processing of data from certain jurisdictions. If we are unable to access and use data collected from our customers as part of our PowerMatch process, or other third-party data used in our AI models, or if our access to such data is limited, for example, due to new or changing laws, rules, or regulations, or policies of third parties, our ability to accurately evaluate potential transactions, detect fraud, and verify customers' data would be compromised.

In addition, if third-party data used to train and improve our AI models is inaccurate, or access to such third-party data is limited or becomes unavailable to us, our ability to continue to improve our AI models would be adversely affected. Although we believe that there are commercially reasonable alternatives available to the third-party data we currently license, this may not always be the case, or it may be difficult or costly to migrate to other third-party data. Our use of additional or alternative third-party data would require us to enter into license agreements with third parties. In addition, integration of the third-party data used in our AI models with new third-party data may require significant work and require substantial investment of our time and resources. Any of the foregoing could negatively impact our product offerings and our relationships with our customers, impair our ability to grow our customer base, subject us to financial liabilities, and adversely affect our business, financial condition, and results of operations.

If we fail to offer high quality customer support, or we are unable to achieve or maintain a high level of customer satisfaction, demand for our products could suffer.

We believe that our future revenue growth depends, in part, on our ability to provide customers with quality service that meets or exceeds our customers' evolving needs and expectations, and is conducive to our ability to continue to sell new products to customers. The importance of high quality customer support will increase as we expand our business. We are not always able to provide our customers with this level of service, and our customers occasionally encounter challenges in our customer support, including as a result of human error, outages, errors, or bugs in our software or third-party software. If we do not help our customers quickly resolve issues and provide effective ongoing support, or we are unable to achieve or maintain a high level of customer satisfaction, we could experience more complaints from customers, lower than expected repeat purchases, disputes and additional costs, or negative publicity, any of which could have an adverse effect on our business, financial condition, and results of operations.

We may need additional capital, and we cannot be sure that additional financing will be available on favorable terms, if at all.

Historically, we have funded our operations and capital expenditures primarily through equity issuances and cash generated from our operations. Although we currently anticipate that our available funds and cash flow from operations will be sufficient to meet our cash needs for the foreseeable future, we may require additional financing and we may not be able to obtain such financing on favorable terms, or at all. Our ability to obtain financing will depend on, among other things, our development efforts, business plans, operating performance, and the condition of capital markets at the time we seek financing. If we raise additional funds through the issuance of equity, equity-linked, or convertible debt securities, to fund operations, or on an opportunistic basis, those securities may have rights, preferences, or privileges senior to the rights of our Class A ordinary shares, or may require us to agree to restrictive covenants or unfavorable terms, and our existing shareholders may experience significant dilution of their ownership interests. Any debt financing we may secure in the future could involve restrictive covenants that may impose significant operating and financial restrictions on us, and may limit our ability to engage in acts that may be in our long-term best interest, including restrictions on our ability to incur indebtedness, incur liens, enter into mergers or consolidations, dispose of assets, pay dividends, make acquisitions, and make investments, loans, and advances. These restrictions may affect our ability to grow in accordance with our strategy, limit our ability to raise additional debt or equity financing to operate our business, including during economic or business downturns, and limit our ability to compete effectively or take advantage of new business opportunities. We may not be able to obtain additional financing on terms favorable to us, or at all. If we are unable to obtain adequate financing or financing on terms satisfactory to us when we require it, our ability to continue to support our business growth, scale our infrastructure, develop product enhancements, and respond to business challenges could be significantly impaired, and our business, financial condition, and results of operations may be adversely affected.

Risks Related to Legal, Regulatory, and Tax Matters

Disputes and other legal or regulatory proceedings could adversely affect our financial results.

From time to time, we have been and may in the future become involved in litigation, other disputes, or regulatory proceedings in connection with or incidental to our business, including litigation related to intellectual property, regulatory matters, contract, advertising, and other claims. In general, claims made by us or against us in litigation, disputes, or other proceedings can be expensive and time consuming to bring or defend against and could result in settlements, injunctions, or damages that could significantly affect our business. It is not possible to predict the final resolution of the litigation, disputes, or proceedings to which we currently are or may in the future become party to. Regardless of the final resolution, such proceedings may have an adverse effect on our reputation, financial condition, and business, including by utilizing our resources and potentially diverting the attention of our management from the operation of our business. See the section titled "Business — Legal Proceedings."

Our products are subject to U.S. federal, state, and international laws, regulations, and policies that could have an adverse effect on our business, financial condition, and results of operations.

Our business is subject to numerous laws, regulations, and policies around the world, including but not limited to, the United States, Israel, the UK, the European Union, or the EU, and Australia. Many of these laws and regulations have a high level of subjectivity, are subject to interpretation and vary significantly from market to market. These laws and regulations can have several impacts on our business, including:

- delays in or prohibitions of selling a product in one or more markets;
- limitations on our ability to import products into a market;
- delays and expenses associated with compliance, such as record keeping, documentation of the properties of certain products, labeling, and scientific substantiation;
- limitations on the labeling and marketing claims we can make regarding our products; and
- limitations on the substances that can be included in our products, resulting in product reformulations, or the recall and discontinuation of certain products that cannot be reformulated to comply with new regulations.

These events could interrupt the marketing and sale of our products, cause us to be subject to product liability claims, severely damage our brand reputation and image in the marketplace, increase the cost of our products, cause us to fail to meet customer expectations, or cause us to be unable to deliver products in sufficient quantities or sufficient quality, which could result in lost sales.

Before we can market and sell our products in certain jurisdictions, the applicable local governmental authority may require evidence of the safety of our products, which may include testing of individual ingredients at relevant levels. For example, the use of dihydroxyacetone, or DHA, as a color additive in self-tanning products must comply with the FDA regulations that impose strict limitations on impurities. Additionally, the FDA encourages testing talc and talc-containing cosmetics for the presence of asbestos. Similarly in the EU, further to an opinion of the Scientific Committee on Consumer Safety, or SCCS, DHA has been added, on July 5, 2021, to the list of restricted substances. The use of DHA is not prohibited in self-tanning products (i.e. lotion and face cream) subject to a maximum concentration of 10 %. Since January 26, 2022 self-tanning products containing DHA and not complying with the restrictions can no longer be placed on the EU market and since April 22, 2022 such products can no longer remain on the EU market. Delays in or prohibition of selling our products, or the need to reformulate the ingredients used in our products, could have an adverse effect on our existing business and future growth.

For instance, in October 2021, the European Commission announced that it plans to revise the EU Cosmetics Regulation notably to be more precautionary in its approach to hazardous chemicals (potentially taking ingredient safety evaluation out of the SCCS's hands and centralizing chemical review at the European Chemicals Agency). A revision of the EU Cosmetics Regulation (if any) may have a significant impact on the EU cosmetics industry in the long term.

Additional laws, regulations, and policies, and changes, new interpretation, or enforcement thereof, that affect our business could adversely affect our financial results. These include accounting standards, laws and regulations relating to tax matters, trade, intellectual property, data privacy and security, anti-corruption, advertising, marketing, manufacturing, distribution, customs matters, product registration, ingredients, chemicals, packaging, selective distribution, environmental, or climate change matters. Changes may require us to reformulate or discontinue certain of our products or revise our product packaging or labeling, any of which could result in, among other things, increased costs to us, delays in our product launches, product returns or recalls, and lower net revenue, and therefore could have an adverse effect on our business, financial condition, and results of operations.

Government regulation, both in the United States and internationally, of the internet and e-commerce is evolving, and unfavorable changes or failure by us to comply with these regulations could adversely affect our business, financial condition, and results of operations.

We are subject to general business regulations and laws as well as regulations and laws specifically governing the internet and e-commerce. Existing and future regulations and laws could impede the

growth of the internet, e-commerce, or mobile commerce, which could in turn adversely affect our growth. These regulations and laws may involve taxes, tariffs, intellectual property, data privacy and security, anti-spam, content protection, electronic contracts and communications, consumer protection, and internet neutrality. It is not clear how existing laws governing issues such as property ownership, sales, and other taxes and consumer privacy apply to the internet as the vast majority of these laws were adopted prior to the advent of the internet and do not contemplate or address the unique issues raised by the internet or e-commerce. It is possible that general business regulations and laws, or those specifically governing the internet or e-commerce, may be interpreted and applied in a manner that is inconsistent from one jurisdiction to another and may conflict with other rules or our practices. We cannot be sure that our practices comply fully with all such laws and regulations. Any failure, or perceived failure, by us to comply with any of these laws or regulations could result in damage to our reputation, a loss in business, and proceedings or actions against us by governmental entities, consumers, suppliers, or others. Any such proceeding or action could hurt our reputation, force us to spend significant amounts in defense of these proceedings, distract our management, increase our costs of doing business, decrease the use of our website by consumers, and may result in the imposition of monetary liabilities. We may also be contractually liable to indemnify and hold harmless third parties from the costs or consequences of our own non-compliance with any such laws or regulations. As a result, adverse developments with respect to these laws and regulations could adversely affect our business, financial condition, and results of operations.

As the regulatory framework for AI technology evolves, our business, financial condition, and results of operations may be adversely affected.

Our business relies on AI and automated decision making to improve our services and tailor our interactions with our customers. However, in recent years, use of these methods has come under increased regulatory scrutiny, and the regulatory framework for AI technology is evolving and remains uncertain. It is possible that new laws and regulations will be adopted in the United States and in non-U.S. jurisdictions, or that existing laws and regulations may be interpreted in new ways, that would affect the operation of our e-commerce business and the way in which we can use AI technology. Specifically, such laws and regulations may limit our ability to use our AI models or require us to make changes to our operations that may decrease our operational efficiency, result in an increase to operating costs, or hinder our ability to improve our services. Further, the cost to comply with such laws, rules, or regulations could be significant and would increase our operating expenses, which could adversely affect our business, financial condition, and results of operations.

Any failure or perceived failure by us to comply with AI technology-related laws, rules, and regulations could result in proceedings or actions against us by individuals, consumer rights groups, government agencies, or others. We could incur significant costs in investigating and defending such claims and, if found liable, pay significant damages or fines or be required to make changes to our business. Further, these proceedings and any subsequent adverse outcomes may subject us to significant negative publicity, and an erosion of trust. If any of these events were to occur, our business, results of operations, and financial condition could be materially adversely affected.

We could be subject to changes in our tax rates, the enactment of legislation implementing changes in taxation of international business activities, the adoption of other corporate tax reform policies, or other changes in tax legislation or policies which could adversely affect our business, financial condition, and results of operations.

Corporate tax reform, base-erosion efforts, and tax transparency continue to be high priorities in many tax jurisdictions where we have business operations. As a result, policies regarding corporate income and other taxes in numerous jurisdictions are under heightened scrutiny, and tax reform legislation is being proposed or enacted in a number of jurisdictions.

As an example, the Organization for Economic Co-operation and Development, or the OECD, has put forth two proposals — Pillar One and Pillar Two — that revise the existing profit allocation and nexus rules (profit allocation based on location of sales versus physical presence) and ensure a minimal level of taxation, respectively. In October 2021, more than 130 countries reached an agreement on the

Two Pillar solution which imposes a minimum tax rate of 15%, among other provisions. Israel is one of the jurisdictions that has agreed to adopt this solution. The agreement reached by 138 of the 140 members of the OECD's Inclusive Framework calls for law enactment by OECD and G20 members to take effect in 2023 and 2024. On December 20, 2021, the OECD published model rules to implement the Pillar Two rules and released commentary to the Pillar Two model rules in March 2022. The model rules and commentary allow the OECD's Inclusive Framework members to begin implementing the Pillar Two rules in accordance with the agreement reached in October 2021. In addition, in December 2022, the Council of the EU adopted the EU Minimum Tax Directive, which requires EU member states to enact legislation implementing the Pillar Two rules by December 31, 2023, with effect for fiscal years beginning on or after that date. These changes, when enacted by various countries in which we do business, may increase our taxes in these countries. As the Two Pillar solution is subject to implementation by each member country, the timing and ultimate impact of any such changes on our tax obligations is uncertain. Such legislative initiatives may materially and adversely affect our plans to expand internationally and may negatively impact our tax liability, financial condition, and results of operations, and could increase our administrative expenses.

Changes in tax treatment of companies engaged in e-commerce may adversely affect the commercial use of our sites and our financial results.

Due to the global nature of the Internet, it is possible that various states, municipalities or foreign countries might, as a consequence of their review of the appropriate treatment of companies engaged in e-commerce and digital services, attempt to impose additional or new regulation on our business or levy additional or new sales, income, or other taxes on us or our customers. For example, following the United States Supreme Court's 2018 decision in South Dakota v. Wayfair Inc., which held, among other things, that a state may require an out-of-state seller with no physical presence in the state to collect and remit sales taxes on goods the seller ships to consumers in the state, many states have adopted Wayfair laws requiring remote sellers to collect and pay sales tax based on transactions that take place in their jurisdictions. Other new or revised taxes and, in particular, digital taxes, sales taxes, VAT, and similar taxes could increase the cost of doing business online and decrease the attractiveness of selling products over the Internet. New taxes and related rulings and regulations could also create significant increases in internal costs necessary to capture data and collect and remit taxes. Any of these events could have an adverse effect on our business, financial condition, and operating results.

As a result of our plans to expand our business operations, including to jurisdictions in which tax laws may not be favorable, our tax obligations may change or fluctuate, become significantly more complex, or become subject to greater risk of examination by taxing authorities, any of which could adversely affect our after-tax profitability and financial results.

We operate currently in several jurisdictions in addition to Israel, including the United States. In the event that our business expands to additional jurisdictions, our effective tax rates may fluctuate widely in the future. Future effective tax rates could be affected by operating losses in jurisdictions where no tax benefit can be recorded under U.S. GAAP, changes in deferred tax assets and liabilities, or changes in tax laws. Factors that could materially affect our future effective tax rates include, but are not limited to: (a) changes in tax laws or the regulatory environment, (b) changes in accounting and tax standards or practices, (c) changes in the composition of operating income by tax jurisdiction, (d) the imposition of, or changes in laws regarding, indirect taxes such as digital tax, sales tax, and VAT and (e) pre-tax operating results of our business.

Outcomes from audits or examinations by taxing authorities could have an adverse effect on our after-tax profitability and financial condition. Additionally, the Israel Tax Authority and several foreign tax authorities have increasingly focused attention on intercompany transfer pricing with respect to sales of products and services and the use of intangibles. Tax authorities could disagree with our intercompany charges, cross-jurisdictional transfer pricing, or other matters and assess additional taxes. If we do not prevail in any such disagreements, our profitability may be affected.

Our after-tax profitability and financial results may also be adversely affected by changes in relevant tax laws and tax rates, treaties, regulations, administrative practices and principles, judicial decisions, and interpretations thereof, in each case, possibly with retroactive effect.

Government regulations relating to the marketing and advertising of our products may restrict, inhibit, or delay our ability to sell our products and harm our business.

A variety of federal, state, and foreign government authorities regulate the advertising and promotion of our products, including the marketing claims we can make regarding their properties and benefits. In the United States, the FDA regulates our products, which include cosmetics and certain dietary supplements, under differing regulatory regimes, but in each case exercises authority over our marketing claims. While the FDA does not require our products and labeling to undergo pre-market approval, and while the FDA has not approved any of our products or otherwise determined such products to be safe and effective for any intended uses, the FDA and other regulatory agencies require that the labeling and claims for our products be truthful and not misleading. In addition, our cosmetic and dietary supplement products may not be marketed with claims regarding the treatment or prevention of diseases or conditions, which would cause such products to meet the definition of a drug and be subject to the requirements applicable to drug products. Similar requirements apply in foreign jurisdictions, including in the EU. The FDA has issued warning letters to cosmetic and dietary supplement companies alleging improper drug claims regarding their products, including, for example, cosmetic products that make claims regarding hair growth or preventing hair loss. There is a degree of subjectivity in determining whether a labeling or marketing claim is appropriate under these standards. While we believe our product claims are truthful, not misleading, and would not cause our products to be regulated as drugs, there is always a risk that the FDA or foreign regulatory authorities may determine otherwise, send us a warning letter or untitled letter, require us to modify our product claims, or take other enforcement action. Any inquiry into the regulatory status of our products and any related interruption in the marketing and sale of these products could damage our reputation and image in the marketplace.

Other U.S. regulatory authorities, such as the FTC and state consumer protection agencies, also govern our products and typically require adequate and reliable scientific substantiation to support any marketing claims. This standard for substantiation is subject to interpretation and can vary widely from market to market, and there is no assurance that the research and development efforts that we undertake to support our claims will be deemed adequate for any particular product or claim. The FTC also has specialized requirements for certain types of claims. For example, the FTC's "Green Guides" regulate how "free-of," "non-toxic," and similar claims must be framed and substantiated. It is possible that the FTC could interpret the Green Guides in a manner that does not allow some of our claims or that requires additional substantiation to make them. The FTC also has issued Guides Concerning the Use of Endorsements and Testimonials in Advertising, or the Endorsement Guides, under which product testimonials must come from "bona fide" users of a product and otherwise reflect the honest opinions, beliefs, or experience of the endorser. Additionally, companies must disclose material connections between themselves and their endorsers and are subject to liability for false or unsubstantiated statements regarding its products made by endorsers including, for example, marketing atypical results of using a product. The FTC actively investigates online product reviews and may bring enforcement actions against a company for failure to comply with applicable requirements for testimonials. Our brand ambassadors may participate in our product launches, take part in media days promoting our products, create product tutorials, and post online reviews of our products, including "before and after" photos. If we or our brand ambassadors fail to comply with the Endorsement Guides or make improper product claims, the FTC could bring an enforcement action against us and we could be fined and/or forced to alter our marketing materials.

Moreover, consumer protection laws and regulations governing our business continue to expand. In some states such as California, class-action lawsuits may be based on similar standards regarding false and misleading advertising and other increasingly novel theories of liability. In addition, plaintiffs' lawyers have filed class action or false advertising lawsuits against cosmetic companies based on their marketing claims. Federal and state consumer protection agencies are expected to continue their active enforcement of applicable laws and regulations. Any inquiry into the regulatory status of our products and any related interruption in the marketing and sales of these products could damage our reputation and image in the marketplace, which could adversely affect our business, financial condition and results of operations.

If our products are not manufactured in compliance with applicable regulations, do not meet quality standards, or otherwise result in adverse health effects in customers, it could result in reputational harm, remedial costs, or regulatory enforcement.

In the United States, our products regulated as dietary supplements are subject to Good Manufacturing Practice, or GMP, regulations administered by FDA, which govern key aspects of the production of dietary supplements, including quality control, packaging and labeling. While the FDA has not promulgated regulations governing GMPs for cosmetics, adherence to recommended GMPs can reduce the risk that FDA finds such products have been rendered adulterated or misbranded in violation of applicable law. The FDA's draft guidance on cosmetic GMPs, issued June 2013, provides recommendations related to process documentation, recordkeeping, building and facility design, equipment maintenance, and personnel. The FDA also recommends that manufacturers maintain product complaint and recall files and voluntarily report adverse events to the agency. Further, under the Modernization of Cosmetic Regulation Act of 2022, manufacturers of cosmetics will become subject to more onerous FDA obligations once implemented via regulation, including adverse event reporting and record retention requirements, safety substantiation requirements, facility registration requirements, and good manufacturing practice requirements. The FDA has also been granted new enforcement authorities over cosmetics, such as mandatory recall authority, and there will be new cosmetic labeling requirements imposed. In Europe, cosmetic products must be manufactured in compliance with GMP requirements. Details on compliance with GMP must be included in the Product Information File, or PIF, of the cosmetic product. Compliance with GMP is presumed where the manufacture complies with the relevant harmonized standards, which is ISO 22716:2007 for cosmetic products.

We rely on third parties to manufacture our products in compliance with quality standards, including dietary supplement GMPs, the cosmetic GMP guidelines in the FDA's draft guidance and similar foreign requirements. Compliance with these standards can increase the cost of manufacturing our products as we work with our vendors to assure they are qualified and in compliance. If we or our suppliers fail to comply with these standards, it could lead to customer complaints, adverse events, product withdrawal or recall, or increase the likelihood that our products are rendered adulterated or misbranded, any of which could result in negative publicity, remedial costs, or regulatory enforcement that could impact our ability to continue selling certain products, and may harm our brands. Problems associated with product recalls could be exacerbated due to the global nature of our business because a recall in one jurisdiction could lead to recalls in other jurisdictions. Recalls of this sort could adversely affect our business, financial condition, and results of operations.

Government reviews, inquiries, investigations, and actions could harm our business.

As we operate in various locations around the world, our operations are subject to governmental scrutiny and may be adversely impacted by the results of such scrutiny. The regulatory environment with regard to our business is evolving, and government officials often exercise broad discretion in deciding how to interpret and apply applicable regulations. From time to time, we may receive formal and informal inquiries from various government regulatory authorities, as well as self-regulatory organizations, about our business and compliance with local laws, regulations, or standards. Any determination that our operations or activities, or the activities of our employees, are not in compliance with existing laws, regulations, or standards could negatively impact us in a number of ways, including the imposition of substantial fines, civil and criminal penalties, interruptions of business, loss of supplier, vendor, or other third-party relationships, termination of necessary licenses and permits, modification of business practices and compliance programs, equitable remedies, including disgorgement, injunctive relief, and other sanctions or similar results, all of which could adversely our business, financial condition, and results of operations. Even if these reviews, inquiries, investigations, and actions do not result in any adverse determinations, they could create negative publicity, which could harm our business and give rise to third-party litigation or action.

If our products are found to be or are perceived to be defective or unsafe, we may be subject to various product liability claims, which could harm our reputation and business.

Our success depends, in part, on the quality and safety of our products. Any loss of confidence on the part of customers in our products or the ingredients used in our products, whether related to product

contamination or product safety or quality failures, actual or perceived, environmental impacts, or inclusion of prohibited ingredients, or ingredients that are perceived to be "toxic," could tarnish the image of our brand and could cause customers to choose other products. In addition, if our products are found to be defective or unsafe, or otherwise fail to meet our customers' expectations or if our product claims are found to be unfair or deceptive, we may need to recall some of our products and/or become subject to regulatory action, our relationships with customers could suffer, the appeal of one or more of our products could be diminished, and we could lose sales, any of which could result in an adverse effect on our business. For example, we have historically received complaints regarding our products, including complaints alleging adverse side effects, such as mild rashes or itchy skin. We conduct testing of our products and, based on these tests, do not believe that there are any issues with our formulas linked to any widespread adverse effects. However, regardless of their merit, these or future complaints could have a negative impact on the reputation of our products and our brands, cause us to recall or stop selling our products, or lead to increased scrutiny or enforcement action from regulatory authorities, any of which could adversely affect our business, financial condition, and results of operations.

We may be subject to product liability claims, including that our products fail to meet quality or manufacturing specifications, contain contaminants, include inadequate instructions as to their proper use, include inadequate warnings concerning side effects and interactions with other substances or for persons with health conditions or allergies, or cause adverse reactions or side effects. Product liability claims could increase our costs, and adversely affect our business and financial results. As we continue to offer an increasing number of new products through large product offerings our product liability risk may increase.

We maintain product liability insurance and continue to periodically evaluate whether we can and should obtain higher product liability insurance. Based upon our current approach to product liability risk management, if any of our products are found to cause any injury or damage or we become subject to product liability claims, we will be subject to the full amount of liability associated with any injuries or damages.

We are subject to periodic claims and litigation that could result in unexpected expenses and could ultimately be resolved against us.

From time to time, we may be involved in litigation and other proceedings, including matters related to commercial disputes, product liability, intellectual property, data privacy and security, trade, customs laws and regulations, employment, regulatory compliance, and other claims related to our business. See the section titled "Business — Legal Proceedings" for additional information. An unfavorable outcome of any particular proceeding could exceed the limits of our insurance policies, or our insurance carriers may decline to fund such final settlements or judgments or all or part of the legal costs associated with the proceeding, which could have an adverse impact on our business, financial condition, and results of operations. In addition, any such proceeding could negatively impact our brands and our reputation.

Our employees, customers, suppliers, and other business partners may engage in misconduct or other improper activities, including noncompliance with regulatory standards and requirements.

We are exposed to the risk that our employees, customers, suppliers, and other business partners may engage in fraudulent or illegal activity. Misconduct by these parties could include intentional, reckless, or negligent conduct or disclosure of unauthorized activities to us that violate: (i) the rules of the applicable regulatory bodies; (ii) manufacturing standards; (iii) data privacy, security, and intellectual property laws, rules, or regulations or other similar non-U.S. laws, rules, or regulations; or (iv) laws that require the true, complete, and accurate reporting of financial information or data. These laws may impact, among other things, future sales, marketing, and education programs.

It is not always possible to identify and deter misconduct by our employees and other third parties, and the precautions we take to detect and prevent these activities may not be effective in controlling unknown or unmanaged risks or losses or in protecting us from governmental investigations or other actions or lawsuits stemming from a failure to be in compliance with such laws or regulations. In addition, we are subject to the risk that a person or government could allege such fraud or other misconduct, even if none occurred. If any such actions are instituted against us and we are not successful in defending

ourselves or asserting our rights, those actions could result in the imposition of significant fines or other sanctions, including the imposition of civil, criminal, and administrative penalties, additional integrity reporting, and oversight obligations. Whether or not we are successful in defending against any such actions or investigations, we could incur substantial costs, including legal fees, and divert the attention of management in defending.

Our failure to comply with the anti-corruption, trade compliance, anti-money laundering, and terror finance and economic sanctions laws and regulations of the United States and applicable international jurisdictions could adversely affect our reputation and results of operations.

We must comply with anti-corruption laws and regulations imposed by governments around the world with jurisdiction over our operations, which may include the FCPA, the Bribery Act, and Chapter 9 (sub-chapter 5) of the Israeli Penal Law, 5737-1977, and the Israeli Prohibition on Money Laundering Law, 5760-2000, collectively, the Israeli Anti-Corruption Laws, as well as the laws of the countries where we do business. These laws and regulations apply to companies, individual directors, officers, employees, and agents. Where they apply, the FCPA, the Bribery Act, and the Israeli Anti-Corruption Laws prohibit us and our officers, directors, employees, and business partners acting on our behalf, including joint venture partners and agents, from corruptly offering, promising, authorizing, or providing anything of value, directly or indirectly, to public officials for the purposes of influencing official decisions or obtaining or retaining business or a business advantage or otherwise obtaining favorable treatment. The Bribery Act also prohibits non-governmental “commercial” bribery and accepting bribes. The Bribery Act also includes an offense applicable to corporate entities and partnerships which carry on part of their business in the United Kingdom that fail to prevent bribery, which can take place anywhere in the world, by persons who perform services for or on behalf of them, subject to a defense of having adequate procedures in place to prevent the bribery from occurring. The offense can render parties criminally liable for the acts of their agents, joint venture partners, or commercial partners even if done without their knowledge. As part of our business, we deal with governments and state-owned business enterprises, the employees and representatives of which may be considered public officials for purposes of anti-corruption laws, including the FCPA, the Bribery Act, and the Israeli Anti-Corruption Laws. We also are subject to the jurisdiction of various governments and regulatory agencies around the world, which may bring our personnel and agents into contact with public officials responsible for issuing or renewing permits, licenses, or approvals or for enforcing other governmental regulations. In addition, some of the international locations in which we operate lack a developed legal system, are in emerging and less developed markets and have elevated levels of corruption and fraud.

Our business also must be conducted in compliance with applicable economic and financial sanctions, trade embargoes, and export controls, such as those administered and enforced by the U.S. Department of Treasury’s Office of Foreign Assets Control, the U.S. Department of State, the U.S. Department of Commerce, the United Nations Security Council, the State of Israel, the EU, His Majesty’s Treasury of the United Kingdom, and other relevant sanctions and export control authorities.

Our global operations expose us to the risk of violating, or being accused of violating, anti-corruption laws, anti-money laundering laws, economic and financial sanctions, trade embargoes, and export controls. Our failure to comply with these laws and regulations may expose us to reputational harm as well as significant penalties, including criminal fines, imprisonment, civil fines, disgorgement of profits, injunctions, and debarment from government contracts, as well as other remedial measures. Investigations of alleged violations may result in significant diversion of management’s attention and resources and significant defense costs and other professional fees.

U.S. public companies are required to maintain records that accurately and fairly represent their transactions and have an adequate system of internal accounting controls. We are in the process of developing internal controls, policies, procedures, and training to ensure compliance by us and our directors, officers, employees, representatives and agents with the FCPA, the Israeli Anti-Corruption Laws, the Bribery Act, and other applicable anti-corruption laws. Despite our compliance efforts and activities we cannot assure that our controls, policies, and procedures, even if enhanced, have been or will be followed at all times or effectively detect and prevent all violations of the applicable laws and every instance of economic and financial sanctions, anti-money laundering laws, fraud, bribery, or

corruption. A violation of these applicable laws could adversely affect our business, prospects, financial condition, and results of operations.

Our ability to source and distribute our products profitably or at all could be harmed if new trade restrictions are imposed or existing trade restrictions become more burdensome.

The majority of our products are currently manufactured outside of the United States. The United States and the countries in which our products are produced or sold internationally have imposed and may impose additional quotas, duties, tariffs, or other restrictions or regulations, or may adversely adjust prevailing quota, duty, or tariff levels. Countries impose, modify, and remove tariffs and other trade restrictions in response to a diverse array of factors, including global and national economic and political conditions, which make it impossible for us to predict future developments regarding tariffs and other trade restrictions. The U.S. Government has recently taken steps to address allegations of forced labor in the Xinjiang Uyghur Autonomous Region of China, or the XUAR, including issuing a number of specific Withhold Release Orders (which ban imports from certain entities or certain categories of ties into the United States) and implementing the Uyghur Forced Labor Prevention Act, or the UFLPA, which creates a rebuttable presumption banning imports into the United States of items "mined, produced, or manufactured wholly or in part" in the XUAR, as well as additional presumptive bans that will be announced later this year. Although we do not knowingly import items from the XUAR, we have a limited number of suppliers based in China, and we do not know what additional items or suppliers may be subject to the presumptive ban in the future. Trade restrictions, including tariffs, quotas, export controls, trade sanctions, embargoes, safeguards, and customs restrictions, could increase the cost or reduce the supply of products available to us or may require us to modify our supply chain organization or other current business practices, any of which could adversely affect our business, financial condition, and results of operations.

Existing and potential tariffs imposed by the U.S. government or a global trade war could increase the cost of our products, which could have an adverse effect on our business, financial condition, and results of operations.

The U.S. government has in recent years imposed increased tariffs on imports from certain foreign countries, and any imposition of additional tariffs by the United States could result in the adoption of tariffs by other countries, leading to a global trade war. While the U.S. government's recent tariffs on certain imports from China only affect a small portion of our production, any such future tariffs by the United States or other countries could have a significant impact on our business. While we may attempt to renegotiate prices with suppliers or diversify our supply chain in response to tariffs, such efforts may not yield immediate results or may be ineffective. We might also consider increasing prices to the customer; however, this could reduce the competitiveness of our products and adversely affect our net revenue. If we fail to manage these dynamics successfully, gross margins and profitability could be adversely affected. As of the date of this prospectus, tariffs have not had a material impact on our business, but increased tariffs or trade restrictions implemented by the United States or other countries in connection with a global trade war could have an adverse effect on our business, financial condition, and results of operations.

We are not, and do not intend to become, regulated as an "investment company" under the Investment Company Act of 1940, as amended, or the Investment Company Act, and if we were deemed an "investment company" under the Investment Company Act, applicable restrictions could make it impractical for us to continue our business as contemplated and could have an adverse effect on our business.

An entity generally will be deemed to be an "investment company" for purposes of the Investment Company Act if:

- it is an "orthodox" investment company because it is or holds itself out as being engaged primarily, or proposes to engage primarily, in the business of investing, reinvesting, or trading in securities; or

- it is an inadvertent investment company because, absent an applicable exemption, (i) it owns or proposes to acquire investment securities having a value exceeding 40% of the value of its total assets (exclusive of U.S. government securities and cash items) on an unconsolidated basis, or (ii) it owns or proposes to acquire investment securities having a value exceeding 45% of the value of its total assets (exclusive of U.S. government securities and cash items) and/or more than 45% of its income is derived from investment securities on a consolidated basis with its wholly owned subsidiaries.

We are engaged primarily in the business of providing consumers with beauty and wellness products utilizing our PowerMatch technology. We hold ourselves out as a beauty and wellness company and do not propose to engage primarily in the business of investing, reinvesting, or trading in securities. Accordingly, we do not believe that we are, or following this offering will be, an "orthodox" investment company as defined in Section 3(a)(1)(A) of the Investment Company Act and described in the first bullet point above. Furthermore, we believe that on a consolidated basis less than 45% of our total assets (exclusive of U.S. government securities and cash items) are composed of, and less than 45% of our income is derived from, assets that could be considered investment securities. Accordingly, we do not believe that we are, or following this offering will be, an inadvertent investment company by virtue of the 45% tests in Rule 3a-1 of the Investment Company Act as described in the second bullet point above. In addition, we believe that we are not an investment company under Section 3(b)(1) of the Investment Company Act because we are primarily engaged in a noninvestment company business.

The Investment Company Act and the rules thereunder contain detailed parameters for the organization and operation of investment companies. Among other things, the Investment Company Act and the rules thereunder limit or prohibit transactions with affiliates, impose limitations on the issuance of debt and equity securities, generally prohibit the issuance of options, and impose certain governance requirements. We intend to conduct our operations so that we will not be deemed to be an investment company under the Investment Company Act or otherwise conduct our business in a manner that does not subject us to the registration and other requirements of the Investment Company Act. In order to ensure that we are not deemed to be an investment company, we may be limited in the assets that we may continue to own and, further, may need to dispose of or acquire certain assets at such times or on such terms as may be less favorable to us than in the absence of such requirement. In particular, as is common in Israel, much of our marketable securities and some of our cash is held in the form of time-based depositary accounts, which may be considered securities under the Investment Company Act, and we could be required to invest our cash into accounts that yield a lower return in order to avoid becoming an investment company. If anything were to happen which would cause us to be deemed to be an investment company under the Investment Company Act, the requirements imposed by the Investment Company Act could make it impractical for us to continue our business as currently conducted, which would materially adversely affect our business, financial condition, and results of operations. In addition, if we were to become inadvertently subject to the Investment Company Act, any violation of the Investment Company Act could subject us to material adverse consequences, including potentially significant regulatory penalties.

Existing U.S. federal and state consumer protection laws could impact our advertising and marketing practices and the sale of our products, and potentially subject us to regulatory enforcement or private litigation.

The manufacturing, processing, formulating, packaging, labeling, distributing, selling and advertising of our products are subject to regulation by one or more federal agencies. In particular, the advertising of cosmetics is subject to regulation by the FTC under the Federal Trade Commission Act, or the FTC Act. Section 5 of the FTC Act prohibits unfair methods of competition and unfair or deceptive trade acts or practices in or affecting commerce. Section 12 of the FTC Act provides that the dissemination or the causing to be disseminated of any false advertising pertaining to drugs, foods, devices, services, or cosmetics, is an unfair or deceptive act or practice. Under the FTC's Substantiation Doctrine, an advertiser is required to have a "reasonable basis" for all objective product claims before the claims are made. U.S. State consumer protection laws modeled after the FTC Act impose similar requirements on our business. As such, we are required to have adequate substantiation of all material advertising

claims made for our products. Failure to adequately substantiate claims may be considered either deceptive or unfair practices.

In addition, we are subject to review by self-regulatory organizations, such as the Council of Better Business Bureaus' National Advertising Division, or NAD. NAD monitors national advertising in all media, enforces high standards of truth and accuracy, and resolves disputes to build consumer trust and support fair competition. NAD reviews advertising based on challenges from businesses, complaints from consumers, or on its own initiative covering a wide variety of both industries and issues. If our advertising claims are challenged before the NAD, we would incur costs associated with responding to the challenge and could be required to modify our claims which could have a negative impact on our business.

Our brand also may be negatively impacted due to real, alleged or perceived quality issues or if consumers perceive us as being irresponsible or untruthful in our marketing and advertising, even if such perceptions are not accurate. The growing use of social and digital media by consumers increases the speed and extent that information and opinions can be shared. Negative posts or comments about us or our brands or products on social or digital media could damage our brand and reputation. If we fail to maintain the favorable perception of our brand, our business, financial condition and results of operations could be negatively impacted.

We are also subject to certain federal and state laws that apply to automatically renewing subscription services. Our subscriptions automatically renew unless the subscriber cancels the subscription before the end of the current period, and we often provide free or discounted trial periods to customers. The Federal Restore Online Shoppers' Confidence Act, or ROSCA, and state law analogues require companies to adhere to enhanced disclosure and cancellation requirements when entering into automatically renewing contracts with subscription customers. Regulators and private plaintiffs have brought enforcement and litigation actions against companies, challenging automatic renewal and subscription programs. If we fail to comply with ROSCA and its state law analogues, we could incur substantial legal fees and costs and reputational harm. In addition, compliance and remediation efforts can be costly.

Although we believe that we will be in compliance with applicable laws and regulations, there can be no assurance that, should the FTC or state attorneys general amend their guidelines or impose more stringent interpretations of current laws or regulations, we would be able to comply with these new guidelines. Furthermore, we are unable to predict the nature of such future laws, regulations, interpretations or applications, nor can we predict what effect additional governmental regulations or administrative orders, when and if promulgated, would have on our business in the future.

Risks Related to Data Privacy and Security, Information Technology, and Intellectual Property

Changes in data privacy and security laws, rules, regulations, and standards, including laws, rules, and regulations governing our collection, use, disclosure, retention, transfer, storage, and other processing of personal information, including payment card data, and our actual or perceived failure to comply with such obligations may have an adverse effect on our business, financial condition, and results of operations.

We are subject to federal, state, and international laws, rules, and regulations relating to the collection, use, disclosure, retention, security, transfer, storage, and other processing of personal information and consumer information, including payment card data. The regulatory framework worldwide for data privacy and security issues, particularly as they relate to the use of data in AI is rapidly evolving and, as a result, implementation standards and enforcement practices are likely to remain uncertain for the foreseeable future. For instance, in the EU a proposal for a regulation setting forth harmonized rules on AI is currently being evaluated. If adopted, this new regulation may require us to modify our practices and incur substantial compliance-related costs and expenses. Although we publicly post documentation regarding our practices concerning the use, disclosure, and other processing of data, and we strive to comply with such policies and all applicable laws, rules, regulations, standards, and other legal and contractual obligations, we may at times fail to do so or be perceived to have failed to do so. Our publication of our privacy policy and other statements we publish that provide promises

and assurances about data privacy and security can subject us to potential federal, state, local, or foreign action if they are found to be deceptive, unfair, or misrepresentative of our actual practices. In addition, data privacy and security laws, rules, regulations, standards, and obligations are changing, have differing interpretations, and may be inconsistent between jurisdictions or conflict with other requirements or legal obligations. Any actual or perceived failure by us, our suppliers, or other parties with whom we do business, to comply with this documentation or with other federal, state, local, or foreign laws, rules, and regulations could result in proceedings against us by governmental entities or others. In many jurisdictions, enforcement actions and consequences for noncompliance are rising, which could damage our reputation, cause our customers to lose trust in us, cause us to cease or change our processing of data, and increase our exposure to liability, any of which could have an adverse effect on our business, financial condition, or results of operations. Additionally, if any third parties we work with violate applicable laws or our policies, such violations also may put personal information at risk and expose us to potential liability and reputational harm. Further, public scrutiny of, or complaints about, technology companies or their data processing or protection practices, even if unrelated to our business, industry, or operations, may lead to increased scrutiny and may cause government agencies to enact additional regulatory requirements, or to modify their enforcement or investigation activities. Any of the foregoing could have an adverse effect on our business, financial condition, or results of operations.

In the United States, there are numerous federal and state data privacy and security laws, rules, and regulations governing the collection, use, disclosure, retention, security, transfer, storage, and other processing of personal information, including federal and state data privacy laws, data breach notification laws, and consumer protection laws. For example, the FTC and many state attorneys general are interpreting federal and state consumer protection laws to impose standards for the online collection, use, dissemination, and security of data. Such standards require us to publish statements that describe how we handle personal data and choices individuals may have about the way we handle their personal data. If such information that we publish is considered untrue or inaccurate, we may be subject to government claims of unfair or deceptive trade practices, which could lead to significant liabilities and consequences. Moreover, according to the FTC, violating consumers' privacy rights or failing to take appropriate steps to keep consumers' personal data secure may constitute unfair acts or practices in or affecting commerce in violation of Section 5(a) of the Federal Trade Commission Act. State consumer protection laws provide similar causes of action for unfair or deceptive practices. In addition, privacy advocates and industry groups have regularly proposed and sometimes approved, and may propose and approve in the future, self-regulatory standards with which we must legally comply or that contractually apply to us. If we fail to follow applicable security standards even if no consumer information is compromised, we may incur significant fines or experience a significant increase in costs or reputational damage.

Further, U.S. laws in this area are complex and developing rapidly. At the federal level, the United States Congress is also considering various proposals for comprehensive federal data privacy legislation and, while no comprehensive federal data privacy law currently exists, we are subject to applicable existing federal laws and regulations. Many state legislatures have adopted legislation that regulates how businesses operate online, including measures relating to privacy, data security, and data breaches. Laws in all 50 states require businesses to provide notice to consumers whose personal information has been disclosed as a result of a data breach. The laws are not consistent, and compliance in the event of a widespread data breach is costly.

For example, the California Consumer Privacy Act, or the CCPA, which became effective in January 2020, gives California residents expanded rights to access and delete their personal information, opt out of certain personal information sharing, and receive detailed information about how their personal information is used by requiring covered companies to provide new disclosures to California consumers (as that term is broadly defined and may include any of our current or future employees who may be California residents) and provide such residents new ways to opt-out of certain sales of personal information. The law also prohibits covered companies from discriminating against California residents (for example, charging more for services) for exercising any of their CCPA rights. The CCPA provides for severe civil penalties for violations as well as a private right of action for data breaches that result in the loss of personal information that is expected to increase data breach litigation. Further, in November 2020, California voters passed the California Privacy Rights Act, or the CPRA. The

CPRA, which took effect on January 1, 2023, significantly expands the CCPA, including by introducing additional obligations on covered companies, such as data minimization and storage limitations, granting additional rights to consumers, such as correction of personal information and additional opt-out rights, and creates a new entity, the California Privacy Protection Agency, to implement and enforce the law. The CCPA and CPRA may increase our compliance costs and potential liability.

Other jurisdictions in the United States have already passed or are considering laws similar to the CCPA, with potentially greater penalties and more rigorous compliance requirements relevant to our business. For example, in March 2021, the Governor of Virginia signed into law the Virginia Consumer Data Protection Act, or the VCDPA. The VCDPA creates consumer rights, similar to the CCPA, but also imposes security and assessment requirements for businesses. Further, under the VCDPA, Virginia residents will have the right to opt out of the sale of their personal data, as well as the right to opt out of the processing of their personal data for targeted advertising. The VCDPA will require us to incur additional costs and expenses in an effort to comply with it, which became effective on January 1, 2023. In addition, in June 2021, Colorado enacted the Colorado Privacy Act, or the COCPA, becoming the third comprehensive consumer privacy law to be passed in the United States (after the CCPA and VCDPA). The COCPA, which becomes effective on July 1, 2023, closely resembles the VCDPA, and will be enforced by the respective states' Attorney General and district attorneys. Although the two differ in many ways, once they become enforceable we must comply with each if our operations fall within the scope of these newly enacted comprehensive mandates. Similar laws have been proposed in other states and at the federal level, reflecting a trend toward more stringent privacy legislation in the United States, and the enactment of such laws could have potentially conflicting requirements that would make compliance challenging. These state statutes and other similar state or federal laws may require us to modify our data processing practices and policies and incur substantial compliance-related costs and expenses.

A number of states have also passed, or may pass in the future, laws that regulate the acquisition, use and storage of biometric information. For example, Illinois' Biometric Information Privacy Act, or BIPA, prohibits collection of certain biometric data without informed consent and provides for statutory damages of up to $5,000 per customer per violation for intentional violations. As a result, BIPA has been the subject of extensive class action litigation and very substantial settlements. If we collect, use or store biometric data, we may be, or may become, subject to such laws and regulations, and we may face legal claims or proceedings, regulatory investigations or actions, or other liability in connection with any actual or perceived non-compliance, which could result in an adverse impact on our business, financial condition and results of operations.

Further, we currently accept payments using a variety of methods, including credit card, debit card, Amazon Pay, PayPal, and Alternative Payment Models, or APM. We are subject to the Payment Card Industry Data Security Standard, or PCI Standard, issued by the Payment Card Industry Security Standards Council, with respect to payment card information. The PCI Standard contains compliance guidelines with regard to our security surrounding the physical and electronic storage, processing, and transmission of cardholder data. Compliance with the PCI Standard and implementing related procedures, technology, and information security measures requires significant resources and ongoing attention. Our compliance with the PCI Standard is handled by our third-party payment processors since most of our customer payment information is not stored in our systems. However, we are subject to the risk of changes to or disruption in this provider’s service. We have in the past and may in the future, experience problems and interruptions associated with the implementation of new or upgraded systems and technology, such as those necessary to achieve compliance with the PCI Standard or with maintenance or adequate support of existing systems that may also disrupt or reduce the efficiency of our operations. Any material interruptions or failures in our payment-related systems could have a material adverse effect on our business, financial condition, and results of operations. If there are amendments to the PCI Standard, the cost of re-compliance could also be substantial and we may suffer loss of critical data and interruptions or delays in our operations as a result. Additionally, despite our compliance efforts, we may become subject to claims that we have violated the PCI Standard, based on past, present, and future business practices, which could have an adverse impact on our business and reputation.

In addition, as we offer new payment options (such as to customers), we may be subject to additional regulations, compliance requirements, fraud, and other risks. Furthermore, as our business changes,

we may be subject to different rules under existing standards, which may require new assessments that involve costs above what we currently pay for compliance. If we fail to comply with the rules or requirements of any provider of a payment method we accept, if the volume of fraud in our transactions limits or terminates our rights to use payment methods we currently accept, or if a data breach or other security incident occurs relating to our payment systems, we may, among other things, be subject to fines or higher transaction fees and may lose, or face restrictions placed upon, our ability to accept credit card payments from customers or facilitate other types of online payments. Advances in computer capabilities, new discoveries in the field of cryptography or other developments could compromise or breach the algorithms that we use to protect our customers' transaction data.

We also occasionally receive orders placed with fraudulent data and we may ultimately be held liable for the unauthorized use of a cardholder's card number in an illegal activity and be required by card issuers to pay charge-back fees. Charge-backs result not only in our loss of fees earned with respect to the payment, but also leave us liable for the underlying money transfer amount. If our charge-back rate becomes excessive, card associations also may require us to pay fines or refuse to process our transactions. In addition, we may be subject to additional fraud risk if third-party service providers or our employees fraudulently use consumer information for their own gain or facilitate the fraudulent use of such information. Overall, we may have little recourse if we process a criminally fraudulent transaction.

Internationally, virtually every jurisdiction in which we operate has established its own data privacy and security legal framework with which we must comply, including but not limited to the European Economic Area, or the EEA, the UK, and Israel. In the EU, the General Data Protection Regulation, or GDPR, went into effect in May 2018. The GDPR has far-reaching extraterritorial effect so that it applies to, amongst others, any business, regardless of its location, that processes personal data of an EEA resident in relation to offering goods or services to such EEA resident. The EEA's data protection landscape is evolving, resulting in possible significant operational costs for internal compliance and risks to our business. Recent legal developments in the EEA have created complexity and uncertainty regarding transfers of personal data from the EEA to the United States and other so-called third countries outside the EEA. While we have taken steps to mitigate the impact on us, such as implementing the European Commission's standard contractual clauses, or the SCCs, the efficacy and longevity of these mechanisms remains uncertain. On July 16, 2020, the Court of Justice of the EU, or the CJEU, invalidated the EU-U.S. Privacy Shield Framework, or the Privacy Shield, under which personal data could be transferred from the EEA to U.S. entities who had self-certified under the Privacy Shield scheme. While the CJEU upheld the adequacy of the SCCs, it made clear that reliance on them alone may not necessarily be sufficient in all circumstances. Accordingly, use of the SCCs must now be assessed on a case-by-case basis, taking into account the legal regime applicable in the destination country, in particular, applicable surveillance laws and rights of individuals, and additional technical and organizational measures and/or contractual provisions may need to be put in place. However, the nature of these additional measures is currently uncertain in part as respective guidance of the supervisory authorities leaves room for interpretation. The CJEU went on to state that if a competent supervisory authority believes that the SCCs cannot be complied with in the destination country and the required level of protection cannot be secured by other means, such supervisory authority is under an obligation to suspend or prohibit that transfer. Moreover, the European Commission released an implementation decision for a new set of SCCs on June 7, 2021, which required us to use new SCCs as of September 27, 2021 and replace existing SCCs by December 27, 2022. The revised SCCs apply only to the transfer of personal data outside of the EEA and not the UK; the UK's Information Commissioner's Office launched a public consultation on its draft revised data transfers mechanisms in August 2021.

These recent developments may require us to review and amend the legal mechanisms by which we transfer personal data from the EEA and the UK. Other countries have also passed or are considering passing laws requiring local data residency or restricting the internal transfer of data. As supervisory authorities issue further guidance on personal data export mechanisms, including circumstances where the SCCs cannot be used, and/or start taking enforcement action, we could suffer additional costs, complaints or regulatory investigations, inquiries, or fines, or if we are otherwise unable to transfer personal data between and among countries and regions in which we operate, it could affect the manner

in which we provide our products, the geographical location or segregation of our relevant systems and operations, and could adversely affect our business, financial condition, and results of operations.

In addition, the GDPR and the UK's General Data Protection Regulation, or the UK GDPR, impose robust obligations on controllers and processors for the collection, control, use, sharing, disclosure, and other processing of data relating to an identified or identifiable living individual (personal data) and contain documentation and accountability requirements for data protection compliance. These laws require detailed and transparent disclosures about how personal data is collected and processed, grant rights for data subjects to access, delete, or object to the processing of their data, provide for a mandatory breach notification to supervisory authorities (and in certain cases, affected individuals) of certain data breaches, set limitations on the retention of information, and outline significant documentary requirements to demonstrate compliance through policies, procedures, training, and audits. Failure to comply with these obligations can result in significant fines and other liability under applicable law. In particular, under the GDPR, fines of up to EUR 20 million (or GBP 17.5 million under the UK GDPR) or up to 4% of the annual global revenue of the noncompliant company, whichever is greater, could be imposed for violations of certain of the GDPR's requirements. The GDPR requirements apply not only to third-party transactions, but also to transfers of information between us and our subsidiaries, including employee information.

The withdrawal of the UK from the EU also has created uncertainty with regard to the regulation of data protection in the UK. Since January 1 2021, when the transitional period following Brexit expired, we have been required to comply with the GDPR as well as the UK GDPR (combining the GDPR and the UK's Data Protection Act of 2018), which exposes us to two parallel regimes, each of which authorizes similar fines and may subject us to increased compliance risk based on differing, and potentially inconsistent or conflicting, interpretation and enforcement by regulators and authorities (particularly, if the laws are amended in the future in divergent ways). With respect to transfers of personal data from the EEA, on June 28, 2021, the European Commission issued an adequacy decision in respect of the UK's data protection framework, enabling data transfers from the member states of the EU, to the UK to continue without requiring organizations to put in place contractual or other measures in order to lawfully transfer personal data between the territories. While it is intended to last for at least four years, the European Commission may unilaterally revoke the adequacy decision at any point, and if this occurs, it could lead to additional costs and increase our overall risk exposure.

In addition to the GDPR and UK GDPR, the European Commission also has another draft regulation in the approval process that focuses on electronic communications. The proposed legislation, known as the Regulation on Privacy and Electronic Communications, or ePrivacy Regulation, would replace the current ePrivacy Directive (2002/58/EC). Originally planned to be adopted and implemented at the same time as the GDPR, the EU's Council finalized its draft of the ePrivacy Regulation on February 10, 2021. As the regulation undergoes review in the EU's Parliament, we may need to spend additional time and effort addressing its additional data privacy requirements. The ePrivacy Regulation includes enhanced consent requirements in order to use communications content and communications metadata, which may negatively impact sales of our products. Under the existing rules in the ePrivacy Directive, informed consent is required for the placement of a cookie or similar technologies on a user's device and for direct electronic marketing. The GDPR also imposes conditions on obtaining valid consent, such as a prohibition on pre-checked consents and a requirement to ensure separate consents are sought for each type of cookie or similar technology. While the ePrivacy Regulation is still under negotiation, recent European court decisions, regulators' guidance and enforcement action, and civil proceedings brought by individuals are driving increased attention to cookies and tracking technologies. This could require significant systems changes, limit the effectiveness of our fraud detection capabilities, divert the attention of our technology personnel, adversely affect our margins, increase costs, and subject us to additional liabilities. Regulation of cookies and similar technologies, and any decline of cookies or similar online tracking technologies as a means to identify and potentially target individuals, may lead to broader restrictions and impairments on our marketing and personalization activities, may negatively impact our efforts to understand consumers, and, as a result of us being able to process less data, make our AI process less accurate.

In addition, we are also subject to the Israeli Privacy Protection Law, 5741-1981, or the PPL, and its regulations, including the Israeli Privacy Protection Regulations (Data Security), 5777-2017, or the

Data Security Regulations, which came into effect in Israel in May 2018 and impose obligations with respect to the manner personal data is processed, maintained, transferred, disclosed, accessed, and secured, as well as the guidelines of the Israeli Privacy Protection Authority. In this respect, the Data Security Regulations may require us to adjust our data protection and data security practices, information security measures, certain organizational procedures, applicable positions (such as an information security manager), and other technical and organizational security measures. Failure to comply with the PPL, its regulations, and guidelines issued by the Privacy Protection Authority, may expose us to administrative fines, civil claims (including class actions), and in certain cases criminal liability. Current pending legislation may result in a change of the current enforcement measures and sanctions. The Israeli Privacy Protection Authority may initiate administrative inspection proceedings, from time to time, without any suspicion of any particular breach of the PPL, as the Authority has done in the past with respect to dozens of Israeli companies in various business sectors. In addition, to the extent that any administrative supervision procedure is initiated by the Israeli Privacy Protection Authority that reveals certain irregularities with respect to our compliance with the PPL, in addition to our exposure to administrative fines, civil claims (including class actions), and in certain cases criminal liability, we may also need to take certain remedial actions to rectify such irregularities, which may increase our costs.

In Israel, the Privacy Protection Regulations (Transfer of Information to Databases Outside State Borders), 5761-2001, or the Israel Transfer Regulations, require the data exporter, after ensuring that the transfer abroad is permitted pursuant to the legal bases for transfer abroad as provided in the Israel Transfer Regulations, to obtain from the data importer an undertaking to take sufficient measures in order to protect the personal data and not to transfer data to any third party. While enforcement of a failure to comply with these restrictions has so far been very limited (as it also depends on the scope of the alleged violation), the enforcement standards and practices regarding this issue may change in the future. Additionally, any change in the way we share and store data collected in Israel may lead to additional or different obligations.

Additionally, the Standing Committee of the National People's Congress of the People's Republic of China, or the PRC, issued a draft Personal Information Protection Law, or the PIPL, for public comment on October 21, 2020, which went into effect on November 1, 2021. The PIPL imposes various controls and restrictions on entities and individuals that decide the purpose, methods, and such other matters of personal information processing, similar to the GDPR and CCPA. The enforcement of the PIPL could increase our potential liability and adversely affect our business, financial condition, and results of operations. In particular, the PIPL aligns the jurisdictional reach and application scope with those under the GDPR, enhances enforcement powers, and increases maximum penalties to CNY 50 million or 5% of the annual revenue of entities that process personal data. The PIPL also sets out personal information localization requirements, along with rules regarding the transfer of personal information outside of the PRC, which may require assessment and/or approval by the PRC Cyberspace Administration, certification by professional institutions, or supervision of and execution of contracts with overseas recipients.

Complying with the CCPA, CPRA, VCPDA, COCPA, GDPR, UK GDPR, ePrivacy Directive (and the ePrivacy Regulation when it replaces the ePrivacy Directive), the PIPL, and other applicable data privacy and security laws, rules, regulations, and standards may cause us to incur substantial operational costs or require us to change our business practices. Despite our efforts to bring our practices into compliance with such laws, rules, regulations, and standards (and any new laws, rules, regulations, or standards that may be passed or promulgated), we may not be successful in our efforts to achieve compliance either due to internal or external factors such as resource allocation limitations or a lack of vendor cooperation. Non-compliance with any of these data privacy or security laws, rules, regulations, or standards could result in proceedings against us by governmental entities, data subjects, or others. We may find it necessary to establish additional systems and processes to maintain such data in various jurisdictions, including, among other things, the EEA, which may involve substantial expense and distraction from other aspects of our business.

Evolving and changing definitions of what constitutes "personal information" and "personal data" within the United States, EU, and elsewhere, especially relating to classification of IP addresses, machine or device identification numbers, location data and other information, may limit or inhibit our ability to

operate or expand our business. In addition, rapidly evolving privacy laws and frameworks distinguish between a data processor and data controller (or under the CCPA, whether a business is a "service provider"), and different risks and requirements may apply to us, depending on the nature of our data processing activities. If our business model expands and changes over time, different sets of risks and requirements may apply to us, requiring us to re-orient the business accordingly.

Various government and consumer agencies have called for new laws, rules, regulations, and changes in industry practices and are continuing to review the need for greater regulation for the collection of information concerning consumer behavior on the internet. Because the interpretation and application of many data privacy and security laws, rules, and regulations, along with contractually imposed standards, are uncertain, it is possible that these laws, rules, regulations, and standards may be interpreted and applied in a manner that is inconsistent with our existing data management practices or the features of our products and e-commerce risk management platform capabilities. If so, in addition to the possibility of fines, lawsuits, and other claims and penalties, we could be required to fundamentally change our business activities and practices or modify our products and platform capabilities, which could have an adverse effect on our business, financial condition, and results of operations . For example, we may not be legally permitted to collect and store information on transactions we process that enable us to improve our products. Any inability to adequately address privacy and security concerns, even if unfounded, or comply with applicable data privacy and security laws, rules, regulations, policies, industry standards, or social expectations of corporate fairness, could result in additional cost and liability to us, damage our reputation, inhibit sales, and adversely affect our business, financial condition, and results of operations. Data privacy and security concerns, whether valid or not valid, may inhibit market adoption of our products, particularly in certain industries and foreign countries. If we are not able to adjust to changing laws, rules, regulations, and standards related to the Internet, our business, financial condition, and results of operations may be adversely affected.

We rely significantly on the use of information technology, including technology provided by third-party service providers. Any failure, error, defect, inadequacy, interruption, or data breach or other security incident of our information technology systems, or those of our third-party service providers, could have an adverse effect on our business, reputation, financial condition, and results of operations.

We increasingly rely on information technology systems to collect, store, share, use, retain, safeguard, transmit, analyze, and otherwise process electronic information. Our ability to effectively manage our business and coordinate the manufacturing, sourcing, distribution, and sale of our products depends significantly on the reliability and capacity of these systems. We rely on information technology systems to effectively manage, among other things, our business data, communications, supply chain, inventory management, consumer order entry and order fulfillment, processing transactions, summarizing and reporting results of operations, human resources benefits and payroll management, compliance with regulatory, legal, and tax requirements, and other processes and data necessary to manage our business. Disruptions to our information technology systems, including any disruptions to our current systems and/or as a result of transitioning to additional or replacement information technology systems, as the case may be, could disrupt our business and could result in, among other things, transaction errors, processing inefficiencies, loss of data, including personal data, and the loss of sales and customers, which could have an adverse effect on our reputation, business, financial condition, and results of operations. Additionally, the future operation, success, and growth of our business depends on streamlined processes made available through information systems, global communications, internet activity, and other network processes.

Our information technology systems, including our AI models, may be subject to damage, interruptions, or shutdowns, including from breaches, attacks by computer hackers, malicious code (such as malware, viruses and worms), ransomware attacks, insider threats, unauthorized activity or access, password-spraying, acts of vandalism, software or hardware vulnerabilities, employee or contractor theft, misplaced or lost data, fraud, misconduct or misuse, social engineering, phishing, denial-of-service attacks, organized cyberattacks, programming or human errors, telecommunication failures, or failures during the process of upgrading or replacing software, databases, or components, any of which could result in the loss or disclosure of confidential or personal information or our own proprietary

information, software, methodologies, or business information. Our existing safety systems, data backup, access protection, user management, and information technology emergency planning may not be sufficient to prevent data loss or long-term network outages. In addition, we may have to upgrade our existing information technology systems or choose to incorporate new technology systems from time to time in order for such systems to support the increasing needs of our expanding business. Costs and potential problems and interruptions associated with the implementation of new or upgraded systems and technology or with maintenance or adequate support of existing systems could disrupt or reduce the efficiency of our operations.

In addition, as part of our normal business activities, we collect, store, and otherwise process certain confidential information, including personal information with respect to customers and employees, as well as information related to intellectual property, and the success of our e-commerce operations depends on the secure transmission of confidential and personal information over public networks, including the use of cashless payments. We may share some of this information with third-party service providers who assist us with certain aspects of our business. We are subject to a number of laws, rules, and regulations requiring us to provide notification to employees, regulators, and other affected parties in the event of a security breach of certain personal information, and requiring the adoption of minimum information security standards that are often vaguely defined and difficult to practically implement. The costs of compliance with these laws, rules, and regulations have increased and may increase in the future. Any failure on the part of us or our third-party service providers to maintain the security of this confidential data and personal information, including our network security (or those of our third-party service providers) and the misappropriation of confidential and personal information, could result in business disruption, damage to our reputation, financial obligations to third parties, fines, penalties, regulatory proceedings, governmental investigations, and private litigation, any or all of which could result in us incurring potentially substantial costs. Such events could also result in the deterioration of confidence in us by employees and customers and cause other competitive disadvantages that lead customers to decrease or stop their purchases altogether. Any of these events could have an adverse effect on our business, financial condition, and results of operations.

Security incidents compromising the confidentiality, integrity, and availability of our confidential or personal information and our and our third-party service providers' information technology systems, such as phishing and malware attempts, have occurred in the past and may occur in the future. Such security incidents could result from cyberattacks, computer malware, supply chain attacks, or malfeasance or error of our or our third-party service providers' personnel. In particular, ransomware attacks, including those from organized criminal threat actors, nation-states, and nation-state supported actors, are becoming increasingly prevalent and severe, and can lead to significant interruptions in our or our third-party service providers' operations, loss of data and income, reputational loss, diversion of funds, and may result in fines, litigation, and unwanted media attention. Extortion payments may alleviate the negative impact of a ransomware attack, but we or our third-party service providers may be unwilling or unable to make such payments due to, for example, applicable laws or regulations prohibiting payments. Moreover, we and our third-party service providers may be more vulnerable to such attacks in remote work environments, which have increased in response to the COVID-19 pandemic. As techniques used by cyber criminals evolve and change frequently, a disruption, cyberattack or other security breach of our information technology systems or infrastructure, including our AI models, or those of our third-party service providers, may go undetected for an extended period and could result in the theft, transfer, unauthorized access to, disclosure, modification, misuse, loss, or destruction of our employee, representative, customer, vendor, consumer, and/or other third-party data, including sensitive or confidential data, personal information, and/or intellectual property. We cannot guarantee that our security efforts will prevent breaches or breakdowns of our or our third-party service providers' information technology systems. Further, and notwithstanding any contractual rights or remedies we may have, because we do not control our third-party service providers, including their security measures, we cannot ensure the adequacy of the measures they take to protect personal information and prevent data loss. Although we have not, to our knowledge, experienced a material breach compromising any of the confidential or personally identifiable information on our systems, if we suffer a material loss or disclosure of personal or confidential information as a result of a breach of our information technology systems, including those of our third-party service providers, we may suffer reputational, competitive, and/or business harm, incur significant costs, and be subject to government investigations, litigation, fines,

and/or damages, which could have an adverse effect on our cash flows, business, financial condition, and results of operations. Moreover, while we maintain cyber insurance that may help provide coverage for these types of incidents, we cannot assure you that our insurance will be adequate to cover costs and liabilities related to these incidents. The successful assertion of one or more large claims against us that exceed or are not covered by our insurance coverage or changes in our insurance policies, including premium increases or the imposition of large deductible or co-insurance requirements, could have an adverse effect on our business, financial condition, and results of operations.

Moreover, while we maintain cyber insurance that may help provide coverage for these types of incidents, we cannot assure you that our existing insurance coverage will continue to be available on acceptable terms or at all, or will be adequate to cover costs and liabilities related to these incidents, or that the insurer will not deny coverage as to any future claim. The successful assertion of one or more large claims against us that exceed or are not covered by our insurance coverage or changes in our insurance policies, including premium increases or the imposition of large deductible or co-insurance requirements, could have an adverse effect on our business, financial condition, and results of operations. We also cannot ensure that any limitations of liability provisions in our customer agreements, contracts with third-party service providers, and other contracts for a security lapse or breach or other security-related matter would be enforceable or adequate or would otherwise protect us from any liabilities or damages with respect to any particular claim.

In addition, any such access, disclosure, or other loss or unauthorized use of information or data, whether actual or perceived, could result in legal claims or proceedings, regulatory investigations or actions, and other types of liability under laws that protect the privacy and security of personal information, including federal, state, local, and foreign data privacy and security laws, rules, regulations, and standards, violations of which could result in significant penalties and fines. In addition, although we seek to detect and investigate all data security incidents, security breaches and other incidents of unauthorized access to our information technology systems and data can be difficult to detect and any delay in identifying such breaches or incidents may lead to increased harm and legal exposure of the type described above.

If sensitive or personal information about our customers is disclosed, or if we or our third-party service providers are subject to real or perceived cyberattacks or other security incidents, our customers may curtail use of our website, we may be exposed to liability and our reputation could suffer.

Operating our business and platform involves the collection, storage, transmission, and other processing of proprietary and confidential information, as well as the personal information of our employees and customers. Some of our third-party service providers, such as payment processing providers, also regularly have access to customer data. We devote resources to network and data security to protect our systems, infrastructure platforms, and data. However, our systems and those of our third-party service providers may not be adequately designed with the necessary reliability and redundancy to avoid cyberattacks, performance delays or outages that could be harmful to our business. In addition, advances in computer capabilities, increasingly sophisticated tools and methods used by hackers and cyber terrorists, new discoveries in the field of cryptography or other developments may result in our failure or inability to adequately protect sensitive information.

Like other e-commerce companies, we are also vulnerable to damage from fire, floods, hurricanes, earthquakes, natural disasters and other adverse weather conditions, public health emergencies (such as the COVID-19 pandemic) and other catastrophic events, military or political conflicts, power loss, terrorism, breaches, attacks by computer hackers, malicious code (such as malware, viruses and worms), ransomware attacks, insider threats, unauthorized activity or access, password-spraying, acts of vandalism, software or hardware vulnerabilities, employee or contractor theft, misplaced or lost data, fraud, misconduct or misuse, social engineering, phishing, denial-of-service attacks, organized cyberattacks, programming or human errors, telecommunication failures, or failures during the process of upgrading or replacing software, databases, or components. Cyberattacks could also result in the theft of our intellectual property, damage to our information technology systems, or disruption of our

ability to make financial reports and other public disclosures required of public companies. Our service providers, vendors, and other partners are also subject to the foregoing risks, and we do not have any control over them.

We and our third-party service providers have been subject to attempted cyber, phishing, or social engineering attacks in the past and may continue to be subject to such attacks and other cybersecurity incidents in the future. If we gain greater visibility, we may face a higher risk of being targeted by cyberattacks that could result in a wide range of negative outcomes, including violations of applicable data privacy or security laws, rules, regulations, and standards, which can result in significant fines, governmental investigations or inquiries and enforcement actions, legal and financial exposure, contractual liability, and damage to our reputation, each of which could adversely affect our business, financial condition, and results of operations. Any actual or perceived failure to maintain the performance, reliability, security, and availability of our platform and technical infrastructure to the satisfaction of our customers, and certain regulators would also likely harm our reputation and result in loss of revenue from the adverse impact to our reputation and brand, disruption to our business, and our decreased ability to attract and retain customers.

Advances in computer capabilities, new technological discoveries, or other developments may result in cyberattacks becoming more sophisticated and more difficult to detect. We and our third-party service providers may not have the resources or technical sophistication to anticipate or prevent all such cyberattacks or other security or data breaches, to protect our systems, data, and customer information, or to prevent outages, data loss, and fraud, and the use of third parties for certain cybersecurity services may not provide sufficient security or be adequate for our operations. Moreover, techniques used to obtain unauthorized access to systems change frequently and may not be known until launched against us or our third-party service providers. Security breaches can also occur as a result of non-technical issues, including intentional or inadvertent actions by our employees, our third-party service providers, or their personnel. We may be required to invest significant resources in protecting against security breaches and other technological disruption, or to remediate problems and damages caused by such incidents, which could increase the cost of our business and in turn adversely affect our business, financial condition, and results of operations.

We are subject to risks related to online transactions and payment methods.

We accept payments using a variety of methods, including credit card, debit card, Amazon Pay, PayPal, and APM. We rely on third parties to provide these payment methods and payment processing services. We are also subject to payment card association operating rules and certification requirements, including the PCI Standard and rules governing electronic funds transfers, which could change or be reinterpreted to make it difficult or impossible for us to comply.

Under certain circumstances specified in the payment card network rules, we may be required to submit to periodic audits, self-assessments, or other assessments of our compliance with the PCI Standard. Such activities may reveal that we have failed to comply with the PCI Standard. If an audit, self-assessment, or other test determines that we need to take steps to remediate any deficiencies, such remediation efforts may distract our management team and require us to undertake costly and time-consuming remediation efforts. In addition, even if we comply with the PCI Standard, there is no assurance that we will be protected from a security breach. If we fail to comply with the rules or requirements of any provider of a payment method we accept, if the volume of fraud in our transactions limits or terminates our rights to use payment methods we currently accept, or if a data breach occurs relating to our payment systems, we may, among other things, be subject to fines or higher transaction fees and may lose, or face restrictions placed upon, our ability to accept credit card and debit card payments from customers or to facilitate other types of online payments. If any of these events were to occur, our business, financial condition, and results of operations could be adversely affected.

Any failure to obtain, maintain, protect, defend, or enforce our intellectual property rights could impair our ability to protect our proprietary technology and our brand.

Our success depends on our ability to develop, obtain, maintain, protect, defend, and enforce our intellectual property and other proprietary rights in order to differentiate ourselves from our competitors.

We rely on a combination of trademark, trade secret, patent, copyright, and other intellectual property laws in the United States, and similar laws in other jurisdictions, as well as contractual provisions, such as confidentiality and intellectual property assignment clauses and licensing agreements, to establish and protect our proprietary technology, our brands, and other intellectual property. Our efforts to protect our intellectual property rights may be inadequate to prevent unauthorized use of our intellectual property. We will not be able to protect our intellectual property if we are unable to secure or enforce our rights or if we do not detect unauthorized use of our intellectual property. If we fail to protect our intellectual property rights adequately, our competitors may gain access to, copy, reverse engineer, or otherwise use our intellectual property or technology without our permission or adopt trade names or trademarks similar to ours and our business, financial condition, and results of operations may be adversely affected. In addition, defending our intellectual property rights may entail significant expense. Any patents, trademarks, or other intellectual property rights that we obtain may be challenged by others or invalidated through administrative process or litigation. We currently own certain patents, and have applied for patent protection, relating to certain proprietary aspects of our products and technologies. We cannot guarantee that any of our patent applications will issue, and the patents we own could be challenged, invalidated, or circumvented by others and may not be of sufficient scope or strength to provide us with any meaningful protection or commercial advantage. Some patent applications in the United States are maintained in secrecy for a period of time after they are filed, and since publication of discoveries in the scientific or patent literature tends to lag behind actual discoveries by several months, we cannot be certain that we will be the first creator of inventions covered by any patent application we make or the first to file patent applications on such inventions. Further, we make business decisions about when to seek patent protection for a particular technology and when to rely upon trade secret protection, and the approach we select may ultimately prove to be inadequate. Moreover, we cannot assure you that competitors will not infringe our patents, or that we will have adequate resources to enforce our patents.

We also have chosen not to register any copyrights, and instead rely primarily on trade secret protection to protect our proprietary software and other technologies. While we also own unregistered copyrights in our software, copyrights must be registered before bringing a copyright infringement lawsuit in the United States. Because we have chosen not to register our copyrights, the remedies and damages available to us for unauthorized use of software may be limited. Despite our efforts to maintain our source code and certain other technologies as trade secrets, it may still be possible for unauthorized third parties to copy our technologies, including our PowerMatch capabilities, and use information that we regard as proprietary to create products and services that compete with ours.

We enter into confidentiality and invention assignment agreements with our employees and consultants and enter into confidentiality agreements with other parties who may have access to confidential or proprietary information. We also attempt to protect our proprietary technologies by implementing administrative, technical, and physical practices, including source code access controls, to secure our proprietary information. However, no assurance can be given that these agreements or practices will be effective in controlling access to, distribution, use, misuse, misappropriation, reverse engineering, or disclosure of our intellectual property or proprietary information. Third parties, including former employees, may breach duties of confidentiality to us or disclose information improperly, and we may not have adequate recourse in the event of such breach. In addition, we cannot guarantee that we have entered into such agreements with each party that has or may have had access to our proprietary information, know-how, and trade secrets, or each party that has developed intellectual property on our behalf. Accordingly, individuals not subject to invention assignment agreements may make adverse ownership claims to our current and future intellectual property. Further, these agreements may not prevent our competitors from independently developing technologies that are substantially equivalent or superior to our products and e-commerce capabilities. These agreements may be insufficient or breached, and we may not have adequate remedies for any such breach.

We may be required to spend significant resources in order to monitor and protect our intellectual property rights. Litigation may be necessary in the future to enforce our intellectual property rights, protect our trade secrets, or determine the validity and scope of the proprietary rights of others. Such litigation could be costly, time-consuming, unpredictable, and distracting to management, and could result in the impairment or loss of portions of our intellectual property. Further, our efforts to enforce our intellectual

property rights may be met with defenses, counterclaims, and countersuits attacking the ownership, scope, validity, and enforceability of our intellectual property rights. Our inability to protect our proprietary technology and intellectual property against unauthorized copying or use, as well as any costly litigation or diversion of our management's attention and resources, could delay further sales or the implementation of our e-commerce capabilities, impair the functionality of our services, delay development and introductions of new products, result in our substituting inferior or more costly technologies, or injure our reputation. Furthermore, many of our current and potential competitors may be in a position to dedicate substantially greater resources to enforce their intellectual property and proprietary rights than us. Accordingly, despite our efforts, we may not be able to prevent third parties from infringing, misappropriating, or otherwise violating our intellectual property and proprietary rights. Additionally, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of our confidential information could be compromised by disclosure during this type of litigation.

Moreover, the outcome of any such litigation might not be favorable to us, and even when our rights have been infringed, misappropriated, or otherwise violated. If we do not prevail, we may be required to pay significant money damages, suffer losses of significant revenue, be prohibited from using the relevant systems, processes, technologies, or other intellectual property (temporarily or permanently), be required to cease offering certain products or services, incur significant license, royalty, or technology development expenses, or be required to comply with other unfavorable terms. Even if we were to prevail, such litigation could result in substantial costs and diversion of resources and could have an adverse effect on our business, operating results, or financial condition. We may also be required to enter into license agreements that may not be available on commercially reasonable terms or at all. In addition, although in some cases a third party may have agreed to indemnify us for such costs, such an indemnifying party may refuse or be unable to uphold its contractual obligations. In other cases, insurance may not cover potential claims of this type adequately or at all, and we may be required to pay monetary damages, which may be significant. If we fail to obtain, maintain, protect, defend, and enforce our intellectual property rights, our business, financial condition, or results of operations may be harmed.

If our trademarks and trade names are not adequately protected, we may not be able to maintain or build name recognition in our markets of interest.

We also rely on our trademarks, trade names, and brand names to distinguish our products and services from the products and services of our competitors, and have registered or applied to register many of these trademarks. If our trademarks and trade names are not adequately protected, we may not be able to maintain or build name recognition in our target markets and our business may be adversely affected. We cannot assure you that our trademark applications will be granted, and third parties may also oppose our trademark applications or otherwise challenge our use of the trademarks. If we are unable to successfully register our trademarks and trade names and establish name recognition based on our trademarks and trade names, then we may not be able to compete effectively and our business may be adversely affected. In addition, competitors or other third parties have in the past adopted, and may in the future adopt, trade names, trademarks, or domain names similar to ours, which may impede our ability to build brand identity, possibly leading to market confusion and potentially requiring us to pursue legal action. We may not have adequate resources to enforce our trademarks against competitors or other third parties, and any such enforcement actions against third parties may not be successful. In addition, there could be trade name or trademark infringement, misappropriation, or other claims of trademark violation brought by owners of other registered trademarks or trademarks that incorporate variations of our unregistered trademarks or trade names. Our efforts to enforce or protect our trademarks, trade names, and domain names may be ineffective, may impact the public perception of our brand, may be expensive, may divert our resources, and, if our proprietary rights are challenged in connection with such enforcement efforts, could result in payment by us of monetary damages or injunctive relief against us that prevents us from using certain trademarks and trade names, all of which could adversely impact our financial condition or results of operations.

We may not be able to effectively obtain, maintain, protect, defend, and enforce our intellectual property rights throughout the world to the same extent as in the United States.

We pursue the registration of certain aspects of our intellectual property in the United States and certain other countries. Because of the differences in foreign trademark, trade secret, and other laws concerning intellectual property and proprietary rights, our intellectual property rights may not receive the same degree of protection in foreign countries as they would in the United States, and mechanisms for enforcement of intellectual property rights in some foreign countries may be inadequate. Furthermore, legal standards relating to the validity, enforceability, and scope of protection of intellectual property rights are uncertain, and any changes in, or expected interpretations of, intellectual property laws may compromise our ability to enforce our intellectual property rights. Accordingly, many companies have encountered significant problems in protecting and defending intellectual property rights in certain foreign jurisdictions. To the extent we expand our international activities, our exposure to unauthorized copying and use of intellectual property and proprietary information may increase. The legal systems of some countries, particularly developing countries, do not favor or may not be sufficiently robust for the meaningful enforcement of patents and other intellectual property rights. This could make it difficult for us to stop the infringement, misappropriation, or other violation of our intellectual property rights in all countries outside of the United States. Consequently, we may not be able to prevent third parties from copying our technologies or trademarks in all jurisdictions in which we operate or intend to operate.

Trade secrets and know-how can be difficult to protect, and some courts inside and outside the United States are less willing or unwilling to protect trade secrets and know-how. If any of our trade secrets were to be lawfully obtained or independently developed by a competitor or other third party, we would have no right to prevent them from using that technology or information to compete with us, and our competitive position would be materially and adversely harmed. Furthermore, we currently own trademarks that we use in connection with our business in the United States, Israel, and other markets. As we continue to expand into international markets, we may experience certain risks associated with protecting our brand and maintaining the ability to use our brand in the countries where we operate. In certain countries outside of the United States, trademark registration is required to enforce trademark rights. If we do not secure registrations for our trademarks, we may encounter more difficulty in enforcing them against third parties than we otherwise would. Therefore, it is possible that our trademarks applications may not be allowed for registration in a timely fashion or at all, and our registered trademarks may not be maintained or enforced. Additionally, there is a risk that our trademarks may conflict with the pre-existing trademarks of other companies, which may require us to rebrand or substantially change the branding our product and service offerings, obtain costly licenses, or defend against third-party claims. Moreover, incumbent participants in such markets may oppose our trademark applications or trademark registrations or otherwise assert their intellectual property and other proprietary rights against us as a means of slowing our entry into such markets or as a means to extract substantial license and royalty payments from us. Further, we may not be able to acquire or maintain appropriate domain names in all countries in which we do business. Regulations governing domain names may not protect our trademarks and similar proprietary rights, and we may not unable to prevent third parties from acquiring domain names that are similar to, infringe upon, or diminish the value of our intellectual property. Any of the foregoing could adversely affect our business, financial condition, and results of operations.

Proceedings to enforce our intellectual property rights in foreign jurisdictions, whether or not successful, could result in substantial costs and divert efforts and resources from other aspects of our business. While we generally seek to protect our intellectual property rights in the major markets where we intend to market and sell our products, we cannot ensure that we will be able to do so in all jurisdictions. Moreover, our ability to obtain, maintain, protect, defend, and enforce our intellectual property rights may be adversely affected by unforeseen changes in foreign intellectual property laws. Accordingly, our efforts to protect our patent and other intellectual property rights in such jurisdictions may be inadequate.

Third parties may allege that we are infringing, misappropriating, or otherwise violating their intellectual property rights, which could involve substantial costs and adversely impact our business.

Our success in part depends on our ability to develop, manufacture, market, and sell our products without infringing, misappropriating, or otherwise violating the intellectual property rights of third-parties. Third parties may seek to challenge, invalidate, or circumvent our intellectual property rights and allege that our products and services infringe, misappropriate, or otherwise violate third-party intellectual property rights. We may become involved in administrative processes such as re-examination, inter partes review, interference and derivation proceedings and equivalent proceedings in foreign jurisdictions, or litigation or other disputes relating to intellectual property used in our business.

Any such claims, even those without merit, can be expensive and time-consuming to defend and may divert management's attention and resources, and an adverse result in any proceeding could put our ability to produce, market, and sell our products in jeopardy. We may be required to spend significant amounts of resources to defend against claims of infringement, misappropriation, or other violation, pay significant money damages, cease using certain processes, technologies, designs, trademarks, or other intellectual property, cease making, offering, and selling certain products, obtain a license (which may not be available on commercially reasonable terms or at all) or redesign our brand, our products, or our packaging (which could be costly, time-consuming, or impossible).

In addition, we may be unaware of third-party intellectual property that covers or otherwise relates to some or all of our services and products. Because of technological changes in our industry, current patent coverage, and the rapid rate of issuance of new patents, our current or future products may unknowingly infringe, misappropriate, or otherwise violate existing or future patents or intellectual property rights of other parties. Further, because some patent applications are maintained in secrecy for a period of time, there is a risk that we could develop a product or technology without knowledge of a pending patent application, which product or technology would infringe a third-party patent once that patent is issued. The defense costs and settlements for patent infringement lawsuits may not be covered by insurance. Patent infringement lawsuits can take years to resolve. If we are not successful in our defenses or are not successful in obtaining dismissals of any such lawsuit, legal fees or settlement costs could have an adverse effect on our operations and financial position. Even if resolved in our favor, the volume of intellectual-property-related claims and the mere specter of threatened litigation or other legal proceedings may cause us to incur significant expenses and could distract our personnel from day-to-day responsibilities. The direct and indirect costs of addressing these actual and threatened disputes may have an adverse effect on our operations, reputation, and financial performance.

We must continue to expand and scale our information technology systems, and our failure to do so could adversely affect our business, financial condition, and results of operations.

We will need to continue to expand and scale our information technology systems and personnel to support recent and expected future growth. As such, we will continue to invest in and implement modifications and upgrades to our information technology systems and procedures, including replacing legacy systems with successor systems, making changes to legacy systems or acquiring new systems with new functionality, hiring employees with information technology expertise, and building new policies, procedures, training programs, and monitoring tools. These types of activities subject us to inherent costs and risks associated with replacing and changing these systems, including impairment of our ability to fulfill customer orders, potential disruption of our internal control structure, capital expenditures, additional administration and operating expenses, acquisition and retention of sufficiently skilled personnel to implement and operate the new systems, demands on management time, the introduction of errors or vulnerabilities, and other risks and costs of delays or difficulties in transitioning to or integrating new systems into our current systems. These implementations, modifications, and upgrades may not result in productivity improvements at a level that outweighs the costs of implementation, or at all. Additionally, difficulties with implementing new technology systems, delays in our timeline for planned improvements, significant system failures, or our inability to successfully modify our information systems to respond to changes in our business needs may cause disruptions in our business operations and adversely affect our business, financial condition, and results of operations.

Our use of open source software could compromise the proprietary nature of our software and expose us to other legal liabilities and technological risks.

Part of our platform and technology incorporates open source software, and we expect to continue to incorporate open source software in our business in the future. Few of the licenses applicable to open source software have been interpreted by courts, and there is a risk that these licenses could be construed in a manner that could impose unanticipated conditions or restrictions on our ability to commercialize our products. Certain open source licenses may give rise to requirements to disclose or license our proprietary source code or make available any derivative works or modifications of the open source code on unfavorable terms or at no cost, and we may be subject to such terms if such open source software is combined, linked, or otherwise integrated with our proprietary software in certain ways. We have implemented policies relating to our use of open source software that are designed to mitigate the risk of subjecting our proprietary code to these restrictions. However, we cannot be certain that we use open source software in a manner that is consistent with such policies. If we fail to comply with our policies, or if our policies are flawed, we may be subject to certain requirements, including requirements that we offer our software that incorporates or links to the open source software at a reduced cost or for free, or that we make available the proprietary source code for such software to the general public. If a third party were to allege that we had not complied with the conditions of one or more of these licenses, we could be required to incur significant legal expenses defending against such allegations and could be subject to significant damages and required to comply with onerous conditions or restrictions on the use of our proprietary software. In any of these events, we could be required to seek licenses from third parties and pay royalties in order to continue using the open source software necessary to operate our business or we could be required to discontinue use of our website and other software in the event re-engineering cannot be accomplished on a timely basis. Any of the foregoing could require us to devote additional research and development resources to re-engineer our website, could result in customer dissatisfaction, could allow our competitors to create similar platforms with lower development effort and time and may adversely affect our business, financial condition, and results of operations.

In addition, the use of open source software may entail greater risks than the use of third-party commercial software, as open source licensors generally do not provide support, warranties, controls on origin of the software, indemnification, or other contractual protections regarding infringement claims or the quality of the code. We cannot ensure that the authors of such open source software will implement or push updates to address security risks or will not abandon further development and maintenance. Many of the risks associated with usage of open source software, such as the lack of warranties or assurance of title, cannot be eliminated and could, if not properly addressed, negatively affect our business. To the extent that our e-commerce capabilities and other business operations depend upon the successful and secure operation of the open source software we use, any undetected errors or defects in this open source software could prevent the deployment or impair the functionality of our software, delay the introduction of new technological capabilities, result in a failure of our technologies, and injure our reputation. For example, undetected errors or defects in open source software could render it vulnerable to breaches or security attacks and make our systems more vulnerable to data breaches or security attacks. In addition, the public availability of such software may make it easier for others to compromise our platform. Any of the foregoing would have a negative effect on our business, financial condition, and results of operations.

Our business could be adversely impacted by changes in the internet and mobile device accessibility of users. Companies and governmental agencies may restrict access to our products and services, website, or the internet generally, which could negatively impact our operations.

Our business depends in substantial part on customers accessing our products and services via a mobile device or a personal computer and the internet. We may operate in jurisdictions that provide limited internet connectivity. Internet access and access to a mobile device or personal computer are frequently provided by companies with significant market power that could take actions that degrade, disrupt, or increase the cost of consumers' ability to access our products and services. In addition, the internet infrastructure that we and our customers rely on in any particular geographic area may be

unable to support the demands placed upon it and could interfere with the speed and availability of our products and services. Any such failure in internet or mobile device or computer accessibility, even for a short period of time, could adversely affect our results of operations.

Governmental agencies in any of the countries in which we or our customers are located could block access to or require a license for our website, or the internet generally, for a number of reasons, including security, confidentiality, or regulatory concerns. In addition, companies may adopt policies that prohibit their employees from using our products and services. If companies or governmental entities block, limit, or otherwise restrict customers from accessing our products and services, our business could be negatively impacted, the number of customers could decline or grow more slowly, and our results of operations could be adversely affected.

Our customer engagement on mobile devices depends upon effective operation with mobile operating systems, networks, and standards that we do not control.

An increasing number of our customers purchase our products through the mobile version of our website. We are dependent on the interoperability of our website with popular mobile operating systems that we do not control, such as Android and iOS, and any changes in such systems that degrade the functionality of our digital offering could adversely affect the user experience of our website on mobile devices. Additionally, in order to deliver a consistent shopping experience to mobile devices, it is important that our website is designed effectively and works well with a range of mobile technologies, systems, networks, and standards that we do not control. We may not be successful in developing relationships with key participants in the mobile industry or in developing products that operate effectively with these technologies, systems, networks, or standards. In the event that it is more difficult for our customers to access and use our mobile website on their mobile devices or if our customers choose not to access or use our mobile website on their mobile devices or use mobile products that do not offer access to our website, our sales and growth prospects could be adversely impacted.

Risks Related to Our Incorporation and Location in Israel

Conditions in Israel could materially and adversely affect our business, financial condition, and results of operations.

Many of our employees, including certain members of our management, operate from our offices located in Tel Aviv, Israel. In addition, a number of our officers and directors are residents of Israel. Accordingly, political, economic, and military conditions in Israel and the surrounding region may directly affect our business, financial condition, and results of operations.

In recent years, Israel has been engaged in sporadic armed conflicts with Hamas, an Islamist terrorist group that controls the Gaza Strip, with Hezbollah, an Islamist terrorist group that controls large portions of southern Lebanon, and with Iranian-backed military forces in Syria. In addition, Iran has threatened to attack Israel and may be developing nuclear weapons. Some of these hostilities were accompanied by missiles being fired from the Gaza Strip against civilian targets in various parts of Israel, including areas in which our employees and some of our consultants are located, and negatively affected business conditions in Israel. Any major hostilities involving Israel, regional political instability, or the interruption or curtailment of trade between Israel and its trading partners could materially and adversely affect our business, financial condition, and results of operations.

Our commercial insurance does not cover losses that may occur as a result of events associated with war and terrorism. Although the Israeli government currently covers the reinstatement value of certain direct damages that are caused by terrorist attacks or acts of war, such coverage would likely be limited, may not be applicable to our business, and may not reinstate our loss of revenue or economic losses more generally. Furthermore, we cannot assure you that this government coverage will be maintained or that it will sufficiently cover our potential damages. Any losses or damages incurred by us could have an adverse effect on our business, financial condition, and results of operations. Any armed conflicts or political instability in the region would likely negatively affect business conditions and could adversely affect our business, financial condition, and results of operations.

Further, in the past, the State of Israel and Israeli companies have been subjected to economic boycotts. Several countries still restrict doing business with the State of Israel and with Israeli companies. These restrictive laws and policies may have an adverse impact on our operating results, our financial condition, or the expansion of our business. A campaign of boycotts, divestment, and sanctions has been undertaken against Israel, which could also adversely impact our business, financial condition, and results of operations.

In addition, many Israeli citizens are obligated to perform several days, and in some cases more, of annual military reserve duty each year until they reach the age of 40 (or older, for reservists who are military officers or who have certain occupations) and, in the event of a military conflict, may be called to active duty. In response to increases in terrorist activity, there have been periods of significant call-ups of military reservists. It is possible that there will be military reserve duty call-ups in the future. Our operations could be disrupted by such call-ups, which may include the call-up of members of our management. Such disruption could materially adversely affect our business, financial condition, and results of operations.

It may be difficult to enforce a U.S. judgment against us, our officers, and our directors named in this prospectus in Israel or the United States, or to assert U.S. securities laws claims in Israel or serve process on our officers and directors.

Not all of our directors or officers are residents of the United States, and most of their and our assets are located outside the United States. Service of process upon us or our non-U.S. resident directors and officers, and enforcement of judgments obtained in the United States against us or our non-U.S. resident directors and officers may be difficult to obtain within the United States. Additionally, we have been informed by our legal counsel in Israel that it may be difficult to assert claims under U.S. securities laws in original actions instituted in Israel or obtain a judgment based on the civil liability provisions of U.S. federal securities laws. Israeli courts may refuse to hear a claim based on a violation of U.S. securities laws against us or our non-U.S. officers and directors because Israel may not be the most appropriate forum in which to bring such a claim. In addition, even if an Israeli court agrees to hear a claim, it may determine that Israeli law and not U.S. law is applicable to the claim. If U.S. law is found to be applicable, the content of applicable U.S. law must be proved as a fact, which can be a time-consuming and costly process. Certain matters of procedure will also be governed by Israeli law. There is little binding case law in Israel addressing the matters described above. Israeli courts might not enforce judgments rendered outside Israel, which may make it difficult to collect on judgments rendered against us or our non-U.S. officers and directors.

Moreover, an Israeli court will not enforce a non-Israeli judgment if it was given in a state whose laws do not provide for the enforcement of judgments of Israeli courts (subject to exceptional cases), if its enforcement is likely to prejudice the sovereignty or security of the State of Israel, if it was obtained by fraud or in the absence of due process, if it is at variance with another valid judgment that was given in the same matter between the same parties, or if a suit in the same matter between the same parties was pending before a court or tribunal in Israel at the time the foreign action was brought. See the section titled “Enforceability of Civil Liabilities” for more information.

The tax benefits available to us require us to meet several conditions, and may be terminated or reduced in the future, which would increase our taxes

We have benefited or currently benefit from a variety of government programs and tax benefits that generally carry conditions that we must meet in order to be eligible to obtain any benefit. Our tax expenses and the resulting effective tax rate reflected in our financial statements may increase over time as a result of changes in corporate income tax rates, other changes in the tax laws of the countries in which we operate or changes in the mix of countries where we generate profit.

If we fail to meet the conditions upon which certain favorable tax treatment is based, we would not be able to claim future tax benefits and could be required to refund tax benefits already received.

Any of the following could have a material effect on our overall effective tax rate:

- Some programs may be discontinued,
- We may be unable to meet the requirements for continuing to qualify for some programs,
- These programs and tax benefits may be unavailable at their current levels, or
- We may be required to refund previously recognized tax benefits if we are found to be in violation of the stipulated conditions. See "Taxation and Government programs — Tax Benefits and Grants for Research and Development" and Note 14 to our Consolidated Financial Statements for more information.

Our operations may be disrupted by the obligations of our personnel to perform military service

Many of our employees in Israel are obligated to perform annual military reserve duty in the Israel Defense Forces, and in the event of a military conflict, could be called to active duty. Our operations could be disrupted by the absence of a significant number of our employees related to military service or the absence for extended periods of military service of one or more of our key employees. Military service requirements for our employees could materially adversely affect our business, results of operations and financial condition.

Your rights and responsibilities as our shareholder will be governed by Israeli law, which may differ in some respects from the rights and responsibilities of shareholders of U.S. corporations.

We are incorporated under Israeli law. The rights and responsibilities of holders of our Class A ordinary shares and Class B ordinary shares are governed by our amended and restated articles of association to be effective upon the closing of this offering and the Companies Law. These rights and responsibilities differ in some respects from the rights and responsibilities of shareholders in typical U.S. corporations. In particular, pursuant to the Companies Law, each shareholder of an Israeli company has a duty to act in good faith and in a customary manner in exercising his, her, or its rights and fulfilling his, her, or its obligations toward the company and other shareholders, and to refrain from abusing his, her, or its power in the company, including, among other things, in voting at the general meeting of shareholders on certain matters such as amendments to the company's articles of association, increases in the company's authorized share capital, mergers, and certain transactions requiring shareholders' approval under the Companies Law. In addition, a controlling shareholder of an Israeli company or a shareholder who possesses the power to determine the outcome of a shareholder vote, who has the power to appoint or prevent the appointment of a director or officer in the company, or has other powers toward the company, has a duty of fairness toward the company. However, Israeli law does not define the substance of this duty of fairness. There is little case law available to assist in understanding the implications of these provisions, and they may be interpreted to impose additional obligations and liabilities on our shareholders that are not typically imposed on shareholders of U.S. corporations.

We may become subject to claims for remuneration or royalties for assigned service invention rights by our employees, which could result in litigation and adversely affect our business.

A significant portion of our intellectual property has been developed by our employees in the course of their employment for us. Under the Israeli Patents Law, 5727-1967, or the Patents Law, inventions conceived by an employee in the course and as a result of or arising from his or her employment with a company are regarded as "service inventions" that belong to the employer, absent a specific agreement between the employee and employer giving the employee service invention rights. The Patents Law also provides that if there is no such agreement between an employer and an employee, the Israeli Compensation and Royalties Committee, or the Committee, a body constituted under the Patents Law, will determine whether the employee is entitled to remuneration for his or her inventions. Further, the Committee has not yet determined one specific formula for calculating this remuneration, but rather uses the criteria specified in the Patents Law. Although we generally enter into assignment-of-invention agreements with our employees and service providers pursuant to which such individuals waive their right to remuneration for service inventions, we may face claims demanding remuneration in consideration

for assigned inventions. As a consequence of any such claims, we could be required to pay additional remuneration or royalties to our current or former employees or service providers or be forced to litigate such claims, which could negatively affect our business.

While we may not be able to enforce non-compete agreements we enter into with our employees, our current and future competition may attempt to enforce similar agreements with individuals we recruit or attempt to recruit.

We generally enter into agreements with the majority of our employees which prohibit them, if they cease working for us, from competing directly with us or working for our current and future competition for a limited period. However, we may be unable to enforce these agreements under the laws of the jurisdictions in which our employees work, and it may be difficult for us to restrict our current and future competition from benefiting from the expertise our former employees developed while working for us. For example, Israeli labor courts have required employers seeking to enforce non-compete undertakings of a former employee to demonstrate that the competitive activities of the former employee will harm one of a limited number of material interests of the employer that have been recognized by the courts, such as the protection of a company's trade secrets or other intellectual property.

If we hire employees from our current and future competition or other companies, their former employers may attempt to assert that these employees or we have breached their legal obligations, resulting in a diversion of our time and resources. In a similar way, if our current and future competition succeed in hiring some of our employees and executives, and if some of these employees or executives breach their legal obligations and divulge commercially sensitive information to our current and future competition, our ability to successfully compete with our current and future competition may be adversely affected.

Provisions of Israeli law and our amended and restated articles of association to be effective upon the closing of this offering may delay, prevent, or make undesirable an acquisition of all or a significant portion of our shares or assets.

Provisions of Israeli law and our amended and restated articles of association to be effective upon the closing of this offering could have the effect of delaying or preventing a change in control and may make it more difficult for a third party to acquire us or our shareholders to elect different individuals to our board of directors, even if doing so would be considered to be beneficial by some of our shareholders, and may limit the price that investors may be willing to pay in the future for our Class A ordinary shares. Among other things:

- Israeli corporate law regulates mergers and requires that a tender offer be effected when more than a specified percentage of shares in a company are purchased;
- Israeli corporate law does not provide for shareholder action by written consent in public companies, thereby requiring all shareholder actions to be taken at a general meeting of shareholders;
- Israeli corporate law requires special approvals for transactions involving directors, officers, or significant shareholders and regulates other matters that may be relevant to these types of transactions;
- our amended and restated articles of association to be effective upon the closing of this offering divide our directors into three classes, each of which is elected once every three years;
- our amended and restated articles of association to be effective upon the closing of this offering generally require a vote of the holders of a majority of our outstanding ordinary shares entitled to vote present and voting on the matter at a general meeting of shareholders (referred to as simple majority); however, the amendment of a limited number of provisions, such as (i) the provisions that relate to the rights of our Class A ordinary shares and Class B ordinary shares, (ii) the provision providing for the minimum and maximum number of directors that may serve at our board and empowering our board of directors to determine the size of the board, (iii) the provision setting forth the procedures and the requirements that must be met in

order for a shareholder to require us to include a matter on the agenda for a general meeting of our shareholders, (iv) the provisions relating to the election and removal of members of our board of directors and empowering our board of directors to fill vacancies on the board, and (v) the provision dividing our directors into three classes, requires a vote of the holders of 60% of the total voting power of our shareholders;

- our amended and restated articles of association to be effective upon the closing of this offering do not permit a director to be removed except by a vote of the holders of at least 60% of the total voting power of our shareholders;
- our dual class ordinary share structure provides our existing shareholders holding Class B ordinary shares with the ability to significantly influence the outcome of matters requiring shareholder approval, even if they own significantly less than a majority of our outstanding ordinary shares; and
- our amended and restated articles of association to be effective upon the closing of this offering provide that director vacancies may be filled by our board of directors.

Further, Israeli tax considerations may make potential transactions undesirable to us or to some of our shareholders whose country of residence does not have a tax treaty with Israel granting tax relief to such shareholders from Israeli tax. For example, Israeli tax law does not recognize tax-free share exchanges to the same extent as U.S. tax law. With respect to mergers, Israeli tax law allows for tax deferral in certain circumstances but makes the deferral contingent on the fulfillment of numerous conditions, including a holding period of two years from the date of the transaction during which certain sales and dispositions of shares of the participating companies are restricted. Moreover, with respect to certain share swap transactions, the tax deferral is limited in time, and when such time expires the tax becomes payable even if no disposition of the shares has occurred.

Our amended and restated articles of association provide for exclusive forums for resolution of any claims arising under the Securities Act and certain claims under Israeli law, which may impose additional litigation costs on our shareholders.

Our amended and restated articles of association provide that, unless we consent otherwise, the federal district courts of the United States shall be the exclusive forum for the resolution of any claims arising under the Securities Act (for the sake of clarification, this provision does not apply to causes of action arising under the Exchange Act). While this provision of our amended and restated articles of association does not restrict the ability of our shareholders to bring claims under the Securities Act, nor does it affect the remedies available thereunder if such claims are successful, we recognize that it may limit shareholders' ability to bring a claim in a judicial forum that they find favorable and may increase certain litigation costs, which may discourage the filing of claims under the Securities Act against us, our directors, and officers. However, similar forum provisions in other companies' organizational documents have been challenged in legal proceedings and there is uncertainty as to whether courts would enforce the exclusive forum provisions in our amended and restated articles of association. If a court were to find the choice of forum provision contained in our amended and restated articles of association to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could materially adversely affect our business, financial condition, and results of operations. In addition, our amended and restated articles of association to be effective upon the closing of this offering also provide that unless we consent in writing to the selection of an alternative forum, the competent courts in Tel Aviv, Israel shall be the exclusive forum for any derivative action or proceeding brought on our behalf, any action asserting a breach of a fiduciary duty owed by any of our directors, officers, or other employees to us or our shareholders, or any action asserting a claim arising pursuant to any provision of the Companies Law or the Israeli Securities Law.

Changes to applicable tax laws and regulations or exposure to additional income tax liabilities could affect our future business and profitability.

We are an Israeli company and thus subject to Israeli corporate income tax as well as other applicable local taxes on its operations. Our subsidiaries are subject to the tax laws applicable in their

respective jurisdictions of incorporation. New local laws, statutes, rules, regulations, ordinances, and policy relating to taxes, whether in Israel or in any of the jurisdictions in which our subsidiaries operate, may have an adverse effect on our future business and profitability. Further, existing applicable tax laws, statutes, rules, regulations, or ordinances could be interpreted, changed, modified, or applied adversely to us or our subsidiaries.

Risks Related to this Offering and Ownership of Our Class A Ordinary Shares

The share price of our Class A ordinary shares may be volatile, and you may lose all or part of your investment.

The initial public offering price for the Class A ordinary shares sold in this offering will be determined by negotiation between us and representatives of the underwriters. This price may not reflect the market price of our Class A ordinary shares following this offering, and the price of our Class A ordinary shares may decline. In addition, the market price of our Class A ordinary shares could be highly volatile and may fluctuate substantially as a result of many factors, including those described elsewhere in this prospectus, as well as the following:

- actual or anticipated fluctuations in our revenue, financial condition, and results of operations;
- variance in our financial performance from the expectations of securities analysts;
- announcements by us or our direct or indirect competitors of significant business developments, changes in service provider relationships, acquisitions, or expansion plans;
- the impact of the COVID-19 pandemic on our management, customers, employees, partners, and operating results;
- changes or proposed changes in laws or regulations or differing interpretations or enforcement of laws or regulations affecting our business;
- changes in our pricing model;
- our involvement in litigation or regulatory actions;
- sales of our Class A ordinary shares by us or our shareholders, including any sales of Class B ordinary shares, which will automatically convert into Class A ordinary shares upon transfer thereof;
- market conditions in our industry;
- changes in key personnel;
- the trading volume of our ordinary shares;
- publication of research reports or news stories about us, our competition, or our industry, or positive or negative recommendations or withdrawal of research coverage by securities analysts;
- changes in the estimation of the future size and growth rate of our markets; and
- general economic and market conditions.

As a result, volatility in the market price of our Class A ordinary shares may prevent investors from being able to sell their Class A ordinary shares at or above the initial public offering price or at all. These broad market and industry factors may materially reduce the market price of our Class A ordinary shares, regardless of our operating performance. In addition, price volatility may be greater if the public float and trading volume of our Class A ordinary shares is low. As a result, you may suffer a loss on your investment.

In addition, the stock markets have experienced extreme price and volume fluctuations. Broad market and industry factors may materially harm the market price of our Class A ordinary shares, regardless of our operating performance. In the past, following periods of volatility in the market price of a company's securities, securities class action litigation has often been instituted against that company.

If we were involved in any similar litigation, we could incur substantial costs and our management's attention and resources could be diverted.

The dual class structure of our ordinary shares may adversely affect the trading market for our Class A ordinary shares.

We cannot predict whether our dual class structure will result in a lower or more volatile market price of our Class A ordinary shares or in adverse publicity or other adverse consequences. For example, certain index providers have announced restrictions on including companies with dual class or multi-class share structures in certain of their indexes. In July 2017, S&P Dow Jones and FTSE Russell announced changes to their eligibility criteria for the inclusion of shares of public companies on certain indices, including the Russell 2000, the S&P 500, the S&P MidCap 400 and the S&P SmallCap 600, to exclude companies with multiple classes of shares from being added to these indices. Beginning in 2017, MSCI, a leading stock index provider, opened public consultations on their treatment of no-vote and multi-class structures and temporarily barred new multi-class listings from certain of its indices; however, in October 2018, MSCI announced its decision to include equity securities "with unequal voting structures" in its indices and to launch a new index that specifically includes voting rights in its eligibility criteria. As a result, our dual class capital structure would make us ineligible for inclusion in any of these indices, and mutual funds, exchange-traded funds and other investment vehicles that attempt to passively track these indices will not be investing in our Class A ordinary shares. These policies are still relatively new and it is as of yet unclear what effect, if any, they will have on the valuations of publicly traded companies excluded from the indices, but it is possible that they may depress these valuations compared to those of other similar companies that are included. Furthermore, we cannot assure you that other stock indices will not take a similar approach to S&P Dow Jones or FTSE Russell in the future. Exclusion from indices could make our Class A ordinary shares less attractive to investors and, as a result, the market price of our Class A ordinary shares could be adversely affected.

The dual class structure of our ordinary shares has the effect of concentrating voting power with our existing shareholders prior to the consummation of this offering, which will limit your ability to influence the outcome of important transactions, including a change in control.

Our Class B ordinary shares have ten votes per share, and our Class A ordinary shares have one vote per share. Upon the closing of this offering, our existing shareholders prior to the consummation of this offering will beneficially own approximately % of the voting power of our outstanding shares. Accordingly, although there are no voting agreements among our existing shareholders, upon the closing of this offering, our existing shareholders prior to the consummation of this offering, including our co-founders, will together hold all of our issued and outstanding Class B ordinary shares and therefore, individually or together, will be able to significantly influence matters submitted to our shareholders for approval, including the election of directors, amendments of our organizational documents and any merger or other major corporate transactions that require shareholder approval. Our existing shareholders, including our co-founders, individually or together, may vote in a way with which you disagree and which may be adverse to your interests. This concentrated voting power may have the effect of delaying, preventing or deterring a change in control of our Company, could deprive our shareholders of an opportunity to receive a premium for their shares as part of a sale of our company and might ultimately materially and adversely affect the market price of our Class A ordinary shares. Future transfers by the holders of Class B ordinary shares will result in those shares converting into Class A ordinary shares, subject to limited exceptions. Additional Class B ordinary shares may be issued upon the exercise of outstanding options, and any future issuance of Class B ordinary shares would be dilutive to Class A ordinary shareholders.

For information about our dual class structure, see the section titled "Description of our Share Capital and Articles of Association."

If we do not meet the expectations of securities analysts, if they do not publish research or reports about our business, or if they issue unfavorable commentary or downgrade our ordinary shares, the price of our Class A ordinary shares could decline.

The trading market for our Class A ordinary shares will rely in part on the research and reports that securities analysts publish about us and our business. The analysts' estimates are based upon their own

opinions and are often different from our estimates or expectations. We do not have any control over these analysts. If our revenue or our other results of operations are below the estimates or expectations of public market analysts and investors, the price of our Class A ordinary shares could decline. Moreover, the price of our Class A ordinary shares could decline if one or more securities analysts downgrade our ordinary shares or if those analysts issue other unfavorable commentary or cease publishing reports about us or our business.

There has been no prior public market for our Class A ordinary shares, and an active trading market may not develop.

Prior to this offering, there has been no public market for our Class A ordinary shares. An active trading market may not develop following the closing of this offering or, if developed, may not be sustained. The lack of an active market may impair your ability to sell your shares at the time you wish to sell them or at a price that you consider reasonable. In addition, we, our executive officers and directors, and holders of substantially all of our outstanding ordinary shares have agreed to certain lock-up agreements with the underwriters, which may further limit liquidity during such period. For information about the lock-up agreements, see the section titled "Shares Eligible for Future Sale — Lock-Up Agreements." An inactive market may also impair our ability to raise capital by selling Class A ordinary shares and may impair our ability to acquire other companies by using our shares as consideration.

In addition, we currently anticipate that up to % of the Class A ordinary shares offered hereby will, at our request, be offered to retail investors through Robinhood Financial, LLC or SoFi Securities LLC, as selling group members, via their online brokerage platforms. There may be risks associated with the use of such platforms that we cannot foresee, including risks related to the technology and operation of such platforms, and the publicity and the use of social media by users of such platforms that we cannot control.

You will experience immediate and substantial dilution in the net tangible book value of the Class A ordinary shares you purchase in this offering.

The initial public offering price of our Class A ordinary shares substantially exceeds the net tangible book value per ordinary share immediately after this offering. Therefore, if you purchase our ordinary shares in this offering, you will suffer, as of March 31, 2023, immediate dilution of $ per Class A ordinary share or $ per Class A ordinary share if the underwriters exercise in full their option to purchase additional Class A ordinary shares, in net tangible book value after giving effect to the sale of Class A ordinary shares in this offering at an assumed initial public offering price of $ per ordinary share, which is the midpoint of the price range set forth on the cover page of this prospectus. If outstanding options to purchase our ordinary shares are exercised or we issue additional ordinary shares in the future, you will experience additional dilution. See the section titled "Dilution."

The market price of our Class A ordinary shares could be negatively affected by future issuances and sales of our Class A ordinary shares.

After this offering, there will be Class A ordinary shares and Class B ordinary shares outstanding. Sales by us or our shareholders of a substantial number of Class A ordinary shares, including Class B ordinary shares, which will automatically convert into Class A ordinary shares upon transfer, in the public market following this offering, or the perception that these sales might occur, could cause the market price of our Class A ordinary shares to decline or could impair our ability to raise capital through a future sale of, or pay for acquisitions using, our equity securities. Of our issued and outstanding shares, all the Class A ordinary shares sold in this offering will be freely transferable, except for any shares acquired by our "affiliates," as that term is defined in Rule 144 under the Securities Act.

We, our executive officers and directors, and the holders of substantially all of our outstanding ordinary shares immediately prior to this offering, have agreed, subject to certain exceptions and certain early release provisions, for a period of 180 days after the date of this prospectus, or the Lock-Up Period, to not directly or indirectly offer, pledge, sell, contract to sell, grant any option to purchase or otherwise dispose of any ordinary shares or any securities convertible into or exercisable or exchangeable

for ordinary shares (including the Class B ordinary shares), or in any manner transfer all or a portion of the economic consequences associated with the ownership of Class A ordinary shares, or cause a registration statement covering any Class A ordinary shares to be filed except for the Class A ordinary shares offered in this offering, without the prior written consent of Goldman Sachs and & Co. LLC and Morgan Stanley & Co. LLC who may, in their sole discretion and at any time without notice, release all or any portion of the ordinary shares subject to these lock-up agreements.

Following the expiration of the Lock-Up Period, the ordinary shares subject to these lock-up agreements will be available for sale in the public markets subject to the requirements of Rule 144. See the section titled "Shares Eligible for Future Sale." As of March 31, 2023, we had Class A ordinary shares available for future grants under our equity incentive plans and Class A ordinary shares that were subject to share options and restricted share units. Of this amount, Class A ordinary shares were vested and exercisable. Substantially all of the outstanding share options will be subject to market standoff provisions pursuant to the terms of our equity incentive plans and will be available for sale following the expiration of the Lock-Up Period. Following this offering, we intend to file a registration statement on Form S-8 under the Securities Act registering the shares under our equity incentive plans. Subject to the market standoff agreements, shares included in such registration statement will be available for sale in the public market immediately after such filing, subject to vesting provisions, except for shares held by affiliates who will have certain restrictions on their ability to sell.

We do not currently intend to pay dividends for the foreseeable future.

We currently intend to retain any future earnings to finance the operation and expansion of our business and we do not currently expect to declare or pay any dividends in the foreseeable future. As a result, shareholders must rely on sales of their ordinary shares after price appreciation, which may never occur as the only way to realize any future gains on their investment. As a result, investors seeking cash dividends should not purchase our ordinary shares. See the sections titled "Description of Share Capital and Articles of Association — Dividend and Liquidation Rights" and "Dividend Policy" for additional information.

Payment of dividends may also be subject to Israeli withholding taxes. See the section titled "Taxation and Government Programs — Israeli Tax Considerations" for additional information.

We have broad discretion over the use of proceeds we receive in this offering and may not apply the proceeds in ways that increase the value of your investment.

We intend to use the net proceeds from this offering as set forth in the section titled "Use of Proceeds." Our management will have broad discretion in the application of the net proceeds from this offering, and, as a result, you will have to rely upon the judgment of our management with respect to the use of these proceeds. Our management may spend a portion or all of the net proceeds in ways that not all shareholders approve of, or that may not yield a favorable return.

The failure by our management to apply these funds effectively could adversely affect our business, financial condition and results of operations.

We qualify as an emerging growth company, as defined in the Securities Act, and we cannot be certain if the reduced disclosure requirements applicable to emerging growth companies will make our Class A ordinary shares less attractive to investors because we may rely on these reduced disclosure requirements.

We qualify as an emerging growth company, as defined in Section 2(a) of the Securities Act of 1933, as amended, or the Securities Act, as modified by the JOBS Act. Under the JOBS Act, emerging growth companies can delay adopting new or revised financial accounting standards until such time as those standards apply to private companies. We intend to take advantage of this extended transition period under the JOBS Act for adopting new or revised financial accounting standards. For as long as we continue to be an emerging growth company, we may also take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not emerging growth companies, including presenting only limited selected financial data and not

being required to comply with the auditor attestation requirements of Section 404(b) of the Sarbanes-Oxley Act. As a result, our shareholders may not have access to certain information that they may deem important. We could be an emerging growth company for up to five years, although circumstances could cause us to lose that status earlier, including if our total annual revenue is at least $1.235 billion, if we issue more than $1.0 billion in non-convertible debt securities during any three-year period, or if before that time we become a "large accelerated filer" under U.S. securities laws. We cannot predict if investors will find our Class A ordinary shares less attractive because we may rely on these exemptions. If some investors find our Class A ordinary shares less attractive as a result, there may be a less active trading market for our Class A ordinary shares and our share price may be more volatile.

We will be a foreign private issuer, and, as a result, we will not be subject to U.S. proxy rules and will be subject to Exchange Act reporting obligations that, to some extent, are more lenient and less frequent than those of a U.S. domestic public company.

Upon the closing of this offering, we will report under the Exchange Act as a non-U.S. company with foreign private issuer status. Because we qualify as a foreign private issuer under the Exchange Act, we are exempt from certain provisions of the Exchange Act that are applicable to U.S. domestic public companies, including (i) the sections of the Exchange Act regulating the solicitation of proxies, consents, or authorizations in respect of a security registered under the Exchange Act, (ii) the sections of the Exchange Act requiring insiders to file public reports of their share ownership and trading activities and liability for insiders who profit from trades made in a short period of time, (iii) the rules under the Exchange Act requiring the filing with the SEC of current reports on Form 8-K upon the occurrence of specified significant events, although we are subject to Israeli laws and regulations with regards to certain of these matters, and (iv) the rules under the Exchange Act requiring the filing with the SEC of quarterly reports on Form 10-Q containing unaudited financial and other specified information, although we are subject to Israeli laws and regulations with regard to certain of these matters and intend to announce quarterly unaudited results in earnings press releases. In addition, foreign private issuers are not required to file their annual report on Form 20-F until four months after the end of each fiscal year, while U.S. domestic issuers that are accelerated filers are required to file their annual report on Form 10-K within 75 days after the end of each fiscal year, and U.S. domestic issuers that are large accelerated filers are required to file their annual report on Form 10-K within 60 days after the end of each fiscal year. Foreign private issuers are also exempt from Regulation FD, which prohibits selective disclosures of material information. As a result of all of the above, you may not have the same protections afforded to shareholders of a company that is not a foreign private issuer.

The determination of foreign private issuer status is made annually on the last business day of an issuer's most recently completed second fiscal quarter. In the future, we would lose our foreign private issuer status if (i) more than 50% of our outstanding voting securities are owned by U.S. residents and (ii) a majority of our directors or executive officers are U.S. citizens or residents, or we fail to meet additional requirements necessary to avoid loss of foreign private issuer status. If we lose our foreign private issuer status, we will be required to file with the SEC periodic reports and registration statements on U.S. domestic issuer forms, which are more detailed and extensive than the forms available to a foreign private issuer. We will also have to mandatorily comply with U.S. federal proxy requirements, and our officers, directors, and more than 10% shareholders will become subject to the short-swing profit disclosure and recovery provisions of Section 16 of the Exchange Act. In addition, we will lose our ability to rely upon exemptions from certain corporate governance rules of Nasdaq. As a U.S. listed public company that is not a foreign private issuer, we will incur significant additional legal, accounting and other expenses that we will not incur as a foreign private issuer.

As we are a "foreign private issuer" and intend to follow certain home country corporate governance practices, our shareholders may not have the same protections afforded to shareholders of companies that are subject to all corporate governance rules of Nasdaq.

As a foreign private issuer, we have the option to follow certain home country corporate governance practices rather than those of Nasdaq, provided that we disclose the requirements we are not following and describe the home country practices we are following. We intend to rely on this "foreign private issuer exemption" with respect to Nasdaq rules for shareholder meeting quorums. See the section titled

"Management — Corporate Governance Practices." We may in the future elect to follow home country practices with regard to other matters. As a result, our shareholders may not have the same protections afforded to shareholders of companies that are subject to all corporate governance rules of Nasdaq.

There can be no assurance that we will not be classified as a passive foreign investment company, which could result in adverse U.S. federal income tax consequences to United States Holders of our Class A ordinary shares.

We would be a passive foreign investment company, or PFIC, for any taxable year if, after the application of certain look-through rules, either: (i) 75% or more of our gross income for such year is "passive income" (as defined in the relevant provisions of the Internal Revenue Code of 1986, as amended, or the Code); or (ii) 50% or more of the value of our assets (generally determined on the basis of a quarterly average) during such year is attributable to assets that produce or are held for the production of passive income. For these purposes, cash and other assets readily convertible into cash or that do or could generate passive income are categorized as passive assets, and the value of goodwill and other unbooked intangible assets is generally taken into account. Passive income generally includes, among other things, rents, dividends, interest, royalties, gains from the disposition of passive assets, and gains from commodities and securities transactions. For purposes of this test, we will be treated as owning a proportionate share of the assets and earning a proportionate share of the income of any other corporation of which we own, directly or indirectly, at least 25% (by value) of the stock. Based on our anticipated market capitalization and the composition of our income, assets, and operations, we do not expect to be a PFIC for U.S. federal income tax purposes for the current taxable year or in the foreseeable future. However, this is a factual determination that must be made annually after the close of each taxable year. Moreover, the aggregate value of our assets for purposes of the PFIC determination following the offering generally will be determined by reference to the public price of our Class A ordinary shares, which could fluctuate significantly. Accordingly, there can be no assurance that we will not be classified as a PFIC in the current taxable year or in the future. Certain adverse U.S. federal income tax consequences could apply to a United States Holder (as defined in the section titled "Taxation and Government Programs — U.S. Federal Income Tax Considerations") if we are treated as a PFIC for any taxable year during which such United States Holder holds our Class A ordinary shares. United States Holders should consult their tax advisors about the potential application of the PFIC rules to their investment in our Class A ordinary shares. For further discussion, see the section titled "Taxation and Government Programs — U.S. Federal Income Tax Considerations — Passive Foreign Investment Company."

If a United States person is treated as owning 10% or more of our shares, such holder may be subject to adverse U.S. federal income tax consequences.

If a United States person is treated as owning (directly, indirectly, or constructively) at least 10% of the value or voting power of our shares, such person may be treated as a "United States shareholder" with respect to each controlled foreign corporation, or CFC, in our group (if any). Because our group includes one or more U.S. subsidiaries, certain of our non-U.S. subsidiaries are expected to be treated as CFCs (regardless of whether we are treated as a CFC). A United States shareholder of a CFC may be required to report annually and include in its U.S. taxable income its pro rata share of "Subpart F income," "global intangible low-taxed income," and investments in U.S. property by CFCs, regardless of whether we make any distributions. An individual that is a United States shareholder with respect to a CFC generally would not be allowed certain tax deductions or foreign tax credits that would be allowed to a United States shareholder that is a U.S. corporation. Failure to comply with these reporting obligations may subject a United States shareholder to significant monetary penalties, and may prevent the statute of limitations with respect to such shareholder's U.S. federal income tax return for the year for which reporting was due from starting. We cannot provide any assurances that we will assist investors in determining whether we are or any of our non-U.S. subsidiaries is treated as CFC or whether any investor is treated as a United States shareholder with respect to any such CFC or furnish to any United States shareholder information that may be necessary to comply with the aforementioned reporting and tax paying obligations. The United States Internal Revenue Service has provided limited guidance on situations in which investors may rely on publicly available information to comply with their

reporting and tax paying obligations with respect to foreign-controlled CFCs. A United States investor should consult its advisors regarding the potential application of these rules to an investment in our Class A ordinary shares.

General Risk Factors

Our business could be negatively impacted by corporate citizenship and sustainability matters.

There is an increased focus from certain investors, consumers, employees, and other shareholders concerning corporate citizenship, climate change, and sustainability matters. From time to time, we may announce certain initiatives, including goals, regarding our focus areas, which include environmental matters, packaging, responsible sourcing, social investments, and inclusion and diversity. We could fail, or be perceived to fail, in our achievement of such initiatives or goals, or we could fail in accurately reporting our progress on such initiatives and goals. Such failures could be due to changes in our business (e.g., shifts in business among distribution channels). Moreover, the standards by which citizenship and sustainability efforts and related matters are measured are developing and evolving, and certain areas are subject to assumptions. The standards or assumptions could change over time. In addition, we could be criticized for the scope of such initiatives or goals or perceived as not acting responsibly in connection with these matters. Any such matters, or related corporate citizenship and sustainability matters, could lead to negative publicity and have an adverse effect on our business.

If we pursue acquisitions, such acquisitions may expose us to additional risks.

We have in the past and may in the future, review and pursue acquisition and strategic investment opportunities, such as our acquisition of Revela, to expand our current product offerings and distribution channels, increase the size and geographic scope of our operations, or otherwise offer growth and operating efficiency opportunities. There can be no assurance that we will be able to identify suitable candidates or consummate these transactions on favorable terms. If required, the financing for these transactions could result in an increase in our indebtedness, dilute the interests of our shareholders, or both. The purchase price for some acquisitions may include additional amounts to be paid in cash in the future, a portion of which may be contingent on the achievement of certain future operating results of the acquired business. If the performance of any such acquired business exceeds such operating results, then we may incur additional charges and be required to pay additional amounts. Furthermore, if we enter into acquisition or strategic investment agreements, including for our purchase of Revela, there can be no guarantee that such acquisition or investment will satisfy all necessary conditions to be consummated and closed.

Our failure to successfully complete the integration of any acquired business or to achieve the long-term plan for such business, as well as any other adverse consequences associated with our acquisition and investment activities, could have an adverse effect on our business.

We are not insured against all risks affecting our activities and our insurance coverage may not be sufficient to cover all losses and/or liabilities that may be incurred by our operations.

We cannot provide assurance that our insurance coverage will always be available or will always be sufficient to cover any damages resulting from any kind of claims. In addition, there are certain types of risks that may not be covered by our policies, such as war, force majeure, or certain business interruptions. In addition, we cannot provide assurance that when our current insurance policies expire, we will be able to renew them with sufficient and favorable terms, and the failure to renew our insurance policies may adversely affect us.

Our quarterly results of operations may fluctuate, and if our operating and financial performance in any given period does not meet the guidance that we have provided to the public or the expectations of our investors and securities analysts, the trading price of our Class A ordinary shares may decline.

Our quarterly results of operations may fluctuate for a variety of reasons, many of which are beyond our control. These reasons include those described in these risk factors as well as the following:

- our ability to effectively launch new brands and products;
- fluctuations in the levels or quality of inventory;
- fluctuations in capacity as we expand our operations;
- our success in engaging existing customers and attracting new customers;
- the amount and timing of our operating expenses;
- the timing and success of new product launches and expansion into new geographic markets;
- the impact of competitive developments and our response to those developments;
- the impact of the COVID-19 pandemic;
- our ability to manage our existing business and future growth; and
- economic and market conditions, particularly those affecting our industry.

Fluctuations in our quarterly results of operations may cause those results to fall below the guidance that we have provided to the public or the expectations of our investors and securities analysts, which could cause the trading price of our Class A ordinary shares to decline. Fluctuations in our results could also cause a number of other problems. For example, analysts or investors might change their models for valuing our Class A ordinary shares, we could experience short-term liquidity issues, our ability to retain or attract key personnel may diminish, and other unanticipated issues may arise.

In addition, we believe that our quarterly results of operations may vary in the future and that period-to-period comparisons of our results of operations may not be meaningful. You should not rely on the results of one quarter as an indication of future performance.

Certain of our key operating metrics are subject to inherent challenges in measurement, and any real or perceived inaccuracies in our metrics or the underlying data may cause a loss of investor confidence in such metrics and the market price of our Class A ordinary shares may decline.

We track certain key operating metrics using internal data analytics tools, which have certain limitations. In addition, we rely on data received from third parties, including third-party platforms, to track certain performance indicators, and we may be limited in our ability to verify such data. In addition, our methodologies for tracking metrics may change over time, which could result in changes to the metrics we report. If we undercount or overcount performance due to the internal data analytics tools we use or issues with the data received from third parties, or if our internal data analytics tools contain algorithmic or other technical errors, the data we report may not be accurate or comparable with prior periods. In addition, limitations, changes, or errors with respect to how we measure data may affect our understanding of certain details of our business, which could affect our longer-term strategies. If our performance metrics are not, or are not perceived to be, accurate representations of our business, if we discover material inaccuracies in our metrics or the data on which such metrics are based, or if we can no longer calculate any of our key performance metrics with a sufficient degree of accuracy, investors could lose confidence in the accuracy and completeness of such metrics, which could cause the price of our Class A ordinary shares to decline.

The estimates of market opportunity and forecasts of market growth included in this prospectus may prove to be inaccurate, and even if the markets in which we compete achieve the forecasted growth, our business could fail to grow at similar rates, or at all.

The estimates of market opportunity and forecasts of market growth included in this prospectus may prove to be inaccurate. Market opportunity estimates and growth forecasts are subject to significant uncertainty and are based on assumptions and estimates that may not prove to be accurate, including as a result of any of the risks described in this prospectus.

The variables that go into the calculation of our market opportunity are subject to change over time, and there is no guarantee that any particular number or percentage of addressable consumers

covered by our market opportunity estimates will purchase our products at all or generate any particular level of net revenue for us. In addition, our ability to expand in any of our target markets depends on a number of factors, including the cost, performance, and perceived value associated with our products and other haircare products. Even if the markets in which we compete meet the size estimates and growth forecasted in this prospectus, our business could fail to grow at similar rates, or at all. Our growth is subject to many factors, including our success in implementing our business strategy, which is subject to many risks and uncertainties. Accordingly, the forecasts of market growth included in this prospectus should not be taken as indicative of our future growth.

Our results of operations could be adversely affected by natural disasters (including as a result of climate change), public health crises, political crises, or other catastrophic events.

Natural disasters, such as earthquakes, wildfires, hurricanes, tornadoes, floods, and other adverse weather and climate conditions; unforeseen public health crises, such as epidemics and pandemics, including the ongoing COVID-19 pandemic; political crises, such as terrorist attacks, war, and other political instability (including the political and military events in Ukraine); or other catastrophic events, whether occurring in the United States or internationally, could disrupt our operations in any of our offices and distribution centers or the operations of one or more of our third-party providers or vendors. In addition, certain types of natural disasters have tended to become more frequent and/or severe as a result of climate change. These types of events could impact our supply chain, including the ability of third parties to manufacture and ship products and our ability to ship products to consumers from or to the impacted region. In addition, these types of events could negatively impact consumer spending in the impacted regions. To the extent any of these events occur, our business, financial condition, and results of operations could be adversely affected.

The ongoing military action between Russia and Ukraine could adversely affect our business, financial condition and results of operations.

On February 24, 2022, Russian military forces commenced military operations in Ukraine, and sustained conflict and disruption in the region is likely. Although the length, impact and outcome of the ongoing military conflict in Ukraine is highly unpredictable, this conflict could lead to significant market and other disruptions, including significant volatility in commodity prices and supply of energy resources, resulting in increases in the cost of shipping and transportation, instability in financial markets, supply chain interruptions, political and social instability, changes in consumer or purchaser preferences as well as increase in cyberattacks and espionage.

Russia's military action against Ukraine has led to an unprecedented expansion of sanction programs imposed by the United States, the European Union, the United Kingdom, Canada, Switzerland, Japan and other countries against Russia, Belarus, the Crimea Region of Ukraine, the so-called Donetsk People's Republic and the so-called Luhansk People's Republic.

We are actively monitoring the situation in Ukraine and will continue to assess any impact it may have on our business. Although we have no physical presence in either Ukraine or Russia, as of March 31, 2023, we had contracts with approximately 71 Ukrainian independent entrepreneurs who provide us with software development services. Although the conflict in Ukraine has not had any material impact on our operations to date, we have no way to predict the progress or outcome of the conflict or its impacts in Ukraine, Russia or Belarus, as the conflict and any resulting government reactions, are rapidly developing and beyond our control. The extent and duration of the military action, sanctions and resulting market disruptions could be significant and could potentially have substantial impact on the global economy and our business for an unknown period of time. Any of the abovementioned factors could affect our business, financial condition and results of operations. Any such disruptions may also magnify the impact of other risks described in this Prospectus.

We will incur significant additional costs as a result of being a public company, and our management will be required to devote substantial time to compliance with our public company responsibilities and corporate governance practices.

Upon completion of this offering, we expect to incur increased costs associated with corporate governance requirements that will become applicable to us as a public company, including rules and

regulations of the SEC, under the Sarbanes-Oxley Act, the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, and the Exchange Act, as well as the rules of Nasdaq. These rules and regulations are expected to significantly increase our accounting, legal, and financial compliance costs and make some activities more time consuming.

We expect such expenses to further increase after we are no longer an "emerging growth company." We also expect these rules and regulations to make it more expensive for us to maintain directors' and officers' liability insurance. As a result, it may be more difficult for us to attract and retain qualified persons to serve on our Board of Directors or as executive officers. Furthermore, these rules and regulations will increase our legal and financial compliance costs and will make some activities more time-consuming and costly. We cannot predict or estimate the amount of additional costs we will incur as a public company or the timing of such costs. In addition, our management team will need to devote substantial attention to transitioning to interacting with public company analysts and investors and complying with the increasingly complex laws pertaining to public companies, which may divert attention away from the day-to-day management of our business. Increases in costs incurred or diversion of management's attention as a result of becoming a publicly traded company may adversely affect our business, financial condition, and results of operations.

If our estimates or judgments relating to our critical accounting policies are based on assumptions that change or prove to be incorrect, our results of operations could fall below the expectations of our investors and securities analysts, resulting in a decline in the trading price of our Class A ordinary shares.

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in our financial statements and accompanying notes. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances, as discussed in the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" included elsewhere in this prospectus, the results of which form the basis for making judgments about the carrying values of assets, liabilities, equity, net revenue, and expenses that are not readily apparent from other sources. Our results of operations may be adversely affected if our assumptions change or if actual circumstances differ from those in our assumptions, which could cause our results of operations to fall below our publicly announced guidance or the expectations of securities analysts and investors, resulting in a decline in the market price of our Class A ordinary shares.

If we fail to maintain an effective system of disclosure controls and internal control over financial reporting, our ability to produce timely and accurate financial statements or comply with applicable regulations could be impaired.

The Sarbanes-Oxley Act requires, among other things, that we maintain effective disclosure controls and procedures and internal control over financial reporting. We are continuing to develop and refine our disclosure controls and other procedures that are designed to ensure that information required to be disclosed by us in the reports that we will file with the SEC is recorded, processed, summarized, and reported within the time periods specified in SEC rules and forms and that information required to be disclosed in reports under the Exchange Act is accumulated and communicated to our principal executive and financial officers.

We are continuing to improve our internal control over financial reporting. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, we have expended, and anticipate that we will continue to expend, significant resources, including accounting-related costs and significant management oversight. If any of these new or improved controls and systems do not perform as expected, we may experience material weaknesses in our controls. In addition to our results determined in accordance with U.S. GAAP, we believe certain non-GAAP measures and key metrics may be useful in evaluating our operating performance. We present certain non-GAAP financial measures and key performance metrics in this prospectus and intend to continue to present certain non-GAAP financial measures and key performance metrics in future filings with the SEC and other public statements. Any failure to accurately report and present our non-GAAP financial measures and key performance metrics could cause investors to lose confidence in our

reported financial and other information, which would likely have a negative effect on the trading price of our Class A ordinary shares.

Our current controls and any new controls that we develop may become inadequate because of changes in conditions in our business. Further, weaknesses in our disclosure controls and internal control over financial reporting may be discovered in the future. Any failure to develop or maintain effective controls or any difficulties encountered in their implementation or improvement could harm our business, financial condition, and results of operations or cause us to fail to meet our reporting obligations and may result in a restatement of our consolidated financial statements for prior periods. Any failure to implement and maintain effective internal control over financial reporting also could adversely affect the results of periodic management evaluations and annual independent registered public accounting firm attestation reports regarding the effectiveness of our internal control over financial reporting that we will eventually be required to include in our periodic reports that will be filed with the SEC after we lose our status as an emerging growth company. Ineffective disclosure controls and procedures and internal control over financial reporting could also cause investors to lose confidence in our reported financial and other information, which would likely have a negative effect on the trading price of our Class A ordinary shares. In addition, if we are unable to continue to meet these requirements, we may not be able to remain listed on Nasdaq.

We are not currently required to comply with the SEC rules that implement Section 404 of the Sarbanes-Oxley Act, or Section 404, and are therefore not required to make a formal assessment of the effectiveness of our internal control over financial reporting for that purpose. Upon becoming a publicly traded company, we will be required to comply with the SEC's rules implementing Sections 302 and 404 of the Sarbanes-Oxley Act, which will require management to certify financial and other information in our annual reports and provide an annual management report on the effectiveness of control over financial reporting commencing with our second annual report on Form 20-F. Though we will be required to disclose material changes in internal control over financial reporting on an annual basis, we will not be required to make our first annual assessment of our internal control over financial reporting pursuant to Section 404 until the year following our first annual report required to be filed with the SEC. Additionally, while we remain an emerging growth company, we will not be required to include an attestation report on internal control over financial reporting issued by our independent registered public accounting firm. To achieve compliance with Section 404 within the prescribed period, we will be engaged in a process to document and evaluate our internal control over financial reporting, which is both costly and challenging. In this regard, we will need to continue to dedicate internal resources, potentially engage outside consultants, and adopt a detailed work plan to assess and document the adequacy of internal control over financial reporting, continue steps to improve control processes as appropriate, validate through testing that controls are functioning as documented, and implement a continuous reporting and improvement process for internal control over financial reporting. We currently have limited accounting personnel, and we have begun the process of evaluating the adequacy of our accounting personnel staffing level and other matters related to our internal control over financial reporting. Despite our efforts, there is a risk that we will not be able to conclude, within the prescribed time frame or at all, that our internal control over financial reporting is effective as required by Section 404. If we identify one or more material weaknesses once we are a public company, it could result in an adverse reaction in the financial markets due to a loss of confidence in the reliability of our financial statements. As a result, the market price of our Class A ordinary shares could be negatively affected, and we could become subject to investigations by the SEC or other regulatory authorities, which could require additional financial and management resources.

Our independent registered public accounting firm is not required to formally attest to the effectiveness of our internal control over financial reporting until after we are no longer an "emerging growth company" as defined in the JOBS Act. At such time, our independent registered public accounting firm may issue a report that is adverse in the event it is not satisfied with the level at which our internal control over financial reporting is documented, designed or operating. Any failure to maintain effective disclosure controls and internal control over financial reporting could adversely affect our business, financial condition, and results of operations, and could cause a decline in the price of our Class A ordinary shares.

Our disclosure controls and procedures may not prevent or detect all errors or acts of fraud.

Upon the closing of this offering, we will become subject to the periodic reporting requirements of the Exchange Act. We designed our disclosure controls and procedures to provide reasonable assurance that information we must disclose in reports we file or submit under the Exchange Act is accumulated and communicated to management, and recorded, processed, summarized, and reported within the time periods specified in the rules and forms of the SEC. We believe that any disclosure controls and procedures, no matter how well-conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by an unauthorized override of the controls. Accordingly, because of the inherent limitations in our control system, misstatements due to error or fraud may occur and not be detected.

Our reported financial results may be negatively impacted by changes in U.S. GAAP.

U.S. GAAP is subject to interpretation by the Financial Accounting Standards Board, or FASB, the SEC and various bodies formed to promulgate and interpret appropriate accounting principles. FASB has in the past issued new or revised accounting standards that superseded existing guidance and significantly impacted the reporting of financial results. Any future change in U.S. GAAP principles or interpretations could also have a significant effect on our reported financial results and may even affect the reporting of transactions completed before the announcement or effectiveness of a change. It is difficult to predict the impact of future changes to accounting principles or our accounting policies, any of which could negatively affect our reported results of operations.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements about us and our industry that involve substantial risks and uncertainties. All statements other than statements of historical facts contained in this prospectus, including statements regarding our strategy, future financial condition, future operations, projected costs, prospects, plans, objectives of management, and expected market growth, are forward-looking statements. In some cases, you can identify forward-looking statements because they contain words such as “aim,” “anticipate,” “believe,” “contemplate,” “continue,” “could,” “estimate,” “expect,” “goal,” “intend,” “may,” “objective,” “plan,” “potential,” “predict,” “project,” “shall,” “should,” “target,” “will,” or “seek,” or the negative of these words or other similar terms or expressions that concern our expectations, strategy, plans, or intentions. Forward-looking statements contained in this prospectus include, but are not limited to, statements about:

- our ability to execute our business model, including our ability to successfully launch new products and brands;
- our expectations regarding our financial and business performance;
- the size of our addressable market, market share, and market trends;
- our ability to attract and retain a large number of consumers;
- our ability to anticipate the needs and wants of consumers;
- our ability to compete effectively;
- anticipated trends, developments, and challenges in our industry;
- the sufficiency of our cash and cash equivalents;
- our future capital requirements and sources and uses of cash;
- our ability to effectively manage our supply chain;
- our ability to attract and retain key personnel;
- our business, expansion plans, and opportunities, including our ability to scale our operations and manage our future growth effectively;
- our expectations regarding our ability to obtain, maintain, protect, defend, and enforce our intellectual property rights and operate without infringing, misappropriating, or otherwise violating the intellectual property rights of others;
- our ability to comply with and adapt to changes in laws and regulatory requirements applicable to our business, including with respect to data privacy and security;
- the impact of health epidemics, including the COVID-19 pandemic, on our business;
- our expectation regarding any litigation, regulatory proceedings, complaints, product liability claims, and/or adverse publicity; and
- our intended use of the net proceeds from this offering.

We caution you that the foregoing list does not contain all of the forward-looking statements made in this prospectus.

You should not rely upon forward-looking statements as predictions of future events. We have based the forward-looking statements contained in this prospectus primarily on our current expectations, estimates, forecasts, and projections about future events and trends that we believe may affect our business, financial condition, results of operations, and prospects. Although we believe that we have a reasonable basis for each forward-looking statement contained in this prospectus, we cannot guarantee that the future results, levels of activity, performance, or events and circumstances reflected in the forward-looking statements will be achieved or occur at all. The outcomes of the events described in these forward-looking statements are subject to risks, uncertainties, and other factors described in the section titled “Risk Factors” and elsewhere in this prospectus. Moreover, we operate in a very competitive

and rapidly changing environment. New risks and uncertainties emerge from time to time, and it is not possible for us to predict all risks and uncertainties that could have an impact on the forward-looking statements contained in this prospectus.

The forward-looking statements made in this prospectus relate only to events as of the date on which the statements are made. We undertake no obligation to update any forward-looking statements made in this prospectus to reflect events or circumstances after the date of this prospectus or to reflect new information or the occurrence of unanticipated events, except as required by law.

In addition, statements that “we believe” and similar statements reflect our beliefs and opinions on the relevant subject. These statements are based upon information available to us as of the date of this prospectus, and while we believe such information forms a reasonable basis for such statements, such information may be limited or incomplete, and our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all potentially available relevant information. These statements are inherently uncertain.

You should read this prospectus and the documents that we reference in this prospectus and have filed as exhibits to the registration statement of which this prospectus is a part completely and with the understanding that our actual future results may be materially different from what we expect. We may not actually achieve the plans, intentions, or expectations disclosed in our forward-looking statements, and you should not place undue reliance on our forward-looking statements. We qualify all of the forward-looking statements in this prospectus by these cautionary statements.

USE OF PROCEEDS

We estimate that the net proceeds to us from this offering, after deducting underwriting discounts and commissions, and estimated offering expenses payable by us, will be approximately $ million (or approximately $ million if the underwriters exercise in full their option to purchase additional Class A ordinary shares), assuming an initial public offering price of $ per Class A ordinary share, which is the midpoint of the price range set forth on the cover page of this prospectus. We will not receive any proceeds from the sale of Class A ordinary shares by the selling shareholders.

The principal purposes of this offering are to obtain additional working capital, to create a public market for our Class A ordinary shares, and to facilitate our future access to the public equity markets. We intend to use the net proceeds from this offering for developing and launching new brands, working capital, and other general corporate purposes. We may also use a portion of the proceeds to acquire or invest in businesses, brands, products, services, or technologies; however, we do not have agreements or commitments for any material acquisitions or investments at this time.

We will have broad discretion in the way that we use the net proceeds of this offering. Our use of the net proceeds from this offering will depend on a number of factors, including our future revenue and cash generated by operations, and the other factors described in the section titled “Risk Factors.”

A $1.00 increase (decrease) in the assumed initial public offering price of $ per Class A ordinary share would increase (decrease) the net proceeds to us from this offering by approximately $ million, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting underwriting discounts and commissions. Each increase (decrease) of 1,000,000 shares in the number of Class A ordinary shares offered by us would increase (decrease) the net proceeds to us from this offering by approximately $ million, assuming that the assumed initial public offering price of $ per Class A ordinary share remains the same and after deducting the underwriting discounts and commissions payable by us.

DIVIDEND POLICY

We do not currently anticipate paying any dividends on our ordinary shares following this offering and currently expect to retain all future earnings for use in the operation and expansion of our business. Following this offering, we may reevaluate our dividend policy. The declaration, amount and payment of any future dividends on our ordinary shares will be at the sole discretion of our Board of Directors, which may take into account general and economic conditions, our financial condition and results of operations, our available cash and current and anticipated cash needs, capital requirements, contractual, legal, tax and regulatory restrictions and implications on the payment of dividends by us to our shareholders or by our subsidiaries to us, including restrictions under other indebtedness we may incur, and such other factors as our Board of Directors may deem relevant. If we elect to pay such dividends in the future, we may reduce or discontinue entirely the payment of such dividends at any time. See the section titled "Description of Share Capital and Articles of Association — Dividend and Liquidation Rights" for additional information.

Payment of dividends may be subject to Israeli withholding taxes. See the section titled "Taxation and Government Programs — Israeli Tax Considerations" for additional information.

CAPITALIZATION

The following table sets forth our cash and cash equivalents and total capitalization as of March 31, 2023:

- on an actual basis;
- on a pro forma basis, to reflect (i) the renaming of our ordinary shares to Class A ordinary shares, (ii) (iii) the issuance and distribution of 1,697,311 Class B ordinary shares to holders of the Class A ordinary shares, (iii) the Share Split, (iv) the automatic conversion of all outstanding Redeemable A shares into an aggregate of 63,904 shares of our Class A ordinary shares, (v) Digital Security Conversion, and (vi) the adoption or our amended and restated articles of association; and
- on a pro forma as adjusted basis, to reflect the pro forma adjustments described immediately above and the issuance and sale of Class A ordinary shares in this offering at an assumed initial public offering price of $ per Class A ordinary share, which is the midpoint of the price range set forth on the cover page of this prospectus, after deducting underwriting discounts and commissions and the estimated offering expenses payable by us and the application of the net proceeds therefrom as described under the section titled "Use of Proceeds."

You should read this information in conjunction with the sections titled "Prospectus Summary — Summary Consolidated Financial and Other Data" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and related notes included elsewhere in this prospectus.

	As of March 31, 2023		
	Actual	Pro Forma	Pro Forma As Adjusted[2]
	(in thousands, except share and per share amounts; unaudited)		
Cash and cash equivalents, restricted cash and short term deposits	$ 110,099	$	$
Total indebtedness[1]	2,364	—	—
Redeemable A shares, par value NIS 0.001 per share: 2,000,000 shares authorized, actual; zero shares authorized, pro forma and pro forma as adjusted; 63,904 shares issued and outstanding, actual; zero shares issued and outstanding pro forma and pro forma as adjusted	12,275	—	—
Shareholders' equity:			
Class A ordinary shares, par value NIS 0.001 per share: 10,000,000 shares authorized, actual; shares authorized, pro forma and pro forma as adjusted; 2,493,673 shares issued and outstanding, actual; shares issued and outstanding, pro forma and pro forma as adjusted	(*)		
Class B ordinary shares, par value NIS 0.001 per share: 2,000,000 shares authorized, actual; shares authorized, pro forma and pro forma as adjusted; 910,826 shares issued and outstanding, actual; shares issued and outstanding, pro forma and pro forma as adjusted;	(*)		
Additional paid-in capital	55,782		
Cumulative translation adjustments	1,738		
Retained earnings	62,834		
Total shareholders' equity	120,354		
Total capitalization	$ 122,718	$	$

(*) Represents an amount lower than $1,000.

(1) Represents (i) borrowings of $1.0 million under the 2016 Credit Line, (ii) borrowings of $0.7 million under the 2020 Credit Facility, and (iii) the digital securities liability of $0.7 million. See "Management's Discussion and Analysis of Financial Condition and Results of Operations — Liquidity and Capital Resources" for additional information regarding the 2016 Credit Line and the 2020 Credit Facility, and "Description of Share Capital" for additional information regarding the digital securities.

(2) Each $1.00 increase (decrease) in the assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase (decrease) the pro forma as adjusted amount of each of cash and cash equivalents, additional paid-in capital, total shareholders' equity, and total capitalization by $ million, assuming that the number of Class A ordinary shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting underwriting discounts and commissions. Each increase (decrease) of 1,000,000 shares in the number of Class A ordinary shares offered by us would increase (decrease) the pro forma as adjusted amount of each of cash and cash equivalents, additional paid-in capital, total shareholders' equity, and total capitalization by approximately $ million, assuming the assumed initial public offering price remains the same and after deducting underwriting discounts and commissions.

If the underwriters' over-allotment option is exercised in full, pro forma cash and cash equivalents, additional paid-in capital, total shareholders' equity, total capitalization, and Class A ordinary shares outstanding as of March 31, 2023 would be $ million, $ million, $ million, $ million and shares, respectively.

DILUTION

If you invest in our Class A ordinary shares in this offering, your ownership interest will be immediately diluted to the extent of the difference between the initial public offering price per ordinary share and the net tangible book value per ordinary share after this offering. Our net tangible book value as of March 31, 2023 was $69.0 million, or $20.28 per ordinary share. Historical net tangible book value per ordinary share as of any date represents the amount of our total tangible assets less our total liabilities, divided by the total number of ordinary shares outstanding as of such date.

Our pro forma net tangible book value as of March 31, 2023 was $ million, or $ per ordinary share. Pro forma net tangible book value represents the amount of our total tangible assets less our total liabilities, after giving effect to the following which has been or will be effective prior to, or upon the closing of this offering: (i) the renaming of our ordinary shares to Class A ordinary shares, (ii) the issuance and distribution of 1,697,311 Class B ordinary shares to holders of the Class A ordinary shares, (iii) the Share Split, (iv) the automatic conversion of all outstanding Redeemable A shares into an aggregate of 63,904 shares of our Class A ordinary shares, (v) the Digital Security Conversion, and (vi) the adoption of or amended and restated articles of association. Pro forma net tangible book value per ordinary share as of any date represents pro forma net tangible book value divided by the total number of ordinary shares outstanding as of such date, after giving effect to the pro forma adjustments described above.

After giving effect to the sale of Class A ordinary shares in this offering at an assumed initial public offering price of $ per ordinary share, after deducting underwriting discounts and commissions and estimated offering expenses payable by us, and the application of the proceeds from this offering as described in the section titled “Use of Proceeds,” our pro forma as adjusted net tangible book value as of March 31, 2023 would have been $ million, or $ per Class A ordinary share. This amount represents an immediate increase in net tangible book value of $ per Class A ordinary share to our existing shareholders and an immediate dilution of $ per Class A ordinary share to new investors purchasing ordinary shares in this offering. We determine dilution by subtracting the net tangible book value per ordinary share after this offering from the amount of cash that a new investor paid for an ordinary share.

The following table illustrates this dilution:

Assumed initial public offering price per Class A ordinary share		$
Historical net tangible book value per ordinary share as of March 31, 2023	$ 20.28	
Decrease per ordinary share attributable to the pro forma adjustments described above		
Pro forma net tangible book value per ordinary share as of March 31, 2023		
Increase in pro forma net tangible book value per share attributable to this offering		
Pro forma as adjusted net tangible book value per share after this offering		
Dilution per ordinary share to new investors in this offering		$

A $1.00 increase (decrease) in the assumed initial public offering price of $ per Class A ordinary share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase (decrease) the net tangible book value per ordinary share by $, and increase (decrease) dilution to new investors by $ per ordinary share, in each case assuming that the number of Class A ordinary shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting underwriting discounts and commissions and estimated offering expenses payable by us. An increase (decrease) of 1.0 million shares in the number of Class A ordinary shares offered by us would increase (decrease) our net tangible book value per share after this offering by $ per share and would increase (decrease) the dilution per share to new investors in this offering by $ per Class A ordinary share, assuming the assumed initial public offering price remains the same, and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

If the underwriters exercise in full their option to purchase an additional Class A ordinary shares in this offering, the net tangible book value after the offering would be $ per ordinary share, the increase in net tangible book value to existing shareholders would be $ per ordinary share, and the dilution to new investors would be $ per ordinary share, in each case assuming an initial public offering price of $ per Class A ordinary share, which is the midpoint of the price range set forth on the cover page of this prospectus.

The following table summarizes, as of March 31, 2023, the differences between the number of ordinary shares purchased from us, the total consideration paid to us in cash, and the average price per ordinary share paid, in each case by existing shareholders, on the one hand, and new investors in this offering, on the other hand. The calculation below is based on an assumed initial public offering price of $ per Class A ordinary share, which is the midpoint of the price range set forth on the cover page of this prospectus, before deducting underwriting discounts and commissions and estimated offering expenses payable by us.

	Ordinary Shares Purchased		Total Consideration		Average Price Per Ordinary Share
	Number	Percent	Amount	Percent	
Existing shareholders		%	$	%	$
New investors					$
Total		100%	$	100%	

(1) The presentation in this table regarding ownership by existing shareholders does not give effect to any purchases that existing shareholders may make through our directed share program or otherwise in this offering. See the section titled "Underwriting — Directed Share Program."

To the extent any of our outstanding options are exercised or RSUs are vested and settled, there will be further dilution to new investors. To the extent all of such outstanding options had been exercised and all outstanding RSUs had been vested and settled as of March 31, 2023, net tangible book value per share after this offering would be $, and total dilution per share to new investors would be $.

A $1.00 increase (decrease) in the assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase (decrease) the total consideration paid by new investors and the average price per share paid by new investors by $ million and $ per share, respectively, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

If the underwriters exercise their option to purchase additional Class A ordinary shares in full:

- the percentage of ordinary shares held by existing shareholders will decrease to approximately % of the total number of our ordinary shares outstanding after this offering; and
- the number of ordinary shares held by new investors will increase to , or approximately % of the total number of our ordinary shares outstanding after this offering.

To the extent any new options are granted and exercised, RSUs are granted and vest or we issue additional ordinary shares or other equity or convertible debt securities in the future, there will be further dilution to investors participating in this offering.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion and analysis together with the section titled "Prospectus Summary — Summary Consolidated Financial Data" and our consolidated financial statements and the related notes thereto included elsewhere in this prospectus. Some of the information contained in this discussion and analysis, including information with respect to our plans and strategy for our business, includes forward-looking statements that involve risks and uncertainties. Our actual results may differ materially from management's expectations as a result of various factors, including, but not limited to, those discussed in the sections titled "Risk Factors" and "Special Note Regarding Forward-Looking Statements."

Overview

We are a consumer tech platform that is built to transform the global beauty and wellness market.

Our commitment to innovation through our proprietary technology is matched only by our commitment to developing empowering products of the highest quality. The ODDITY platform is designed to support a portfolio of brands and services that aim to innovate and disrupt the expansive global beauty and wellness market. ODDITY, powered by our first brand IL MAKIAGE, has been the fastest growing global beauty direct-to-consumer platform from 2020 through 2022, according to Women's Wear Daily. Our first brand, IL MAKIAGE, was also the fastest growing digital, direct-to-consumer beauty brand in the United States through 2021, which is the latest available data from Digital Commerce 360. Our second brand, SpoiledChild, launched in 2022 with the goal of disrupting the wellness category online, and is scaling even faster than IL MAKIAGE.

Our success is based on our outsider approach. We are a technology company seeking to reinvent every aspect of a massive industry. Our tech team is the largest team within our company today and comprises over 40% of our headcount. We invest heavily in data science, machine learning, and computer vision, and we have an evergreen commitment to exploring and investing in emerging technologies. Our technology innovations, when combined with our world-class physical product range and compelling brands built to win online, aim to eliminate significant friction for customers and support a seamless end-to-end user experience.

We deploy algorithms and machine learning models leveraging user data seeking to deliver a precise product match and seamless shopping experience.

We harness our user data to develop physical beauty and wellness products that deliver excellent performance and functionality. We never settle on quality. If our data doesn't show it is the best we can deliver, we won't launch it.

It requires marrying two different worlds of tech and physical products. It's not enough to build smart machine learning models, they need to be trained to match physical products.

Since our first digital brand launch in 2018, we have disrupted the way millions of consumers shop for beauty products by bringing them online and transforming the shopping experience. We leverage data insights delivered from our base of users to address the complex demands a customer faces when buying online to create a holistic end-to-end customer journey.

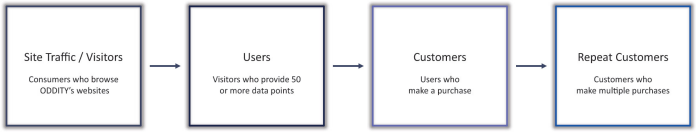
Key Factors Affecting Our Performance

We believe that our continued success and growth are dependent on a number of factors that provide both significant areas of opportunity as well as potential challenges. We have outlined some of these factors below, as well as in the section titled "Risk Factors."

Growing and Engaging with our Powerful User Base

We are a data-driven company and one of our significant differentiators is the vast amount of quality, actionable data that we are able to learn about our users. Data collected from users forms a critical component of our customer acquisition funnel as it enables us to efficiently convert users to customers, informs our brand and product roadmap, and improves our machine learning algorithms to more accurately predict product matches and develop new products.

We define a user as a visitor on which we have collected at least 50 discrete data points as they engage with and interact with our websites. As of March 31, 2023, ODDITY registered over 40 million unique users attributed to our brands. From that user base, we have collected over 1 billion unique data points that power every aspect of our business.



Driving Customer Acquisition, Retention, and Repeat Purchases

We bring visitors to our website, turn visitors into users by asking questions and learning about them, and then leverage the data we have across the platform to convert them into paying customers. As of March 31, 2023, we had over 4 million active customers. We define an active customer as a unique customer account that has made at least one purchase in the preceding 12-month period. We believe our number of active customers helps demonstrate the reach of our digital platform, the success of our technology, and overall value proposition of our brands and products and we use this number to monitor our customer growth.

We invest strategically in performance marketing, such as paid search and product listing advertisements, paid social media advertisements, search engine optimization, and personalized email, compounded with strong brand awareness driven largely through word of mouth.

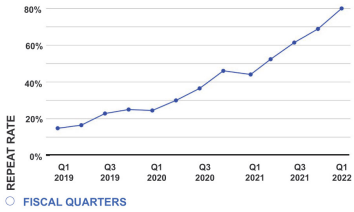
In addition to acquiring customers through paid sources, our consumer tech platform is designed to drive high levels of platform engagement.

Our success is impacted not only by our ability to use data to convert users to customers, but also by our ability to retain our customers and drive repeat purchases. Net revenue repeat purchase rate is used by management to demonstrate our ability to retain our customers and drive repeat purchases from those customers.

Net revenue repeat purchase rate is the net revenue generated by subsequent orders placed by a cohort of customers, presented as a percentage of the net revenue of first orders placed by that cohort. A cohort of new customers is defined as all customers who made their first purchase during a specified quarterly or monthly period, as applicable. We first calculate the total net revenue generated by the initial orders placed by these new customers, then we calculate the total net revenue from these same customers in the 6-, 12-, 18- or 24-month period following their initial order. Therefore, for example, the January 2021 12-month net revenue repeat rate is calculated as the ratio of (i) the denominator equal to net revenue generated by the initial orders from all new customers that made their first purchase in January of 2021, and (ii) the numerator equal to total net revenue generated by the same group of customers over the 12-month period following their initial order. For example, if this cohort of customers generated net revenue of $1,000 in January 2021 on their first orders with us and they then generated net revenue of $700 on additional orders in the following 12 months, their 12-month net revenue repeat purchase rate would be 70%. As illustrated in the graph to the left below, our 12-month U.S. net revenue repeat purchase rate by quarterly cohorts has consistently increased, from around 15% for the Q1 2019 cohort to approximately 80% for the Q1 2022 cohort. The graph to the right showcases the consistent increase in our 6-, 12-, 18- and 24-month U.S. net revenue repeat purchase rate via our January and July 2019, 2020, 2021 and 2022 monthly cohorts. For example, our 6-month U.S. net revenue repeat purchase rate increased from around 7% for the January 2019 cohort, to around 17% for the January 2020 cohort, to around 28% for the January 2021 cohort, to around 47% for the January 2022 cohort. While we believe net revenue repeat purchase rate provides historical context for our ability to retain customers and drive repeat purchases, net revenue repeat purchase rate is not a key metric used by our management to manage the business and we do not intend to regularly disclose net revenue repeat purchase rate in future periodic filings.

U.S. Net Revenue Repeat Purchase Rates

12-Month Rates by Quarterly Cohorts



6-, 12-, 18- and 24-Month Rates by Monthly Cohorts

Expanding Our Portfolio of Brands

The ODDITY platform was built to support a portfolio of beauty and wellness brands. Homegrown brand launches via our New Ventures brand incubator are key components of our portfolio expansion strategy, with a new brand launched regularly. We anticipate a meaningful portion of our revenue in the coming years will be from future brand launches that will seek to disrupt markets in the beauty and wellness space that have been historically underpenetrated online. SpoiledChild's launch in 2022 exemplifies our in-house R&D capabilities to create a new brand from start to launch in just 18 months. While we aim to launch a new brand regularly, it takes months to years of market research and extensive product testing before we can commercialize new products and brands.

In addition to our homegrown brand launches, we may expand our portfolio reach through selective acquisitions and brand partnerships.

Launching New Product Categories

We believe that the launch of new product categories within our existing brands of IL MAKIAGE and SpoiledChild will be a meaningful driver of net revenue growth and repeat purchasing rates. ODDITY will not launch a product or a brand unless our rigorous data-driven product and brand development process shows that it is the best we can deliver.

Continued Geographic Expansion

Our playbook of direct consumer engagement, data insights, custom-built technology products, and exceptional physical beauty and wellness products is applicable across a broad range of geographies. We have seen rapid success in our international market launches, with sales outside of the United States accounting for approximately 26% and 27% of our net revenue for the years ended December 31, 2022 and 2021, respectively. Growing our geographic footprint will help grow our brand awareness, allow us to connect with new customers, and drive profitable growth. We intend to continue to invest in our digital business to provide our users with a differentiated global and local customer experience. We have also invested and will continue to invest in our Kenzza platform, which helps us to efficiently develop and scale our presence in new geographies through a network of local content creators. To date, we have successfully scaled our brands in the United States, Canada, UK, various markets in Continental Europe, and Australia, and have plans to continue to grow our global footprint. We utilize a rigorous, data-driven geographic expansion approach to identify new markets that will be receptive to ODDITY brands.

Investment in Innovation and Technology

Our success is dependent on our ability to sustain innovation and technology leadership to maintain our competitive advantage. We will continue to invest in our people, product and infrastructure

to maintain and grow our consumer tech platform and to propel the beauty and wellness industry forward. We selectively recruit and invest in technologists who are out-of-the-box thinkers and champion ODDITY's mission to use technology to deliver customers the absolute best in product and experience. As we recruit additional personnel, we remain focused on developing our technology expertise across the full spectrum of engineering, architecture, infrastructure, data engineering, integrations, security, agile and project management, and information systems and planning.

Components of Results of Operations

Net Revenue

We generate net revenue primarily from sales of our beauty and wellness products through our online direct-to-consumer model. Net revenue represents the consideration we expect to be entitled to in exchange for the sale of our products, net of promotional discounts and estimated returns. Net revenue includes shipping fees charged to customers but excluding any sales or other taxes collected in connection with the sale. We recognize net revenue at the time control of our products is transferred to the customer, which is when the product is shipped to the customer, or for orders subject to a trial period, when the trial period lapses. Net revenue is primarily driven by the number of orders.

Cost of Revenue

Cost of revenue consists principally of the costs to procure our products, including the amounts invoiced by our third-party contract manufacturers and suppliers for inventory, as well as inbound and outbound shipping costs, duties and other related costs, and inventory write-offs. Cost of revenue also includes third-party fulfillment costs, warehousing, depreciation and amortization, and packaging costs. Our cost of goods sold has and may continue to fluctuate with the cost of raw materials used in our products.

Gross Profit and Gross Margin

Gross profit is our net revenue less cost of revenue. Gross margin measures our gross profit as a percentage of net revenue. We expect that gross profit will fluctuate and continue to be affected by various factors in the future, including the timing and mix of product and brand launches, commodity prices and transportation rates, manufacturing costs, and our ability to reduce costs in any given period.

Selling, General and Administrative Expenses

Selling, general and administrative expenses primarily consist of marketing and advertising expenses, employee-related costs, including salaries, benefits, and share-based compensation, research and development costs, depreciation, and amortization expenses, professional fees, payments processing fees, and other general expenses. We expect selling, general and administrative expense to continue to increase in absolute dollars as we grow our business, expand our workforce, implement new marketing strategies, and enhance our platform and product offerings, brands, and infrastructure. We also anticipate that we will incur additional costs for employees and third-party consulting services, including related to legal, accounting, insurance, and investor relations, in connection with our transition to and operations as a public company.

Financial Expenses (Income), Net

Financial expenses (income), net consists primarily of gain or loss on foreign currency, mainly driven by liabilities denominated in currencies other than U.S. dollars, as well as interest expenses and income associated with our credit facilities and bank deposits.

Taxes on Income

Taxes on income consists of income taxes related to Israel and United States federal and state taxes, and changes in deferred tax assets.

Results of Operations

The following tables set forth our results of operations for the periods presented in dollars and as a percentage of net revenue and should be reviewed in conjunction with our consolidated financial

statements and related notes included elsewhere in this prospectus. Our historical results and period-to-period comparisons for any prior period are not necessarily indicative of results expected in any future period.

	Three Months Ended March 31,			
	2023		2022	
	(in thousands)	% of net revenue	(in thousands)	% of net revenue
Statements of Operations Data:				
Net revenue	$165,654	100.0%	$90,414	100.0%
Cost of revenue	48,169	29.1	30,047	33.2
Gross profit	117,485	70.9	60,367	66.8
Selling, general and administrative expenses	92,764	56.0	56,732	62.8
Operating income	24,721	14.9	3,635	4.0
Financial expenses (income), net	157	0.1	(443)	(0.5)
Income before taxes on income	24,564	14.8	4,078	4.5
Taxes on income	4,974	3.0	1,067	1.2
Net income	$ 19,590	11.8%	$ 3,011	3.3%

	Year Ended December 31,			
	2022		2021	
	(in thousands)	% of net revenue	(in thousands)	% of net revenue
Statements of Operations Data:				
Net revenue	$324,520	100.0%	$222,555	100.0%
Cost of revenue	106,470	32.8	69,374	31.2
Gross profit	218,050	67.2	153,181	68.8
Selling, general and administrative expenses	190,385	58.7	133,669	60.1
Operating income	27,665	8.5	19,512	8.8
Financial expenses (income), net	(1,247)	(0.4)	877	0.4
Income before taxes on income	28,912	8.9	18,635	8.4
Taxes on income	7,184	2.2	4,715	2.1
Net income	$ 21,728	6.7%	$ 13,920	6.3%

Comparison of Three Months Ended March 31, 2023 and 2022

Net Revenue

	Three Months Ended March 31,			
	2023	2022	$ Change	% Change
		(in thousands)		
Net revenue	$ 165,654	$ 90,414	$ 75,240	83.2%

Net revenue increased by $75.2 million, or 83.2%, for the three months ended March 31, 2023 compared to the three months ended March 31, 2022, primarily driven by a 65% increase in orders. The increase also reflects the contribution from SpoiledChild for a full quarter in 2023 compared to 2022 since SpoiledChild launched in February 2022. The return rate decreased to 15.6% for the three months ended March 31, 2023 compared to 17.3% for the three months ended March 31, 2022.

Cost of Revenue

	Three Months Ended March 31,			
	2023	2022	$ Change	% Change
		(in thousands)		
Cost of revenue	$ 48,169	$ 30,047	$ 18,122	60.3%

Cost of revenue increased by $18.1 million, or 60.3%, for the three months ended March 31, 2023 compared to the three months ended March 31, 2022. The increase in cost of revenue was primarily attributable to increased orders.

Gross Profit and Gross Margin

	Three Months Ended March 31,			
	2023	2022	$ Change	% Change
	(in thousands)			
Gross profit	$ 117,485	$ 60,367	$ 57,118	94.6%
Gross margin	70.9%	66.8%		4.2%

Our gross profit increased by $57.1 million, or 94.6%, for the three months ended March 31, 2023 compared to the three months ended March 31, 2022 as a result of the growth in our net revenue. Our gross margin increased 4.2% to 70.9% in the three months ended March 31, 2023 compared to 66.8% in the three months ended March 31, 2022. Our gross margin increase was driven by improvements in shipping, supply chain and fulfillment partially offset by revenue mix shift to SpoiledChild.

Selling, General and Administrative Expenses

	Three Months Ended March 31,			
	2023	2022	$ Change	% Change
	(in thousands)			
Selling, general, and administrative expenses	$ 92,764	$ 56,732	$ 36,032	63.5%

Selling, general and administrative expenses increased by $36.0 million, or 63.5%, for the three months ended March 31, 2023 compared to the three months ended March 31, 2022. This increase was primarily due to an increase in marketing and advertising expenses to support sales growth. In addition, the increase included $7.8 million in one-time compensation to our founders related to the SpoiledChild incentive plan. This was offset by a decrease in one-time expenses related to the launch of SpoiledChild of $7.3 million and a decrease in non-recurring adjustments of $0.6 million incurred in the three months ended March 31, 2022.

Financial Expenses (Income), Net

	Three Months Ended March 31,			
	2023	2022	$ Change	% Change
	(in thousands)			
Financial expenses (income), net	$ 157	$ (443)	$ 600	(135.4)%

Financial expenses (income), net increased by $0.6 million for the three months ended March 31, 2023 compared to the three months ended March 31, 2022. The increase was primarily attributable to unfavorable foreign currency exchange rates offset by interest on bank deposits. See "— Liquidity and Capital Resources" below.

Taxes on Income

	Three Months Ended March 31,			
	2023	2022	$ Change	% Change
	(in thousands)			
Taxes on income	$ 4,974	$ 1,067	$ 3,907	366.2%

Taxes on income increased by $3.9 million, or 366.2%, for the three months ended March 31, 2023 compared to the three months ended March 31, 2022. The increase was primarily driven by higher earnings before tax.

Comparison of Years Ended December 31, 2022 and 2021

Net Revenue

	Year Ended December 31,			
	2022	2021	$ Change	% Change
	(in thousands)			
Net revenue	$ 324,520	$ 222,555	$ 101,965	45.8%

Net revenue increased by $102.0 million, or 45.8%, for the year ended December 31, 2022 compared to the year ended December 31, 2021, primarily driven by a 45% increase in orders. The launch of SpoiledChild in 2022 contributed $25.9 million to net revenue. The return rate decreased to 14.8% in 2022 compared to 15.7% in 2021.

Cost of Revenue

	Year Ended December 31,			
	2022	2021	$ Change	% Change
		(in thousands)		
Cost of revenue	$ 106,470	$ 69,374	$ 37,096	53.5%

Cost of revenue increased by $37.1 million, or 53.5%, for the year ended December 31, 2022 compared to the year ended December 31, 2021. The increase in cost of revenue was primarily attributable to increased orders, and to a lesser degree was attributable to increased cost inflation across shipping and supply chain.

Gross Profit and Gross Margin

	Year Ended December 31,			
	2022	2021	$ Change	% Change
		(in thousands)		
Gross profit	$ 218,050	$ 153,181	$ 64,869	42.3%
Gross margin	67.2%	68.8%		(1.6)%

Our gross profit increased by $64.9 million, or 42.3%, for the year ended December 31, 2022 compared to the year ended December 31, 2021 as a result of the growth in our net revenue during 2022. Our gross margin decreased 1.6% to 67.2% in 2022 compared to 68.8% in 2021. Our gross margin decrease was largely driven by a revenue mix shift to SpoiledChild.

Selling, General and Administrative Expenses

	Year Ended December 31,			
	2022	2021	$ Change	% Change
		(in thousands)		
Selling, general, and administrative expenses	$ 190,385	$ 133,669	$ 56,716	42.4%

Selling, general and administrative expenses increased by $56.7 million, or 42.4%, for the year ended December 31, 2022 compared to the year ended December 31, 2021. This increase was primarily due to an increase of $28.3 million in marketing and advertising expenses to support sales growth. In addition, the increase included one-time expenses incurred in 2022 related to the launch of SpoiledChild of $7.3 million and $12.6 million in one-time compensation to our founders related to the SpoiledChild incentive plan. This was offset by a decrease in non-recurring employee costs to $1.8 million for the year ended December 31, 2022 compared to $14.9 million for the year ended December 31, 2021, and a decrease in non-recurring adjustments of $0.7 million for the year ended December 31, 2022 compared to $1.0 million for the year ended December 31, 2021.

Financial Expenses (Income), Net

	Year Ended December 31,			
	2022	2021	$ Change	% Change
		(in thousands)		
Financial expenses (income), net	$ (1,247)	$ 877	$ (2,124)	242.2%

Financial expenses (income), net decreased by $2.1 million for the year ended December 31, 2022 compared to the year ended December 31, 2021. The decrease was primarily attributable to favorable foreign currency exchange rates and interest on bank deposits. See "— Liquidity and Capital Resources" below.

Taxes on Income

	Year Ended December 31,			
	2022	2021	$ Change	% Change
	(in thousands)			
Taxes on income	$ 7,184	$ 4,715	$ 2,469	52.4%

Taxes on income increased by $2.5 million, or 52.4%, for the year ended December 31, 2022 compared to the year ended December 31, 2021. The increase was primarily driven by higher earnings before tax.

Key Operating and Non-GAAP Financial Measures

We regularly review certain key operating and non-GAAP financial measures to evaluate our business, measure our performance, identify trends, prepare financial projections and make business decisions. The information set forth below should be considered in addition to, not as a substitute for or in isolation from, our financial measures prepared in accordance with U.S. GAAP. Other companies, including companies in our industry, may calculate these measures differently or not at all, which reduces their usefulness as comparative measures. A reconciliation of the non-GAAP financial measures, Adjusted EBITDA, Adjusted EBITDA margin, Adjusted operating income and Adjusted net income, to the most directly comparable financial measures calculated in accordance with U.S. GAAP is set forth below under "— Non-GAAP Financial Measures."

	Year Ended December 31,	
	2022	2021
	(in thousands)	
Key Operating Measure		
Order billings	$ 395,489	$ 267,814

	Three Months Ended March 31,		Year Ended December 31,	
	2023	2022	2022	2021
	(in thousands)			
Non-GAAP Financial Measures				
Adjusted EBITDA	$ 28,432	$ 6,714	$ 39,471	$ 26,628
Adjusted EBITDA margin	17.2%	7.4%	12.2%	12.0%
Adjusted operating income	$ 26,532	$ 5,571	$ 35,063	$ 22,622
Adjusted net income	$ 21,034	$ 4,440	$ 27,298	$ 16,243

Key Operating Measure

Order Billings

Order billings represent amounts invoiced to customers during the period. We believe order billings provide insight into trends in our operating results and we use this metric to contemporaneously assess and monitor our operating performance, including marketing performance.

Non-GAAP Financial Measures

Adjusted EBITDA and Adjusted EBITDA Margin

Adjusted EBITDA is defined as net income before financial expenses (income), net, taxes on income, and depreciation and amortization as further adjusted to exclude share-based compensation expense, and other non-recurring adjustments. Adjusted EBITDA margin is defined as Adjusted EBITDA divided by net revenue. We have provided below a reconciliation of Adjusted EBITDA to net income, the most directly comparable financial measure presented in accordance with U.S. GAAP.

We believe Adjusted EBITDA and Adjusted EBITDA margin are useful for financial and operational decision-making and as a means to evaluate period-to-period comparisons. By excluding certain items that may not be indicative of our recurring core operating results, we believe that Adjusted EBITDA and Adjusted EBITDA margin provide meaningful supplemental information regarding our performance. In

addition, Adjusted EBITDA and Adjusted EBITDA margin are widely used by investors and securities analysts to measure a company's operating performance without regard to items such as depreciation and amortization, interest expense, and interest income, which can vary substantially from company to company depending on their financing and capital structures and the method by which their assets were acquired. However, these non-GAAP measures also have limitations as analytical tools, and you should not consider these measures as a substitute for or in isolation from, our financial results prepared in accordance with U.S. GAAP. For example, Adjusted EBITDA does not reflect: (i) interest expense or the cash requirements necessary to service interest or principal payments on our debt, which reduces the cash available to us, (ii) tax payments that may represent a reduction in cash available to us, (iii) non-cash charges for depreciation of property and equipment and amortization of intangible assets, even though the assets being depreciated and amortized may have to be replaced in the future and would require cash capital expenditure requirements for such replacements or for new capital expenditure requirements, or (iv) share-based compensation expense, which is expected to be a recurring expense for our business. Other companies, including companies in our industry, may calculate Adjusted EBITDA and Adjusted EBITDA margin differently or not at all, which reduces their usefulness as comparative measures.

	Three Months Ended March 31,		Year Ended December 31,	
	2023	2022	2022	2021
	(in thousands)			
Net Income	$ 19,590	$ 3,011	$ 21,728	$ 13,920
Financial expenses (income), net	157	(443)	(1,247)	877
Taxes on income	4,974	1,067	7,184	4,715
Depreciation and amortization	1,900	1,143	4,408	4,006
Share-based compensation	1,811	1,377	6,697	2,107
Non-recurring adjustments	—	559	701	1,003
Adjusted EBITDA	$ 28,432	$ 6,714	$ 39,471	$ 26,628
Net income margin	11.8%	3.3%	6.7%	6.3%
Adjusted EBITDA margin	17.2%	7.4%	12.2%	12.0%

Adjusted Operating Income

Adjusted operating income is defined as operating income adjusted for the impact of share-based compensation and non-recurring adjustments. We believe the presentation of Adjusted operating income is useful because it is frequently used by analysts, investors and other interested parties to evaluate companies in our industry. Further, we believe this measure is helpful in highlighting trends in our operating results, because it excludes the impact of items that are outside the control of management or not reflective of our ongoing operations and performance. However, this measure also has limitations, including that other companies (including those in our industry) may calculate adjusted operating income differently or not at all, which reduces its usefulness as a comparative measure. You should not consider this measure as a substitute for or in isolation from, our financial results prepared in accordance with U.S. GAAP. We have provided below a reconciliation of Adjusted operating income to operating income, the most directly comparable financial measure presented in accordance with U.S. GAAP.

	Three Months Ended March 31,		Year Ended December 31,	
	2023	2022	2022	2021
	(in thousands)			
Operating income	$ 24,721	$ 3,635	$ 27,665	$ 19,512
Share-based compensation	1,811	1,377	6,697	2,107
Non-recurring adjustments	—	559	701	1,003
Adjusted operating income	$ 26,532	$ 5,571	$ 35,063	$ 22,622

Adjusted Net Income

Adjusted net income is defined as net income adjusted for the impact of share-based compensation, non-recurring adjustments, and the tax effect of Non-GAAP adjustments. We believe the presentation

of Adjusted net income is useful because it is frequently used by analysts, investors and other interested parties to evaluate companies in our industry. Further, we believe this measure is helpful in highlighting trends in our operating results, because it excludes the impact of items that are outside the control of management or not reflective of our ongoing operations and performance. However, this measure also has limitations, including that other companies (including those in our industry) may calculate adjusted net income differently or not at all, which reduces its usefulness as a comparative measure. You should not consider this measure as a substitute for or in isolation from, our financial results prepared in accordance with U.S. GAAP. We have provided below a reconciliation of Adjusted net income to net income, the most directly comparable financial measure presented in accordance with U.S. GAAP.

	Three Months Ended March 31,		Year Ended December 31,	
	2023	2022	2022	2021
	(in thousands)			
Net income	$ 19,590	$ 3,011	$ 21,728	$ 13,920
Share-based compensation	1,811	1,377	6,697	2,107
Non-recurring adjustments	—	559	701	1,003
Tax impact	(367)	(507)	(1,828)	(787)
Adjusted net income	$ 21,034	$ 4,440	$ 27,298	$ 16,243

Quarterly Results of Operations and Non-GAAP Financial Measures

Quarterly Results of Operations

The following table sets forth our unaudited quarterly consolidated statements of operations data for each of the quarters indicated. The information for each of these quarters has been prepared on a basis consistent with our audited annual consolidated financial statements appearing elsewhere in this prospectus and, in our opinion, include all normal recurring adjustments necessary for the fair statement of the financial information contained in those statements. The following unaudited consolidated quarterly financial data should be read in conjunction with our annual consolidated financial statements and the related notes included elsewhere in this prospectus. These quarterly results are not necessarily indicative of our operating results for a full year or any future period.

	Three Months Ended								
	March 31, 2023	December 31, 2022	September 30, 2022	June 30, 2022	March 31, 2022	December 31, 2021	September 30, 2021	June 30, 2021	March 31, 2021
Consolidated Statements of Operations Data:									
Net revenue	$ 165,654	$ 67,499	$ 68,948	$ 97,659	$ 90,414	$ 53,636	$ 51,184	$ 65,509	$ 52,226
Cost of revenue	48,169	23,369	21,976	31,078	30,047	17,588	15,642	20,408	15,736
Gross profit	117,485	44,130	46,972	66,581	60,367	36,048	35,542	45,101	36,490
Selling, general and administrative	92,764	44,272	43,251	46,130	56,732	46,152	28,760	31,273	27,484
Operating income	24,721	(142)	3,721	20,451	3,635	(10,104)	6,782	13,828	9,006
Financial expenses (income), net	157	301	138	(1,243)	(443)	625	160	407	(315)
Income before taxes on income	24,564	(443)	3,583	21,694	4,078	(10,729)	6,622	13,421	9,321
Taxes on income	4,974	217	830	5,070	1,067	(2,715)	1,676	3,396	2,358
Net income	$ 19,590	$ (660)	$ 2,753	$ 16,624	$ 3,011	$ (8,014)	$ 4,946	$ 10,025	$ 6,963

Quarterly Non-GAAP Financial Measures

	Three Months Ended								
	March 31, 2023	December 31, 2022	September 30, 2022	June 30, 2022	March 31, 2022	December 31, 2021	September 30, 2021	June 30, 2021	March 31, 2021
Non-GAAP Financial Measures:									
Adjusted EBITDA	$ 28,432	$ 2,634	$ 6,357	$ 23,766	$ 6,714	$ (7,774)	$ 9,109	$ 15,009	$ 10,284
Adjusted EBITDA margin	17.2%	3.9%	9.2%	24.3%	7.4%	-14.5%	17.8%	22.9%	19.7%
Adjusted operating income	$ 26,532	$ 1,536	$ 5,261	$ 22,695	$ 5,571	$ (8,539)	$ 7,973	$ 14,048	$ 9,140
Adjusted net income	$ 21,034	$ 578	$ 3,936	$ 18,344	$ 4,440	$ (6,845)	$ 5,836	$ 10,189	$ 7,063

The following table reconciles Adjusted EBITDA and Adjusted EBITDA margin to the most directly comparable GAAP measure, which is net income (loss):

	Three Months Ended								
	March 31, 2023	December 31, 2022	September 30, 2022	June 30, 2022	March 31, 2022	December 31, 2021	September 30, 2021	June 30, 2021	March 31, 2021
Net income (loss)	$ 19,590	$ (660)	$ 2,753	$ 16,624	$ 3,011	$ (8,014)	$ 4,946	$ 10,025	$ 6,963
Financial expenses (income), net	157	301	138	(1,243)	(443)	625	160	407	(315)
Taxes on income	4,974	217	830	5,070	1,067	(2,715)	1,676	3,396	2,358
Depreciation and amortization	1,900	1,098	1,096	1,071	1,143	765	1,136	961	1,144
Share-based compensation	1,811	1,678	1,519	2,123	1,377	1,164	812	63	68
Non recurring adjustments	—	—	21	121	559	401	379	157	66
Adjusted EBITDA	$ 28,432	$ 2,634	$ 6,357	$ 23,766	$ 6,714	$ (7,774)	$ 9,109	$ 15,009	$ 10,284

The following table reconciles Adjusted operating income to the most directly comparable GAAP measure, which is operating income (loss):

	Three Months Ended								
	March 31, 2023	December 31, 2022	September 30, 2022	June 30, 2022	March 31, 2022	December 31, 2021	September 30, 2021	June 30, 2021	March 31, 2021
Operating income (loss)	$ 24,721	$ (142)	$ 3,721	$ 20,451	$ 3,635	$ (10,104)	$ 6,782	$ 13,828	$ 9,006
Share-based compensation	1,811	1,678	1,519	2,123	1,377	1,164	812	63	68
Non-recurring adjustments	—	—	21	121	559	401	379	157	66
Adjusted operating income	$ 26,532	$ 1,536	$ 5,261	$ 22,695	$ 5,571	$ (8,539)	$ 7,973	$ 14,048	$ 9,140

The following table reconciles Adjusted net income to the most directly comparable GAAP measure, which is net income (loss):

	Three Months Ended								
	March 31, 2023	December 31, 2022	September 30, 2022	June 30, 2022	March 31, 2022	December 31, 2021	September 30, 2021	June 30, 2021	March 31, 2021
Net income (loss)	$ 19,590	$ (660)	$ 2,753	$ 16,624	$ 3,011	$ (8,014)	$ 4,946	$ 10,025	$ 6,963
Share-based compensation	1,811	1,678	1,519	2,123	1,377	1,164	812	63	68
Non-recurring adjustments	—	—	21	121	559	401	379	157	66
Tax impact	(367)	(440)	(357)	(524)	(507)	(396)	(301)	(56)	(34)
Adjusted net income	$ 21,034	$ 578	$ 3,936	$ 18,344	$ 4,440	$ (6,845)	$ 5,836	$ 10,189	$ 7,063

Seasonality

Our revenue is typically highest in the first half of the calendar year, and our revenue will generally decline in the third and fourth quarter of each calendar year relative to the first and second quarter of each calendar year.

Liquidity and Capital Resources

Since inception, we have financed operations primarily through revenue from operations, the sale of equity securities, and borrowings under our credit facilities. As of March 31, 2023, we had $110.1 million of cash and cash equivalents, restricted cash and short-term deposits.

In May 2016, we entered into a credit line agreement with Bank Hapoalim, or the 2016 Credit Line, denominated in NIS, pursuant to which we may withdraw an aggregate principal amount of up to NIS 25 million ($6.9 million according to the applicable exchange rate as of March 31, 2023). The principal amount bears interest at a floating per annum rate equal to prime plus 1.4%, and we pay an additional annual fee of 0.4% of the unused credit line. The 2016 Credit Line has a maturity date of one year which is automatically renewed on a yearly basis. As of March 31, 2023, we had $1.0 million of principal amount outstanding under the 2016 Credit Line. In April 2020, we entered into a loan agreement with Bank Hapoalim, denominated in NIS, pursuant to which we borrowed an aggregate principal amount of NIS 5 million ($1.4 million according to the applicable exchange rate as of March 31, 2023), or the 2020 Credit Facility. The principal amount of the 2020 Credit Facility bears interest at a floating per annum rate equal to prime plus 1.5%. The 2020 Credit Facility matures in April 2025. As of March 31, 2023, we had $0.7 million of principal amount outstanding under the 2020 Credit Facility. The loans made under the 2016 Credit Line and 2020 Credit Facility are secured by a floating charge on our assets and liens on deposit in the amount of $2.0 million. These credit facilities also include a requirement to report our financial statements and other financial information, as may be requested from time to time. See Note 8 to our consolidated financial statements included elsewhere in this prospectus for more information regarding our credit facilities.

We believe that our existing cash and cash equivalents and positive cash flows from operations will be sufficient to support working capital and capital expenditure requirements for at least the next 12 months. Our future capital requirements may vary materially from those currently planned and will depend on many factors, including our rate of revenue growth, the timing and extent of brand launches, expansion efforts and other growth initiatives, the expansion of our marketing activities, and overall economic conditions. To the extent that current and anticipated future sources of liquidity are insufficient to fund our future business activities and requirements, we may be required to seek additional equity or debt financing. The sale of additional equity would result in additional dilution to our stockholders. The incurrence of additional debt financing would result in debt service obligations and the instruments governing such debt could provide for operating and financing covenants that would restrict our operations. There can be no assurances that we will be able to raise additional capital when needed or on terms acceptable to us. The inability to raise capital if needed or on terms acceptable to us would adversely affect our ability to achieve our business objectives.

Historical Cash Flows

The following table summarizes our cash flows for the periods presented:

	Three Months Ended March 31,		Year Ended December 31,	
	2023	2022	2022	2021
	(in thousands)			
Cash provided by operating activities	$53,199	$16,075	$ 39,032	$ 10,224
Cash provided by (used in) investing activities	8,673	(2,422)	(25,780)	(18,782)
Cash provided by (used in) financing activities	(2,813)	(96)	(246)	(318)
Effect of exchange rate fluctuations on cash and cash equivalents	(74)	133	(781)	(359)
Net increase (decrease) in cash, cash equivalents and restricted cash	$58,985	$13,690	$ 12,225	$ (9,235)

Operating Activities

Our largest source of operating cash is cash collected from sales of our products to our customers. Our primary uses of cash from operating activities are for marketing expenses, personnel expenses, and general and administrative expenses.

Net cash provided by operating activities increased to $53.2 million for the three months ended March 31, 2023, compared to $16.1 million for the three months ended March 31, 2022, primarily due to change in working capital and an increase in net income adjusted for certain non-cash expenses. Our net cash for the three months ended March 31, 2023 and 2022 consisted of $19.6 million and $3.0 million of net income, adjusted for $3.7 million and $2.5 million of non-cash expenses and $29.9 million and $10.6 million of net cash provided as a result of changes in operating assets and liabilities, respectively. For the three months ended March 31, 2023, the non-cash charges included $1.9 million of depreciation and amortization and $1.8 million of share-based compensation. For the three months ended March 31, 2022, non-cash charges included $1.1 million of depreciation and amortization, and $1.3 million of share-based compensation. The changes in operating assets and liabilities were primarily driven by an increase in trade payables and other accounts payable, partially offset by an increase in prepaid expenses and other receivable.

Net cash provided by operating activities increased to $39.0 million for the year ended December 31, 2022, compared to $10.2 million for the year ended December 31, 2021, primarily due to an increase in net income adjusted for certain non-cash expenses and change in working capital. Our net cash for the years ended December 31, 2022 and 2021 consisted of $21.7 million and $13.9 million of net income, adjusted for $11.1 million and $6.1 million of non-cash expenses and $6.2 million of net cash provided and $9.8 million of net cash used as a result of changes in operating assets and liabilities, respectively. For the year ended December 31, 2022, the non-cash charges included $4.4 million of depreciation and amortization and $6.7 million of share-based compensation. For the year ended December 31, 2021, non-cash charges included $4.0 million of depreciation and amortization, and $2.1 million of share-based compensation. The changes in operating assets and liabilities were primarily driven by an increase in inventory to support the growth of our business, partially offset by an increase in trade payables and other accounts payable.

Investing Activities

Net cash provided by investing activities for the three months ended March 31, 2023 was $8.7 million, compared to $2.4 million used in investing activities for the three months ended March 31, 2022. The $8.7 million of net cash provided by investing activities in the three months ended March 31, 2023 was primarily related to $10.0 million of short-term deposits matured.

Net cash used in investing activities for the year ended December 31, 2022 was $25.8 million, compared to $18.8 million used in investing activities for the year ended December 31, 2021. The $25.8 million of net cash used for investing activities in 2022 was primarily related to $18.0 million investment in short-term deposits.

Financing Activities

Net cash used in financing activities increased to $2.8 million for the three months ended March 31, 2023, compared to $0.1 million used in financing activities for the three months ended March 31, 2022, primarily as a result of repayment of loans and borrowings under our credit facility.

Net cash used in financing activities decreased to $0.2 million for the year ended December 31, 2022, compared to $0.3 million used in financing activities for the year ended December 31, 2021, primarily as a result of repayment of loans and borrowings and deferred issuance costs offset by proceeds from issuance of securities and exercise of options.

Contractual Obligations

The following table summarizes our contractual obligations as of December 31, 2022:

	Payments Due by Period				
	Total	Less than 1 Year	1 – 3 Years	3 – 5 Years	More than 5 Years
			(in thousands)		
Operating lease commitments	$15,867	$5,228	$6,268	$3,145	$1,226
Severance pay obligations[1]	2,057	—	—	—	—
Total contractual obligations	$17,924	$5,228	$6,268	$3,145	$1,226

(1) Severance pay obligations to our Israeli employees, as required under Israeli labor law, are payable only upon termination, retirement or death of the respective employee. See "Management — Employment and Consulting Agreements with Executive Officers." These obligations are partially funded through accounts maintained with financial institutions and recognized as an asset on our balance sheet. Of this amount, $0.6 million is unfunded.

Critical Accounting Policies and Estimates

We believe that the following accounting policies involve a high degree of judgment and complexity. Accordingly, these are the policies we believe are the most critical to aid in fully understanding and evaluating our financial condition and results of our operations. See Note 2 to our consolidated financial statements included elsewhere in this prospectus for a description of our other significant accounting policies. The preparation of our financial statements in conformity with U.S. GAAP requires us to make estimates and judgments that affect the amounts reported in those financial statements and accompanying notes. Although we believe that the estimates we use are reasonable, due to the inherent uncertainty involved in making those estimates, actual results reported in future periods could differ from those estimates.

Revenue Recognition

Our primary source of revenue is from the sales of our products through our online direct-to-consumer model. We determine revenue recognition in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 606, Revenue from Contracts with Customers, or Topic 606. To determine revenue recognition, we perform the following five step analysis:

- identify the contract(s) with a customer;
- identify the performance obligations of the contract(s);
- determine the transaction price;
- allocate the transaction price to the performance obligations in the contract(s); and
- recognize revenue when (or as) we satisfy a performance obligation.

Under Topic 606, we recognize revenue when our customers obtain control of promised goods or services. Net revenue reflects the consideration that we expect to receive in exchange for those goods or services, net of promotional discounts and estimated returns. Shipping fees charged to customers are reported within net revenue. Sales and other taxes we collect concurrent with revenue-producing activities are excluded from revenue. We recognize revenue at the time control of the products passes to the customer, which is at the time of shipment. The Company also offers a "Try Before You Buy" program, which allows some of its customers to order certain products and pay for the products after the trial period ends. Under ASC 606 the Company recognizes revenue for orders placed under the program when the trial period lapses. Our shipping and handling costs are fulfillment costs and such amounts are classified as part of cost of sale.

Internal Use Software Development Costs

We capitalize certain costs related to the development of our platform and other software applications. In accordance with authoritative guidance, we begin to capitalize our costs to develop software when preliminary development efforts are successfully completed, management has authorized and committed project funding, it is probable that the project will be completed and the software will be

used as intended, and certain functional and quality standards have been met. We stop capitalizing these costs when the software is substantially complete and ready for its intended use, including the completion of all significant testing. These costs are amortized on a straight-line basis over the estimated useful life of the related asset, beginning with the time when it is ready for the intended use, generally estimated to be three to five years. Costs incurred prior to meeting these criteria together with costs incurred for training and maintenance are expensed as incurred and recorded within selling, general and administrative expenses in our consolidated statement of comprehensive income.

We exercise judgment in determining the point at which various projects may be capitalized, in assessing the ongoing value of the capitalized costs and in determining the estimated useful lives over which the costs are amortized. To the extent that we change the manner in which we develop and test new features and functionalities related to our platform, assess the ongoing value of capitalized assets or determine the estimated useful lives over which the costs are amortized, the amount of internal-use software development costs we capitalize and amortize could change in future periods.

Inventory

Inventory costs include costs incurred to bring inventory to its current condition, including materials, manufacturing costs, inbound freight, duties and other costs. We value our inventory at cost, using an average costing method. Net realizable value is estimated based upon assumptions made about future demand, market conditions, and the age of the inventory. If we determine that the estimated net realizable value of our inventory is less than the carrying value of such inventory, a charge to cost of goods sold is recorded to reflect the lower of cost or net realizable value. If actual market conditions are less favorable than those we project, further adjustments may be required that would increase the cost of goods sold in the period in which such a determination was made.

Income Taxes

Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and are recorded net on the face of the balance sheet. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. We recognize the effect of income tax positions only if those positions are more likely than not to be sustained. Recognized income tax positions are measured at the largest amount that is greater than 50% likely of being realized. Changes in recognition or measurement are reflected in the period in which the change in judgment occurs.

Deferred tax assets are recognized to the extent it is believed that these assets are more likely than not to be realized. In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Management considers the scheduled reversal of deferred tax liabilities (including the impact of available carryback and carryforward periods), projected future taxable income, and tax-planning strategies in making this assessment. Based upon the level of historical taxable income and projections for future taxable income over the periods in which the deferred tax assets are deductible, management believes it is more-likely than-not that we will realize the benefits of these deductible differences, net of the valuation allowance. The amount of the deferred tax asset considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carryforward period are reduced.

Significant judgment is required in determining our uncertain tax positions. We continuously review issues raised in connection with all ongoing examinations and open tax years to evaluate the adequacy of our tax liabilities. We evaluate uncertain tax positions under a two-step approach. The first step is to evaluate the tax position taken or expected to be taken in a tax return by determining if the weight of available evidence indicates that it is more likely than not that, on an evaluation of the technical merits, the tax position will be sustained on audit, including resolution of any related appeals or litigation processes. The second step is to measure the tax benefit as the largest amount that is more than 50% (cumulative

basis) likely to be realized upon ultimate settlement. We believe our recorded tax liabilities are adequate to cover all open tax years based on our assessment. This assessment relies on estimates and assumptions and involves significant judgments about future events. To the extent our views change, any adjustments in recognition or measurement are reflected in the period in which the change in judgment occurs. We record interest related to unrecognized tax benefits as tax expense.

Qualitative and Quantitative Disclosures about Market Risk

We are exposed to market risks in the ordinary course of our business. Market risk represents the risk of loss that may impact our financial position due to adverse changes in financial market prices and rates. Our market risk exposure is primarily the result of fluctuations in foreign currency and interest rates.

Foreign Currency Exchange Risk

Our consolidated financial statements are presented in U.S. dollars, and our functional currency is the U.S. dollar. Since the majority of our sales are denominated in U.S. dollars, our revenue is not currently subject to significant foreign currency risk. However, a portion of our operating costs, consisting principally of personnel-related costs, are denominated in NIS. In addition, some foreign operating expenses are denominated in the currencies of the countries and territories in which our third-party vendors are located and may be subject to fluctuations due to changes in foreign currency exchange rates. Fluctuations in foreign currency exchange rates may cause us to recognize transaction gains and losses in our results of operations.

Interest Rate Risk

At March 31, 2023, our borrowings under our credit facilities bear interest at a variable rate; therefore, we are exposed to market risks relating to changes in interest rates on such borrowings. We do not enter into investments for trading or speculative purposes and have not used any derivative financial instruments to manage our interest rate risk exposure.

Recently Adopted Accounting Pronouncements

See Note 2 to our consolidated financial statements included elsewhere in this prospectus for more information.

Emerging Growth Company Status

We are an “emerging growth company” as defined under the JOBS Act. Section 107 of the JOBS Act provides that an “emerging growth company” may take advantage of the extended transition period provided in Section 7(a)(2)(B) of the Securities Act for complying with new or revised accounting standards. Therefore, an emerging growth company can delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. We have elected to use the extended transition period under the JOBS Act until the earlier of the date we: (1) are no longer an emerging growth company or (2) affirmatively and irrevocably opt out of the extended transition period provided in the JOBS Act. As a result, our financial statements may not be comparable to companies that comply with new or revised accounting pronouncements as of public company effective dates. See the section titled “Prospectus Summary — Implications of Being an Emerging Growth Company and a Foreign Private Issuer” for more information.


THE STATS
46%
Net Revenue
('21-'22)
WE FORGE A NEW WAY FORWARD
$325M
FY2022
Net Revenue
$395M
FY2022
Order Billings[1]
40M+
Users[2]
26%
International Sales[3]
40%
Of Headcount is
Technology[2]
1B+
Customer Data
Points[2]
$22M
FY2022
Net Income
7%
FY2022
Net Income Margin
12%
FY2022 Adj.
EBITDA Margin[1]
1. See "Management's Discussion and Analysis of Financial Condition and Results of Operations — Key Operating and Non-GAAP Financial Measures" for additional information.
2. As of March 31, 2023.
3. For the year ended December 31, 2022.


THE PLATFORM
AS OF MARCH 31, 2023
40M+ UNIQUE USERS
1B+ DATA POINTS
DATA DRIVES EVERY-THING WE DO
DATA SCIENCE
MACHINE LEARNING
SITE VISITORS
ODDITY USERS
CUSTOMERS
MACHINE TRAINING
Operational Efficiency
User Acquisition
New Product Development
New Brand Development
ODDITY DATA
RESPONSIVE DIGITAL MARKETING
COMPUTER VISION
WEB UX
VOD CONTENT
OUR MASSIVE DATA LAKE INFORMS THE REVOLUTIONARY TECHNOLOGY & BRANDS WE BUILD.
IL MAKIAGE
NEW VENTURES
SPOILEDCHILD

THE TECH

PRO-GRESSIVE POWER

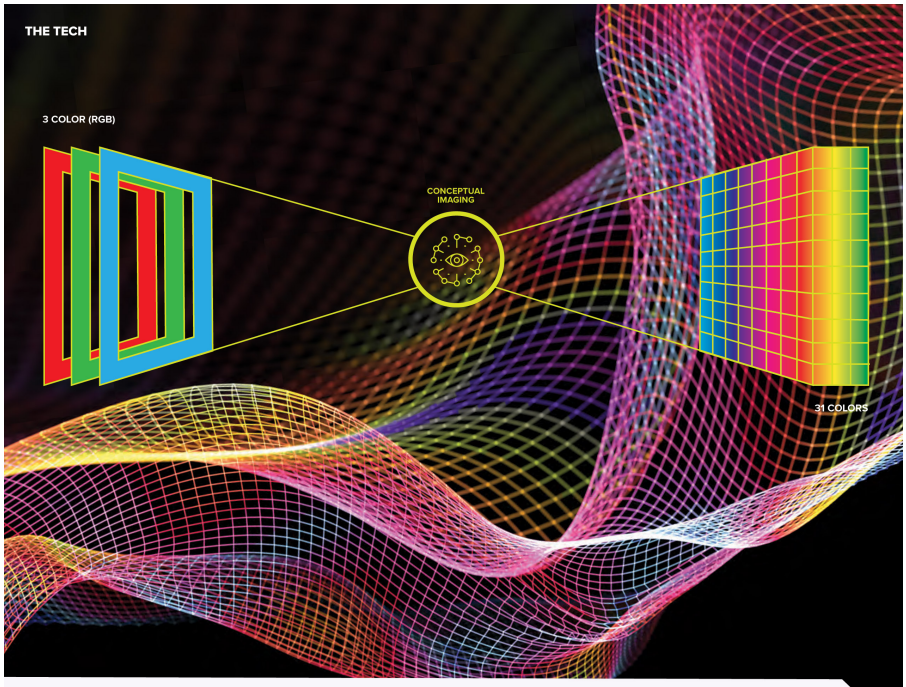
POWERMATCH & SPOILEDBRAIN / *Our proprietary AI matches consumers to the perfect product without ever stepping into a store. PowerMatch & SpoiledBrain deploy dozens of machine learning models to deliver product recommendations with precision, saving customers time and effort, and driving conversion.*

DATA SCIENCE

KENZZA / *A one-of-a-kind online shopping platform that changes the way users buy beauty online. We believe our patented creator-powered in-house media platform represents one of the largest libraries of bespoke wellness and beauty media content in the world.*

VOD CONTENT

- *Kenzza builds confidence as users explore Video-on-demand content, how-to video tutorials, and transformations, all with the ability to shop directly from the platform.*
- *Kenzza provides the infrastructure to launch into new markets with a truly localized website in an impactful, quick and cost-effective manner.*



A NEW VISION OF THE FUTURE

HYPERSPECTRAL / *Patented software technology turns a simple smartphone camera into a hyperspectral instrument that can not only see, but also sense. Our physics based algorithms identify up to 31 wavelengths of light, while the naked eye can only see 3, opening up a world of possibilities for consumers via the mobile phones in their pockets.*

THE PROOF

OUR BRANDS DELIVER RADICAL SOLUTIONS THAT DISRUPT THE STATUS QUO

We design entirely new consumer experiences, powered by ODDITY's unified data and technology infrastructure, that allows us to solve pain points created by outdated and conventional thinking. We build digital direct-to-consumer platforms that learn from our users. We deploy algorithms and machine learning models that leverage user data and deliver a precise product match and seamless shopping experience.

IL MAKIAGE */ Launched in 2018, we are a New York based, tech-driven prestige beauty brand that is shifting millions of customers to shopping for beauty online. We are defining and building the future of beauty by using unparalleled technology to connect people with superior, painstakingly tested, beauty products.*

SPOILEDCHILD */ Launched in 2022, a multi-category direct-to-consumer wellness brand. We empower a new generation of consumers to redefine the rules of aging, unlocking wellness online. Powered by SpoiledBrain, a proprietary machine learning algorithm, we match users to their perfect products based on their unique individual profile.*


ODD
IS UN
CONS
TRAI
NED

FOUNDER'S LETTER

It takes an outsider to transform an industry.

To innovate and take risks. To be agile. To hire high-achieving outsiders without industry bias. To shed old habits and turn down easy money. To fail fast, to learn, and to break new ground. To do something which is the complete opposite of the industry playbook.

This is the mindset that powers my sister and me. We have the vision to transform the global beauty and wellness market through Israeli technology and entrepreneurial thinking, for the benefit of consumers all over the world.

The Legacy Beauty and Wellness Industry Has Not Evolved with the Consumer

As industry outsiders, we saw many shortcomings in the status quo approach. The empires that incumbents had built over decades had not evolved with the times, resulting in a significant lag in online adoption.

Their underinvestment in technology left the category behind the digital curve, despite a consumer who is inherently primed to buy online — spending significant time on social media for beauty content and rapidly shifting dollars online in other categories.

We believe consumers have evolved. Tired of being *told* what they should buy instead of being *asked*. Bored of being sold unattainable images of touched up models and celebrities. Frustrated with the high-friction journey across multiple digital platforms for inspiration and education, only to end up forced into a physical store to purchase.

We believe a big challenge consumers face is a knowledge gap of what to buy. Beauty is unique — the complexity and precision of products demand more than just a website catalog, and there is a high cost of getting it wrong. An in-store trip is often necessary to get the perfect shade match and formulation, and to de-risk product selection.

Our roots as Israeli entrepreneurs gave us unique perspectives on how technology was the solution and that building the bridge for consumers online would require outside thinking.

Beauty and Wellness, Yet, Technology First

From Day 1 we set out to build a digital platform designed to learn from our users. We deployed algorithms and machine learning models leveraging user data seeking to deliver a precise product match and seamless shopping experience.

We harness the data users provide us to develop physical beauty and wellness products that deliver excellent performance and functionality. We never settle on quality. If our data doesn't show it is the best we can deliver, we won't launch it.

It sounds simple and obvious, but in practice it is incredibly difficult — it requires marrying two different worlds of tech and physical products. Tech by itself isn't enough in our category. It's not enough to build smart machine learning models, they need to be trained to match physical products.

For the tech side, our R&D center in Tel Aviv, where our tech leadership is based, recruits from the Israeli Defense Force's best technology units, a renowned source of top technology talent globally. Our extraordinary team of engineers, data scientists, and computer vision experts is the largest team within our company today and comprises over 40% of our global headcount. Together, we built our playbook from scratch with significant investments in our proprietary technology and infrastructure.

The addition of our proprietary computer vision technology is a game changer. Hyperspectral recovery from a user's mobile phone camera opens up a world of opportunities: to act as human eyes, create full skin and hair diagnostics, and to dramatically reduce the cost of training new algorithms through zero example learning.

We are simply years ahead.

But technology was never the goal — it is the means to build a better future and a strong company. The results are extraordinary. We have achieved a level of scale, growth, and profitability that we believe has never been done before by a pure-play digitally branded platform. We are a gateway for consumers to online adoption, with almost half of our customers shopping beauty online for the first time with us. We have proven the ability to launch brands developed organically, a testament to the significant potential of our data-powered platform.

ODDITY LABS is Bringing AI-Based Molecule Discovery to Beauty and Wellness

With the acquisition of Revela and launch of ODDITY LABS, we are doubling down on innovation, but this time around science-backed product development through the use of AI-based discovery engines for the benefit of consumers worldwide.

It has always been my dream to leverage the power of technology to deliver science-backed, new ingredients for high performance products to our users. We are unlocking this unbelievable power with ODDITY LABS - not just for one ingredient or to solve one pain point - but with a revolutionary platform that spans multiple categories and form factors in beauty and wellness.

We believe that uniting ODDITY with Revela is game changing, combining the power of molecule discovery with a direct to consumer, brand scaling machine.

Revela's existing molecules alone are a strong foundation for us to incorporate into our existing and future brands. And we are accelerating innovation with an ambitious product roadmap for future development, across a wide range of markets and where we have strong conviction of success.

It's just another example of our advantage. We believe legacy businesses have too often focused on marketing, offline distribution, and reformulation.

ODDITY's balance sheet, combined with our focus on technology and outside thinking, gives us the firepower to play offense, build future growth engines, and strengthen our edge.

Our Competitive Advantage Grows Every Day

Our massive data moat was generated by more than 40 million users and results in over 1 billion data points which we believe is more than all our giant traditional beauty competitors combined. Data science and machine learning allow us to convert users to customers and customers to repeat customers with industry-leading returns at scale, directing us on white spaces for new category and brand launches, and enable us to custom build and continually improve products for our users.

All of this is against a backdrop of industry incumbents, largely wholesale models who are outsourcing digital to their retail partners at the expense of brand.com.

We are building the future of the category. First through unlocking online with machine learning models and technology products, and now using AI-based molecule discovery to bring science-backed, high performing products to market.

We Are Just Getting Started: The Future is Bright

The IL MAKIAGE brand continues to deliver us proof points that our playbook — a digital direct-to-consumer technology platform designed to *learn* from our users — works.

SpoiledChild's incredible momentum in its first year of launch further proves the power of our platform, and our ability to scale new brands and new categories at remarkable speed.

Our successful expansion into multiple international markets is an additional proof point that our model works. We have seen and continue to see rapid, profitable success in every new market we have launched, with sales outside the United States accounting for a quarter of our sales for 2022, although we were very selective in our countries expansion.

Our customer reviews demonstrate it, and in the internet era, our reach is infinite across a wide demographic — all of this leading to a strong and improving repeat purchasing. We are simply years ahead.

And we have no plans to stop here. As we speak, Brand 3 is well in development, and we will continue to add new brands to our platform. We are going after the most attractive demand pools - huge markets dominated by legacy brands, and where our technology can solve a real consumer pain point.

Our consumer tech platform sets us up for powerful expansion – more brands, new products, new categories for our existing brands, and new countries to unlock.

The opportunity ahead is incredible. We aim to be one of the most defining direct-to-consumer platforms of our time.

I'm always telling our teams and investors that, in our company, we are not *hoping* that growth will happen, we *make* it happen — we are building our own future by driving innovation and taking only BIG SWINGS.

It's something only an outsider could do.

We are excited for you to join us on this journey.

— ORAN HOLTZMAN

CEO and Co-Founder

BUSINESS

Who We Are

We are a consumer tech platform that is built to transform the global beauty and wellness market.

Our commitment to innovation through our proprietary technology is matched only by our commitment to developing empowering products of the highest quality. The ODDITY platform is designed to support a portfolio of brands and services that aim to innovate and disrupt the expansive global beauty and wellness market. ODDITY, powered by our first brand IL MAKIAGE, has been the fastest growing global beauty direct-to-consumer platform from 2020 through 2022, according to Women's Wear Daily. Our first brand, IL MAKIAGE, was also the fastest growing digital, direct-to-consumer beauty brand in the United States through 2021, which is the latest available data from Digital Commerce 360. Our second brand, SpoiledChild, launched in 2022 with the goal of disrupting the wellness category online, and is scaling even faster than IL MAKIAGE.

ODDITY's success is based on our outsider approach. We are a technology company seeking to reinvent every aspect of a massive industry. Our tech team is the largest team within our company today and comprises over 40% of our headcount. We invest heavily in data science, machine learning, and computer vision, and we have an evergreen commitment to exploring and investing in emerging technologies. Our technology innovations, when combined with our world-class physical product range and compelling brands built to win online, aim to eliminate significant friction for customers and support a seamless end-to-end user experience.

We deploy algorithms and machine learning models leveraging user data seeking to deliver a precise product match and seamless shopping experience.

We harness our user data to develop physical beauty and wellness products that deliver excellent performance and functionality. We never settle on quality. If our data doesn't show it is the best we can deliver, we won't launch it.

It requires marrying two different worlds of tech and physical products. It's not enough to build smart machine learning models, they need to be trained to match physical products.

In April 2023, we established ODDITY LABS to bring artificial intelligence-based molecule discovery for the development of science-backed, high performance beauty and wellness products. ODDITY LABS was formed in conjunction with our acquisition of Revela, a biotechnology company focused on the development of new molecules for beauty and wellness products.

Since our first digital brand launch in 2018, we have disrupted the way millions of consumers shop for beauty products by bringing them online and transforming the shopping experience. We bring visitors to our website, turn visitors into users by asking questions and learning about them, and then leverage the data we have across the platform to convert them into paying customers. We have built a platform of over 40 million users that we have direct access to and have generated over 1 billion unique data points on our users' beauty preferences through our digital model. As of March 31, 2023, we had over 4 million active customers, or customers that made at least one purchase with us within the last 12 months.

Our business has a powerful and rare combination of scale, growth, and profitability. Since our launch, we have proven our ability to quickly achieve success in new brands, products, categories and international markets. In just 18 months, and simultaneous with our rapid revenue growth, we achieved profitability due to strong repeat rates. During the year ended December 31, 2022, we scaled to $324.5 million of net revenue, including $25.9 million contributed by the launch of SpoiledChild in February 2022, compared to $222.6 million and $110.6 million for the years ended December 31, 2021 and 2020, respectively, representing 46% and more than 100% growth year-over-year, respectively. In addition, for the years ended December 31, 2022 and 2021, we achieved a gross margin of 67.2% and 68.8%, net income margin of 6.7% and 6.3%, and Adjusted EBITDA margin of 12.2% and 12.0%, respectively. Our Adjusted EBITDA margin in 2022 reflects the impact of costs related to the launch of SpoiledChild. In addition, our order billings grew to $395.5 million in 2022 compared to $267.8 million in 2021.

We built the ODDITY platform to support a diverse portfolio of current and future owned and partnered beauty and wellness brands, with a shared technology backbone, infrastructure, and commitment to rigorous process. In 2019, we launched our in-house New Ventures brand incubator with a mandate to pursue additional product categories ripe for disruption through our technology-powered platform. While some scale beauty and personal care companies have struggled to launch brands organically, SpoiledChild's success out of the gates is a testament to the strength of the New Ventures incubator and the unique power of our data and technology enabled platform. We believe we can drive significant growth and gain market leadership by developing additional standalone, digitally native brands for future launches.

The Scarce Combination of Scale, Growth, and Profitability

We evaluate the strength of our business model based upon our ability to simultaneously achieve our three pillars of success–scale, growth, and profitability–today and into the future. We see an industry full of beauty brands that lack scale, online models that lack profitability, and legacy beauty models that lack growth. Our rare combination of all three validates the attractiveness of our go-to-market strategy.

We have grown rapidly since our founding, with a compound annual growth rate, or CAGR, of 100% of order billings over the last four years. In just 18 months, and simultaneous with our rapid revenue growth, we achieved profitability. For the three months ended March 31, 2023 and 2022, we generated net income of $19.6 million and $3.0 million and Adjusted EBITDA of $28.4 million and $6.7 million, respectively. During the years ended December 31, 2022 and 2021, we generated net income of $21.7 million and $13.9 million and Adjusted EBITDA of $39.5 million and $26.6 million, respectively, and had order billings of $395.5 million and $267.8 million, respectively.

- ***Scale***: **$324.5 Million Net Revenue Achieved in 2022.** ODDITY's first brand, IL MAKIAGE, has captured significant market share in the fragmented complexion category in the three years after its launch. The power of our technology and model has been validated by successful launches of IL MAKIAGE in various geographies.
- ***Growth***: **100% 4-Year CAGR of Order Billings.** The IL MAKIAGE brand is the fastest growing beauty brand in the United States through 2021, which is the latest available data from Digital Commerce 360, with significant runway for growth across product categories and markets ahead. We see attractive growth potential for SpoiledChild and the additional brands we are developing, as well as potential platform acquisitions and partnerships.
- ***Profitability:*** **Double-Digit Adjusted EBITDA Margin.** We believe we have achieved leading profitability in record time relative to certain other publicly-reporting direct-to-consumer businesses. This is based on a comparison of our time to profitability from initial launch as compared to that of such other publicly-reporting direct-to-consumer companies, as measured by net income margin disclosed in such companies' public filings. Our gross margin of 70.9% and 66.8%, net income margin of 11.8% and 3.3% and Adjusted EBITDA margin of 17.2% and 7.4% for the three months ended March 31, 2023 and 2022, respectively, and our gross margin of 67.2%, 68.8% and 70.3%, net income margin of 6.7%, 6.3% and 10.6% and Adjusted EBITDA margin of 12.2%, 12.0% and 19.1% for the years ended December 31, 2022, 2021 and 2020, respectively, are functions of our attractive unit economics. See the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" for additional information regarding these measures.

Building a Platform to Transform a $600 Billion Market

We operate a different model to that of the incumbents that have dominated the global beauty and wellness market. This distinctive approach is core to our competitive advantage and ability to disrupt the market.

Outsiders by Design

Disrupting a market requires outside thinking. Our organization is built entirely by beauty industry outsiders, who come with fresh thinking, a focus on innovation, and a desire to drive continuous improvement.

Technology First

Our business model is centered on our in-house technology capabilities, with leading expertise in data science, machine learning, and computer vision. We operate a cutting-edge R&D and technology center in Tel Aviv that is fully integrated with our business operations in New York City. Our tech team is the largest team within our company today and comprises over 40% of our headcount. Our investments in and focus on recruiting top technology talent is a key component of our strategy. We expect our technology roadmap will define the future of beauty.

Data Drives Our Business

We deploy our technology to better understand customers and anticipate their wants and needs. Our data moat drives all aspects of our business, including revenue, marketing, distribution, operations, and development of new products and brands. It creates a significant competitive advantage in acquiring users digitally, driving our high engagement and strong and improving repeat purchase rates. This data is also critical to training our collection of machine learning models which drive the user journey, across acquisition, purchase, and post purchase. We believe this data-driven approach is a key difference relative to industry incumbents, who are largely wholesale brands without data and technology advantages, and who heavily rely on retail partner platforms for consumer insights.

Superior Product Performance

Our data-centric strategy enables us to create and deliver superior products to our customers and build differentiated brands across the beauty and wellness space. From inception, we construct each brand by thoughtfully leveraging data and employing an exhaustive testing process with our global user base, to determine product-market fit and develop ingredients and formulations. We are committed to only launching a product when our user data shows there is a real consumer need and that our product quality gives us the ability to win.

The Growth Opportunity Ahead

With our rapidly growing user base, we are unlocking distribution for wellness and beauty online. We aim to launch a new, standalone digitally native brand on a regular cadence to disrupt new categories. Each brand will have different teams and leadership, but we plan to have all brands served by our centralized technology and data science teams.

The strength of our playbook is demonstrated by the rapid and consistent success we have seen with the IL MAKIAGE brand in multiple markets, and the even stronger performance we have seen from SpoiledChild since its launch. We see significant potential to grow our existing brands and to disrupt additional product categories across the global beauty and wellness market. Our organization is set up to scale in multiple vectors: through continued growth of the IL MAKIAGE brand, through homegrown brand launches including SpoiledChild via our New Ventures incubator, and through selective partnerships and M&A.

Our Market Opportunity

We operate in the highly attractive over $600 billion global beauty and wellness market as defined by the global beauty, personal care and dietary supplements market per Euromonitor, which is characterized by its large size, secular tailwinds, high growth, and compelling gross margin profile. We believe this market is ripe for disruption, dominated by established, largely offline, wholesale models that we feel have not sufficiently evolved to meet changing consumer preferences for a digital, personalized, and customized experience.

Beauty and Wellness Represents a Massive Market Ripe for Digital Disruption

Today’s beauty and wellness market is dominated by multi-brand brick-and-mortar retailers. Despite its size and prevalence in our daily lives, the industry has been slow to transform. In China

alone, e-commerce sales in beauty and personal care account for 42%, per Euromonitor, representing a massive opportunity for deeper online penetration.

We believe that this underdevelopment of online as compared to other retail categories, such as apparel, is a function of the following:

- ***Established Offline Players.*** Legacy players continue to perform well by leveraging offline channels as the main gateway to the consumer. Therefore, these companies have little incentive to adopt change in their businesses.
- ***Lack of Disruptors***. In the beauty and wellness category, technological disruptors are required to develop physical products in addition to industry-defining technology. This requirement makes it less compelling to technology teams and increases the barrier to entry.
- ***Consumer Knowledge Gap.*** Beauty and wellness products are complex and require a high degree of personalization across attributes like shade matching and formulation. Without technology to help with selection, and with high price points that increase the cost of getting it wrong, consumers are compelled to shop in physical stores to get the right product.
- ***Outsourced Digital Distribution.*** The majority of the market is wholesale brands that sell to powerful and consolidating retail partners. The reliance of wholesalers on these distribution partners has made it difficult for beauty and wellness companies to invest in their brand.com capabilities, or risk disintermediating retail partners. Retailers are asserting increasing power in this sphere through retail media and other initiatives.
- ***Scale and Profitability Trade-off.*** Various independent beauty brands have emerged in recent years, but it has been difficult for these new entrants to achieve sustainable scale or profitability without the help of third-party retailers. This reliance can reduce the efficiency of marketing spend, while increasing risks of boom-bust revenue cycles based on an overreliance on retailer merchandising decisions.
- ***Limited Data.*** Brands that outsource digital distribution to third parties usually have limited access to the consumer data that can be used to drive further online adoption. We believe legacy companies either place little emphasis on, or have no direct method to efficiently collect consumer data. The lack of a direct data connection between companies and consumers impedes product innovation and personalization.

Beauty and Wellness Industry is Slow to Innovate

Beauty and wellness products are typically used daily and replenished often, yet, the legacy journey to purchasing these products is far from the convenient and efficient digital experience many consumers prefer. It has lacked education and personalization historically and is typically:

- ***Overwhelming and Complicated.*** The discovery and inspiration process involves complex steps of browsing through an overwhelming assortment of products, often without much differentiation and filled with marketing jargon, and manually seeking out advice through disparate means to self-educate and parse out what is individually suitable for each consumer.
- ***Time-Consuming.*** The legacy consumer journey to buy cosmetics or skincare products largely entails going in person to a department store or a specialty retailer to try on and sample products. Different stores carry different brands, and inventory levels can vary across stores. It is not uncommon for consumers to navigate multiple stores before they can find what they want.
- ***Plagued by Overspending.*** Product recommendations often rely on the naked eye and human judgment, creating a consumer journey plagued by trial-and-error. Consumers often go through multiple steps of returns and purchases before they find the right product, which leads to overspending.
- ***Not Personalized:*** The beauty and wellness industry has been built to maximize individual transactions rather than optimize each individual consumer's journey over time as needs and preferences evolve. We believe legacy companies cannot efficiently collect consumer data at scale, which impedes personalization.

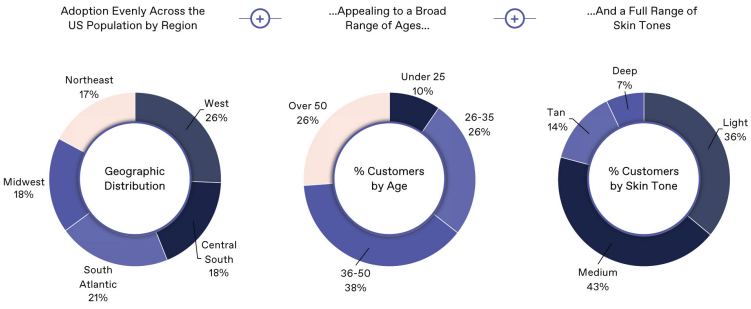
We believe the winner in the beauty and wellness industry will be the company that recognizes that technology, data and online capabilities are at the core of the business, and can leverage these strengths to innovate and address rapidly changing consumer preferences. We believe the combination of our almost entirely online and direct-to-consumer business model, deep technology expertise, and exceptional product offerings positions us best to address the modern-day beauty and wellness consumer.

The Power of Digital

The potential reach of a successful online model is significant — unconstrained by physical store footprints or local marketing limitations. Our technology-powered model has the ability to reach a broad and diverse audience in beauty and wellness.

We are a gateway for online adoption, with almost half of our customers making their first online beauty purchase with us based on internal estimates. We expect our market share position to strengthen as beauty and wellness purchases increasingly shift online.

An Expansive Customer Demographic



Note: Percentages may not add up to 100% due to rounding.

Our model allows us to build funnels that attract a broad range of customers. We convert customers across geographies, demographic characteristics, and purchasing behavior. As of December 31, 2022, our customer base was distributed evenly across the United States, with representation across different age groups and skin tones. Our direct, tech-enabled and data-driven model strongly appeals to a broad demographic audience, giving us a unique opportunity to capture this growing source of demand and compete in categories traditionally dominated by legacy brands with waning relevance.

A Holistic End-to-End User Journey Enabled by Technology

ODDITY is powered by our vision and commitment to revolutionize the beauty and wellness industry through technology innovations and outside thinking. We have built a holistic, end-to-end customer journey, with each of our user touchpoints seeking to enhance and optimize the overall experience. Our integrated model aims to eliminate significant friction, bringing discovery, product matching, tutorial, purchase, and repeat engagement under a single platform. We do so by making technology core to our business model and through proprietary innovations, including:

- ***Kenzza.*** We believe Kenzza, our video-on-demand beauty platform, is the world's largest library of bespoke beauty media content. Users find education and inspiration from our in-house content, custom made for us by some of the world's most influential beauty creators.
- ***PowerMatch / SpoiledBrain.*** Dozens of machine learning models deliver product recommendations with precision, saving our users time and effort, and driving conversion.

- ***Computer Vision / Hyperspectral.*** Patented software for hyperspectral recovery allows us to replace an expert's eyes by giving every mobile phone camera the capabilities of a $20,000 hyperspectral instrument.

Proprietary, Actionable User Data

Based on our experience, consumers in our category want to be asked, not told what products will work for them. They want personalization and customization, not a one-size-fits-all approach. They want a product that is tailored to their individual needs.

From inception, our platform was built on the premise of asking and learning. We bring visitors to our website, turn visitors into users by asking questions and learning about them, then leverage the data we have across the platform to convert them into paying customers, and then watch them become repeat customers.

Users represent visitors that have interacted with our website and shared at least 50 unique data points with us. Data points include, for example, user beauty preferences collected through surveys. Our users have generated over 1 billion unique data points that we have used across multiple vectors:

- ***Product recommendations:*** We deliver the precise product, formulation, and shade to make selection easy, driving acquisition and conversion.
- ***Remarketing and retargeting:*** We offer users accurate, personalized and relevant educational and product content, which drives engagement and increases our return on marketing spend.
- ***New product and brand development:*** We listen to our users on the products, formulations, and use cases that they want, increasing our product launch success rate and accelerating our product development cycles.
- ***Training our machines:*** We did not wake up flawless. As pioneers of online beauty and wellness, we learned with our machines how to smooth out the blemishes. We invested time and money — that we believe others cannot keep pace with — to drive continuous improvement in our product and business. The data we collect from our users further powers our machine learning capabilities and enables us to continuously improve the advantages described above.

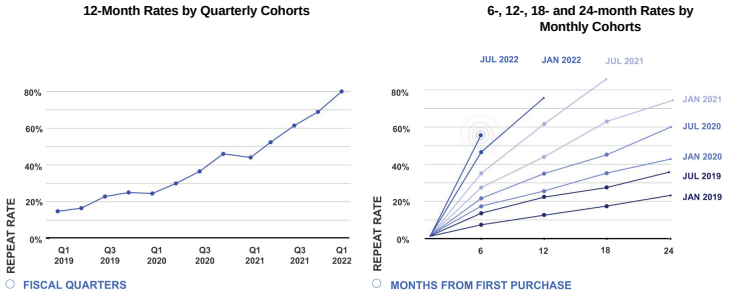
Moreover, as we engage with our customers directly, versus through third-party retailers, we continue to own the customer experience and have direct access to valuable, real-time data.

Loyal Customer Behavior

Our data and consumer tech platform, coupled with our direct model, drives high customer loyalty and strong and improving repeat purchase rates across customer cohorts. Our 12-month U.S. net revenue repeat purchase rate for our Q1 2022 customer cohort was approximately 80% as of the first quarter of 2023.

We believe that the combination of high data driven conversion rates and high repeat purchase rates lead to a strong and profitable business model. See the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations — Key Factors Affecting Our Performance" for additional information regarding our net revenue repeat purchase rate and customer acquisition and retention.

U.S. Net Revenue Repeat Purchase Rates



Across ODDITY, technology and data drive all business functions from product development to marketing and operations to enabling our powerful digital model. This in turn allows us to provide what we believe to be a superior customer experience, from data-driven personalized recommendations, and a library of creator-led content for tutorials and engagement, to seamless online check-outs and deliveries. Our relentless focus on creating a superior and delightful customer experience has increased our efficiency in user acquisition and conversions and accelerated our growth, allowing us to reach profitability only 18 months post-launch.

This technology-powered, data-centric model shares similarities with other “land and expand” models in the technology industry, which are designed to support faster growth at higher incremental returns than analog ones. Once a user is onboarded, we are able to market additional products and services at lower incremental costs, supporting favorable incremental returns on our capital.

We believe our data-driven model has the additional benefit of increasing our rate of success for new brand and product launches and derisking the downside potential of every dollar of capital we deploy in the pursuit these new launches.

Lastly, it enables us to build and launch brands developed organically in-house, as opposed to solely relying on acquisitions, which in our experience supports a higher Internal Rate of Return, or IRR, based on a lower amount of capital required to build versus buy.

When Beauty Meets Israeli Technology

We operate an elite technology organization, and technology is at the center of everything we do. An ethos of innovation, creation, agility, and disruption permeates our entire company. Our dedicated workforce includes in-house engineers, data scientists, computer vision experts, and product teams that comprise over 40% of our global headcount. Our tech team is completely integrated with the business teams, working hand-in-hand across areas like growth, customer experience, marketing, and product development to drive the business.

To execute our extensive roadmap, we deploy new versions of our platform and funnels every week. The multiple deployments improve and add features that the customer wants and needs.

Our operating method is a hallmark of the most advanced technology companies and allows us to keep a strong pace of innovation and execution as we scale. The tech team is organized in squads devoted to key domains, each organized as small standalone startups with dedicated project managers, software developers, and quality assurance. This allows all teams to push domains in parallel and avoid bottlenecks. We work in weekly sprints that include planning, coding, deploying, testing, analyzing performance, and optimizing.

We take enormous pride in our tech team. We recruit from the most attractive pockets of talent in the world, and our tech team receives focus from the highest levels of leadership in our organization. Based in Tel Aviv, one of the most advanced R&D hubs in the world, ODDITY's R&D organization has attracted talent from elite Israeli technology centers including the Israeli Defense Forces' Unit 81, its Special Operations Division's technology unit.

Massive Data Usage Fuels Growth and Profitability

We are a data-driven company and one of our significant differentiators is the vast amount of quality, actionable data that we are able to collect on our users and our products. We leverage this data to drive almost every aspect of the business and to enhance our customer experience.

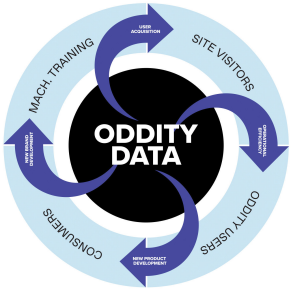
We believe ODDITY has one of the largest databases in the beauty and wellness industry. Each of our brands can generate and collect its own data, and we can leverage the aggregation of user data points across all ODDITY brands to create platform-level synergies, enhance growth, and expand into other countries and product categories. In addition to the business advantages, this continuous data building further allows us to refine and optimize our algorithms to drive higher accuracy of product matching models.

ODDITY's consumer tech platform has the benefit of utilizing IL MAKIAGE's existing machine learning models, which took years to perfect via trial and error. At the forefront of applying machine-learning to the beauty industry, our data advantage has provided ODDITY with speed-to-market, high efficacy product, and high customer satisfaction. As compared to traditional beauty companies that rely on wholesale distribution models and lack user data collection, we believe that our technology and massive existing user base would be difficult for other companies to achieve or replicate.

We gather insights from a massive amount of sources and leverage data in five main ways:

- Generating revenue
- Remarketing/retargeting users
- Developing new products
- Developing new brands
- Training our machines

We believe our consumer tech platform enables us to collect substantially more data than others in our space, which creates a flywheel that continuously improves and drives the business.



Our Proprietary Tech Products Change the Way Consumers Shop for Beauty Online

We are a technology company at our core and have created a purpose-built platform for the beauty and wellness industry to scale our digitally native brand portfolio. Our platform delivers the future of

beauty and wellness to consumers by addressing the complex demands they face when buying online. Our core technology products should and will serve multiple brands:

PowerMatch / SpoiledBrain

Our proprietary algorithms and machine learning models match customers with accurate complexion and beauty products. Using artificial intelligence, or AI, PowerMatch and SpoiledBrain help users identify the correct products, formulations, and shades, reducing the risk of incorrect selection and eliminating the need to physically try on products in-store. We use many real-time predictions drawn from our pool of user data and are constantly improving our models to increase accuracy and conversion.

Computer Vision

Patented software technology allows existing smartphone cameras to provide hyperspectral information, which until now could only be obtained using expensive, dedicated, and complex hyperspectral cameras that cost $20,000 or more. Our hyperspectral vision technology can detect 31 wavelengths that are invisible to the human eye. By applying unique, physics-based AI technology to recover and interpret this hyperspectral information, we can analyze skin and hair features, detect facial blood flows, monitor heart-rate, and create melanin and hemoglobin maps.

We believe this hyperspectral imaging technology will allow us to rapidly expand our product capabilities with a lower amount of data needed for our machine learning models, such as more personalized products and brands in categories that traditionally require in-person diagnostics.

We acquired our hyperspectral vision technology in July 2021 through the purchase of all outstanding shares of Voyage 81 Ltd., or Voyage81, for approximately $20.2 million in cash and approximately $12.3 million in the issuance of our Redeemable A shares. These Redeemable A shares will automatically convert into Class A ordinary shares immediately prior to the closing of this offering pursuant to our amended and restated articles of association.

Kenzza

We believe we own the largest collection of on-demand bespoke beauty media content in the world, created by our incredible global network of beauty and wellness content creators. Through thousands of videos available for streaming. Kenzza, our proprietary and patented platform, brings video-on-demand content and experiences that change the way users buy beauty online. Instead of showing more products, we are providing content and education. This unparalleled education engine leads to high user confidence and therefore lower friction, which drives scale and profitability. The technology supports features that we believe matter to our users, including custom video navigation and product tagging, to deliver a content experience not possible on other platforms like YouTube or Instagram. Further, our custom-built digital media platform allows us to scale content easily across a wide range of creators and geographies. Kenzza is an important part of our international and new category expansion strategy as we launch with a full library of content from local creators in local languages to deliver an authentic and supportive experience for our users.

The ODDITY Platform is Unlocking Distribution for Beauty and Wellness Online

Based on the success and online demand we have experienced in the past three years, we believe that beauty will be 50% online in the near term. We are uniquely positioned for the future of beauty and are years ahead in terms of technology and online capabilities. We believe our business is completely different from those of the legacy beauty companies.

With over 40 million unique users as of March 31, 2023, we are unlocking distribution for wellness and beauty online using data and in-house technology. Our strategy is to grow separate and standalone digitally native brands to disrupt new categories.

New Ventures

We established our New Ventures brand incubator in 2019 to support the in-house development of new brands. The New Ventures team operates with the mandate to build brands and their technology

products from start to finish, while targeting the most attractive pockets of demand in the global beauty and wellness market. We see an abundance of opportunity to disrupt categories with the following characteristics:

- ***Large Market Size.*** The global $600 billion beauty and wellness market is full of large sub-markets where consumers have significant demand and willingness to pay for functional products.
- ***Consumer Pain Points.*** Categories in which our data indicates there is low consumer satisfaction with existing available products/brands.
- ***Dominance of Older, Unexciting Brands.*** Category leaders that lack appeal for a younger generation, and anchor on themes and brand equity that no longer resonate with a younger consumer's needs.
- ***Legacy Distribution.*** The category remains largely offline with insufficient technology deployed to engage a digitally native consumer.

IL MAKIAGE

IL MAKIAGE is a prestige, digital beauty brand powered by ODDITY's consumer tech platform, which leverages data science, machine learning and computer vision capabilities to deliver high-quality online experiences for consumers.

IL MAKIAGE defines and builds the future of beauty by using ODDITY's unparalleled technology to connect people with a superior, painstakingly tested, wide range of beauty products.

Since the brand's launch in 2018, according to our customer surveys, IL MAKIAGE has converted millions of consumers from shopping for beauty products in stores to making purchases online and disrupted the industry in the process. Our exceptional products and unparalleled technology have contributed to IL MAKIAGE's massive success as the fastest growing online beauty brand in the United States through 2021, which is the latest available data from Digital Commerce 360.

In 2020, IL MAKIAGE started its global expansion with launches in the UK, Germany, and Australia. The company is experiencing tremendous momentum globally with sales outside of the United States accounting for approximately 26% and 27% of our net revenue for the years ended December 31, 2022 and 2021, respectively.

SpoiledChild

We launched our multi-category second brand, SpoiledChild, in February 2022 with the goal of disrupting the wellness industry. SpoiledChild is a prestige, online-only wellness brand powered by ODDITY's scalable technology platform, including its AI and machine learning capabilities, along with superior products and sustainable design.

We believe SpoiledChild's strong financial performance in its first year demonstrates the power of the ODDITY platform, the power of our user base, and the significant untapped consumer demand for our current and future products. SpoiledChild generated $25.9 million of net revenues in the year ended December 31, 2022, scaling even faster than IL MAKIAGE, which was the fastest growing digital, direct-to-consumer, beauty brand in the United States through 2021, which is the latest available data from Digital Commerce 360.

Empowering a new generation of consumers to redefine the rules of aging, SpoiledChild allows consumers to control their future by offering an individualized approach to age-control.

Through SpoiledBrain, the brand's proprietary machine learning algorithm, SpoiledChild matches customers to their perfect products across multiple categories based on their unique individual profile. This multi-category offering, with a full line of products addressing hair, skin, and other health and wellness needs, was developed through a wide-scale, meticulous consumer-first product development process.

In addition, SpoiledChild seeks to promote sustainability with its patented refillable packaging, designed to reduce waste.

ODDITY LABS to Power Product Discovery and Development

We established ODDITY LABS to bring biotechnology and AI-based molecule discovery to beauty and wellness. ODDITY LABS is designed to deepen our competitive advantage by supporting the development of proprietary, science-backed, and high performance products for the benefit of consumers all over the world.

ODDITY LABS was formed in April 2023, in conjunction with our acquisition of Revela, a biotechnology company focused on the development of new molecules for beauty and wellness products. Revela is a pioneer implementing and scaling AI-based molecule discovery for beauty and wellness, which has allowed Revela to identify molecules that we believe are high-performing, and to do it cost efficiently, with accelerated lead times. Revela's AI-based discovery model is being incorporated into ODDITY's product development process to accelerate growth across beauty and wellness categories. The FDA has not approved any of our products or otherwise determined such products to be safe and effective for any intended uses.

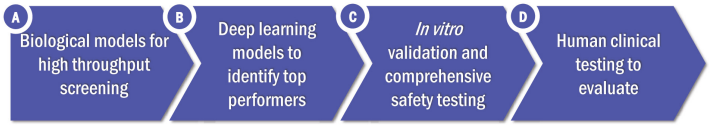
The acquisition of Revela closed in May 2023, with an aggregate purchase price of $70.0 million, which included cash consideration of approximately $32.5 million and the issuance of 85,339 of our Class A ordinary shares having a combined total valuation of approximately $37.0 million.

ODDITY LABS operates a frontier biotechnology research and development lab in Boston, at the center of biotechnology talent and innovation. It will power our product innovation for the future, with a focus on the discovery and development of novel products.

We believe AI-based molecule discovery is a transformative frontier in product development for our industry, driven by the advancements of key enabling technologies including synthetic biology, genomic sequencing, robotics, and AI. The technological approach is already widely used in the field of biotechnology for drug discovery. ODDITY LABS is deploying these capabilities to build a next-generation platform, which we believe will have distinct advantages:

- the ability to discover and develop high-performance products that meet consumer needs at speed and scale;
- the biological pathway mapping data base to understand the mechanisms that drive cellular behavior, supporting future innovation of novel products and solutions;
- the ability to attract world leading talent; and
- the ability to support systematic and repeatable innovation through AI-based molecular discovery.

Our multi-step process leverages biological and computational technologies to drive discovery and optimization:



After a winner is identified, molecules are continuously optimized through RNA sequencing, molecular docking, and molecule representation algorithms.

Our Competitive Strengths

We have created something new: an industry-redefining, digitally native beauty and wellness company built around an extensible consumer tech platform. Our competitive strengths include:

- ***Israeli Technology to Disrupt the Beauty and Wellness Category.*** Innovation is core to our culture. Our team of beauty outsiders is seeking to disrupt the beauty industry from within by developing a proprietary, scalable technology platform that is purpose-built for beauty and wellness consumers. Everything we do, from product development to marketing to operations, is grounded in the data we optimize from users. Data and machine learning drive the business and results. Our roadmap is full of tech products and capabilities that we believe will define the future of beauty and our network in the Israeli tech scene allows us to have strong visibility into new technologies that will help us shorten timelines to innovation.
- ***Data-Centric and Online Business Model***. Our data drives revenue, product development, marketing, distribution, operations, and new brand development. It creates a significant competitive advantage in acquiring users digitally, driving our high engagement and improving repeat purchase rates. Since the launch of our first brand, IL MAKIAGE, we have been continuously refining our machine learning models. Our extensive data moat allows us to build machine learning models with zero-example learning capabilities to drive efficiencies and speed to market for new product launches. In turn, our AI capabilities deliver a hyper personalized beauty experience to the customer to drive customer loyalty and repeat purchase rates.
- ***Extensible Platform Built for Developing and Scaling Transformative Brands.*** ODDITY's consumer tech platform was created to launch transformative products and brands across the beauty and wellness space. With our rapidly growing user base, we are unlocking distribution for wellness and beauty online. We aim to launch a new, standalone digitally native brand on a regular cadence with the goal of disrupting new categories. Each brand will have different teams and leadership, but we plan to have all brands served by our centralized technology and data science teams. Our proven brand development playbook began with the launch of IL MAKIAGE in 2018, which became the fastest growing beauty brand in the United States in 2021, and continued with the successful launch of SpoiledChild in 2022, which generated $25.9 million of net revenues during the year ended December 31, 2022, scaling even faster than IL MAKIAGE. We are focused on investing in our technology platform rather than just the top-down brand. To drive platform expansion, our New Ventures in-house incubator is guided by two goals–first, identifying new categories to be disrupted online and second, building new brands for a superior user experience. We continue to invest heavily in the growth of our New Ventures team. To start, our data-driven approach to new launches begins with extensive market research and blind product testing to create the superior product in its category. Through the combination of our New Ventures team, existing user data, product match technology, and in-house marketing capabilities, we believe we will be able to effectively develop new brands, including in categories beyond cosmetics, skin and hair, and introduce them to targeted customers.
- ***ODDITY LABS to Power the Discovery and Development of Science-Backed Products***. We established ODDITY LABS in conjunction with our acquisition of Revela in April 2023 to bring biotechnology and AI-based molecule discovery to beauty and wellness. ODDITY LABS is designed to deepen our competitive advantage by supporting the development of proprietary, science-backed, and high performance products. We believe AI-based molecule discovery is a transformative frontier in product development, driven by the advancements of key enabling technologies, including synthetic biology, genomic sequencing, robotics, and AI, that can support the discovery and development of molecules at speed and scale. We are incorporating Revela's AI-based discovery model into our product development process to accelerate growth across beauty and wellness categories.
- ***Strong Unit Economics Creates a Proven Business Model.*** The strength of our unit economics underpins our ability to scale and grow profitably. In just 18 months, and simultaneous with our rapid revenue growth, we achieved profitability. For the three months ended March 31, 2023 and 2022, we generated net income of $19.6 million and $3.0 million and Adjusted EBITDA of $28.4 million and $6.7 million, respectively. During the year ended December 31, 2022, we generated net income of $21.7 million, compared to $13.9 million and $11.7 million for the years ended December 31, 2021 and 2020, respectively, and Adjusted EBITDA of

$39.5 million for the year ended December 31, 2022, compared to $26.6 million and $21.1 for the years ended December 31, 2021 and 2020, respectively. Our gross margin of 70.9% and 66.8%, net income margin of 11.8% and 3.3% and Adjusted EBITDA margin of 17.2% and 7.4% for the three months ended March 31, 2023 and 2022, respectively, and our gross margin of 67.2%, 68.8% and 70.3%, net income margin of 6.7%, 6.3% and 10.6% and Adjusted EBITDA margin of 12.2%, 12.0% and 19.1% for the years ended December 31, 2022, 2021 and 2020, respectively, are functions of our attractive unit economics. See "Management's Discussion and Analysis of Financial Condition and Results of Operations" for additional information regarding these measures.

- ***Founder-Led Management Team.*** Our entrepreneurial brother-sister founding team saw an industry ripe for disruption after observing the disconnect between online beauty discovery and offline purchasing behavior. As our name suggests, our corporate DNA values the ability to be unconstrained by historical conventions. We are uncompromising in our mission to make the first move, set the pace for the industry, take big swings, and continuously raise the bar — wild vision combined with hard work and a hands-on approach.

Our Growth Strategies

Our intention is to sustain our high-growth and attractive margin profile that consistently delivers great outcomes for our stakeholders. To do this, we believe it is vital to have a clear long-term growth strategy that guides our continued investments in areas that align with our customers' wants and needs, and our own growth objectives.

- ***Continue to Build Our User Base.*** We aim to continue to grow our user base globally as we launch in new geographies, categories and brands. As of March 31, 2023, we had over 40 million unique users.
- ***Convert Users into Customers***. We have succeeded in converting our users into customers through our data-driven personalization engines. Our massive amount of data points on our users allows us to convert users to customers at high conversion rates over time. We generate a high contribution margin through this conversion. As of March 31, 2023, we had over 4 million active customers.
- ***Continue to Increase Customer Loyalty and Wallet Share***. We continuously seek to deepen our existing customer relationships to improve our already strong and growing revenue retention rates and increase our wallet share. Our 12-month U.S. net revenue repeat purchase rate for our Q1 2022 customer cohort was approximately 80% as of the first quarter of 2023. We continue to drive repeat behavior through improvements in data-driven personalization, product recommendations, customer service, and engagement, in addition to new products and brands launches that are all informed by customer data. New brand launches are core to our growth strategy and will enable us to unlock the potential for our customers to cross-shop brands. Each of these initiatives is designed to increase the loyalty of our users.
- ***Expand Our Global Footprint***. Our upfront investments in technology allow us to scale in new markets quickly and with limited asset intensity. Our rapid and profitable expansion into the UK, various markets in Continental Europe, and Australia gives us confidence in our ability to drive a large part of our business overseas. Sales outside of the United States accounted for approximately 26% and 27% of our net revenue for the years ended December 31, 2022 and 2021, respectively, below the penetration level of our large global competitors and providing significant room for growth. When entering a new geography, we market directly to consumers via our localized multilingual digital platform, have a dedicated native customer support team, and ramp up our digital marketing spend.
- ***Grow Our Existing Brands.*** We estimate that IL MAKIAGE comprises less than 2% of the total beauty market in the United States with the potential to significantly increase market share driven by the brand's differentiated, digital and data-first approach to customer acquisition and retention. We believe SpoiledChild has the opportunity to become one of the largest online wellness brands, with dominant franchises in haircare, skincare, and additional wellness

categories, based on the financial performance in its first year, ODDITY's platform for scaling transformative brands, and SpoiledChild's reach across multiple categories.

- ***Expand Our Portfolio of Brands and Services.*** Our track record of success with IL MAKIAGE across multiple markets and our recent launch of SpoiledChild reinforce our commitment to launching multiple transformative brands and growth vectors. We believe our brand launch playbook has been proven out with IL MAKIAGE in the United States, and in multiple international markets, and reinforced with the success of SpoiledChild. This playbook is extensible to incremental brands layered into our portfolio, developed both internally through our New Ventures incubator, or brought in via partnerships and acquisitions. We believe that expanding the scope of our platform to additional product categories will further expand our addressable market, and are building capabilities that will extend our reach beyond physical product sales into consumer facing and B2B service models.

Our Products

We offer a wide range of prestige beauty and wellness products. Our beauty portfolio includes exceptional face and complexion, eye and brow and lip products, makeup tools, and recently launched wellness categories with high-performance skin and hair care products. Our products are designed specifically for our direct-to-consumer and online customer base. Products are priced in a range of $20-$100 per item, with even higher price points for the more elite performance products in our range. We have made significant R&D investments in support of developing exceptional quality beauty and wellness products that drive adoption, customer loyalty, and repeat purchasing behavior. Our in-house R&D center works directly with our third-party manufacturing partners to develop or identify the precise product formulas that best achieve our stringent data-centric performance and quality criteria.

IL MAKIAGE

Face and Complexion

Our complexion products offer a wide variety of shades designed to match every skin tone. The advanced and innovative formulas aim to enhance the complexion and generate a flawless look for every occasion. Our product line includes a breadth of complexion essentials including primer, foundations, concealers, face powders, bronzer, contour, highlighter, and blush.

Eyes and Brows

We offer a broad range of color products in diverse formulas and textures, including shades of eyeshadows, palettes, mascaras, eyeliners, lashes and a brow collection with brow pens, brow mascaras, brow gels, and brow kits.

Lips

Our lip products offer a wide variety of shades, finishes, coverage, and textures to create any desired look. From translucent to full coverage, glossy to ultra-matte finish, our lip products provide a lightweight and super-comfortable creamy texture enriched with hydrating and nourishing properties. Our lip product range includes lipsticks, lip glosses, lip liners, and lip palettes.

Skin Care

Our skin care line presents a variety of products for day or night use, boasting strong anti-aging active ingredients and vitamins. The highly nourishing formulas are designed to rejuvenate the skin and address a wide range of skin concerns and needs, including restoring glow, minimizing the appearance of pores, dark spots, wrinkles and fine lines, hydrating dry or dull skin, reducing the visibility of blemishes, evening skin tone, and more.

SpoiledChild

In 2022, we launched our second brand: SpoiledChild, an innovative wellness brand that delivers a personalized experience to a new generation of consumers, featuring a sustainable refill model that includes reusable, patented capsule designs.

Hair Care

Hair health is at the core of SpoiledChild's offering and our products support our customers' journey towards fuller, healthier hair.

Skin Care

With customization at its core, our innovative skin care line offers an expansive suite of moisturizers and serums, tailored to target each users' unique skin concerns. Rigorously tested for performance, each skin care product is made with high-quality ingredients for visible results.

Sales and Marketing

Our sales and marketing capabilities represent a core and differentiated competency that is essential to the success of the ODDITY platform. We are focused on continuing to acquire new users efficiently, and building brand awareness and a demand generation engine.

Over the last three years, we have invested heavily in building a talented in-house marketing team, while also developing proprietary technologies that enable us to build data-driven and highly personalized campaigns that can scale globally on digital platforms. Unlike the majority of consumer brands, our in-house marketing team manages our performance marketing from end-to-end, without the use of outside agencies. This has led to a high level of platform engagement from both new acquisitions and repeat purchases.

Our proprietary technologies and robust first-party database enable us to achieve cost-effective and data-driven digital marketing and user acquisition. We also design innovative marketing programs that help increase brand awareness by targeting people who we believe have a higher propensity to engage with our platform and buy from our merchants. We continue to partner with various social media platforms to ensure we gain exposure with broader audiences.

We currently acquire new users through a variety of marketing channels including social media, search engine optimization and brand-oriented marketing campaigns. We rely on our data to understand consumer behavior and long-term value of the customer which guide our acquisition strategy. We also utilize data in determining how best to engage our users and seek to optimize the mode, timing and frequency of interactions across digital advertising and emails.

Supply Chain

ODDITY has built a scalable, efficient, and resilient supply chain to support our operations globally. We source our raw materials, packaging, assembly services, and other products from a diversified base of leading third-party suppliers, selected based on their strengths and areas of expertise, and evaluated against rigorous testing and a mathematically based scoring model to determine which product to launch. We believe that our supplier base has adequate resources and facilities to support our future growth and is robust enough to withstand unforeseen supply interruptions and external market shocks. This approach is distinct from most legacy beauty companies, who are more concentrated across products with a small group of manufacturing partners.

In response to unprecedented pandemic-related supply chain disruptions, we have implemented a comprehensive supply chain resiliency program designed to ensure uninterrupted supply of our products. This includes engaging redundant suppliers where possible as well as carrying higher levels of inventory. While we have not in the past been affected by significant volatility in the prices of principal raw materials required to make our products, it is possible that price volatility could increase in the future. We believe that we are well-positioned to withstand any reasonably foreseeable supply chain disruptions or pricing fluctuations.

Distribution and Fulfillment

We primarily utilize third parties to warehouse and distribute our products throughout the world. We have recently significantly expanded the order fulfillment capacity of our fulfillment and distribution center network, and we believe that we have sufficient capacity to support current and reasonably anticipated future requirements. We are continually assessing our fulfillment and distribution network to align our capacity with anticipated regional sales demand and planned expansion into new markets. Additionally, we continually look for opportunities to improve the customer experience and lower costs through the implementation of new processes and technology.

We utilize multiple outbound carriers for customer order fulfillment and distribution across the various markets where we operate. Our shipping carrier network is optimized to achieve targeted delivery times while minimizing costs. We maintain direct relationships with carriers in instances where we believe it will enable us to achieve lower costs.

Our People and Culture

Our people are key to our success. We are a diverse team of beauty industry outsiders by design, committed to using transformative innovation to deliver radically new solutions to our customers.

We work hard to create an environment where our employees feel empowered, and live by our core mantras:

- We're boldly unconstrained
- We always outrun
- We take big swings
- We win every day
- We never fit in

As of March 31, 2023, we had a corporate workforce of approximately 265 individuals across our organization, with approximately 35% and 65% of our workforce located in the United States and outside of the United States, respectively. Our extraordinary team of engineers, data scientists, and computer vision experts are the largest team in our company, representing over 40% of our headcount. None of our employees are represented by labor unions, or work under any collective bargaining agreements. Extension orders issued by the Israeli Ministry of Economy and Industry apply to us and affect matters such as cost of living adjustments to salaries, length of working hours and week, recuperation pay, travel expenses and pension rights. We have not experienced any work stoppages, and we believe that our employee relations are strong.

Competition

We believe that our relentless focus on technology and product innovation has helped us create an industry-redefining, digitally native beauty and wellness company. However, the beauty and wellness industry is highly competitive. Consumers have a significant number of options for their beauty and wellness needs. We face competition from beauty and wellness companies throughout the world, including multinational consumer product companies as well as independent brands.

We believe that our ability to compete successfully depends primarily on the following factors:

- continuing to advance our technology platform;
- leveraging our data and AI capabilities;
- maintaining and attracting customers;
- developing and launching new products and transformative brands;
- responding to changing consumer demands in a timely manner;
- maintaining the value and reputation of our brand;
- attracting and retaining a team committed to innovation;
- effectiveness of our products;
- accessible pricing;
- customer service; and
- effectiveness of our marketing strategies.

Government Regulation

Our products are subject to regulation by the U.S. Food and Drug Administration, or the FDA, and the U.S. Federal Trade Commission, or the FTC, in the United States, as well as various other local and foreign regulatory authorities, including those in the EU, and other countries in which we operate. These laws and regulations principally relate to the ingredients, proper labeling, advertising, packaging, marketing, manufacture, safety, shipment and disposal of our products.

United States Regulation of Cosmetic Products

The Federal Food, Drug and Cosmetic Act, or the FDCA, defines cosmetics as articles or components of articles intended for application to the human body to cleanse, beautify, promote

attractiveness, or alter the appearance, with the exception of soap. The labeling of cosmetic products is subject to the requirements of the FDCA, the Fair Packaging and Labeling Act, the Poison Prevention Packaging Act and other FDA regulations. Cosmetics are not subject to pre-market approval by the FDA; however, certain ingredients, such as color additives, must be pre-approved for the specific intended use of the product and are subject to certain restrictions on their use. For example, the use of dihydroxyacetone, or DHA, as a color additive in self-tanning products must comply with FDA regulations that impose strict limitations on impurities.

Additionally, the FDA recently published a white paper containing expert opinion on testing methods for the presence of asbestos in talc and talc-containing cosmetics. If a company has not adequately substantiated the safety of its products or ingredients by, for example, performing appropriate toxicological tests or relying on already available toxicological test data, then a specific warning label is required. The FDA may, by regulation, require other warning statements on certain cosmetic products for specified hazards associated with such products. FDA regulations also prohibit or otherwise restrict the use of certain types of ingredients in cosmetic products.

In addition, the FDA requires that cosmetic labeling and claims be truthful and not misleading. Moreover, cosmetics may not be marketed or labeled for their use in treating, preventing, mitigating, or curing disease or other conditions or in affecting the structure or function of the body, as such claims would render the products to be a drug and subject to regulation as a drug. The FDA has issued warning letters to cosmetic companies alleging improper drug claims regarding their cosmetic products, including, for example, product claims regarding hair growth or preventing hair loss. In addition to FDA requirements, the FTC as well as state consumer protection laws and regulations can subject a cosmetics company to a range of requirements and theories of liability, including similar standards regarding false and misleading product claims, under which FTC or state enforcement or class-action lawsuits may be brought.

In the United States, the FDA has not promulgated regulations establishing good manufacturing practices, or GMPs, for cosmetics. However, the FDA's draft guidance on cosmetic GMPs, most recently updated in June 2013, provides recommendations related to process documentation, recordkeeping, building and facility design, equipment maintenance and personnel, and compliance with these recommendations can reduce the risk that the FDA finds such products have been rendered adulterated or misbranded in violation of applicable law. The FDA also recommends that manufacturers maintain product complaint and recall files and voluntarily report adverse events to the agency. Further, under the Modernization of Cosmetic Regulation Act of 2022, which amended the FDCA, manufacturers of cosmetics will become subject to more onerous FDA obligations once implemented via regulation, including adverse event reporting and record retention requirements, safety substantiation requirements, facility registration requirements, and good manufacturing practice requirements. The FDA has also been granted new enforcement authorities over cosmetics, such as mandatory recall authority, and there will be new cosmetic labeling requirements imposed. The FDA monitors compliance of cosmetic products through market surveillance and inspection of cosmetic manufacturers and distributors to ensure that the products are not manufactured under unsanitary conditions, or labeled in a false or misleading manner. Inspections also may arise from consumer or competitor complaints filed with the FDA. In the event the FDA identifies unsanitary conditions, false or misleading labeling, or any other violation of FDA regulation, the FDA may request, or a manufacturer may independently decide to conduct a recall or market withdrawal of a product or to make changes to its manufacturing processes or product formulations or labels.

The FTC also regulates and can bring enforcement action against cosmetic companies for deceptive advertising and lack of adequate scientific substantiation for claims. The FTC requires that companies have a reasonable basis to support marketing claims. What constitutes a reasonable basis can vary depending on the strength or type of claim made, or the market in which the claim is made, but objective evidence substantiating the claim is generally required.

The FTC also has specialized requirements for certain types of claims. For example, the FTC's "Green Guides" regulate how "free-of," "non-toxic" and similar claims must be framed and substantiated. In addition, the FTC regulates the use of endorsements and testimonials in advertising as well as relationships between advertisers and social media content creators pursuant to principles described in

the FTC's Endorsement Guides. The Endorsement Guides provide that an endorsement must reflect the honest opinion of the endorser, based on "bona fide" use of the product, and cannot be used to make a claim about a product that the product's marketer could not itself legally make. Additionally, companies marketing a product must disclose any material connection between an endorser and the company that consumers would not expect that would affect how consumers evaluate the endorsement. If an advertisement features endorsements from people who achieved exceptional, or even above average, results from using a product, the advertiser must have proof that the endorser's experience can generally be achieved using the product as described; otherwise, an advertiser must clearly communicate the generally expected results of a product and have a reasonable basis for such representations.

Although the Green Guides and Endorsement Guides do not operate directly with the force of law, they provide guidance about what the FTC generally believes the Federal Trade Commission Act, or FTC Act, requires in the context using of "green" claims and endorsements and testimonials in advertising. Any practices inconsistent with the Green Guides and Endorsement Guides can result in violations of the FTC Act's proscription against unfair and deceptive practices.

United States Regulation of Dietary Supplements

Dietary Supplements.

The FDA has comprehensive authority to regulate dietary supplements, including their composition, labeling and manufacturing. Specifically, the Dietary Supplement Health and Education Act of 1994, or DSHEA, amended the FDCA to establish a new framework governing dietary supplements, as a category of foods. Dietary supplements are defined in relevant part as a product (other than tobacco) intended to supplement the diet that bears or contains a dietary ingredient, which is defined as a vitamin, mineral, herb or other, botanical, an amino acid, a dietary substance for human use to supplement the diet, or a concentrate, metabolite, constituent, extract, or combination of such dietary ingredients. Dietary supplements may not include articles that are approved as new drugs or biologics or that have been authorized for investigation as new drugs or biologics for which substantial clinical investigations have been instituted and made public, unless the article was marketed as a dietary supplement or food prior to such approval or authorization, unless another exemption applies.

Generally, under DSHEA, dietary ingredients that were marketed in the United States before October 15, 1994 may be used in dietary supplements without notifying the FDA and without any premarket review. However, a "new dietary ingredient" (a dietary ingredient that was not marketed in the United States before October 15, 1994) must be the subject of a new dietary ingredient notification submitted to the FDA unless the ingredient has been "present in the food supply as an article used for food in a form in which the food has not been chemically altered." A new dietary ingredient notification must provide the FDA with evidence of a "history of use or other evidence of safety" establishing that use of the dietary ingredient "will reasonably be expected to be safe." A new dietary ingredient notification must be submitted to the FDA at least 75 days before the initial marketing of the supplement containing the new dietary ingredient. Even to the extent the new dietary ingredient was present in the food supply prior to October 15, 1994 or is used in conventional foods, if there are any changes to the ingredient's manufacturing or form as it was present in the food supply at that time or from how it exists in its conventional food form, then the ingredient may also be considered a new dietary ingredient requiring notification. The FDA may not respond to such notification, but no response does not mean the FDA has determined that the ingredient is safe or permissible for use in a dietary supplement. In addition, manufacturers of dietary supplements must ensure that ingredients in their products that are not dietary ingredients comply with all the requirements applicable to conventional foods. For example, fillers and other constituents of the product must be approved as food additives or must be deemed generally recognized as safe for the conditions of use in order to be sold, as described further below.

Dietary supplements are subject to stringent manufacturing requirements, including dietary supplement current good manufacturing practices, or GMPs. The FDA has broad authority to enforce the provisions of federal law applicable to dietary supplements, including powers to issue public Warning Letters or Untitled Letters to a company, publicize information about illegal products, detain products

intended for import, request a recall of illegal or unsafe products from the market, and request that the Department of Justice initiate a seizure action, an injunction action or a criminal prosecution in the U.S. courts.

Foreign Government Regulation

European Union Regulation of Cosmetic Products

We currently market products that are regulated as cosmetic products in the EU. In the EU, the sale of cosmetic products is regulated under the EU Cosmetics Regulation (EC) No 1223/2009, or the EU Cosmetics Regulation, setting out the general regulatory framework for finished cosmetic products and their ingredients. The EU Cosmetics Regulation is directly applicable in, and binding on all EU member states and is enforced at the national member state level. Over the years, the EU cosmetics legal regime has been adopted by many countries around the world.

Under the EU Cosmetics Regulation, a "cosmetic product" is defined as "any substance or mixture intended to be placed in contact with the external parts of the human body (epidermis, hair system, nails, lips and external genital organs) or with the teeth and the mucous membranes of the oral cavity with a view exclusively or mainly to cleaning them, perfuming them, changing their appearance, protecting them, keeping them in good condition or correcting body odors." Consequently, a product is considered to be a cosmetic if it is presented as protecting the skin, maintaining the skin in good condition or improving the appearance of the skin, provided that it is not a medicinal product due to its composition or intended use. By contrast, a substance or mixture intended to be ingested, inhaled, injected or implanted into the human body shall not be considered a cosmetic product, nor shall a product (i) the composition of which is such that it has a significant action on the body through a pharmacological, immunological or metabolic action; or (ii) for which medical claims are made. Legally, such a product is considered a medicinal product, not a cosmetic, in the EU. No test has been determined yet to determine the significance of the effect. A product may fall within the definition of both a cosmetic product and a medicinal product in which case the non-cumulation principle provides that the product will be regulated as a medicinal product (under the Medicinal Products Directive 2001/83/EC).

Generally, there is no requirement for pre-market approval of cosmetic products in the EU. The overarching requirement is that a cosmetic product made available on the EU market must be safe for human health when used under normal or reasonably foreseeable conditions of use. However, centralized notification of all cosmetic products placed on the EU market is required via the EU cosmetic products notification portal, or the CPNP. The company that is 'responsible' for placing a cosmetic product on the EU market (which could be the manufacturer, importer or a third person appointed by the former), referred to as the "responsible person", is responsible for the safety of their marketed finished cosmetic products (and each of its ingredients), and must ensure that they undergo an appropriate scientific safety assessment before they are sold. Obligations of the responsible person further include:

- Manufacturing cosmetic products in compliance with GMPs.
- Creating and keeping a product information file, or PIF, for each cosmetic product, including test results that demonstrate the claimed effects for the cosmetic product, and the cosmetic product safety report.
- Registering and submitting information on every product through the CPNP.
- Complying with Regulation (EU) No. 655/2013, which lists common criteria for the justification of claims used in relation to cosmetic products.
- Reporting serious undesirable effects attributable to cosmetics use to national competent authorities and taking corrective measures where required.

Some ingredients used in cosmetic products must undergo rigorous evaluation, including safety assessments and quality testing to make sure that they are safe for use, for example preservatives, and can also be subject to additional procedures such as an authorization by the European Commission and/or prior notification on a separate module of the CPNP, for example nanomaterials. Additionally, the EU Cosmetics Regulation includes a list of ingredients that are prohibited and a list of ingredients that

are restricted in cosmetic products (such as dihydroxyacetone, or DHA). A special database with information on cosmetic substances and ingredients, known as CosIng, enables easy access to data on cosmetic ingredients, including legal requirements and restrictions. We rely on expert consultants for our EU product registrations and review of our labeling for compliance with the EU Cosmetics Regulation.

The EU Cosmetics Regulation requires the manufacture of cosmetic products to comply with GMPs, which is presumed where the manufacture is in accordance with the relevant harmonized standards. In addition, in the labelling, making available on the market and advertising of cosmetic products, text, names, trademarks, pictures and figurative or other signs must not be used to imply that these products have characteristics or functions they do not have; any product claims in labeling must be capable of being substantiated and comply with the aforementioned list of common criteria.

Moreover, in the EU, animal testing is prohibited for finished cosmetic products and their ingredients. Marketing finished cosmetic products and ingredients in the EU which were tested on animals is equally prohibited.

Each member state appoints a competent authority to enforce the EU Cosmetics Regulation in its territory and to cooperate with the other member state authorities and the European Commission. The European Commission is responsible for driving consistency in the way the Cosmetics Regulation is enforced across the EU.

The aforementioned EU rules are generally applicable in the European Economic Area, or EEA, which consists of the 27 EU member states plus Norway, Liechtenstein and Iceland.

UK Regulation of Cosmetic Products following Brexit

The UK formally left the EU on January 31, 2020, commonly referred to as “Brexit”. Following the end of a transition period, since January 1, 2021, the UK operates under a distinct regulatory regime, and the aforementioned EU laws now only apply to the UK in respect of Northern Ireland (as laid out in the Protocol on Ireland and Northern Ireland).

As a consequence, from January 1, 2021, Schedule 34 of the Product Safety and Metrology etc. (Amendment etc.) (EU Exit) Regulations 2019, or the UK Cosmetics Regulation, applies to cosmetic products placed on the market in Great Britain, which includes England, Scotland and Wales. Cosmetic products placed on the market in Northern Ireland are still covered by the EU Cosmetics Regulation. However, to date, there are no significant differences between the frameworks of the UK Cosmetics Regulation and the EU Cosmetics Regulation.

Data Privacy and Security

We collect, store, use, share, and otherwise process data, some of which contains personal information. Consequently, our business is subject to a number of foreign, federal, state, and local laws, rules, regulations and industry standards governing data privacy and security, including with respect to the collection, storage, use, transmission, sharing, protection, and other processing of personal information and other consumer data. Such laws, rules, and regulations are changing, have differing interpretations, and may be inconsistent between jurisdictions or conflict with other laws, rules or regulations, which may complicate our compliance efforts. In the United States, numerous federal and state laws, rules, and regulations, including data breach notification laws, and federal and state consumer protection laws and regulations (e.g., Section 5 of the FTC Act), that govern the collection, use, disclosure, protection, and other processing of personal information apply to our operations or the operations of our partners. For example, the CCPA, which became effective in January 2020, gives California residents expanded rights to access and delete their personal information, opt out of certain personal information sharing, and receive detailed information about how their personal information is used by requiring covered companies to provide new disclosures to California consumers (as that term is broadly defined and may include any of our current or future employees who may be California residents) and provide such residents new ways to opt-out of certain sales of personal information. The CCPA provides for severe civil penalties for violations as well as a private right of action for data

breaches that result in the loss of personal information that is expected to increase data breach litigation. Further, in November 2020, California voters passed the CPRA, which took effect on January 1, 2023. The CPRA significantly expands the CCPA, including by introducing additional obligations on covered companies, such as data minimization and storage limitations, granting additional rights to consumers, such as correction of personal information and additional opt-out rights, and creates a new entity, the California Privacy Protection Agency, to implement and enforce the law. Other state legislatures are currently contemplating, and may pass, their own comprehensive data privacy and security laws, with potentially greater penalties and more rigorous compliance requirements relevant to our business, and many state legislatures have already adopted legislation that regulates how businesses operate online, including measures relating to privacy, data security, data breaches and the protection of sensitive and personal information. Internationally, virtually every jurisdiction in which we operate has established its own data privacy and security legal framework with which we must comply, including but not limited to the EEA, the UK, and Israel. For example, the GDPR and the UK GDPR impose robust obligations on controllers and processors for the collection, control, use, sharing, disclosure, and other processing of data relating to an identified or identifiable living individual (personal data) and contain documentation and accountability requirements for data protection compliance.

See the section titled "Risk Factors — Risks Related to Data Privacy and Security, Information Technology, and Intellectual Property" for more information.

Intellectual Property

To establish, maintain, protect, defend, and enforce our intellectual property rights, we rely on a combination of trademark, patent, copyright and trade secret laws in the United States and certain other jurisdictions, as well as contractual arrangements.

Our primary trademark, IL MAKIAGE, and our logo have been registered in the United States as well as in a number of foreign jurisdictions, including Israel. We also own several trademarks for which applications for registration are pending including, among others, SpoiledChild. As of March 31, 2023, we owned approximately 94 trademark registrations and 41 applications for trademark registration worldwide. The registrations of our trademarks are effective for varying periods of time and may be renewed periodically provided we comply with all applicable renewal requirements, including, where necessary, the continued use of the trademarks in the applicable jurisdictions in connection with certain goods and services. We may consider pursuing trademark registrations for additional marks and in additional jurisdictions if and to the extent we believe such registrations would be beneficial to our business and cost-effective.

As of March 31, 2023, we have also registered various domain names that we use in the conduct of our business, including ilmakiage.co.il and ilmakiage.com.

We also enter into, and rely on, confidentiality agreements with our employees, consultants, contractors, business partners, and other third parties to protect our trade secrets, proprietary technology and other confidential information. We also enter into invention assignment agreements with employees and other third parties who develop intellectual property on our behalf. For information regarding risks related to our intellectual property and technology, please see the section titled "Risk Factors —Risks Related to Information Technology, Intellectual Property and Data Security and Privacy."

Our Facilities

We lease approximately 17,258 square feet in New York, New York, where we operate our U.S. headquarters, and approximately 9,365 square feet in Tel Aviv, Israel, where we operate our corporate headquarters. We believe that our existing facilities are sufficient for our current needs. We believe that suitable additional or substitute space will be available as needed to accommodate changes in our operations.

Legal Proceedings

We are currently involved in, and may in the future be involved in, legal proceedings, claims, and government investigations in the ordinary course of business. These may include proceedings, claims

and investigations relating to, among other things, regulatory matters, data privacy and cybersecurity, commercial matters, intellectual property, competition, tax, employment, pricing, discrimination and consumer rights.

The results of any current or future legal proceedings, claims or government investigations are inherently unpredictable and subject to significant judgment to determine the likelihood and amount of loss related to such matters. While it is not possible to predict the outcomes with certainty, based on our current knowledge, we believe that the final outcomes of any pending matters will not, either individually or in the aggregate, have a material adverse effect on our business, financial condition and results of operations. Regardless of the final outcome, however, litigation can have an adverse impact on us due to defense and litigation costs, diversion of management resources, reputational harm and other factors.

MANAGEMENT

Executive Officers and Directors

The following table sets forth the name and position of each of our executive officers and directors as of the date of this prospectus:

Name	Age	Position
Executive Officers		
Oran Holtzman	39	Co-Founder, Chief Executive Officer and Director
Shiran Holtzman-Erel	35	Co-Founder, Chief Product Officer and Director
Lindsay Drucker Mann	42	Global Chief Financial Officer
Jonathan Truppman	37	Chief Legal Officer
Niv Price	49	Chief Technology Officer
Non-Employee Directors		
Michael Farello	58	Director
Lilach Payorski*	49	Director
Ohad Chereshniya**	44	Director Nominee

* To serve as an external director under the Companies Law subject to the ratification of their election as an external director by our shareholders within three months following this offering.

** To be elected to the board upon or before the consummation of this offering. Proposed to serve as an external director under the Companies Law subject to ratification of his election as director under the Companies Law by our shareholders within three months following this offering.

Executive Officers

Oran Holtzman is our co-founder and has served as our Chief Executive Officer and as a member of our board of directors since our inception. Mr. Holtzman holds a B.A. in Accounting and Business Management from The College of Management Academic Studies. We believe that Mr. Holtzman is qualified to serve on our board of directors because of his knowledge of our business, gained through his services as our co-founder and Chief Executive Officer.

Shiran Holtzman-Erel is our co-founder and has served as our Chief Product Officer since our inception and as a member of our board of directors since November 2022. Ms. Holtzman-Erel holds a B.A. in Accounting and Economics from Tel Aviv University. We believe that Ms. Holtzman-Erel is qualified to serve on our board of directors because of her knowledge of our business, gained through her services as our co-founder and Chief Product Officer.

Lindsay Drucker Mann has served as our Chief Financial Officer since September 2021. Prior to joining us, Ms. Drucker Mann served as a Managing Director and head of Consumer and Consumer Tech Equity Capital Markets within the Investment Banking Division of Goldman Sachs & Co. LLC, where she worked from February 2005 to September 2021. Ms. Drucker Mann holds a B.A. in Computer Science from Brown University.

Jonathan Truppman has served as our Chief Legal Officer since January 2022. Prior to joining us, Mr. Truppman served as General Counsel and Corporate Secretary of Casper Sleep Inc. from February 2017 to December 2021. Mr. Truppman holds a B.A. in Political Science from Columbia University and a J.D. from Harvard Law School.

Niv Price has served as our Chief Technology Officer since July 2021. Prior to joining us, Mr. Price co-founded and served as director and Chief Executive Office of Voyage81 LTD from April 2018 until our acquisition of Voyage81 LTD in July 2021. Mr. Price also served in the Intelligence Directorate of the Israeli Defense Forces from October 1995 to December 2016. Mr. Price holds an M.Sc. in Electrical Engineering from Tel Aviv University and a Master in Public Administration from Harvard University.

Non-Employee Directors

Michael Farello has served as a member of our board of directors since June 2017. Mr. Farello has served as Managing Partner of L Catterton since January 2006. Mr. Farello has also served on the board of directors of Vroom since July 2015. Mr. Farello holds a B.S. in Industrial Engineering from Stanford University and a Master of Business Administration from Harvard Business School. We believe that Mr. Farello's experience in the consumer retail industry and his experience serving as a director of other companies qualifies him to serve on our board of directors.

Lilach Payorski has served as a member of our board of directors since March 2022 and is intended to serve as an external director under the Companies Law subject to the ratification of her election as an external director by our shareholders within three months following this offering. Ms. Payorski currently serves as director and chair of the audit committee and member of the compensation committee of Kamada Ltd. and Scodix Ltd. Ms. Payorski also served as the chief financial officer of Stratasys Ltd., a developer and manufacturer of 3D printers and additive solutions, from January 2017 to February 2022. Prior to that, from December 2012 until December 2016, Ms. Payorski served as Senior Vice President, Corporate Finance at Stratasys Ltd. Ms. Payorski holds a B.A. in Accounting and Economics from Tel-Aviv University. Ms. Payorski also completed the Board of Directors and Senior Corporate Officers Program at LAHAV, School of Management, Tel Aviv University. We believe that Ms.Payorski's experience as a director and officer of other public companies qualifies her to serve on our board of directors.

Ohad Chereshniya has been nominated to serve as a member of our board of directors immediately prior to the completion of this offering and is intended to serve as an external director under the Companies Law subject to the ratification of his election as an external director by our shareholders within three months following this offering. Mr. Chereshniya currently serves as director of the audit committee of Itim Ensemble, an Israeli non-profit organization, and has been chief financial officer at Elementor Ltd. since January 2020. Mr. Chereshniya served as the chief financial officer of Context Based 4casting Ltd. from July 2017 to December 2019. Prior to that, from June 2013 until May 2017, Mr. Chereshniya served as the chief financial officer of Il Makiage Ltd. Mr. Chereshniya holds a M.B.A and a B.A. in accounting from Tel-Aviv University. We believe that Mr. Chereshniya's expertise in finance and accounting, as well as his knowledge of our business qualify him to serve on our board of directors.

Family Relationships

Oran Holtzman and Shiran Holtzman-Erel, our co-founders and Chief Executive Officer and Chief Product Officer, respectively, are siblings.

Corporate Governance Practices

As an Israeli company, we are subject to various corporate governance requirements under the Companies Law, relating to matters such as external directors, the audit committee, the compensation committee, and an internal auditor.

After the closing of this offering, we will be a "foreign private issuer" (as such term is defined in Rule 405 under the Securities Act). As a foreign private issuer we will be permitted to comply with Israeli corporate governance practices instead of certain requirements of the corporate governance rules of Nasdaq, provided that we disclose which requirements we are not following and the equivalent Israeli requirement.

We intend to rely on this "foreign private issuer exemption" with respect to the requisite quorum at our general meetings. Instead of the 33-1/3% of the issued share capital quorum required under the corporate governance rules of Nasdaq, pursuant to our amended and restated articles of association to be effective upon the closing of this offering, and as permitted under the Companies Law, the quorum required for a general meeting of shareholders will consist of at least two shareholders present in person, by proxy or by other voting instrument in accordance with the Companies Law, who hold or represent at least 33-1/3% of the total outstanding voting rights, provided, however, that with respect to any general meeting of shareholders that was convened pursuant to a resolution adopted by the board of directors

and which at the time of such general meeting we qualify to use the forms and rules of a "foreign private issuer," the requisite quorum will consist of two or more shareholders present in person, or by proxy who hold or represent at least 25% of the total outstanding voting power (and if the meeting is adjourned for a lack of quorum, the quorum for such adjourned meeting will be, subject to certain exceptions, any number of shareholders). We otherwise intend to comply with the rules generally applicable to U.S. domestic companies listed on Nasdaq. We may, however, in the future decide to use the "foreign private issuer exemption" and opt out of some or all of the other corporate governance rules.

Board of Directors

Under the Companies Law and our amended and restated articles of association to be effective upon the closing of this offering, our business and affairs will be managed under the direction of our board of directors. Our board of directors may exercise all powers and may take all actions that are not specifically granted to our shareholders. Our Chief Executive Officer (referred to as a "general manager" under the Companies Law) is responsible for our day-to-day management. Our Chief Executive Officer is appointed by, and serves at the discretion of, our board of directors, subject to the employment agreement that we have entered into with him. All other executive officers are appointed by the Chief Executive Officer, subject to applicable corporate approvals, and are subject to the terms of any applicable employment or consulting agreements that we may enter into with them.

Under our amended and restated articles of association to be effective upon the closing of this offering, other than external directors, for whom special election requirements apply under the Companies Law, as detailed below, the number of directors on our board of directors will be no less than 3 and no more than 7 directors divided into three classes with staggered three-year terms. Each class of directors consists, as nearly as possible, of one-third of the total number of directors constituting the entire board of directors (other than the external directors). At each annual general meeting of our shareholders, the election or re-election of directors following the expiration of the term of office of the directors of that class of directors will be for a term of office that expires on the third annual general meeting following such election or re-election, such that from the annual general meeting of 2023 and after, each year the term of office of only one class of directors will expire.

Our directors who are not external directors will be divided among the three classes as follows:

- the Class I directors will be , and their term will expire at our annual general meeting of shareholders to be held in 2024;
- the Class II directors will be , and their terms will expire at our annual meeting of shareholders to be held in 2025; and
- the Class III directors will be , and their term will expire at our annual meeting of shareholders to be held in 2026.

Lilach Payorski and Ohad Chereshniya will serve as our external directors and, subject to their election within three months following this offering, will each have a term of three years.

Our directors, aside from our external directors, will be appointed by a simple majority vote of holders of our ordinary shares, participating and voting at an annual general meeting of our shareholders. Holders of our Class A ordinary shares and Class B ordinary shares will vote together as a single class on the election of directors, with each Class A ordinary share entitled to one vote per share, and each Class B ordinary share entitled to ten votes per share. However, (i) in the event of a contested election, the method of calculation of the votes and the manner in which the resolutions will be presented to our shareholders at the general meeting shall be determined by our board of directors in its discretion, and (ii) in the event that our board of directors does not or is unable to make a determination on such matter, then the directors will be elected by a plurality of the voting power represented at the general meeting in person or by proxy and voting on the election of directors. Each director, aside from our external directors, will hold office until the annual general meeting of our shareholders for the year in which such director's term expires, unless the tenure of such director expires earlier pursuant to the Companies Law or unless such director is removed from office as described below.

Under our amended and restated articles of association to be effective upon the closing of this offering, the approval of the holders of at least 65% of the total voting power of our shareholders is generally required to remove any of our directors (other than the external directors) from office and any amendment to this provision shall require the approval of at least 65% of the total voting power of our shareholders. In addition, vacancies on our board of directors may only be filled by a vote of a simple majority of the directors then in office. A director so appointed will hold office until the next annual general meeting of our shareholders for the class of directors in respect of which the vacancy was created, or in the case of a vacancy due to the number of directors being less than the maximum number of directors stated in our amended and restated articles of association to be effective upon the closing of this offering, until the next annual general meeting of our shareholders for the class of directors to which such director has been assigned by our board of directors.

Chairperson of the Board

Our amended and restated articles of association to be effective upon the closing of this offering provide that the chairperson of the board of directors is appointed by the members of the board of directors from among them. Under the Companies Law, the chief executive officer of a public company, or a relative of the chief executive officer, may not serve as the chairperson of the board of directors, and the chairperson of the board of directors, or a relative of the chairperson, may not be vested with authorities of the chief executive officer, unless approved by a special majority of our shareholders. The shareholders' approval can be provided for a period of five years following an initial public offering, and subsequently, for additional periods of up to three years.

In addition, a person who is subordinated, directly or indirectly, to the chief executive officer may not serve as the chairperson of the board of directors; the chairperson of the board of directors may not be vested with authorities that are granted to persons who are subordinated to the chief executive officer; and the chairperson of the board of directors may not serve in any other position in the company or in a controlled subsidiary but may serve as a director or chairperson of a controlled subsidiary.

Mr. Holtzman, our Chief Executive Officer, will serve as chairperson of the Board for a period of 5 years following this offering, as approved by our Board and shareholders prior to the closing of this offering.

External Directors

Under the Companies Law, companies incorporated under the laws of the State of Israel that are "public companies," including companies with shares listed on Nasdaq and who have a controlling shareholder, are required to appoint at least two external directors, who must meet certain criteria to ensure that they are not affiliated with us or with any controlling shareholder of ours. The definition of "external director" under the Companies Law and the definition of "independent director" under the Nasdaq rules overlap to some degree. However, since the definitions are not identical, it is possible for a director to qualify as one and not as the other.

The appointment of at least two external directors must be made by a general meeting of our shareholders no later than three months following the closing of this offering, and therefore we intend to hold a meeting of shareholders within three months of the closing of this offering to ratify the appointment of Lilach Payorski and Ohad Chereshniya as external directors effective as of the date of such general meeting.

The provisions of the Companies Law set forth special approval requirements for the election of external directors. External directors must be elected by a majority vote of the shares present and voting at a meeting of shareholders, provided that either:

- such majority includes at least a majority of the shares held by all shareholders who are not controlling shareholders and do not have a personal interest in the election of the external director (other than a personal interest not deriving from a relationship with a controlling shareholder) that are voted at the meeting, excluding abstentions, to which we refer as a disinterested majority; or

- the total number of shares voted against the election of the external director, by non-controlling shareholders and by shareholders who do not have a personal interest in the election of the external director, does not exceed 2% of the aggregate voting rights in the company.

The term "controlling shareholder" as used in the Companies Law for purposes of all matters related to external directors and for certain other purposes (such as the requirements related to appointment to the audit committee or compensation committee, as described below), means a shareholder with the ability to direct the activities of the company, other than by virtue of being an office holder. A shareholder is presumed to be a controlling shareholder if the shareholder holds 50% or more of the voting rights in a company or has the right to appoint a majority of the directors of the company or its general manager. With respect to certain matters (various related party transactions), a controlling shareholder is deemed to include a shareholder that holds 25% or more of the voting rights in a public company if no other shareholder holds more than 50% of the voting rights in the company. For the purpose of determining the holding percentage stated above, two or more shareholders who have a personal interest in a transaction that is brought for the company's approval are deemed as joint holders.

The initial term of an external director is three years. Thereafter, an external director may be re-elected, subject to certain circumstances and conditions, by shareholders, to serve in that capacity for up to two additional three-year terms, provided that either:

(i) his or her service for each such additional term is recommended by one or more shareholders holding at least 1% of the company's voting rights and is approved at a shareholders meeting by a disinterested majority, where the total number of shares held by non-controlling, disinterested shareholders voting for such re-election exceeds 2% of the aggregate voting rights in the company, subject to additional restrictions set forth in the Companies Law with respect to affiliations of external director nominees;

(ii) the external director proposed his or her own nomination, and such nomination was approved in accordance with the requirements described in the paragraph above; or

(iii) his or her service for each such additional term is recommended by the board of directors and is approved at a meeting of shareholders by the same majority required for the initial election of an external director (as described above).

The term of office for external directors for Israeli companies traded on certain foreign stock exchanges, including Nasdaq, may be extended indefinitely in increments of additional three-year terms, in each case provided that the audit committee and the board of directors of the company confirm that, in light of the external director's expertise and special contribution to the work of the board of directors and its committees, the re-election for such additional period(s) is beneficial to the company, and provided that the external director is re-elected subject to the same shareholder vote requirements (as described above regarding the re-election of external directors). Prior to the approval of the re-election of the external director at a general meeting of shareholders, the company's shareholders must be informed of the term previously served by him or her and of the reasons why the board of directors and audit committee recommended the extension of his or her term.

External directors may be removed from office by a special general meeting of shareholders called by the board of directors, which approves such dismissal by the same shareholder vote percentage required for their election or by a court, in each case, only under limited circumstances where the external director ceased to meet the statutory qualifications for appointment or violated their duty of loyalty to the company. An external director may also be removed by order of an Israeli court if, following a request made by a director or shareholder of the company, the court finds that such external director has ceased to meet the statutory qualifications for his or her appointment as stipulated in the Companies Law or has violated his or her duty of loyalty to the company. In addition, when an external director becomes aware of criteria to serve as an external director that are no longer met, he or she must inform the company and the service of such external director is automatically terminated.

If an external directorship becomes vacant and there are fewer than two external directors on the board of directors at the time, then the board of directors is required under the Companies Law to call a

meeting of the shareholders as soon as practicable to appoint a replacement external director. Each committee of the board of directors that exercises the powers of the board of directors must include at least one external director, except that the audit committee and the compensation committee must include all external directors then serving on the board of directors and an external director must serve as chair thereof and the compensation committee must, at all times, be comprised of a majority of external directors. Under the Companies Law, external directors of a company are prohibited from receiving, directly or indirectly, any compensation from the company other than for their services as external directors pursuant to the Companies Law and the regulations promulgated thereunder. Compensation of an external director is determined prior to his or her appointment and may not be changed during his or her term subject to certain exceptions.

The Companies Law provides that a person is not qualified to be appointed as an external director if (i) the person is a relative of a controlling shareholder of the company, or (ii) if that person or his or her relative, partner, employer, another person to whom he or she was directly or indirectly subordinate, or any entity under the person's control, has or had during the two years preceding the date of appointment as an external director: (a) any affiliation or other disqualifying relationship with the company, with any person or entity controlling the company or a relative of such person, or with any entity controlled by or under common control with the company; or (b) in the case of a company with no controlling shareholder or any shareholder holding 25% or more of its voting rights, had at the date of appointment as an external director any affiliation or other disqualifying relationship with a person then serving as chairman of the board or chief executive officer, a holder of 5% or more of the issued share capital or voting power in the company or the most senior financial officer.

The term "relative" is defined in the Companies Law as a spouse, sibling, parent, grandparent or descendant, a spouse's sibling, parent or descendant and the spouse of each of the foregoing persons. Under the Companies Law, the term "affiliation" and the similar types of disqualifying relationships include (subject to certain exceptions):

- an employment relationship;
- a business or professional relationship even if not maintained on a regular basis (excluding insignificant relationships);
- control; and
- service as an office holder, excluding service as a director in a private company prior to the initial public offering of its shares if such director was appointed as a director of the private company in order to serve as an external director following the initial public offering.

The term "office holder" is defined in the Companies Law as a director, general manager (i.e., chief executive officer), chief business manager, deputy general manager, vice general manager, any other person assuming the responsibilities of any of these positions regardless of that person's title, and any other manager directly subordinate to the general manager.

In addition, no person may serve as an external director if that person's position or professional or other activities create, or may create, a conflict of interest with that person's responsibilities as a director or otherwise interfere with that person's ability to serve as an external director or if the person is an employee of the Israel Securities Authority of an Israeli stock exchange. A person may also not continue to serve as an external director if he or she received direct or indirect compensation from the company including amounts paid pursuant to indemnification or exculpation contracts or commitments and insurance coverage for his or her service as an external director, other than as permitted by the Companies Law and the regulations promulgated thereunder.

Following the termination of an external director's service on a board of directors, such former external director and his or her spouse and children may not be provided a direct or indirect benefit by the company, its controlling shareholder or any entity under its controlling shareholder's control. This includes engagement as an office holder of the company or a company controlled by its controlling shareholder or employment by, or provision of services to, any such company for consideration, either directly or indirectly, including through a corporation controlled by the former external director. This

restriction extends for a period of two years with regard to the former external director and his or her spouse or child and for one year with respect to other relatives of the former external director.

If at the time at which an external director is appointed all members of the board of directors who are not controlling shareholders or relatives of controlling shareholders of the company are of the same gender, the external director to be appointed must be of the other gender. A director of one company may not be appointed as an external director of another company if a director of the other company is acting as an external director of the first company at such time.

According to the Companies Law and regulations promulgated thereunder, a person may be appointed as an external director only if he or she has professional qualifications or if he or she has accounting and financial expertise (each, as defined below), provided that at least one of the external directors must be determined by our board of directors to have accounting and financial expertise. However, if at least one of our other directors (i) meets the independence requirements under the Exchange Act, (ii) meets the independence requirements of Nasdaq rules for membership on the audit committee and (iii) has accounting and financial expertise as defined under the Companies Law, then neither of our external directors is required to possess accounting and financial expertise as long as each possesses the requisite professional qualifications

A director with accounting and financial expertise is a director who, due to his or her education, experience and skills, possesses an expertise in, and an understanding of, financial and accounting matters and financial statements, such that he or she is able to understand the financial statements of the company and initiate a discussion about the presentation of financial data. A director is deemed to have professional qualifications if he or she has any of the following: (i) an academic degree in economics, business management, accounting, law, or public administration, (ii) an academic degree or has completed another form of higher education in the primary field of business of the company or in a field which is relevant to his or her position in the company or (iii) at least five years of experience serving in one of the following capacities or at least five years of cumulative experience serving in two or more of the following capacities: (a) a senior business management position in a company with a significant volume of business, (b) a senior position in the company's primary field of business, or (c) a senior position in public administration or service. The board of directors is charged with determining whether a director possesses financial and accounting expertise or professional qualifications.

Audit Committee

Companies Law Requirements

Under the Companies Law, the board of directors of a public company must appoint an audit committee. The audit committee must be comprised of at least three directors, including all of the external directors, one of whom must serve as chairperson of the committee. The audit committee may not include the (i) chairperson of the board; (ii) a controlling shareholder of the company; (iii) a relative of a controlling shareholder; (iv) a director employed by or providing services on a regular basis to the company, to a controlling shareholder, or to an entity controlled by a controlling shareholder; or (v) a director who derives most of his or her income from a controlling shareholder. In addition, under the Companies Law, the audit committee of a publicly traded company must consist of a majority of unaffiliated directors. In general, an "unaffiliated director" under the Companies Law is defined as either an external director or as a director who meets the following criteria:

- he or she meets the qualifications for being appointed as an external director, except for the requirement (i) that the director be an Israeli resident (which does not apply to companies such as ours whose securities have been offered outside of Israel or are listed for trading outside of Israel) and (ii) for accounting and financial expertise or professional qualifications; and
- he or she has not served as a director of the company for a period exceeding nine consecutive years. For this purpose, a break of less than two years in his or her service as a director shall not be deemed to interrupt the continuity of the service.

Following our listing on Nasdaq, each member of our audit committee (each, as identified in the second paragraph of the section titled "— Listing Requirements" below) will meet the requirements to

be qualified as an unaffiliated director under the Companies Law, thereby fulfilling the foregoing Israeli law requirement for the composition of the audit committee.

Listing Requirements

Under the corporate governance rules of Nasdaq, we are required to maintain an audit committee consisting of at least three independent directors, each of whom is financially literate and one of whom has accounting or related financial management expertise.

Following the listing of our Class A ordinary shares on Nasdaq, our audit committee will consist of Lilach Payorski, Ohad Chereshniya and Michael Farello. Lilach Payorski will serve as the chairperson of the audit committee. All members of our audit committee meet the requirements for financial literacy under the applicable rules and regulations of the SEC and the corporate governance rules of Nasdaq. Our board of directors has determined that Ohad Chereshniya and Lilach Payorski will each qualify as an audit committee financial expert as defined by the SEC rules and has the requisite financial experience as defined by the corporate governance rules of Nasdaq.

Rule 10A-3 of the Exchange Act and Nasdaq rules require that our audit committee have at least one independent member upon the listing of our Class A common stock, have a majority of independent members within 90 days of the date of this prospectus and be composed entirely of independent members within one year of the date of this prospectus. Our board of directors has determined that Lilach Payorski and Ohad Chereshniya are "independent" as such term is defined in Rule 10A-3(b)(1) under the Exchange Act, which is different from the general test for independence of board and committee members.

Audit Committee Role

Our board of directors has adopted an audit committee charter setting forth the responsibilities of the audit committee, which are consistent with the Companies Law, the SEC rules and the corporate governance rules of Nasdaq and include:

- retaining and terminating our independent auditors, subject to ratification by the board of directors, and in the case of retention, to ratification by the shareholders;
- pre-approving audit and non-audit services to be provided by the independent auditors and related fees and terms;
- overseeing the accounting and financial reporting processes of the Company and audits of our financial statements, the effectiveness of our internal control over financial reporting, and making such reports as may be required of an audit committee under the rules and regulations promulgated under the Exchange Act;
- reviewing with management and our independent auditor our annual and quarterly financial statements prior to publication or filing (or submission, as the case may be) to the SEC;
- recommending to the board of directors the retention and termination of the internal auditor and the internal auditor's engagement fees and terms, in accordance with the Companies Law, approving the yearly or periodic work plan proposed by the internal auditor and examining whether the internal auditor was afforded all required resources to perform its role;
- reviewing with our general counsel and/or external counsel, as deemed necessary, legal, and regulatory matters that could have a material impact on the financial statements;
- identifying irregularities in our business administration by, among other things, consulting with the internal auditor or with the independent auditor, and suggesting corrective measures to the board of directors;
- reviewing policies and procedures with respect to transactions between us and officers and directors (other than transactions related to the compensation or terms of service of the officers and directors), or affiliates of officers or directors, or transactions that are not in the ordinary

course of our business, and deciding whether to approve such acts and transactions if so required under the Companies Law; and

- establishing procedures for the handling of employees' complaints as to the management of our business and the protection to be provided to such employees.

Compensation Committee

Companies Law Requirements

Under the Companies Law, the board of directors of a public company must appoint a compensation committee. The compensation committee generally (subject to certain exceptions that do not apply to the company) must be comprised of at least three directors, including all of the external directors, who must constitute a majority of the members of the compensation committee. The chairperson of the compensation committee must be an external director. Each compensation committee member who is not an external director must be a director whose compensation does not exceed an amount that may be paid to an external director. The compensation committee is subject to the same Companies Law restrictions as the audit committee as to who may not be a member of the compensation committee. Each member of our compensation committee (each, as identified in the section titled "— Listing Requirements") fulfils the foregoing Israeli law requirements related to the composition of the compensation committee.

Listing Requirements

Under the corporate governance rules of Nasdaq, we are required to maintain a compensation committee consisting of at least two independent directors.

Following the listing of our Class A ordinary shares on Nasdaq, our compensation committee will consist of Ohad Chereshniya, Lilach Payorski and Michael Farello. Ohad Chereshniya will serve as chairperson of the committee. Our board of directors has determined that each member of our compensation committee is independent under the corporate governance rules of Nasdaq, including the additional independence requirements applicable to the members of a compensation committee.

Compensation Committee Role

In accordance with the Companies Law, the roles of the compensation committee are, among others, as follows:

- making recommendations to the board of directors with respect to the approval of the compensation policy for office holders and compensation policies must be approved every three years;
- reviewing the implementation of the compensation policy and periodically making recommendations to the board of directors with respect to any amendments or updates of the compensation policy;
- resolving whether or not to approve arrangements with respect to the terms of office and employment of office holders; and
- exempting, under certain circumstances, transactions with a chief executive officer from the approval of our shareholders.

Our board of directors has adopted a compensation committee charter setting forth the responsibilities of the committee, which are consistent with the corporate governance rules of and include among others:

- recommending to our board of directors for its approval a compensation policy in accordance with the requirements of the Companies Law as well as other compensation policies, incentive-based compensation plans and equity-based compensation plans (insofar as these relate to office holders in the company), and overseeing the development and implementation of such

policies and recommending to our board of directors any amendments or modifications the committee deems appropriate, including as required under the Companies Law;

- reviewing and approving the employment terms of our office holders, including granting of options and other incentive awards and reviewing and approving corporate goals and objectives relevant to the compensation of our executive officers, including evaluating their performance in light of such goals and objectives; and
- approving and exempting certain transactions regarding office holders' compensation pursuant to the Companies Law.

Nominating, Governance and Sustainability Committee

Following the listing of our Class A ordinary shares on Nasdaq, our nominating, governance and sustainability committee will consist of Ohad Chereshniya, Lilach Payorski and Michael Farello, with Ohad Chereshniya serving as chair. Our board of directors has adopted a nominating, governance and sustainability committee charter setting forth the responsibilities of the committee, which include:

- overseeing and assisting our board in reviewing and recommending nominees for election as directors;
- assessing the performance of the members of our board; and
- establishing and maintaining effective corporate governance policies and practices, including, but not limited to, developing and recommending to our board a set of corporate governance guidelines applicable to our business.

Compensation of Directors and Executive Officers

Compensation Policy Under the Companies Law

In general, under the Companies Law, a public company must have a compensation policy approved by its board of directors after receiving and considering the recommendations of the compensation committee. In addition, our compensation policy must be approved at least once every three years, first, by our board of directors, upon recommendation of our compensation committee, and second, by a simple majority of the ordinary shares present, in person or by proxy, and voting at a shareholders meeting, provided that either:

- such majority includes at least a majority of the shares held by shareholders who are not controlling shareholders and shareholders who do not have a personal interest in such compensation policy; or
- the total number of shares of non-controlling shareholders and shareholders who do not have a personal interest in the compensation policy and who vote against the policy, does not exceed 2% of the aggregate voting rights in the company.

Under special circumstances, the board of directors may approve the compensation policy despite the objection of the shareholders on the condition that the compensation committee and then the board of directors decide, on the basis of detailed grounds and after discussing again the compensation policy, that approval of the compensation policy, despite the objection of shareholders, is for the benefit of the company.

If a company that initially offers its securities to the public, like us, adopts a compensation policy in advance of its initial public offering, and describes it in its prospectus for such offering, then such compensation policy shall be deemed a validly adopted policy in accordance with the Companies Law requirements described above. Furthermore, if the compensation policy is established in accordance with the aforementioned relief, then it will remain in effect for a term of five years from the date such company becomes a public company.

The compensation policy must be based on certain considerations, include certain provisions and reference certain matters as set forth in the Companies Law.

The compensation policy serves as the basis for decisions concerning the financial terms of employment or engagement of office holders, including exculpation, insurance, indemnification, or any monetary payment or obligation of payment in respect of employment or engagement. The compensation policy must be determined and later reevaluated according to certain factors, including: the advancement of the company's objectives, business plan and long-term strategy; the creation of appropriate incentives for office holders, while considering, among other things, the company's risk management policy; the size and the nature of the company's operations; and with respect to variable compensation, the contribution of the office holder towards the achievement of the company's long-term goals, and the maximization of its profits, all with a long-term objective and according to the position of the office holder. The compensation policy must furthermore consider the following additional factors:

- the education, skills, experience, expertise and accomplishments of the relevant office holder;
- the office holder's position and responsibilities
- prior compensation agreements with the office holder;
- the ratio between the cost of the terms of employment of an office holder and the cost of the employment of other employees of the company, including employees employed through contractors who provide services to the company, in particular the ratio between such cost to the average and median salary of such employees of the company, as well as the impact of disparities between them on the work relationships in the company;
- if the terms of employment include variable components: the possibility of reducing variable components at the discretion of the board of directors and the possibility of setting a limit on the value of non-cash variable equity-based components; and
- if the terms of employment include severance compensation: the term of employment or office of the office holder, the terms of the office holder's compensation during such period, the company's performance during such period, the office holder's individual contribution to the achievement of the company goals, and the maximization of its profits and the circumstances under which he or she is leaving the company.

The compensation policy must also include, among other things:

- with regards to variable components:
  - with the exception of office holders who report to the chief executive officer, a means of determining the variable components on the basis of long-term performance and measurable criteria; provided that the company may determine that an immaterial part of the variable components of the compensation package of an office holder shall be awarded based on non-measurable criteria, or if such amount is not higher than three months' salary per annum, taking into account such office holder's contribution to the company;
  - the ratio between variable and fixed components, as well as the limit of the values of variable components at the time of their payment, or in the case of equity-based compensation, at the time of grant.
- a condition under which the office holder will return to the company, according to conditions to be set forth in the compensation policy, any amounts paid as part of the office holder's terms of employment, if such amounts were paid based on information later to be discovered to be wrong, and such information was restated in the company's financial statements;
- the minimum holding or vesting period of variable equity-based components to be set in the terms of office or employment, as applicable, while taking into consideration long-term incentives; and
- a limit to retirement grants.

Our compensation policy, which will become effective immediately upon to the closing of this offering, is designed to promote retention and motivation of directors and executive officers, incentivize superior individual excellence, align the interests of our directors and executive officers with our long-term performance and increase in the price of our shares, and provide a risk management tool. To

that end, a portion of our executive officer compensation package is targeted to reflect our short- and long-term goals, as well as the executive officer's individual performance. On the other hand, our compensation policy includes measures designed to reduce the executive officer's incentives to take excessive risks, such as limits on the value of cash bonuses and minimum vesting periods for equity-based compensation.

Our compensation policy also addresses our executive officers' individual characteristics (such as their respective position, education, scope of responsibilities, and contribution to the attainment of our goals) as the basis for compensation variation among our executive officers and considers the internal ratios between compensation of our executive officers and directors and other employees. Pursuant to our compensation policy, the compensation that may be granted to an executive officer may include: base salary, annual bonuses and other cash bonuses (such as a signing bonus and special bonuses with respect to any special achievements, such as outstanding personal achievement, outstanding personal effort or outstanding company performance), equity-based compensation, benefits and retirement and termination of service arrangements. All cash bonuses are limited to a maximum amount linked to the executive officer's base salary. In some appropriate cases the compensation of our executive officers may consistent primarily of equity based compensation.

An annual cash bonus may be awarded to executive officers upon the attainment of pre-set periodic objectives and individual targets. The annual cash bonus that may be granted to our executive officers other than our Chief Executive Officer will be based on performance objectives and a discretionary evaluation of the executive officer's overall performance by our Chief Executive Officer (in lieu of the compensation committee) and may be subject to minimum thresholds. The annual cash bonus that may be granted to executive officers other than our Chief Executive Officer may alternatively be based entirely on a discretionary evaluation. Furthermore, our Chief Executive Officer will be entitled to approve performance objectives for executive officers who report to him. In some appropriate cases the compensation of our executive officers may consistent primarily of equity based compensation. To the extent required under applicable law, the actual annual bonus paid to our officers will be approved by our compensation committee and our Board.

The measurable performance objectives of our Chief Executive Officer will be determined annually by our compensation committee and board of directors. A non-material portion of the Chief Executive Officer's annual cash bonus, as provided in our compensation policy, may be based on a discretionary evaluation of the Chief Executive Officer's overall performance by the compensation committee and the board of directors. However, for as long as our Chief Executive Officer will be our controlling shareholder he may not receive a discretionary bonus without approval at a general meeting of our shareholders.

The equity-based compensation under our compensation policy for our executive officers (including members of our board of directors) is designed in a manner consistent with the underlying objectives in determining the base salary and the annual cash bonus, with its main objectives being to enhance the alignment between the executive officers' interests with our long-term interests and those of our shareholders and to strengthen the retention and the motivation of executive officers in the long term. Our compensation policy provides for executive officer compensation in the form of share options or other equity-based awards, such as restricted shares and RSUs, in accordance with our equity incentive plan then in place. All equity-based incentives granted to executive officers shall be subject to vesting periods in order to promote long-term retention of the awarded executive officers. The equity-based compensation shall be granted from time to time and be individually determined and awarded according to the performance, educational background, prior business experience, qualifications, role, and the personal responsibilities of the executive officer.

In addition, our compensation policy contains compensation recovery provisions which allow us under certain conditions to recover cash bonuses paid in excess, enables our Chief Executive Officer to approve an immaterial change to the terms of employment of an executive officer who reports directly him (provided that the changes of the terms of employment are in accordance with our compensation policy) and allows us to exculpate, indemnify and insure our executive officers and directors to the maximum extent permitted by Israeli law, subject to certain limitations set forth therein.

Our compensation policy also provides for compensation to the members of our board of directors as follows: (i) to the external directors, in accordance with the amounts provided in the Companies Regulations (Rules Regarding the Compensation and Expenses of an External Director) 5760-2000, as amended by the Companies Regulations (Relief for Public Companies Whose Securities are Traded on a Stock Exchange Outside of Israel) 5760-2000, as such regulations may be amended from time to time, which compensation may include share-based compensation, and (ii) to the non-employee directors, in accordance with the amounts determined in our compensation policy.

Our compensation policy, which will be approved by our board of directors and shareholders prior to the closing of this offering, will become effective upon the closing of this offering and is filed as an exhibit to the registration statement of which this prospectus forms a part.

Compensation of Our Directors

Under the Companies Law, the compensation of our directors requires the approval of our compensation committee, the subsequent approval of the board of directors and, unless exempted under regulations promulgated under the Companies Law, the approval of the shareholders at a general meeting. If the compensation of our directors is inconsistent with our stated compensation policy, then, those provisions that must be included in the compensation policy according to the Companies Law must have been considered by the compensation committee and board of directors, and shareholder approval will also be required, provided that:

- at least a majority of the shares held by all shareholders who are not controlling shareholders and do not have a personal interest in such matter, present and voting at such meeting, are voted in favor of the compensation package, excluding abstentions; or
- the total number of shares of non-controlling shareholders and shareholders who do not have a personal interest in such matter voting against the compensation package does not exceed 2% of the aggregate voting rights in the company.

Compensation of Our Executive Officers other than the Chief Executive Officer

The Companies Law requires the approval of the compensation of a public company's executive officers (other than the Chief Executive Officer) in the following order: (i) the compensation committee, (ii) the company's board of directors and (iii) if such compensation arrangement is inconsistent with the company's stated compensation policy, the company's shareholders (by a special majority vote as discussed above with respect to the approval of director compensation). However, if the shareholders of the company decline to approve a compensation arrangement with an executive officer that is inconsistent with the company's stated compensation policy, the compensation committee and board of directors may override the shareholders' decision if each of the compensation committee and the board of directors provide detailed reasons for their decision.

An amendment to an existing arrangement with an office holder requires only the approval of the compensation committee, if the compensation committee determines that the amendment is not material in comparison to the existing arrangement. However, according to regulations promulgated under the Companies Law, an amendment to an existing arrangement with an office holder (who is not a director) who is subordinate to the Chief Executive Officer shall not require the approval of the compensation committee, if (i) the amendment is approved by the Chief Executive Officer, (ii) the company's compensation policy provides that a non-material amendment to the terms of service of an office holder (other than the Chief Executive Officer) may be approved by the Chief Executive Officer, and (iii) the engagement terms are consistent with the company's compensation policy.

Compensation of Our Chief Executive Officer

Under the Companies Law, the compensation of a public company's chief executive officer is required to be approved by: (i) the company's compensation committee; (ii) the company's board of directors, and (iii) the company's shareholders (by a special majority vote as discussed above with respect to the approval of director compensation). However, if the shareholders of the company decline to approve the compensation arrangement with the Chief Executive Officer, the compensation

committee and board of directors may override the shareholders' decision if each of the compensation committee and the board of directors provide a detailed report for their decision. The approval of each of the compensation committee and the board of directors should be in accordance with the company's stated compensation policy; however, in special circumstances, they may approve compensation terms for the company's Chief Executive Officer that are inconsistent with such policy provided that they have considered those provisions that must be included in the compensation policy according to the Companies Law and that shareholder approval was obtained (by a special majority vote as discussed above with respect to the approval of director compensation). In addition, the compensation committee may waive the shareholder approval requirement with regards to the approval of the engagement terms of a candidate for the Chief Executive Officer position, if they determine that the compensation arrangement is consistent with the company's stated compensation policy and that the Chief Executive Officer candidate did not have a prior business relationship with the company or a controlling shareholder of the company and that subjecting the approval of the engagement to a shareholder vote would impede the company's ability to employ the Chief Executive Officer candidate. In the event that the Chief Executive Officer candidate also serves as a member of the board of directors, his or her compensation terms as Chief Executive Officer will be approved in accordance with the rules applicable to approval of compensation of directors.

Aggregate Compensation of Office Holders

The aggregate compensation, including share-based compensation, paid by us and our subsidiaries to our executive officers and directors for the year ended December 31, 2022, was approximately $16.3 million. This amount includes approximately $0.1 million set aside or accrued to provide pension, severance, retirement or similar benefits or expenses, but does not include business travel, relocation, professional and business association dues, and expenses reimbursed to office holders and other benefits commonly reimbursed or paid by companies in Israel.

As of December 31, 2022, 2,307 restricted stock units covering Class A ordinary shares and 1,731 shares covering Class B ordinary shares, and options to purchase 33,274 Class A ordinary shares and 33,274 Class B ordinary shares granted to our executive officers and directors were outstanding under our equity incentive plans at a weighted-average exercise price of $441.45 per Class A and Class B ordinary share.

Internal Auditor

Under the Companies Law, the board of directors of a public company is required to appoint an internal auditor based on the recommendation of the audit committee. The role of the internal auditor is, among other things, to examine whether the company's actions comply with applicable law and proper business procedure. Under the Companies Law, the internal auditor may not be an interested party or an office holder of the company, or a relative of any of the foregoing, nor may the internal auditor be the company's independent auditor or its representative. An "interested party" is defined in the Companies Law as: (i) a holder of 5% or more of the issued share capital or voting power in a company, (ii) any person or entity who has the right to designate one or more directors or to designate the Chief Executive Officer of the company, or (iii) any person who serves as a director or as a Chief Executive Officer of the company. We have not yet appointed our internal auditor, but we intend to appoint an internal auditor following the closing of this offering.

Approval of Related Party Transactions under Israeli Law

Fiduciary Duties of Directors and Executive Officers

The Companies Law codifies the fiduciary duties that office holders owe to a company consisting of a duty of care and a duty of loyalty. The duty of care requires an office holder to act with the level of care with which a reasonable office holder in the same position would have acted under the same circumstances. The duty of care includes, among other things, a duty to use reasonable means, in light of the circumstances, to obtain:

- information on the business advisability of a given action brought for his, her or its approval or performed by virtue of his, her or its position; and
- all other important information pertaining to such action.

The duty of loyalty requires that an office holder act in good faith and in the best interests of the company and includes, among other things, the duty to:

- refrain from any act involving a conflict of interest between the performance of his, her or its duties in the company and his, her or its other duties or personal affairs;
- refrain from any activity that is competitive with the business of the company;
- refrain from exploiting any business opportunity of the company for the purpose of gaining a personal advantage for himself, herself, or itself or others; and
- disclose to the company any information or documents relating to the company's affairs which the office holder received as a result of his, her, or its position as an office holder.

Under the Companies Law, a company may approve an act specified above which would otherwise constitute a breach of the office holder's fiduciary duty, provided that the office holder acted in good faith, neither the act nor its approval harms the company, and the office holder discloses his, her or its personal interest a sufficient time before the approval of such act. Any such approval is subject to the terms of the Companies Law setting forth, among other things, the appropriate bodies of the company required to provide such approval and the methods of obtaining such approval.

Disclosure of Personal Interests of an Office Holder and Approval of Certain Transactions

The Companies Law requires that an office holder promptly disclose to the board of directors any personal interest that such office holder may have and all related material information known to such office holder concerning any existing or proposed transaction with the company. A personal interest includes an interest of any person in an act or transaction of a company, including a personal interest of one's relative or of a corporate body in which such person or a relative of such person is a 5% or greater shareholder, director, or general manager or in which such person has the right to appoint at least one director or the general manager, but excluding a personal interest stemming solely from one's ownership of shares in the company. A personal interest includes the personal interest of a person for whom the office holder holds a voting proxy or the personal interest of the office holder with respect to the office holder's vote on behalf of a person for whom he or she holds a proxy even if such shareholder has no personal interest in the matter.

If it is determined that an office holder has a personal interest in a non-extraordinary transaction, meaning any transaction that is in the ordinary course of business, on market terms or that is not likely to have a material impact on the company's profitability, assets or liabilities, approval by the board of directors is required for the transaction, unless the company's articles of association provide for a different method of approval. Any such transaction may be approved by the board of directors only if it determines that the transaction is in the company's interest.

Approval first by the company's audit committee and subsequently by the board of directors is required for an extraordinary transaction (meaning any transaction that is not in the ordinary course of business, not on market terms or that is likely to have a material impact on the company's profitability, assets or liabilities) in which an office holder has a personal interest.

A director and any other office holder who has a personal interest in a transaction which is considered at a meeting of the board of directors or the audit committee may generally (unless it is with respect to a transaction which is not an extraordinary transaction) not be present at such a meeting or vote on that matter, unless a majority of the directors or members of the audit committee, as applicable, have a personal interest in the matter. If a majority of the members of the audit committee or the board of directors have a personal interest in the matter, then all of the directors may participate in the deliberations of the audit committee or board of directors, as applicable, with respect to such transaction and vote on the approval thereof and, in such case, shareholder approval is also required.

Certain disclosure and approval requirements apply under Israeli law to certain transactions with controlling shareholders, certain transactions in which a controlling shareholder has a personal interest, and certain arrangements regarding the terms of service or employment of a controlling shareholder. For these purposes, a controlling shareholder is any shareholder that has the ability to direct the company's actions, including any shareholder holding 25% or more of the voting rights if no other shareholder owns more than 50% of the voting rights in the company. Two or more shareholders with a personal interest in the approval of the same transaction are deemed to be one shareholder for these purposes.

For a description of the approvals required under Israeli law for compensation arrangements of officers and directors, see the section titled "— Compensation of Directors and Executive Officers."

Shareholder Duties

Pursuant to the Companies Law, a shareholder has a duty to act in good faith and in a customary manner toward the company and other shareholders and to refrain from abusing his or her power with respect to the company, including, among other things, in voting at a general meeting and at shareholder class meetings with respect to the following matters:

- an amendment to the company's articles of association;
- an increase of the company's authorized share capital;
- a merger; or
- interested party transactions that require shareholder approval.

In addition, a shareholder has a general duty to refrain from discriminating against other shareholders.

Certain shareholders also have a duty of fairness toward the company. These shareholders include any controlling shareholder, any shareholder who has the power to determine the outcome of a shareholder vote, and any shareholder who has the power to appoint or to prevent the appointment of an office holder of the company or exercise any other rights available to it under the company's articles of association with respect to the company. The Companies Law does not define the substance of this duty of fairness, except to state that the remedies generally available upon a breach of contract will also apply in the event of a breach of the duty of fairness.

Exculpation, Insurance, and Indemnification of Office Holders

Under the Companies Law, a company may not exculpate an office holder from liability for a breach of the duty of loyalty. An Israeli company may exculpate an office holder in advance from liability, in whole or in part, for damages as a result of a breach of duty of care, but only if a provision authorizing such exculpation is included in its articles of association. Our amended and restated articles of association to be effective upon the closing of this offering include such a provision. An Israeli company may not exculpate a director from liability arising out of a prohibited dividend or distribution to shareholders.

An Israeli company may indemnify an office holder in respect of the following liabilities and expenses incurred for acts performed as an office holder, either in advance of an event or following an event, provided a provision authorizing such indemnification is contained in its articles of association:

- a financial liability imposed on him or her in favor of another person pursuant to a judgment, including a settlement or arbitrator's award approved by a court. However, if an undertaking to indemnify an office holder with respect to such liability is provided in advance, then such an undertaking must be limited to events which, in the opinion of the board of directors, can be foreseen based on the company's activities when the undertaking to indemnify is given, and to an amount or according to criteria determined by the board of directors as reasonable under the circumstances, and such undertaking shall detail the abovementioned events and amount or criteria;

- reasonable litigation expenses, including legal fees, incurred by the office holder (1) as a result of an investigation or proceeding instituted against him or her by an authority authorized to conduct such investigation or proceeding, provided that (i) no indictment was filed against such office holder as a result of such investigation or proceeding; and (ii) no financial liability, such as a criminal penalty, was imposed upon him or her as a substitute for the criminal proceeding as a result of such investigation or proceeding or, if such financial liability was imposed, it was imposed with respect to an offense that does not require proof of criminal intent; and (2) in connection with a monetary sanction;
- reasonable litigation expenses, including legal fees, incurred by the office holder or imposed by a court in proceedings instituted against him or her by the company, on its behalf or by a third party or in connection with criminal proceedings in which the office holder was acquitted or as a result of a conviction for an offense that does not require proof of criminal intent; and
- expenses, including reasonable litigation expenses and legal fees, incurred by an office holder in relation to an administrative proceeding instituted against such office holder, or certain compensation payments made to an injured party imposed on an office holder by an administrative proceeding, pursuant to certain provisions of the Israeli Securities Law.

An Israeli company may insure an office holder against the following liabilities incurred for acts performed as an office holder if and to the extent provided in the company's articles of association:

- a breach of the duty of loyalty to the company, to the extent that the office holder acted in good faith and had a reasonable basis to believe that the act would not prejudice the company;
- a breach of the duty of care to the company or to a third party, to the extent such breach arises out of the negligent conduct of the office holder;
- a financial liability imposed on the office holder in favor of a third party;
- a financial liability imposed on the office holder in favor of a third party harmed by a breach in an administrative proceeding; and
- expenses, including reasonable litigation expenses and legal fees, incurred by the office holder as a result of an administrative proceeding instituted against him or her, pursuant to certain provisions of the Israeli Securities Law.

An Israeli company may not indemnify, exculpate or insure an office holder against any of the following:

- a breach of the duty of loyalty, except to the extent that the office holder acted in good faith and had a reasonable basis to believe that the act would not prejudice the company;
- a breach of the duty of care committed intentionally or recklessly, excluding a breach arising out of the negligent conduct of the office holder;
- an act or omission committed with intent to derive illegal personal benefit; or
- a civil or criminal fine, monetary sanction or forfeit levied against the office holder.

Under the Companies Law, exculpation, indemnification, and insurance of office holders must be approved by the compensation committee and the board of directors (and, with respect to directors and the Chief Executive Officer, by the shareholders). However, under regulations promulgated under the Companies Law, the insurance of office holders does not require shareholder approval and may be approved by only the compensation committee if the engagement terms are determined in accordance with the company's compensation policy, which was approved by the shareholders by the same special majority required to approve a compensation policy, provided that the insurance policy is on market terms and the insurance policy is not likely to materially impact the company's profitability, assets or obligations.

Our amended and restated articles of association to be effective upon the closing of this offering allow us to exculpate, indemnify, and insure our office holders for any liability imposed on them as a

consequence of an act (including any omission) which was performed by virtue of being an office holder. Our office holders are currently covered by a directors' and officers' liability insurance policy.

We have entered into agreements with certain of our directors and executive officers exculpating them in advance, to the fullest extent permitted by law, from liability to us for damages caused to us as a result of a breach of duty of care, and undertaking to indemnify them to the fullest extent permitted by law. This indemnification is limited to events determined as reasonably anticipated by the board of directors based on our activities, and to an amount determined by the board of directors as reasonable under the circumstances.

The maximum indemnification amount set forth in such agreements is limited to an amount equal to the higher of $25 million and 25% of our total shareholders' equity as reflected in our most recent consolidated financial statements prior to the date on which the indemnity payment is made. The maximum amount set forth in such agreements is in addition to any amount paid (if paid) under insurance and/or by a third party pursuant to an indemnification arrangement.

In the opinion of the SEC, indemnification of directors and office holders for liabilities arising under the Securities Act, however, is against public policy and therefore unenforceable.

Employment and Consulting Agreements with Executive Officers

We have entered into written employment agreements with each of our executive officers. These agreements provide for notice periods of varying duration for termination of the agreement by us or by the relevant executive officer, during which time the executive officer will continue to receive salary and benefits. These agreements also contain customary provisions regarding non-competition, non-solicitation, confidentiality of information, and assignment of inventions. However, the enforceability of the non-competition provisions may be limited under applicable law.

With respect to our Israeli employees, including our executive officers, Israeli labor laws govern the length of the workday, minimum wages for employees, procedures for hiring and dismissing employees, determination of severance pay, annual leave, sick days, advance notice of termination of employment, equal opportunity and anti-discrimination laws and other conditions of employment. Subject to certain exceptions, Israeli law generally requires severance pay upon the retirement, death or dismissal of an employee without due cause, and requires us and our employees to make payments to the National Insurance Institute, which is similar to the U.S. Social Security Administration. Pursuant to Section 14 of the Israeli Severance Pay Law, 5723-1963, our employees in Israel, including executive officers and other key employees based in Israel, are entitled to monthly deposits made in their name with insurance companies, which payments relieve us from any of the aforementioned future severance payment obligations with respect to those employees. We may only utilize the insurance policies for the purpose of disbursement of severance pay. As a result, we do not recognize an asset nor liability for these employees.

Incentive Plan with Respect to SpoiledChild

On October 4, 2020, we provided Oran Holtzman, our co-founder and Chief Executive Officer, and Shiran Holtzman-Erel, our co-founder and Chief Product Officer, with an incentive plan in connection with revenues (as defined in the plan) generated by SpoiledChild. Under the incentive plan, Mr. Holtzman is eligible to earn up to $20.0 million of incremental incentive bonuses based upon revenues generated by SpoiledChild, subject to thresholds described below and certain other conditions.

a) For the first consecutive 12-month period in which revenues are equal to or exceed $30.0 million, Mr. Holtzman is entitled to an incentive bonus of $5.0 million.

b) For the first consecutive 12-month period in which revenues are equal to or exceed $50.0 million, Mr. Holtzman is entitled to an incentive bonus of $5.0 million (in addition to the $5.0 million mentioned above).

c) For the first consecutive 12-month period in which revenues are equal to or exceed $100.0 million, Mr. Holtzman is entitled to an incentive bonus of $10.0 million (in addition to the $10 million mentioned above).

Under the incentive plan, Ms. Holtzman-Erel is eligible to earn up to $10.0 million of incremental incentive bonuses based upon revenues generated by SpoiledChild, subject to thresholds described below and certain other conditions.

a) For the first consecutive 12-month period in which revenues are equal to or exceed $30.0 million, Ms. Holtzman-Erel is entitled to an incentive bonus of $2.5 million.

b) For the first consecutive 12-month period in which revenues are equal to or exceed $50 million, Ms. Holtzman-Erel is be entitled to an incentive bonus of $2.5 million (in addition to the $2.5 million mentioned above).

c) For the first consecutive 12-month period in which revenues are equal to or exceed $100.0 million, Ms. Holtzman-Erel is entitled to an incentive bonus of $5.0 million (in addition to the $5.0 million mentioned above).

Share Option Plans

2020 Equity Incentive Plan

The 2020 Equity Incentive Plan, or the 2020 Plan, was adopted by our board of directors on April 1, 2020. The purpose of the 2020 Plan is to provide equity-based incentive awards in order to link the compensation and benefits of the individuals and entities providing us or our affiliates services with our success and long-term shareholder value, while also serving to attract new individuals and entities to provide services to us or our affiliates. The 2020 Plan enables us to grant options to purchase our Class A ordinary shares, restricted shares and restricted share units, all of which are referred to as "awards."

Shares Reserved for the Plan. As of March 31, 2023, there were Class A ordinary shares reserved and available for issuance upon the exercise or settlement of outstanding awards under the 2020 Plan, including its U.S. Sub-Plan, as described under "— U.S. Sub-Plan to the 2020 Plan." Shares underlying an award granted under the 2020 Plan that expire or become un-exercisable for any reason without having been exercised in full shall become available for future grant under the 2020 Plan, insofar as the 2020 Plan shall not have been terminated. Shares issued under the 2020 Plan and later repurchased by us pursuant to any of our repurchase rights shall be available for future grant under the 2020 Plan, subject to applicable laws.

Administration. Our board of directors, or a duly authorized committee of our board of directors, or the Board, administers the 2020 Plan. The Board has the authority, subject to applicable law, to grant awards to participants, to interpret the terms of the 2020 Plan, to determine the terms and provisions of each award granted (which need not be identical), including but not limited to the number of awards to be granted to each participant, provisions concerning the time and the extent to which the awards may be vested and/or exercised (including the applicability of any early exercise mechanism, if at all, as described below), the underlying shares sold and the nature and duration of restrictions as to the transferability of awards or shares underlying such awards, to amend, modify or supplement the terms of each outstanding award, to authorize conversion or substitution under the 2020 Plan of any or all awards and to cancel or suspend awards, to accelerate or defer the right of a participant to exercise in whole or in part any previously granted awards, to determine the effect of any increase or decrease of scope of engagement of a participant on the vesting schedule of previously granted awards, to authorize any person to execute on our behalf any instrument required to effectuate the grant of an award previously granted by the Board and to make all other determinations deemed necessary or advisable for the administration of the 2020 Plan.

The Board also has the authority to prescribe, amend and rescind rules and regulations relating to the 2020 Plan, including the form of award agreements and rules governing the grant of awards in jurisdictions in which we or any of our affiliates operate, or to terminate the 2020 Plan at any time before the date of expiration of its ten year term, provided that such termination shall not materially affect the rights of participants to whom awards have already been granted.

Eligibility. The 2020 Plan provides for granting awards under the Israeli tax regime, including, without limitation, in compliance with Section 102 of the Israeli Income Tax Ordinance (New Version), 5721-1961, or the Israeli Tax Ordinance. An approved award falling under Section 102(b)(2) of the Israeli Tax Ordinance and a non-approved award falling under Section 102(c) may only be granted to Israeli employees.

Section 102 of the Israeli Tax Ordinance allows employees, directors and officers of a company and any Israeli subsidiary who are not controlling shareholders of such company, or the Israeli Grantees, to receive favorable tax treatment with respect to their awards. We have chosen to grant Israeli Grantees awards pursuant to Section 102(b)(2) of the Ordinance, the most favorable tax treatment for the participant, known as the trustee capital gain track.

Grant. All awards granted pursuant to the 2020 Plan are evidenced by a written award agreement, including the number of awards granted, the vesting schedule, the exercise price, the tax route and other terms and conditions consistent with the 2020 Plan, as the Board may determine.

The exercise period of an option under the 2020 Plan is ten years from the date of the grant thereof unless otherwise determined by the Board.

Vesting. The Board shall set vesting criteria in its discretion, which, depending on the extent to which the criteria are met, will determine the numbers of awards that will vest. The vesting conditions and schedule shall be set in the applicable award agreement and may vary between grantees. Subject to specific approval of the Board and to the terms specified in the options agreement, an option agreement may include a provision whereby a participant may elect, at any time before the participant's termination date, to exercise all or part of the unvested portion of the options, or the early exercise mechanism.

Exercise of Options. Options granted under the 2020 Plan may be exercised by an option holder providing us with a notice of exercise, accompanied by full payment of the exercise price for each of the shares being purchased pursuant to such exercise. As soon as practicable thereafter, and subject to the provisions of the 2020 Plan, we will issue the shares underlying such exercised option. An option may not be converted for a fraction of a share. With regard to exercise price and purchase price obligations arising in connection with awards under the 2020 Plan, the Board may, in its discretion, accept cash or check, or payment by any other means. In the event that our ordinary shares are listed for trade on a stock exchange (as defined in the 2020 Plan), the Board may consider allowing a cashless exercise, or any other exercise method, subject to the provisions of applicable law.

Restricted share units granted under the 2020 Plan settle automatically on the applicable vesting dates, subject to the terms of the applicable award agreement. Restricted shares are issued upon grant and subject to our repurchase right.

Transferability. Other than by will, the laws of descent and distribution or as otherwise provided under the 2020 Plan or determined by the Board, neither the awards nor any right in connection with such awards are transferable and shall not be subject to mortgage, attachment or other willful encumbrance, and no power of attorney shall be issued in respect thereof, whether such enter into force immediately or at a future date.

Termination of Employment. In the event of termination of a participant's employment or engagement with us or any affiliate, any award or portion thereof that was not vested as of the date of termination shall immediately expire, unless otherwise determined by the Board. Restricted shares which have not yet completed the restriction period will be forfeited to us in accordance with the provisions of the 2020 Plan.

In the event of termination of a participant's employment or engagement with us or any affiliate other than for cause (as defined in the 2020 Plan), any option or portion thereof that is vested as of the date of termination, may only be exercised within such period of time ending on the earlier of (i) 90 days following the date of termination or (ii) 10 years from the date of grant of such option, but only to the extent to which such option was exercisable at the time of the date of termination, unless otherwise provided by the Board.

In the event of termination of a participant's employment or engagement with us or any affiliate due to the participant's death or disability within the period stated in the 2020 Plan, all exercisable options held by such participant as of the date of termination may be exercised by the participant's legal guardian, the participant's estate or by a person who acquired the right to exercise the option by bequest or inheritance, as applicable, within the period ending on the earlier of (i) the date 12 months following the date of death or the date of termination due to disability, as the case may be, or (ii) 10 years from the date of grant of such option, unless otherwise provided by the Board. Any options which are not exercised within such period specified herein shall expire. The transfer of options to any assignee shall be subject to the provisions of a written notice to us and to the execution by the assignee of any documents required by us.

Notwithstanding any of the foregoing, if a participant's employment or engagement with us or any affiliate is terminated for cause (as defined in the 2020 Plan), any option or portion thereof that has not been exercised as of the date of termination will immediately expire on the date of termination.

Changes to Capital. In the event of a share split, share dividend, recapitalization, combination or recapitalization or any other or any other like event, the number of shares subject to the 2020 Plan and the number and class of the shares underlying the awards will be appropriately and equitably adjusted, provided that (i) no adjustment will be made by reason of the distribution of subscription rights (rights offering) on outstanding Class A ordinary shares or other issuance of shares by us, and (ii) fractional shares resulting from such adjustment shall be (a) rounded to the nearest whole share or (b) extinguished in case such fraction of an award represents a right to receive less than 0.5 of a share.

Structural Change. In the event of a structural change, the shares underlying the awards, subject to the 2020 Plan, shall be exchanged or converted into our shares or shares of a successor company in accordance with the exchange effectuated in relation to our Class A ordinary shares, and the exercise price and quantity of shares underlying the awards will be adjusted accordingly, at the sole discretion of the Board.

Spin-off Transaction. In the event of a spin-off transaction, the Board may determine that the award holders shall be entitled to receive equity in the new company formed as a result of such spin-off transaction, in accordance with equity granted to our ordinary shareholders pursuant to such spin-off transaction, taking into account the terms of the awards.

Transaction. In the event of an M&A transaction (as defined in the 2020 Plan) the Board shall be entitled (but not obliged), at its sole discretion and without the need for consent and without any prior notice requirement, to determine any or all of the following: (i) provide for an assumption or exchange of awards and/or shares for awards and/or shares and/or other securities or rights of the successor company or parent or affiliate thereof, (ii) provide for an exchange of awards or shares for monetary compensation (including for avoidance of doubt a cash-out of the awards for the net value), (iii) determine that all unvested awards and un-exercised vested options shall expire on the date of such M&A transaction without payment, (iv) determine that the exchange, assumption, conversion or purchase detailed above will be made subject to any payment or escrow arrangement, or any other arrangement determined within the scope of the M&A transaction in relation to our ordinary shares, or (v) provide for acceleration of vesting of awards. Without derogating from the foregoing, any awards not assumed or substituted shall expire immediately prior to the consummation of the merger or consolidation.

Clawback Policy. Any award, amount or benefit received under the 2020 Plan shall be subject to potential cancellation, recoupment, rescission, payback or other similar action in accordance with any applicable clawback policy or any applicable law, as may be in effect from time to time. The receipt of an award shall be deemed to constitute acknowledgment of and consent to our application, implementation and enforcement of (i) the clawback policy and any similar policy established by us that may apply to the holder of awards or shares, whether adopted prior to or following the making of any award and (ii) any provision of applicable law relating to cancellation, rescission, payback, or recoupment of compensation, as well as the express agreement of the holder of awards or shares that we may take such actions as are necessary to effectuate the clawback policy, any similar policy, and applicable law, without further consideration or action.

Breach of Restrictive Covenants. Except as otherwise provided by the Board, notwithstanding any provision of the 2020 Plan to the contrary, if the holder of awards or shares breaches a confidentiality, non-competition, non-solicitation, non-disclosure, non-disparagement or other similar restrictive covenant set forth in an award agreement or any other agreement between the holder of awards or shares and us or any affiliate, whether during or after the termination of engagement, in addition to any other penalties or restrictions that may apply under any such agreement, state law or otherwise, the holder of awards or shares shall forfeit or pay to us: (i) any and all outstanding awards, including awards that have become vested or exercisable, (ii) any shares issued in connection with the 2020 Plan that were acquired after the termination and within the 12-month period immediately preceding the termination (less any exercise price paid for such shares), and (iii) the profit realized from the exercise and sale of any award or share and within the 12-month period immediately preceding the termination.

U.S. Sub-Plan to the 2020 Plan

The U.S. Sub-Plan to the 2020 Plan, or the U.S. Sub-Plan, was adopted on April 1, 2020. The U.S. Sub-Plan is to be read as a continuation of the 2020 Plan and only modifies awards granted to participants who are U.S. residents, U.S. taxpayers or those persons who are or could be deemed to be U.S. taxpayers as determined by the Board.

Eligibility. The U.S. Sub-Plan provides for granting awards to our employees, consultants and directors. Awards granted pursuant to the U.S. Sub-Plan to participants in the United States shall be exempt from or comply with Section 409A of the Internal Revenue Code. An incentive stock option within the meaning of Section 422(b) of the Internal Revenue Code may be granted only to a person who, on the effective date of grant, is an employee. Any person who does not so qualify may be granted only a nonstatutory stock option.

Maximum ISO Limit. The maximum aggregate number of shares that may be issued under the 2020 Plan pursuant to the exercise of incentive stock options shall not exceed 93,651 Class A ordinary shares (subject to adjustment as provided in the 2020 Plan).

Termination of Employment or Service. Despite any other provision included in the 2020 Plan, no extension of the post-termination option exercise period shall be made with respect to any option held by a U.S. participant that would constitute an extension of the option pursuant to Internal Revenue Code Section 409A and subject the U.S. participant to penalties under Section 4999 of the Internal Revenue Code.

Exercise Price. The exercise price per share for an option shall be determined by the Board, provided that it is not less than the fair market value (as defined in the U.S. Sub-Plan) of a share on the effective date of the grant of the option. In the case of an incentive stock option granted to a ten percent stockholder within the meaning of Section 424 of the Internal Revenue Code, the exercise price per share shall not be less than 110% of the fair market value of the share underlying the option on the effective date of grant thereof. However, an option may be granted with an exercise price lower than the minimum exercise price set forth above if it is granted pursuant to an assumption or substitution for another option or restricted share unit in a manner qualifying under the provisions of Sections 424(a) and 409A of the Internal Revenue Code.

2023 Incentive Award Plan

In connection with this offering we intend to adopt the 2023 Incentive Award Plan, or 2023 Plan, which will become effective upon the completion of this offering. The 2023 Plan provides for the grant of cash and equity-based incentive awards to our eligible employees, directors, office holders, service providers and consultants in order to attract, motivate and retain the talent for which we compete.

The material terms of the 2023 Plan are summarized below, which is qualified in its entirety by reference to the 2023 Plan, which is filed as an exhibit to the registration statement of which this is a part.

Eligibility and Administration

Our employees, consultants, directors and employees, consultants and directors of our subsidiaries, will be eligible to receive awards under the 2023 Plan. Following this offering, the 2023 Plan will be administered by our board of directors with respect to awards to non-employee directors and by our compensation committee with respect to other participants, each of which may delegate its duties and responsibilities to committees of our directors and/or officers (the board, compensation committee and any such delegates referred to collectively as the plan administrator below), subject to certain limitations that may be imposed under Section 16 of the Securities Exchange Act of 1934, as amended, or the Exchange Act, and/or stock exchange rules, as applicable. The plan administrator will have the authority to make all determinations and interpretations under, prescribe all forms for use with, and adopt rules for the administration of, the 2023 Plan, subject to its express terms and conditions. The plan administrator will also set the terms and conditions of all awards under the 2023 Plan, including any vesting and vesting acceleration conditions.

Limitation on Awards and Shares Available

The aggregate number of shares initially available for issuance under the 2023 Plan will be equal to the sum of (1) a number of Class A ordinary shares, equal to 8% of the total number of shares outstanding at the time of this offering, (2) any shares which remain available for issuance under the 2020 Plan as of the effective date of the 2023 Plan, plus (3) an annual increase on January 1 of each calendar year beginning in 2024 and ending on and including 2033, by an amount equal to the lesser of (a) 5% of the shares outstanding on the final day of the immediately preceding calendar year and (b) such smaller number of shares as determined by our board of directors. No more than ten times the number of Class A ordinary shares initially reserved under the 2023 Plan may be issued under the 2023 Plan upon the exercise of incentive stock options. Shares available under the 2023 Plan may be authorized but unissued shares, shares purchased on the open market or treasury shares.

The share reserve formula under the 2023 Plan is intended to provide us with the continuing ability to grant equity awards to eligible employees, directors and consultants for the ten-year term of the 2023 Plan.

Awards granted under the 2023 Plan upon the assumption of, or in substitution for, outstanding equity awards previously granted by an entity in connection with a corporate transaction, such as a merger, combination, consolidation or acquisition of property or stock, will not reduce the shares available for grant under the 2023 Plan.

The 2023 Plan provides that the sum of compensation granted to a non-employee director pursuant to the 2023 Plan as compensation for services as a non-employee director during any calendar year shall not exceed the amount equal to $750,000. The plan administrator may make exceptions to this limit for individual non-employee directors in extraordinary circumstances, as the plan administrator may determine in its discretion, provided that the non-employee director receiving such additional compensation may not participate in the decision to award such compensation or in other contemporaneous compensation decisions involving non-employee directors.

Awards

The 2023 Plan provides for the grant of share options, including incentive stock options, or ISOs, and nonqualified options, or NSOs, restricted shares, dividend equivalents, restricted share units, or RSUs, other share-based awards, share appreciation rights and cash awards. No determination has been made as to the types or amounts of awards that will be granted to specific individuals pursuant to the 2023 Plan. Certain awards granted to U.S. taxpayers under the 2023 Plan may constitute or provide for a deferral of compensation, subject to Section 409A of the Code, which may impose additional requirements on the terms and conditions of such awards. All awards under the 2023 Plan will be set forth in award agreements, which will detail all terms and conditions of the awards, including any applicable vesting and payment terms and post-termination exercise limitations. Awards other than cash awards generally will be settled in shares of our Class A ordinary shares, but the plan administrator may provide for cash settlement of any award. A brief description of each award type follows.

Share Options. Share options provide for the purchase of shares of our Class A ordinary shares in the future at an exercise price set on the grant date. ISOs, by contrast to NSOs, may provide tax deferral beyond exercise and favorable capital gains tax treatment to their holders who are U.S. residents if certain holding period and other requirements of the Code are satisfied. The exercise price of a share option may not be less than 100% of the fair market value of the underlying share on the date of grant (or 110% in the case of ISOs granted to certain significant shareholders), except with respect to certain substitute options granted in connection with a corporate transaction. The term of a share option may not be longer than ten years (or five years in the case of ISOs granted to certain significant shareholders). Vesting conditions determined by the plan administrator may apply to share options and may include continued service, performance and/or other conditions.

SARs. SARs entitle their holder, upon exercise, to receive from us an amount equal to the appreciation of the shares subject to the award between the grant date and the exercise date. The exercise price of a SAR may not be less than 100% of the fair market value of the underlying share on the date of grant (except with respect to certain substitute SARs granted in connection with a corporate transaction). The term of a SAR may not be longer than ten years. Vesting conditions determined by the plan administrator may apply to SARs and may include continued service, performance and/or other conditions.

Restricted Shares and RSUs. Restricted shares are an award of nontransferable Class A shares that remain forfeitable unless and until specified conditions are met, and which may be subject to a purchase price. RSUs are contractual promises to deliver Class A shares in the future, which may also remain forfeitable unless and until specified conditions are met. Delivery of the shares underlying RSUs may be deferred under the terms of the award or at the election of the participant, if the plan administrator permits such a deferral. Conditions applicable to restricted shares and RSUs may be based on continuing service, the attainment of performance goals and/or such other conditions as the plan administrator may determine. Holders of restricted shares generally have all of the rights of a shareholder upon the issuance of restricted shares. RSU holders have no rights of a shareholder with respect to shares subject to RSUs unless and until such shares are delivered in settlement of the RSUs. In the sole discretion of the plan administrator, RSUs may also be settled for an amount of cash equal to the fair market value of the shares underlying the RSU on the RSU's maturity date, or a combination of cash and shares.

Other Share or Cash-Based Awards. Other share or cash-based awards are awards of cash, fully vested Class A shares and other awards denominated in, linked to, or derived from our Class A shares or value metrics related to our shares. Other share or cash-based awards may be granted to participants and may also be available as a payment form in the settlement of other awards, as standalone payments and as payment in lieu of base salary, bonus, fees or other cash compensation otherwise payable to any individual who is eligible to receive awards. Conditions applicable to other share or cash-based awards may be based on continuing service, the attainment of performance goals and/or such other conditions as the plan administrator may determine.

Dividend Equivalents. Dividend equivalents represent the right to receive the equivalent value of dividends paid on Class A shares and may be granted alone or in tandem with awards other than share options or SARs. Dividend equivalents may be paid currently or credited to an account for the participant, settled in cash or shares and subject to the same restrictions on transferability and forfeitability as the award with to which the dividend equivalents are paid and subject to other terms and conditions. Dividend equivalents are credited as of dividend record dates during the period between the date an award is granted and the date such award terminates or expires, as determined by the plan administrator. Dividend equivalents paid with respect to an award that are based on dividends paid prior to the vesting of such award shall only be paid out to the extent the vesting conditions of the award are satisfied and the award vests. All such dividend equivalent payments will be made no later than March 15 of the calendar year following calendar year in which the right to the dividend equivalent payment becomes nonforfeitable in accordance with the foregoing, unless otherwise determined by the plan administrator.

Performance Awards. Performance awards include any of the foregoing awards that are granted subject to vesting and/or payment based on the attainment of specified performance goals or other criteria the plan administrator may determine, which may or may not be objectively determinable. Such performance goals also may be based solely by reference to the Company's performance or the performance of a Subsidiary, division, business segment or business unit of the Company or a Subsidiary, or based upon performance relative to performance of other companies or upon comparisons of any of the indicators of performance relative to performance of other companies.

Vesting

Vesting conditions determined by the plan administrator may apply to each award and may include continued service, performance and/or other conditions.

Certain Transactions and Adjustments

The plan administrator has broad discretion to take action under the 2023 Plan, as well as make adjustments to the terms and conditions of existing and future awards, to prevent the dilution or enlargement of intended benefits and facilitate necessary or desirable changes in the event of certain transactions and events affecting our Class A shares, such as share dividends, share splits, mergers, consolidations and other corporate transactions. In addition, in the event of certain non-reciprocal transactions with our shareholders known as "equity restructurings," the plan administrator will make equitable adjustments to the 2023 Plan and outstanding awards. In the event of a "change in control" of the Company (as defined in the 2023 Plan), to the extent that the surviving entity declines to continue, convert, assume or replace outstanding awards, then the plan administrator may provide that all such awards will terminate in exchange for cash or other consideration, or become fully vested and exercisable in connection with the transaction. Individual award agreements may provide for additional accelerated vesting and payment provisions.

Foreign Participants, Claw-Back Provisions, Transferability, and Participant Payments

The plan administrator may modify award terms, establish subplans and/or adjust other terms and conditions of awards, subject to the share limits described above, in order to facilitate grants of awards subject to the laws and/or stock exchange rules of countries outside of the United States. All awards will be subject to the provisions of any claw-back policy implemented by us to the extent set forth in such claw-back policy and/or in the applicable award agreement. With limited exceptions for estate planning, domestic relations orders, certain beneficiary designations and the laws of descent and distribution, awards under the 2023 Plan are generally non- transferable, and are exercisable only by the participant. With regard to tax withholding, exercise price and purchase price obligations arising in connection with awards under the 2023 Plan, the plan administrator may, in its discretion, accept cash or check, provide for net withholding of shares, allow shares of our shares that meet specified conditions to be repurchased, allow a "market sell order" or such other consideration as it deems suitable.

Plan Amendment and Termination

Our board of directors may amend or terminate the 2023 Plan at any time; however, shareholder approval will be required for any amendment to the extent necessary to comply with applicable laws. No award may be granted pursuant to the 2023 Plan after the tenth anniversary of the earlier of (i) the date on which our board of directors adopts the 2023 Plan and (ii) the date on which our shareholders approve the 2023 Plan.

Israeli Sub-Plan to the 2023 Plan

Together with the 2023 Plan, we intend to adopt the Israeli Sub-Plan to the 2023 Plan, or the Israeli Sub-Plan, pursuant to the authority of our board under the 2023 Plan, which will become effective upon the completion of this offering. The Israeli Sub-Plan is to be read as a continuation of the 2023 Plan and only modifies awards granted to participants who are tax residents of the State of Israel on the grant date of such award, and are engaged by us or by any of our Israeli resident

subsidiaries, or the Israeli Participants. In the event of any conflict between the provisions of the Israeli Sub-Plan and the 2023 Plan, the provisions set out in the Israeli Sub-Plan prevail to the extent necessary to comply with the requirements set by the Israeli law in general, and in particular, with the provisions of the Israeli Income Tax Ordinance (New Version) — 1961, or the Ordinance.

Eligibility. The Israeli Sub-Plan applies to awards granted to our employees, directors or officers or to the employees, directors or officers of any of our Israeli resident subsidiaries, or the Approved Israeli Participants, or to an Israeli Participant who is not an Approved Israeli Participant, including a consultant or any of our Controlling Shareholders within the meaning of Section 32(9) of the Ordinance,or the Unapproved Israeli Participants. Only Approved Israeli Participants may be granted awards pursuant to Section 102(b) of the Ordinance, according to which the awards shall be held in trust by a trustee for the benefit of the Approved Israeli Participant pursuant to Section 102(b) of the Ordinance, or the Trustee 102 Awards. No Trustee 102 Award may be granted under the Israeli Sub-Plan to any Approved Israeli Participant, unless and until the lapse of 30 days from the date we filed the 2023 Plan and the Israeli Sub-Plan with the Israel Tax Authority including our election regarding the type of Trustee 102 Awards, whether Capital Gain Awards or Ordinary Income Awards, that will be granted under the Plan and Israeli Sub-Plan, or the Election. The Election shall obligate us to grant only the type of Trustee 102 Award we elected and shall apply to all Israeli Participants who are granted Trustee 102 Awards during such period, all in accordance with the provisions of Section 102(g) of the Ordinance. The Election shall not prevent us from granting simultaneously awards pursuant to Section 102(c) of the Ordinance which are not held in trust by a trustee. Awards granted to Unapproved Israeli Participants shall not be subject to the trustee arrangement, and shall instead be subject to Section 3(i) or 2 of the Ordinance.

Trustee 102 Awards. The grant of a Trustee 102 Award is subject to compliance with all terms and conditions of Section 102 of the Ordinance including the execution of an undertaking. Trustee 102 Awards, and any shares issued upon grant, vesting or exercise of the Trustee 102 Awards, will be held by a trustee appointed pursuant to Section 102 of the Ordinance. An Approved Israeli Participant shall not sell or release from trust any shares received upon the grant, vesting or exercise of a Trustee 102 Award and/or any shares received following any realization of rights, including, without limitation, share dividends, under the 2023 Plan, at least until the lapse of the period of time required under Section 102 of the Ordinance, or any shorter period of time determined by the Israel Tax Authority, or the Holding Period. Notwithstanding the foregoing, if any such sale or release occurs during the Holding Period, the sanctions under Section 102 of the Ordinance shall apply to and shall be borne by such Approved Israeli Participant. Any release of such Trustee 102 Awards or shares from trust, or any sale of the shares prior to the termination of the Holding Period, will result in taxation at the marginal tax rate, in addition to deductions of any appropriate income tax, social security, health tax contributions or other compulsory payments. The trustee may not release or sell any shares allocated or issued upon the grant, vesting or exercise of a Trustee 102 Award unless we, or, if applicable, our Israeli subsidiary and the trustee are satisfied that the full amounts of any tax due have been paid or will be paid.

Assignability. No award subject to the Israeli Sub-Plan or share issued thereunder is assignable, transferable or may be given as collateral, during the lifetime of the Israeli Participant, and each Israeli Participant's rights with respect to an award belongs only to the Israeli Participant.

Terms and Conditions. There is no obligation for uniformity of treatment of Israeli Participants and the terms and conditions of awards granted to Israeli Participants need not be the same with respect to each Israeli Participant. The grant, vesting and exercise of awards granted to Israeli Participants are subject to various terms and conditions and, with respect to exercise, the method of exercise, as may be determined by our board and, when applicable, by the trustee, in accordance with the requirements of Section 102 of the Ordinance.

Governing Law. The Israeli Sub-Plan is governed by, construed and enforced in accordance with the laws of the State of Israel.

2023 Employee Share Purchase Plan

In connection with this offering, we intend to adopt the 2023 Employee Share Purchase Plan, or the ESPP, subject to approval by our shareholders. The ESPP is designed to allow our eligible

employees to purchase Class A ordinary shares, at periodic intervals, with their accumulated payroll deductions. The ESPP consists of two components: a Section 423 component, which is intended to qualify under Section 423 of the Code and a non-Section 423 component, which need not qualify under Section 423 of the Code. The material terms of the ESPP as currently contemplated are summarized below. This summary is not a complete description of all provisions of the ESPP and is qualified in its entirety by reference to the ESPP, which will be filed as an exhibit to the registration statement of which this prospectus is a part.

Shares Available; Administration

The aggregate number of Class A ordinary shares that will initially be reserved for issuance under the ESPP will be equal to the sum of (i) a number of shares equal to 2% of the outstanding shares at the time of this offering and (ii) an annual increase on the first day of each calendar year beginning in 2024 and ending in and including 2033 equal to the lesser of (A) 1% of the outstanding shares on the last day of the immediately preceding fiscal year and (B) such smaller number of shares as determined by our board of directors; provided that in no event will more than a number of shares equal to ten times the number of shares initially reserved for issuance under the ESPP be available for issuance under the Section 423 component of the ESPP. Our board of directors or the compensation committee will have authority to interpret the terms of the ESPP and determine eligibility of participants. We expect that the compensation committee will be the initial administrator of the ESPP.

Eligibility

The plan administrator may designate certain of our subsidiaries as participating "designated subsidiaries" in the ESPP and may change these designations from time to time. We expect that our employees, other than employees who, immediately after the grant of a right to purchase Class A shares under the ESPP, would own (directly or through attribution) shares possessing 5% or more of the total combined voting power or value of all classes of our shares and other securities, will be eligible to participate in the ESPP. However, consistent with Section 423 of the Code as applicable, the plan administrator may provide that other groups of employees, including, without limitation, those customarily employed by us for 20 hours per week or less or five months or less in any calendar year, will not be eligible to participate in the ESPP.

Grant of Rights

The Section 423 component of the ESPP will be intended to qualify under Section 423 of the Code and shares will be offered under the ESPP during offering periods. The length of the offering periods under the ESPP will be determined by the plan administrator and may be up to 27 months long. Employee payroll deductions will be used to purchase shares on each purchase date during an offering period. The purchase dates for each offering period will be the final trading day in each purchase period. Offering periods under the ESPP will commence when determined by the plan administrator. The plan administrator may, in its discretion, modify the terms of future offering periods. We do not expect that any offering periods will commence under the ESPP at the time of this offering.

The ESPP will permit participants to purchase shares through payroll deductions of up to a percentage of their eligible compensation, which includes a participant's gross base compensation for services to us. The plan administrator will establish a maximum number of shares that may be purchased by a participant during any offering period, which, in the absence of a contrary designation, will be equal to 2,500 shares. In addition, under the Section 423 component, no employee will be permitted to accrue the right to purchase shares under the ESPP at a rate in excess of $25,000 worth of shares during any calendar year during which such a purchase right is outstanding (based on the fair market value per share of our ordinary shares as of the first trading day of the offering period).

On the first trading day of each offering period, each participant will automatically be granted an option to purchase shares. The option will expire at the end of the applicable offering period and will be exercised on each purchase date during such offering period to the extent of the payroll deductions accumulated during the offering period. The purchase price will be the lower of 85% of the fair market value of a share on the first day of an offering period in which a participant is enrolled or 85% of the fair

market value of a share on the purchase date, which will occur on the last day of each purchase period. Participants may voluntarily end their participation in the ESPP prior to the end of the applicable offering period, and will be paid their accrued payroll deductions that have not yet been used to purchase shares.

Unless a participant has previously canceled his or her participation in the ESPP before the purchase date, the participant will be deemed to have exercised his or her option in full as of each purchase date. Upon exercise, the participant will purchase the number of whole shares that his or her accumulated payroll deductions will buy at the option purchase price, subject to the participation limitations listed above. Participation will end automatically upon a participant's termination of employment.

A participant will not be permitted to transfer rights granted under the ESPP other than by will, the laws of descent and distribution or as otherwise provided under the ESPP.

Certain Transactions

In the event of certain transactions or events affecting our shares, such as any share dividend or other distribution, reorganization, merger, consolidation, or other corporate transaction, the plan administrator will make equitable adjustments to the ESPP and outstanding rights. In addition, in the event of the foregoing transactions or events or certain significant transactions, the plan administrator may provide for (1) either the replacement of outstanding rights with other rights or property or termination of outstanding rights in exchange for cash, (2) the assumption or substitution of outstanding rights by the successor or survivor corporation or parent or subsidiary thereof, if any, (3) the adjustment in the number and type of shares subject to outstanding rights, (4) the use of participants' accumulated payroll deductions to purchase shares on a new purchase date prior to the next scheduled purchase date and termination of any rights under ongoing offering periods or (5) the termination of all outstanding rights.

Plan Amendment

The plan administrator may amend, suspend or terminate the ESPP at any time. However, shareholder approval will be obtained for any amendment to the ESPP that increases the aggregate number or changes the type of shares that may be sold pursuant to rights under the ESPP, changes the corporations or classes of corporations the employees of which are eligible to participate in the ESPP or as may otherwise be required under Section 423(b) of the Code or other applicable law.

Non-Employee Director Compensation Policy

In connection with this offering, we intend to adopt a non-employee director compensation policy that, effective upon the closing of this offering, will be applicable to each of our non-employee directors. Pursuant to this non-employee director compensation policy, each eligible non-employee director will receive a mixture of annual retainer fees and long-term equity awards.

Pursuant to this policy, each eligible non-employee director will receive an annual cash retainer of $50,000 that will be paid quarterly in arrears. The chairperson of the audit committee will receive an additional annual cash retainer of $20,000 and each other member of the audit committee will receive an additional annual cash retainer of $10,000, the chairperson of the compensation committee will receive an additional annual cash retainer of $15,000 and each other member of the compensation committee will receive an additional annual cash retainer of $7,500, and the chairperson of the nominating and governance committee will receive an additional annual cash retainer of $10,000 and each other member of the nominating and governance committee will receive an additional annual cash retainer of $5,000.

Also, pursuant to this policy, we intend to grant all eligible non-employee directors an annual equity award of restricted stock units that has a grant date value of $185,000 (with prorated awards made to directors who join on a date other than an annual meeting following the first annual meeting after the closing of this offering), which will generally vest in full on the earlier of the day before the next annual meeting or the first anniversary of the date of grant, in each case subject to the director's

continued service on the board of directors. In the event of a change of control (as defined in the 2023 Plan), all outstanding equity awards held by our non-employee directors pursuant to this policy will accelerate and vest in full.

Founder Option Agreements

In addition, on June 22, 2023, our board of directors granted Mr. Holtzman and Ms. Holtzman-Erel option awards to purchase 80,032 and 71,139 Class A ordinary shares, respectively, at an exercise price of $427.00 per share. These awards are designed to align their compensation with the long-term interests of our shareholders by requiring the achievement of sustained stock price targets. These awards vest upon the satisfaction of both time-based and market-based vesting conditions. The time-based vesting condition will be satisfied only upon the third anniversary of the completion of this offering, subject to the executive's continued service in at least one of his or her current roles with the Company (Chairman or Chief Executive Officer for Mr. Holtzman and Chief Product Officer or director for Ms. Holtzman-Erel). The market-based vesting condition will be satisfied as to 1/5 of the Class A ordinary shares underlying each option upon the achievement of specified closing share price hurdles for our Class A ordinary shares, which are set at 2x, 2.5x, 3x, 4x and 5x of the price to the public for this offering calculated over a period of 30 consecutive trading days, subject to the executive's continued service in at least one of his or her current roles with the Company as of the achievement of such hurdles.

The time-based vesting condition is subject to acceleration in the event of an M&A transaction or death in accordance with the terms of the award agreement.

PRINCIPAL AND SELLING SHAREHOLDERS

The following table sets forth information with respect to the beneficial ownership of our ordinary shares prior to and after this offering by:

- each person or group of affiliated persons known by us to own beneficially more than 5% of our outstanding ordinary shares;
- each of our executive officers and directors individually;
- all of our executive officers and directors as a group; and
- the selling shareholders.

The number of ordinary shares beneficially owned by each entity, person, or director is determined in accordance with the SEC rules and the information is not necessarily indicative of beneficial ownership for any other purpose. Under such rules, beneficial ownership includes any ordinary shares over which a person has sole or shared voting power or investment power, or the right to receive economic benefit of ownership, as well as any ordinary shares subject to options, warrants or other rights that are currently exercisable or exercisable within 60 days of June 22, 2023.

The percentage of outstanding ordinary shares is computed on the basis of ordinary shares outstanding as of June 22, 2023. For purposes of the table below, we deem ordinary shares subject to options, RSUs, warrants, or other rights that are currently exercisable or exercisable within 60 days of June 22, 2023 to be outstanding and to be beneficially owned by the person holding the options, RSUs, or warrants for the purposes of computing the ownership and percentage ownership of that person but we do not treat them as outstanding for the purpose of computing the percentage ownership of any other person. The expected beneficial ownership immediately after this offering gives effect to adjustment to the 2020 Equity Incentive Plan pursuant to which an ordinary share will be issuable for each ordinary share that was issuable pursuant to awards outstanding under the 2020 Equity Incentive Plan immediately prior to this offering.

Following the closing of this offering, neither our principal shareholders nor our directors and executive officers will have different or special voting rights with respect to their ordinary shares, except that each Class A ordinary share will be entitled to one vote per share and each Class B ordinary share will be entitled to ten votes per share. See “Description of Share Capital and Articles of Association — Amended and Restated Articles of Association — Voting.”

The following table does not reflect any Class A ordinary shares that may be purchased pursuant to our directed share program described under the section titled “Underwriting—Directed Share Program.” If any Class A ordinary shares are purchased by the individuals or entities included in the table below, the number and percentage of the Class A ordinary shares beneficially owned by them after this offering will differ from those presented below.

As of June 22, 2023, we had holders of record of our ordinary shares in the United States, holding, in the aggregate , or % of our outstanding ordinary shares.

Unless otherwise noted below, each shareholder’s address is 110 Greene Street, New York, New York 10012.

A description of any material relationship that our principal shareholders have had with us or any of our affiliates within the past three years is included in the section titled “Certain Relationships and Related Party Transactions.”

	Shares Beneficially Owned Prior to the Offering					Number of Class A Ordinary Shares Being Sold in the Offering	Shares Beneficially Owned After the Offering		
	Class A Ordinary Shares		Class B Ordinary Shares						
	Ordinary Shares	%	Ordinary Shares	%	% of Voting Power		Class A Ordinary Shares	Class B Ordinary Shares	% of Voting Power
Name of Beneficial Owner									
Principal Shareholders									
L Catterton[1]	1,182,731	45.8%	—	—	10.1%				
Directors and Executive Officers									
Oran Holtzman[2]	752,904	29.2%	903,185	99.0%	86.6%				
Shiran Holtzman-Erel	—	—	—	—	—				
Lindsay Drucker Mann[3]	10,066	*	10,066	1.1%	*				
Jonathan Truppman[4]	2,882	*	2,882	*	*				
Niv Price[5]	2,596	*	2,596	*	*				
Michael Farello	—	—	—	—	—				
Lilach Payorski[6]	384	*	192	*	*				
Ohad Chereshniya	—	—	—	—	—				
All executive officers and directors as a group (8 persons)	768,832	29.8%	15,736	99.0%					
Other Selling Stockholders									

* Indicates voting of less than 1%

(1) Consists of 1,182,731 Class A ordinary shares held of record by LCGP3 Pro Makeup, L.P., or LCGP3. CGP3 Managers, L.L.C. is the general partner of LCGP3 Pro Makeup, L.P. and the management of CGP3 Managers, L.L.C. is controlled by its managing members. Scott A. Dahnke and J. Michael Chu are the managing members of CGP3 Managers, L.L.C. and as such may be deemed to share voting control and investment power over such shares that are held by CGP3 Managers, L.L.C. The address of LCGP3 is 599 W. Putnam Avenue, Greenwich, CT 06830.

(2) Consists of Class A ordinary shares held by Oran Shilo Investments LP ("Shilo"); 750,000 Class B ordinary shares held by Shilo; Class A ordinary shares held by Il Makiage Investments L.P. ("IMI"); 153,185 Class B ordinary shares held by IMI; and Class A ordinary shares held by HSODD, Inc. ("HSODD") which will be the shares sold in this offering. Each of Shilo, IMI and HSODD is controlled by Oran Holtzman, the registrant's founder and Chief Executive Officer, and as such may be deemed to share voting control and investment power over such shares that are held by Shilo, IMI and HSODD.

(3) Consists of 10,066 Class A ordinary shares underlying options and 10,066 Class B ordinary shares underlying options, each exercisable within 60 days of June 22, 2023.

(4) Consists of 2,882 Class A ordinary shares underlying options and 2,882 Class B ordinary shares underlying options, each exercisable within 60 days of June 22, 2023.

(5) Consists of 865 Class A ordinary shares, 865 Class B ordinary shares, 1,731 Class A ordinary shares underlying restricted stock units and 1,731 Class B ordinary shares underlying restricted stock units, each of which vests within 60 days of June 22, 2023.

(6) Consists of 384 Class A ordinary shares underlying restricted stock units and 192 Class B ordinary shares underlying restricted stock units, each which will vest within 60 days of June 22, 2023.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

Our policy is to enter into transactions with related parties on terms that, on the whole, are no more or less favorable than those available from unaffiliated third parties. Based on our experience in the business sectors in which we operate and the terms of our transactions with unaffiliated third parties, we believe that all of the transactions described below met this policy standard at the time they occurred.

Rights of Appointment

Our current board of directors consists of two directors. Pursuant to our articles of association in effect prior to this offering, certain of our shareholders had rights to appoint members of our board of directors and observers to our board of directors. See the section titled "Management — Board of Directors."

All rights to appoint directors and observers will terminate upon the closing of this offering, although currently serving directors who were appointed prior to this offering will continue to serve pursuant to their appointment until the annual meeting of shareholders at which the term of their class of director expires.

We are not a party to, and are not aware of, any voting agreements among our shareholders which will be in effect following this offering.

Directed Share Program

At our request, the underwriters have reserved up to % of the Class A ordinary shares offered by this prospectus for sale at the initial public offering price per share through a directed share program to certain of our employees, directors, partners, and friends and family members of certain of our employees, directors, and partners. See the section titled "Underwriting — Directed Share Program."

Indemnification and Expense Agreement with Catterton Management Company, L.L.C

On June 2, 2017, we entered into an Indemnification and Expense Agreement with Catterton Management Company, L.L.C., or Catterton Management, pursuant to an investment in our ordinary shares on such date by LCGP3 Pro Makeup, L.P., or LCGP3, an entity affiliated with Catterton Management. Under the Indemnification and Expense Agreement, we undertook to pay all reasonable expenses incurred by or on behalf of Catterton Management or its affiliates in connection with any services provided to us by Catterton Management or its affiliates. We also undertook to provide certain indemnity protections to Catterton Management and others affiliated with Catterton Management against any and all claims, legal actions, liabilities or expenses incurred by them arising out of or relating to any claims made against LCGP3 as a result of being one of our shareholders or relating to operations of or services provided by Catterton Management or its affiliates to us, all subject to certain conditions provided in the agreement. The indemnification obligations pursuant to this agreement are uncapped.

No services were rendered and we did not pay Catterton Management any amounts under the Indemnification and Expense Agreement for the years ended December 31, 2020, 2021 and 2022, respectively. This agreement will terminate in connection with the closing of this offering.

Registration Rights

On June 2, 2017, we entered into a registration rights agreement with Oran Shilo Investments LP and Il Makiage Investments L.P., each of which is controlled by Oran Holtzman, our founder and Chief Executive Officer, and LCGP3, or the RRA Investors. As of March 31, 2023, there were 2,153,431 Class A ordinary shares and 903,185 Class B ordinary shares subject to the registration rights agreement. Our registration rights agreement entitles the RRA Investors to certain registration rights following the closing of this offering, as set forth below.

Form F-1 Demand Rights

At any time following the expiration or waiver of the lock-up imposed by the underwriters in connection with this offering, any RRA Investor may request that we register all or a portion of their

shares. Following the receipt of such request, we are required to file such registration statement within 60 days, but we shall be entitled to refuse such registration if our initial public offering does not result in gross proceeds to us of at least $75 million at a price per share equal to 2.5 times the price per share paid by such RRA Investor. We will not be required to effect more than two registrations on Form F-1 that have been declared effective. We have the right to defer such registration under certain circumstances.

Form F-3 Demand Rights

Any RRA Investor can make a request that we register their shares on Form F-3 within 45 days if we are qualified to file a registration statement on Form F-3. We will not be required to effect more than two registrations on Form F-3. We have the right to defer such registration under certain circumstances.

Company Registration

If we propose to register a public offering of our shares for cash under the Securities Act, we are required to promptly give notice of such registration to each RRA Investor and include the shares of any RRA Investor in our registration if such RRA Investor so requests within 20 days of receiving our notice. If our proposed registration involves an underwriting, the underwriters of such offering will have the right to limit the number of shares to be underwritten for reasons related to the marketing of the shares. We have the right to terminate or withdraw any such registration before its effective date, whether or not an RRA Investor has elected to include its shares in such registration.

Expenses and Indemnification

Ordinarily, other than underwriting discounts and commissions, we will be required to pay all expenses incurred by us related to any registration effected pursuant to the exercise of these registration rights. These expenses may include all registration, filing, and qualification fees, printers' and accounting fees, fees and disbursements of our counsel, and the reasonable fees and disbursements of one counsel for each of the RRA Investors. Additionally, we have agreed to indemnify RRA Investors for damages, and any legal or other expenses reasonably incurred, arising from or based upon any untrue statement of a material fact contained in any registration statement, an omission or alleged omission to state a material fact in any registration statement or necessary to make the statements therein not misleading, or any violation or alleged violation by the indemnifying party of securities laws, subject to certain exceptions.

Termination

The rights of the RRA Investors to request registration or inclusion of their shares in any Company registration statement will terminate on the third anniversary of this offering.

Services Agreement with Cosmofill Industries Ltd.

On July 5, 2017, we entered into a services agreement with Cosmofill Industries Ltd., or Cosmofill, an entity controlled by Mr. Holtzman, to provide us with filling and assembling services for various of our cosmetic products.

We paid Cosmofill an aggregate of approximately $0.1 million under the services agreement for each of the years ended December 31, 2020, 2021 and 2022, respectively.

Letter Agreement with Cosmofill Industries Ltd.

On August 2, 2017, we signed a letter agreement with Cosmofill, certain other entities controlled by Mr. Holtzman and LCGP3. Pursuant to this side letter, LCGP3 is provided with the unilateral right to initiate a merger of Cosmofill with us at no cost to us, and Cosmofill is obligated to bear sole responsibility for all costs or expenses associated with such merger.

Loan Agreement with Oran Holtzman

On October 6, 2020, we entered into a loan agreement with Mr. Holtzman, our shareholder and Chief Executive Officer for an aggregate principal amount of $3.0 million, which had an annual interest

rate of 0.49%. The loan was granted in January 2021 and was repaid in full in December 2021. The receivable balance we held with Mr. Holtzman was fully repaid during April 2022.

Agreements with Niv Price

Stock Purchase Agreements

On July 9, 2021, we entered into a stock purchase agreement with the shareholders of Voyage81, including Niv Price, now our Chief Technology Officer, whereby we acquired all the shares of Voyage81 from such shareholders, or the Voyage81 Acquisition. In connection with the Voyage81 Acquisition, we paid Mr. Price an aggregate of $3.3 million in exchange for his shares of Voyage81.

Holdback Agreement with Niv Price

On July 9, 2021, we entered into a holdback agreement, or the Holdback Agreement, with Mr. Price as a condition for the consummation of the Voyage81 Acquisition. Pursuant to the Holdback Agreement, we withheld from Mr. Price a portion of the consideration due to him on account of the sale of his holdings in Voyage81 and agreed to pay him such deferred consideration in two equal installments of $814,510 on each of the second and third anniversary dates of the closing of the acquisition of shares under the stock purchase agreement.

Agreements with Directors and Officers

Employment Agreements. We have entered into at-will employment agreements with each of our executive officers who works for us as an employee. These agreements each contain provisions regarding non-competition, confidentiality of information, and assignment of inventions. The enforceability of covenants not to compete is subject to limitations.

Incentive Plans with Respect to SpoiledChild. On October 4, 2020, we provided each of Oran Holtzman, our co-founder and Chief Executive Officer, and Shiran Holtzman-Erel, our co-founder and Chief Product Officer, with an incentive plan in connection with revenue earned from our SpoiledChild brand. We describe these plans in the section titled “Management — Incentive Plans with Respect to SpoiledChild.”

Awards. Since our inception, we have granted options to purchase our ordinary shares to our employees and RSUs to certain members of senior management and the board of directors. We describe our equity incentive plans in the section titled “Management — Equity Incentive Plans.”

Exculpation, Indemnification and Insurance. Our amended and restated articles of association to be effective upon the closing of this offering permit us to exculpate, indemnify, and insure our directors and office holders to the fullest extent permitted by the Companies Law. We have entered into agreements with certain of our directors and office holders, exculpating them from a breach of their duty of care to us to the fullest extent permitted by law and undertaking to indemnify them to the fullest extent permitted by law, subject to certain exceptions. See the section titled “Management — Exculpation, Insurance and Indemnification of Directors and Officers.”

DESCRIPTION OF SHARE CAPITAL AND ARTICLES OF ASSOCIATION

The following is a description of the material terms of our amended and restated articles of association as they will be in effect upon the closing of this offering. The following descriptions of share capital and provisions of our amended and restated articles of association to be effective upon the closing of this offering are summaries and are qualified by reference to our amended and restated articles of association to be effective upon the closing of this offering, a copy of which is filed with the SEC as an exhibit to the registration statement of which this prospectus forms a part.

Share Capital

Our authorized share capital upon the closing of this offering will consist of 200,000,000 Class A ordinary shares and 40,000,000 Class B ordinary shares.

The rights of the holders of Class A ordinary shares and Class B ordinary shares are identical, except with respect to voting rights (as described below under "— Voting Rights"), conversion rights, and transfer rights. Only the Class A ordinary shares will be listed for trading on Nasdaq.

Our board of directors may determine the issue prices and terms for such shares or other securities, and may further determine any other provision relating to such issue of shares or securities. We may also, subject to applicable law, issue and redeem redeemable securities on such terms and in such manner as our board of directors shall determine.

As of March 31, 2023, after giving effect to the automatic conversion of all outstanding Redeemable A shares immediately prior to the closing of this offering, there would have been issued and outstanding 2,557,577 Class A ordinary shares held by holders of record and 910,826 Class B ordinary shares held by holders of record.

Registration Number and Purposes of the Company

We are registered with the Israeli Registrar of Companies. Our registration number is 51-493626-9. Our affairs are governed by our amended and restated articles of association, applicable Israeli law, and the Companies Law. Our purpose as set forth in our amended and restated articles of association to be effective upon the closing of this offering is to carry on any business, and do any act, which is not prohibited by law.

Voting Rights

Each Class A ordinary share is entitled to one vote per share. Each Class B ordinary share is entitled to ten votes per share. Holders of our Class A ordinary shares and Class B ordinary shares will vote together as a single class on all matters (including the election of directors) submitted to a vote of shareholders except as otherwise provided in our amended and restated articles of association or as required by applicable law. Under our amended and restated articles of association and the Companies Law, the holders of our Class B ordinary shares will only vote as a separate class under certain circumstances, including:

- on a proposal to convert the entire class of those shares into Class A ordinary shares on a one-for-one basis, which requires the affirmative vote of the holders of at least 60% of the outstanding Class B ordinary shares for approval;
- disproportionate distributions or recapitalizations that adversely impact the Class B ordinary shares; or
- differing treatment to the Class B ordinary shares in a merger or similar change of control transaction.

Conversion

Each Class B ordinary share is convertible at any time at the option of the holder into one Class A ordinary share. In addition, each Class B ordinary share will convert automatically on a one-for-one basis

into a Class A ordinary share upon the sale or transfer of such Class B ordinary share, other than transfers to certain permitted transferees, as defined in our amended and restated articles of association. Permitted transferees include (1) in the case of an institutional, private equity, hedge, venture capital or other private investment fund, or any subsidiary of such a person, any partner, limited partner, retired partner, member or retired member of such holder, any affiliated fund, any fund which is controlled by or under common control with one or more general partners of such holder, any fund that is managed and governed by the same management company as such holder, any fund that controls such holder or any fund that is controlled by, under common control with, managed or advised by the same management company or registered investment advisor that controls, is under common control with, manages or advises the fund that controls such holder; (2) in the case of a mutual fund, pension fund, other pooled investment vehicle or an institutional client, to another mutual fund, pension fund, other pooled investment vehicle or an institutional client in connection with a merger, fund reorganization or otherwise for regulatory or fund management purposes; (3) in the case of a partnership, its limited partners, provided each has received their entitlement in the transferred company's shares on a pro-rata basis based on their limited partner's interest, and provided that such partnership or its ultimate controlling person maintains the exclusive ability to vote or control and direct the vote of the Class B ordinary shares; and (4) in the case of a natural person, an entity controlled (directly or indirectly) by a natural person, or a trust created by a natural person: (a) such natural person; (b) a family member and, solely in the context of a transfer of assets in connection with a divorce, a former spouse of such natural person (provided that such transfer is not in excess of 50% of the shares held by such a shareholder and subject to such former spouse signing an irrevocable proxy and power of attorney to such transferring shareholder with respect to such transferred shares in form and substance reasonably satisfactory to our board of directors); (c) any custodian, trustee (including a trustee of a voting trust), executor or other fiduciary for the account of such shareholder or natural person or any one or more family members of such natural person or any of such shareholder's permitted transferees or any trust contemplated by clause (d); (d) a trust whose sole beneficiary(ies) is the shareholder and/or its permitted transferees; (e) if the shareholder is a trust, any beneficiary(ies) of the trust; and (f) a company, corporation, partnership or limited liability company controlled by such natural person and/or its family members directly, or indirectly through one or more permitted transferees thereof; provided that, in the case of clauses (b) through (f), such natural person maintains the exclusive ability to vote the Class B ordinary shares.

In addition, all outstanding Class B ordinary shares will automatically convert on a one-for-one basis into a Class A ordinary shares upon the earliest of: (i) the date specified by the affirmative vote of the holders of at least 60% of the outstanding Class B ordinary shares, voting as a single class, (ii) 5:00 p.m. New York City time on a date fixed by our board of directors that is not less than 60 days nor more than 180 days following the date that Oran Shilo Investments LP, Il Makiage Investments L.P. and Oran Holtzman, together with their permitted transferees, cease to hold an aggregate of at least 33% of the number of Class B ordinary shares held by such holders at the time of initial issuance of the Class B ordinary shares; (iii) 5:00 p.m. New York City time on a date fixed by our board of directors that is not less than 60 days nor more than 180 days following the death of Oran Holtzman; and (iv) the seven-year anniversary of the closing date of this offering.

Transfer of Shares

Our fully paid ordinary shares are issued in registered form and may be freely transferred under our amended and restated articles of association, unless the transfer is restricted or prohibited by another instrument, applicable law or, with respect to our Class A ordinary shares, the rules of Nasdaq.

Each Class B ordinary share will convert automatically on a one-for-one basis into a Class A ordinary share upon sale or transfer (other than transfers to certain permitted transferees).

The ownership or voting of our ordinary shares by non-residents of Israel is not restricted in any way by our amended and restated articles of association or the laws of the State of Israel, except for ownership by nationals of some countries that are, have been, or will be, in a state of war with Israel.

Election of Directors

Under our amended and restated articles of association to be effective upon the closing of this offering, our board of directors must consist of not less than three but no more than seven directors.

Pursuant to our amended and restated articles of association to be effective upon the closing of this offering, each of our directors, with the exception of external directors, will be appointed by a simple majority vote of holders of our ordinary shares, participating and voting at an annual general meeting of our shareholders. Holders of our Class A ordinary shares and Class B ordinary shares will vote together as a single class on the election of directors, with each Class A ordinary share entitled to one vote per share, and each Class B ordinary share entitled to ten votes per share. However, (i) in the event of a contested election, the method of calculation of the votes and the manner in which the resolutions will be presented to our shareholders at the general meeting shall be determined by our board of directors in its discretion, and (ii) in the event that our board of directors does not or is unable to make a determination on such matter, then the directors will be elected by a plurality of the voting power represented at the general meeting in person or by proxy and voting on the election of directors. In addition, our directors are divided into three classes, one class being elected each year at the annual general meeting of our shareholders, and shall serve on our board of directors until the third annual general meeting following such election or re-election or until they are removed by a vote of 60% of the total voting power of our shareholders at a general meeting of our shareholders or upon the occurrence of certain events, in accordance with the Companies Law and our amended and restated articles of association to be effective upon the closing of this offering. In addition, our amended and restated articles of association to be effective upon the closing of this offering provide that vacancies on our board of directors may be filled by a vote of a simple majority of directors then in office. Any director so appointed will hold office until the next annual general meeting of our shareholders for the election of the class of directors in respect of which the vacancy was created, or in the case of a vacancy due to the number of directors being less than the maximum number of directors stated in our amended and restated articles of association to be effective upon the closing of this offering, until the next annual general meeting of our shareholders for the election of the class of directors to which such director was assigned by our board of directors.

Dividend and Liquidation Rights

We may declare a dividend to be paid to the holders of our ordinary shares in proportion to their respective shareholdings. Under the Companies Law, dividend distributions are determined by the board of directors and do not require the approval of the shareholders of a company unless the company's articles of association provide otherwise. Our amended and restated articles of association to be effective upon the closing of this offering do not require shareholder approval of a dividend distribution and provide that dividend distributions may be determined by our board of directors.

Pursuant to the Companies Law, the distribution amount is limited to the greater of retained earnings or earnings generated over the previous two years, according to our then last reviewed or audited financial statements (less the amount of previously distributed dividends, if not reduced from the earnings), provided that the end of the period to which the financial statements relate is not more than six months prior to the date of the distribution. If we do not meet such criteria, then we may distribute dividends only with court approval. In each case, we are only permitted to distribute a dividend if our board of directors and, if applicable, the court determines that there is no reasonable concern that payment of the dividend will prevent us from satisfying our existing and foreseeable obligations as they become due.

In the event of our liquidation, after satisfaction of liabilities to creditors, our assets will be distributed to the holders of our ordinary shares in proportion to their shareholdings. This right, as well as the right to receive dividends, may be affected by the grant of preferential dividend or distribution rights to the holders of a class of shares with preferential rights that may be authorized in the future.

Digital Securities

In June 2022, we issued and sold 648 digital securities in a private placement to certain accredited investors, pursuant to Rule 506(c) of Regulation D and Regulation S under the Securities Act, which digital securities will automatically convert into Class A ordinary shares in connection with the closing of this offering (based on the assumed initial public offering price of $, which is the midpoint of the price range set forth on the cover page of this prospectus, and representing a conversion price equal to 80% of the initial public offering price per share). The digital securities are represented by

blockchain-based digital tokens on a third-party operated platform and protocol using the Ethereum blockchain. The digital securities are redeemable, in whole or in part, at our option at a cash redemption price equal to the original purchase price of the digital securities. Holders of the digital securities do not have any voting rights, are not entitled to any dividends or other distributions, and do not have any right to our assets in the event of a liquidation, dissolution or winding-up of the company. Holders of the digital securities do not have any right to offer, sell, resell, or otherwise transfer the digital securities without our prior consent. Upon conversion of the digital securities into Class A ordinary shares, the tokens previously representing such digital securities will be decommissioned, the token will be frozen and the blockchain-based contract supporting the token will be destroyed. Holders of our Class A ordinary shares issued upon the automatic conversion of the digital securities will be subject to a 180-day lock-up. See the section titled "Shares Eligible for Future Sale — Lock-Up Agreements".

Exchange Controls

There are currently no Israeli currency control restrictions on remittances of dividends on our ordinary shares, proceeds from the sale of the ordinary shares or interest or other payments to non-residents of Israel.

Registration Rights

Following this offering, the RRA Investors will be entitled to certain registration rights. See the section titled "Certain Relationships and Related Party Transactions — Registration Rights."

Shareholder Meetings

Under Israeli law, we are required to hold an annual general meeting of our shareholders once every calendar year and no later than 15 months after the date of the previous annual general meeting. All meetings other than the annual general meeting of shareholders are referred to in our amended and restated articles of association to be effective upon the closing of this offering as special general meetings. Our board of directors may call special general meetings of our shareholders whenever it sees fit, at such time and place, within or outside of Israel, as it may determine. In addition, the Companies Law provides that our board of directors is required to convene a special general meeting of our shareholders upon the written request of (i) any two or more of our directors, (ii) one-quarter or more of the serving members of our board of directors or (iii) one or more shareholders holding, in the aggregate, either (a) 5% or more of our outstanding issued shares and 1% or more of our outstanding voting power, or (b) 5% or more of our outstanding voting power.

Under Israeli law, one or more shareholders holding at least 1% of the voting rights at the general meeting of the shareholders may request that the board of directors include a matter in the agenda of a general meeting of the shareholders to be convened in the future, provided that it is appropriate to discuss such a matter at the general meeting. Our amended and restated articles of association to be effective upon the closing of this offering contain procedural guidelines and disclosure items with respect to the submission of shareholder proposals for general meetings.

Subject to the provisions of the Companies Law and the regulations promulgated thereunder, shareholders entitled to participate and vote at general meetings of shareholders are the shareholders of record on a date to be decided by the board of directors, which, as a company listed on an exchange outside Israel, may be between four and 40 days prior to the date of the meeting. Furthermore, the Companies Law requires that resolutions regarding the following matters must be passed at a general meeting of shareholders:

- amendments to our articles of association (in addition to the approval by our board of directors, as required pursuant to our amended and restated articles of association to be effective upon the closing of this offering);
- appointment, terms of service, and termination of service of our auditors;
- appointment of directors, including external directors (if applicable);
- approval of certain related party transactions;

- increases or reductions of our authorized share capital;
- a merger; and
- the exercise of our board of directors' powers by a general meeting, if our board of directors is unable to exercise its powers and the exercise of any of its powers is required for our proper management.

The Companies Law requires that a notice of any annual general meeting or special general meeting be provided to shareholders at least 21 days prior to the meeting and if the agenda of the meeting includes, among other things, the appointment or removal of directors, the approval of transactions with office holders, or interested or related parties, an approval of a merger or as otherwise required under applicable law, notice must be provided at least 35 days prior to the meeting. Under the Companies Law and our amended and restated articles of association to be effective upon the closing of this offering, shareholders are not permitted to take action by way of written consent in lieu of a meeting.

Quorum

Pursuant to our amended and restated articles of association to be effective upon the closing of this offering, holders of our Class A ordinary shares have one vote for each Class A ordinary share held and holders of our Class B ordinary shares have ten votes for each Class B ordinary share held on all matters submitted to a vote before the shareholders at a general meeting of shareholders. The quorum required for our general meetings of shareholders consists of at least two shareholders present in person or by proxy who hold or represent between them at least 33-1/3% of the total outstanding voting rights, provided, however, that with respect to any general meeting that was convened pursuant to a resolution adopted by the board of directors and which at the time of such general meeting we qualify to use the forms and rules of a "foreign private issuer," the requisite quorum shall consist of two or more shareholders present in person or by proxy who hold or represent between them at least 25% of the total outstanding voting rights. The requisite quorum shall be present within half an hour of the time fixed for the commencement of the general meeting. A general meeting adjourned for lack of a quorum shall be adjourned either to the same day in the next week, at the same time and place, to such day and at such time and place as indicated in the notice to such meeting, or to such day and at such time and place as the chairperson of the meeting shall determine. At the reconvened meeting, any number of shareholders present in person or by proxy shall constitute a quorum, unless a meeting was called pursuant to a request by our shareholders, in which case the quorum required is one or more shareholders, present in person or by proxy and holding the number of shares required to call the meeting as described above.

Vote Requirements

Our amended and restated articles of association to be effective upon the closing of this offering provide that all resolutions of our shareholders require a simple majority vote (based on the number of votes cast, with each Class B ordinary share entitled to ten votes and each Class A ordinary share entitled to one vote), unless otherwise required by the Companies Law or by our amended and restated articles of association to be effective upon the closing of this offering. Under the Companies Law, certain actions require the approval of a special majority, including: (i) an extraordinary transaction with a controlling shareholder or in which the controlling shareholder has a personal interest, (ii) the terms of employment or other engagement of a controlling shareholder of the company or a controlling shareholder's relative (even if such terms are not extraordinary) and (iii) certain compensation-related matters described above under "Management — Compensation Committee — Compensation Policy under the Companies Law." Under our amended and restated articles of association to be effective upon the closing of this offering, the alteration of the rights, privileges, preferences, or obligations of any class of our shares requires the approval by a resolution of the general meeting of the holders of all shares as one class, without any required separate resolution of any class of shares, except that, without derogating from the section titled "Voting Rights", any amendment to the rights, privileges, preferences, or obligations of the Class A ordinary shares or the Class B ordinary shares requires a resolution by a majority of at least 60% of the total voting power of our shareholders.

Under our amended and restated articles of association to be effective upon the closing of this offering, the approval of the holders of at least 60% of the total voting power of our shareholders is generally required to remove any of our directors from office, to amend the provision requiring the approval of at least 60% of the total voting power of our shareholders to remove any of our directors from office, or certain other provisions regarding amendment of certain rights of our Class A ordinary shares or Class B ordinary shares, our staggered Board, shareholder proposals, the size of our Board, matters relating to vacancies in our Board, and plurality voting in contested elections. Another exception to the simple majority vote requirement is a resolution for the voluntary winding up, or an approval of a scheme of arrangement or reorganization, of the company pursuant to Section 350 of the Companies Law, which requires the approval of holders holding at least 75% of the voting rights represented at the meeting and voting on the resolution.

Access to Corporate Records

Under the Companies Law, all shareholders generally have the right to review minutes of our general meetings, our shareholder register (including with respect to material shareholders), our articles of association, our financial statements, other documents as provided in the Companies Law, and any document we are required by law to file publicly with the Israeli Registrar of Companies or the Israeli Securities Authority. Any shareholder who specifies the purpose of its request may request to review any document in our possession that relates to an action or transaction with a related party which requires shareholder approval under the Companies Law. We may deny a request to review a document if we determine that the request was not made in good faith, that the document contains a trade secret or a patent, or that the document's disclosure may otherwise impair our interests.

Acquisitions under Israeli Law

Full Tender Offer

A person wishing to acquire shares of a public Israeli company who would, as a result, hold over 90% of the target company's voting rights or the target company's issued and outstanding share capital (or of a class thereof), is required by the Companies Law to make a tender offer to all of the company's shareholders for the purchase of all of the issued and outstanding shares of the company (or the applicable class). If (a) the shareholders who do not accept the offer hold less than 5% of the issued and outstanding share capital of the company (or the applicable class) and the shareholders who accept the offer constitute a majority of the offerees that do not have a personal interest in the acceptance of the tender offer or (b) the shareholders who did not accept the tender offer hold less than 2% of the issued and outstanding share capital of the company (or of the applicable class), all of the shares that the acquirer offered to purchase will be transferred to the acquirer by operation of law. A shareholder who had its shares so transferred may petition an Israeli court within six months from the date of acceptance of the full tender offer, regardless of whether such shareholder agreed to the offer, to determine whether the tender offer was for less than fair value and whether the fair value should be paid as determined by the court. However, an offeror may provide in the offer that a shareholder who accepted the offer will not be entitled to petition the court for appraisal rights as described in the preceding sentence, as long as the offeror and the company disclosed the information required by law in connection with the full tender offer. If the full tender offer was not accepted in accordance with any of the above alternatives, the acquirer may not acquire shares of the company that will increase its holdings to more than 90% of the company's voting rights or the company's issued and outstanding share capital (or of the applicable class) from shareholders who accepted the tender offer. Shares purchased in contradiction to the full tender offer rules under the Companies Law will have no rights and will become dormant shares.

Special Tender Offer

The Companies Law provides that an acquisition of shares of an Israeli public company must be made by means of a special tender offer if, as a result of the acquisition, the purchaser would become a holder of 25% or more of the voting rights in the company. This requirement does not apply if there is already another holder of 25% or more of the voting rights in the company. Similarly, the Companies

Law provides that an acquisition of shares of an Israeli public company must be made by means of a special tender offer if, as a result of the acquisition, the purchaser would become a holder of more than 45% of the voting rights in the company, if there is no other shareholder of the company who holds more than 45% of the voting rights in the company. These requirements do not apply if (i) the acquisition occurs in the context of a private placement by the company that received shareholder approval as a private placement whose purpose is to give the purchaser 25% or more of the voting rights in the company, if there is no person who holds 25% or more of the voting rights in the company or as a private placement whose purpose is to give the purchaser 45% of the voting rights in the company, if there is no person who holds 45% of the voting rights in the company, (ii) the acquisition was from a shareholder holding 25% or more of the voting rights in the company and resulted in the purchaser becoming a holder of 25% or more of the voting rights in the company, or (iii) the acquisition was from a shareholder holding more than 45% of the voting rights in the company and resulted in the purchaser becoming a holder of more than 45% of the voting rights in the company. A special tender offer must be extended to all shareholders of a company. A special tender offer may be consummated only if (i) at least 5% of the voting power attached to the company's outstanding shares will be acquired by the offeror and (ii) the number of shares tendered in the offer exceeds the number of shares whose holders objected to the offer (excluding the purchaser, its controlling shareholders, holders of 25% or more of the voting rights in the company, and any person having a personal interest in the acceptance of the tender offer, or anyone on their behalf, including any such person's relatives and entities under their control).

In the event that a special tender offer is made, a company's board of directors is required to express its opinion on the advisability of the offer, or may abstain from expressing any opinion if it is unable to do so, provided that it gives the reasons for its abstention. The board of directors shall also disclose any personal interest that any of the directors has with respect to the special tender offer or in connection therewith. An office holder in a target company who, in his or her capacity as an office holder, performs an action the purpose of which is to cause the failure of an existing or foreseeable special tender offer or to impair the chances of its acceptance, is liable to the potential purchaser and shareholders for damages, unless such office holder acted in good faith and had reasonable grounds to believe he or she was acting for the benefit of the company. However, office holders of the target company may negotiate with the potential purchaser in order to improve the terms of the special tender offer, and may further negotiate with third parties in order to obtain a competing offer.

If a special tender offer is accepted, then shareholders who did not respond to or that had objected the offer may accept the offer within four days of the last day set for the acceptance of the offer and they will be considered to have accepted the offer from the first day it was made.

In the event that a special tender offer is accepted, then the purchaser or any person or entity controlling it or under common control with the purchaser or such controlling person or entity at the time of the offer may not make a subsequent tender offer for the purchase of shares of the target company and may not enter into a merger with the target company for a period of one year from the date of the offer, unless the purchaser or such person or entity undertook to effect such an offer or merger in the initial special tender offer. Shares purchased in contradiction to the special tender offer rules under the Companies Law will have no rights and will become dormant shares.

Merger

The Companies Law permits merger transactions if approved by each party's board of directors and, unless certain conditions described under the Companies Law are met, a simple majority of the outstanding shares of each party to the merger that are represented and voting on the merger. The board of directors of a merging company is required pursuant to the Companies Law to discuss and determine whether in its opinion there exists a reasonable concern that as a result of a proposed merger, the surviving company will not be able to satisfy its obligations towards its creditors, such determination taking into account the financial status of the merging companies. If the board of directors determines that such a concern exists, it may not approve a proposed merger. Following the approval of the board of directors of each of the merging companies, the boards of directors must jointly prepare a merger proposal for submission to the Israeli Registrar of Companies.

For purposes of the shareholder vote of a merging company whose shares are held by the other merging company, or by a person or entity holding 25% or more of the voting rights at the general meeting of shareholders of the other merging company, or by a person or entity holding the right to appoint 25% or more of the directors of the other merging company, unless a court rules otherwise, the merger will not be deemed approved if a majority of the shares voted on the matter at the general meeting of shareholders (excluding abstentions) that are held by shareholders other than the other party to the merger, or by any person or entity who holds 25% or more of the voting rights of the other party or the right to appoint 25% or more of the directors of the other party, or any one on their behalf including their relatives or corporations controlled by any of them, vote against the merger. In addition, if the non-surviving entity of the merger has more than one class of shares, the merger must be approved by each class of shareholders. If the transaction would have been approved but for the separate approval of each class or the exclusion of the votes of certain shareholders as provided above, a court may still approve the merger upon the request of holders of at least 25% of the voting rights of a company, if the court holds that the merger is fair and reasonable, taking into account the valuation of the merging companies and the consideration offered to the shareholders. If a merger is with a company's controlling shareholder or if the controlling shareholder has a personal interest in the merger, then the merger is instead subject to the same special majority approval that governs all extraordinary transactions with controlling shareholders.

Under the Companies Law, each merging company must deliver to its secured creditors the merger proposal and inform its unsecured creditors of the merger proposal and its content. Upon the request of a creditor of either party to the proposed merger, the court may delay or prevent the merger if it concludes that there exists a reasonable concern that, as a result of the merger, the surviving company will be unable to satisfy the obligations of the merging company, and may further give instructions to secure the rights of creditors.

In addition, a merger may not be completed unless at least 50 days have passed from the date that a proposal for approval of the merger is filed with the Israeli Registrar of Companies and 30 days from the date that shareholder approval of both merging companies is obtained.

Anti-Takeover Measures

The Companies Law allows us to create and issue shares having rights different from those attached to our ordinary shares, including shares providing certain preferred rights with respect to voting, distributions, or other matters and shares having preemptive rights. As described above in the section titled "— Voting Rights," our amended and restated Articles of Association will provide for a dual-class share structure pursuant to which holders of our Class B ordinary shares will have the ability to control the outcome of matters requiring shareholder approval, even if they own significantly less than a majority of all outstanding ordinary shares, including the election of directors and significant corporate transactions, such as a merger or other sale of our company or its assets. Current executives and employees will have the ability to exercise significant influence over those matters. As of the closing of this offering, no preferred shares will be authorized under our amended and restated articles of association to be effective upon the closing of this offering. In the future, if we do authorize, create and issue a specific class of preferred shares, such class of shares, depending on the specific rights that may be attached to it, may have the ability to frustrate or prevent a takeover or otherwise prevent our shareholders from realizing a potential premium over the market value of their ordinary shares. The authorization and designation of a class of preferred shares will require an amendment to our amended and restated articles of association to be effective upon the closing of this offering, which requires the prior approval of the holders of a majority of the voting power attached to our issued and outstanding ordinary shares at a general meeting of our shareholders. The convening of the meeting, the shareholders entitled to participate and the vote required to be obtained at such a meeting will be subject to the requirements set forth in the Companies Law and our amended articles of association to be effective upon the closing of this offering, as described above in the section titled "— Shareholder Meetings." In addition, as disclosed in the section titled "— Election of Directors," we will have a classified board structure upon the closing of this offering, which will effectively limit the ability of any investor or potential investor or group of investors or potential investors to gain control of our board of directors.

Borrowing Powers

Pursuant to the Companies Law and our amended and restated articles of association to be effective upon the closing of this offering, our board of directors may exercise all powers and take all actions that are not required under law or under our amended and restated articles of association to be effective upon the closing of this offering to be exercised or taken by our shareholders, including the power to borrow money for company purposes.

Changes in Capital

Our amended and restated articles of association to be effective upon the closing of this offering enable us to increase or reduce our share capital. Any such changes are subject to Israeli law and must be approved by a resolution duly passed by our shareholders at a general meeting of shareholders. In addition, transactions that have the effect of reducing capital, such as the declaration and payment of dividends in the absence of sufficient retained earnings or profits, require the approval of both our board of directors and an Israeli court.

Exclusive Forum

Our amended and restated articles of association to be effective upon the closing of this offering provide that unless we consent in writing to the selection of an alternative forum, the federal district courts of the United States shall be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act. Section 22 of the Securities Act creates concurrent jurisdiction for federal and state courts over all such Securities Act actions. Accordingly, both U.S. state and federal courts have jurisdiction to entertain such claims. This choice of forum provision may limit a shareholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers, or other employees and may increase the costs associated with such lawsuits, which may discourage such lawsuits against us and our directors, officers, and employees. Alternatively, if a court were to find these provisions of our amended and restated articles of association to be effective upon the closing of this offering inapplicable to, or unenforceable in respect of, one or more of the specified types of actions or proceedings, we may incur additional costs associated with resolving such matters in other jurisdictions, which could adversely affect our business and financial condition. Any person or entity purchasing or otherwise acquiring any interest in our share capital shall be deemed to have notice of and to have consented to the choice of forum provisions of our amended and restated articles of association to be effective upon the closing of this offering described above. This provision would not apply to suits brought to enforce a duty or liability created by the Exchange Act or any other claim for which the U.S. federal courts have exclusive jurisdiction.

Our amended and restated articles of association to be effective upon the closing of this offering also provide that unless we consent in writing to the selection of an alternative forum, the competent courts in Tel Aviv, Israel shall be the exclusive forum for any derivative action or proceeding brought on our behalf, any action asserting a breach of a fiduciary duty owed by any of our directors, officers, or other employees to us or our shareholders or any action asserting a claim arising pursuant to any provision of the Companies Law or the Israeli Securities Law or our articles of association.

Transfer Agent and Registrar

The transfer agent and registrar for our Class A ordinary shares and Class B ordinary shares will be American Stock Transfer & Trust Company. Its address is 6201 15th Avenue, Brooklyn, NY 11219.

Listing

We have applied to list our Class A ordinary shares on Nasdaq under the symbol "ODD."

SHARES ELIGIBLE FOR FUTURE SALE

Prior to this offering, there has been no market for our ordinary shares. Future sales of substantial amounts of our ordinary shares in the public market could adversely affect market prices prevailing from time to time. Furthermore, because only a limited number of ordinary shares will be available for sale shortly after this offering due to existing contractual and legal restrictions on resale as described below, there may be sales of substantial amounts of our ordinary shares in the public market after such restrictions lapse. This may adversely affect the prevailing market price of our ordinary shares and our ability to raise equity capital in the future.

Following this offering, we will have an aggregate of Class A ordinary shares, including Class A ordinary shares that we and the selling shareholders are selling in this offering, and an aggregate of Class B ordinary shares outstanding. Our Class A ordinary shares will be available for sale in the public market after the expiration or waiver of the lock-up agreements described below, subject to limitations imposed by U.S. securities laws on resale by our "affiliates" as that term is defined in Rule 144 under the Securities Act, or Rule 144.

We expect that all of our Class A ordinary shares being sold in this offering will be freely tradable without restriction or further registration under the Securities Act, unless purchased by "affiliates" as that term is defined under Rule 144 described below. In addition, following this offering and the expiration or waiver of the lock-up agreements described below, Class A ordinary shares issuable pursuant to awards granted under certain of our equity incentive plans will eventually be freely tradable without restriction or further registration under the Securities Act unless held by "affiliates" as that term is defined under Rule 144.

Eligibility of Restricted Shares for Sale in the Public Market

The remaining Class A ordinary shares that are not being sold in this offering, but which will be outstanding at the time this offering is complete (including Class A ordinary shares issuable upon conversion of outstanding Class B ordinary shares), will be "restricted securities" as that phrase is defined in Rule 144. These Class A ordinary shares will be eligible for sale into the public market, under the provisions of Rule 144 commencing after the expiration of the restrictions under the lock-up agreements, subject in certain cases to volume restrictions in the section titled "— Rule 144."

Lock-Up Agreements

We, our executive officers and directors, and the holders of substantially all of our outstanding ordinary shares immediately prior to this offering, for a period of 180 days after the date of this prospectus, or the Lock-Up Period, will not directly or indirectly offer, pledge, sell, contract to sell, grant any option to purchase, or otherwise dispose of any Class A ordinary shares or any securities convertible into or exercisable or exchangeable for Class A ordinary shares (including the Class B ordinary shares), or in any manner transfer all or a portion of the economic consequences associated with the ownership of ordinary shares, or cause a registration statement covering any ordinary shares to be filed except for the ordinary shares offered in this offering, without the prior written consent of Goldman Sachs & Co. LLC and Morgan Stanley & Co. LLC who may, in their sole discretion and at any time without notice, release all or any portion of the ordinary shares subject to these lock-up agreements. Following the expiration of the Lock-Up Period, the ordinary shares subject to these lock-up agreements will be available for sale in the public markets subject to the requirements of Rule 144.

The restrictions set forth above applicable to our executive officers and directors and the holders of substantially all of our outstanding ordinary shares are subject to certain customary exceptions. See the section titled "Underwriting" for additional information.

Rule 144

In general, under Rule 144 under the Securities Act, a person (or persons whose shares are aggregated) who is not deemed to have been an affiliate of ours at any time during the three months

preceding a sale, and who has beneficially owned restricted securities within the meaning of Rule 144 for at least six months (including any period of consecutive ownership of preceding non-affiliated holders) would be entitled to sell those shares, subject only to the availability of current public information about us. A non-affiliated person who has beneficially owned restricted securities within the meaning of Rule 144 for at least one year would be entitled to sell those shares without regard to the provisions of Rule 144.

A person (or persons whose shares are aggregated) who is deemed to be an affiliate of ours and who has beneficially owned restricted securities within the meaning of Rule 144 for at least six months would be entitled to sell within any three-month period a number of shares that does not exceed the greater of one percent of our Class A ordinary shares then outstanding or the average weekly trading volume of our Class A ordinary shares on Nasdaq during the four calendar weeks preceding such sale. Such sales are also subject to certain manner of sale provisions, notice requirements and the availability of current public information about us.

Rule 701

In general, under Rule 701 as currently in effect, each of our employees, consultants, or advisors who purchases our Class A ordinary shares from us in connection with a compensatory stock plan or other written agreement executed prior to the closing of this offering is eligible to resell such Class A ordinary shares in reliance on Rule 144, but without compliance with some of the restrictions, as described below.

Rule 701 will apply to the options granted under our incentive plans prior to the closing of this offering, along with the shares acquired upon exercise of these options, including exercises after the closing of this offering. Securities issued in reliance on Rule 701 are restricted securities and may be sold beginning 90 days after the closing of this offering in reliance on Rule 144 by:

- persons other than affiliates, without restriction; and
- affiliates, subject to the manner-of-sale, current public information and filing requirements of Rule 144, in each case, without compliance with the six-month holding period requirement of Rule 144.

Equity Awards

Following the closing of this offering, we intend to file a registration statement on Form S-8 under the Securities Act to register Class A ordinary shares reserved for issuance under our equity incentive plans. The registration statement on Form S-8 will become effective automatically upon filing.

Any Class A ordinary shares issued upon exercise of a share option or vesting of an RSU and registered under the Form S-8 registration statement will, subject to vesting provisions and Rule 144 volume limitations applicable to our affiliates, be available for sale in the open market immediately after the lock-up agreements with the underwriters will expire. See the section titled “Management — Equity Incentive Plans.”

Registration Rights

Upon the closing of this offering, the holders of approximately % of our outstanding Class A ordinary shares will be entitled under our Registration Rights Agreement to certain rights with respect to registration of their Class A ordinary shares. See the section titled “Certain Relationships and Related Party Transactions — Registration Rights.”

TAXATION AND GOVERNMENT PROGRAMS

The following description is not intended to constitute a complete analysis of all tax consequences relating to the acquisition, ownership, and disposition of our Class A ordinary shares. You should consult your own tax advisor concerning the tax consequences of your particular situation, as well as any tax consequences that may arise under the laws of any state, local, foreign or other taxing jurisdiction.

Israeli Tax Considerations

The following is a brief summary of the material Israeli tax laws applicable to us. This section also contains a discussion of material Israeli tax consequences concerning the ownership and disposition of our Class A ordinary shares purchased by investors in this offering. This summary does not discuss all the aspects of Israeli tax law that may be relevant to a particular investor in light of his or her personal investment circumstances or to some types of investors subject to special treatment under Israeli law. Examples of such investors include residents of Israel or traders in securities who are subject to special tax regimes not covered in this discussion. To the extent that the discussion is based on new tax legislation that has not yet been subject to judicial or administrative interpretation, we cannot assure you that the appropriate tax authorities or the courts will accept the views expressed in this discussion. The discussion below is subject to change, including due to amendments under Israeli law or changes to the applicable judicial or administrative interpretations of Israeli law, which change could affect the tax consequences described below. The discussion should not be construed as legal or professional tax advice and does not cover all possible tax considerations.

General Corporate Tax Structure in Israel

Israeli companies are generally subject to corporate tax. The current corporate tax rate is 23%. However, the effective tax rate payable by a company that derives income from a Preferred Enterprise or a Preferred Technology Enterprise (as discussed below) may be considerably lower. Capital gains derived by an Israeli company are generally subject to the prevailing corporate tax rate.

Tax Benefits and Grants for Research and Development

Israeli tax law allows, under certain conditions, a tax deduction for expenditures, including capital expenditures, related to scientific research and development for the year in which they are incurred. Expenditures are deemed related to scientific research and development projects, if:

- the expenditures are approved by the relevant Israeli government ministry, determined by the field of research;
- the research and development must be for the promotion of the company; and
- the research and development are carried out by or on behalf of the company seeking such tax deduction.

The amount of such deductible expenses is reduced by the sum of any funds received through government grants for the finance of such scientific research and development projects. Under these research and development deduction rules, no deduction is allowed for any expense invested in an asset depreciable under the general depreciation rules of the Israeli Income Tax Ordinance (New Version), 5721-1961. Expenditures that do not qualify for this special deduction are deductible in equal amounts over three years.

From time to time we may apply to the Israel Innovation Authority for approval to allow a tax deduction for all research and development expenses during the year incurred. There can be no assurance that such request will be granted.

Law for the Encouragement of Capital Investments, 5719-1959

The Law for the Encouragement of Capital Investments, 5719-1959, or the Investment Law, provides certain incentives for capital investment in a production facility (or other eligible assets). Generally, an investment program that is implemented in accordance with the provisions of the

Investment Law, is entitled to benefits. These benefits may include cash grants from the Israeli government and tax benefits, based upon, among other things, the geographic location in Israel of the facility in which the investment is made.

The Investment Law has been amended several times over the recent years, with the most significant changes effective as of January 1, 2011, or the 2011 Amendment, and as of January 1, 2017, or the 2017 Amendment. The 2011 Amendment introduced new benefits instead of the benefits granted in accordance with the provisions of the Investment Law prior to the 2011 Amendment. However, companies entitled to benefits under the Investment Law as in effect up to January 1, 2011 were entitled to choose to continue to enjoy such benefits, provided that certain conditions are met, or elect instead, irrevocably, to forego such benefits and elect the benefits of the 2011 Amendment. The 2017 Amendment introduces new benefits for Technological Enterprises, alongside the existing tax benefits.

The New Technological Enterprise Incentives Regime — the 2017 Amendment

The 2017 Amendment was enacted as part of the Economic Efficiency Law that was published on December 29, 2016, and is effective as of January 1, 2017. The 2017 Amendment provides new tax benefits for "Technology Enterprises", as described below, and is in addition to the other existing tax benefits programs under the Investment Law.

The 2017 Amendment provides that a technology company satisfying certain conditions will qualify as a "Preferred Technology Enterprise" and will thereby enjoy a reduced corporate tax rate of 12% on income that qualifies as "Preferred Technology Income," as defined in the Investment Law. The tax rate is further reduced to 7.5% for a Preferred Technology Enterprise located in development zone "A." In addition, a Preferred Technology Company will enjoy a reduced corporate tax rate of 12% on capital gain derived from the sale of certain "Benefitted Intangible Assets" (as defined in the Investment Law) to a related foreign company if the Benefitted Intangible Assets were acquired from a foreign company on or after January 1, 2017, for at least NIS 200 million, and the sale receives prior approval from the IIA.

Dividends distributed by a Preferred Technology Enterprise or paid out of Preferred Technology Income are generally subject to tax at the rate of 20% or such lower rate as may be provided in an applicable tax treaty. However, dividends distributed to an Israeli company are not subject to tax. If such dividends are distributed to a foreign corporation or corporations (holding directly at least 90% in the Preferred Company which owns the Preferred Technological Enterprise or holding indirectly such 90% in the Preferred Company which owns the Preferred Technological Enterprise, subject to certain conditions) and other conditions are met, the applicable tax rate will be 4%, or such lower rate as may be provided in an applicable tax treaty.

Taxation of Non-Israeli Resident Shareholders

Capital Gains Tax

Israeli capital gains tax is imposed on the disposition of capital assets by a non-Israeli resident if those assets (i) are located in Israel, (ii) are shares or a right to shares in an Israeli resident corporation, or (iii) represent, directly or indirectly, rights to assets located in Israel, unless a tax treaty between Israel and the seller's country of residence provides otherwise. Israeli tax law distinguishes between "Real Capital Gain" and "Inflationary Surplus." Inflationary Surplus is a portion of the total capital gain which is equivalent to the increase in the relevant asset's price that is attributable to the increase in the Israeli Consumer Price Index or, in certain circumstances, a foreign currency exchange rate, between the date of purchase and the date of disposition. Inflationary Surplus is currently not subject to tax in Israel. Real Capital Gain is the excess of the total capital gain over the Inflationary Surplus. Generally, Real Capital Gain accrued by individuals on the sale of our ordinary shares will be taxed at the rate of 25%. However, if the shareholder is a "substantial shareholder" at the time of sale or at any time during the preceding 12-month period, such gain will be taxed at the rate of 30%. A "substantial shareholder" is generally a person who alone or together with such person's relative or another person who collaborates with such person regarding the material affairs of the company on a permanent basis, holds, directly or indirectly, at least 10% of any of the "means of control" of the corporation. "Means of control" generally include the right to vote, receive profits, nominate a director or an executive

officer, receive assets upon liquidation, or order someone who holds any of the aforesaid rights how to act, regardless of the source of such right. Real Capital Gain derived by corporations will be generally subject to a corporate tax rate, currently at a rate of 23%.

A non-Israeli resident who derives capital gains from the sale of shares of an Israeli resident company that were purchased after the company was listed for trading on a stock exchange outside of Israel will be exempt from Israeli capital gains tax so long as the shares were not held through or attributable to a permanent establishment that the non-Israeli resident maintains in Israel. However, a non-Israeli "body of persons" (as defined in the Ordinance, which includes corporate entities, partnerships and other entities) will not be entitled to the foregoing exemption if Israeli residents (i) have a controlling interest of more than 25% in any of the means of control of such non-Israeli body of persons or (ii) are the beneficiaries of, or are entitled to, 25% or more of the revenues or profits of such non-Israeli body of persons, whether directly or indirectly.

In addition, such exemption is not applicable to a person whose gains from selling or disposing the shares are deemed to be business income.

Additionally, a sale of shares by a non-Israeli resident may be exempt from Israeli capital gains tax under the provisions of an applicable tax treaty. For example, under the tax treaty between the Government of the United States of America and the Government of the State of Israel with respect to Taxes on Income, as amended, or the United States-Israel Tax Treaty, the sale, exchange or other disposition of shares by a shareholder who is a United States resident (for purposes of the treaty) holding the shares as a capital asset and is entitled to claim the benefits afforded to such a resident by the United States-Israel Tax Treaty, or a Treaty U.S. Resident, is generally exempt from Israeli capital gains tax unless: (i) the capital gain arising from such sale, exchange, or disposition is attributed to real estate located in Israel; (ii) the capital gain arising from such sale, exchange, or disposition is attributed to royalties; (iii) the capital gain arising from the such sale, exchange, or disposition is attributed to a permanent establishment in Israel, under certain terms; (iv) such Treaty U.S. Resident holds, directly or indirectly, shares representing 10% or more of the voting capital during any part of the 12-month period preceding the disposition, subject to certain conditions; or (v) such Treaty U.S. Resident is an individual and was present in Israel for 183 days or more during the relevant taxable year. In any such case, the sale, exchange or disposition of such shares would be subject to Israeli tax, to the extent applicable.

Regardless of whether non-Israeli shareholders may be liable for Israeli capital gains tax on the sale of our ordinary shares, the payment of the consideration for such sale may be subject to withholding of Israeli tax at source and holders of our ordinary shares may be required to demonstrate that they are exempt from tax on their capital gains in order to avoid withholding at source at the time of sale. Specifically, the Israel Tax Authority may require shareholders who are not liable for Israeli capital gains tax on such a sale to sign declarations on forms specified by the Israel Tax Authority, provide documents (including, for example, a certificate of residency) or obtain a specific exemption from the Israel Tax Authority to confirm their status as non-Israeli residents (and, in the absence of such declarations or exemptions, the Israel Tax Authority may require the purchaser of the shares to withhold tax at source).

Taxation on Receipt of Dividends

Non-Israeli residents (whether individuals or corporations) are generally subject to Israeli income tax on the receipt of dividends paid on our ordinary shares at the rate of 25%, which tax will be withheld at source, unless relief is provided in an applicable tax treaty between Israel and the shareholder's country of residence. However, if the shareholder who is a "substantial shareholder" at the time of receiving the dividend or at any time during the preceding 12-month period, the applicable tax rate will be 30%. Such dividends are generally subject to Israeli withholding tax at a rate of 25% so long as the shares are registered with a nominee company (whether the recipient is a substantial shareholder or not).

However, a reduced tax rate may be provided under the Investments Law, as described above, or under an applicable tax treaty. For example, under the United States-Israel Tax Treaty, the maximum rate of tax withheld at source in Israel on dividends paid to a holder of our ordinary shares who is a Treaty

U.S. Resident is 25%. However, generally, the maximum rate of withholding tax on dividends that are paid to a United States corporation holding 10% or more of the outstanding voting capital throughout the tax year in which the dividend is distributed as well as during the previous tax year, is 12.5%, provided that not more than 25% of the gross income for such preceding year consists of certain types of dividends and interest. If dividends are distributed from income that was subject to reduced corporate tax rate under the Investments Law and the foregoing conditions are met, such dividends are subject to a withholding tax rate of 15% for a shareholder that is a United States corporation. The aforementioned rates under the United States-Israel Tax Treaty will not apply if the dividend income was derived through or attributed to a permanent establishment of the Treaty U.S. Resident in Israel. Application for this reduced tax rate requires appropriate documentation presented to and specific instruction received from the Israel Tax Authority. We cannot assure you that we will designate the profits that we may distribute in a way that will reduce shareholders' tax liability.

A non-Israeli resident who receives dividends from which tax was duly withheld is generally exempt from the obligation to file tax returns in Israel with respect to such income, provided that (i) such income was not generated from business conducted in Israel by the taxpayer; (ii) the taxpayer has no other taxable sources of income in Israel with respect to which a tax return is required to be filed and (iii) the taxpayer is not liable to surtax (as further explained below).

Surtax

Individuals who are subject to income tax in Israel (whether any such individual is an Israeli resident or non-Israeli resident) are also subject to an additional surtax at a rate of 3% on annual income (including, but not limited to, income derived from dividends, interest and capital gains) exceeding NIS 698,280 for 2023, which amount is linked to the annual change in the Israeli consumer price index.

Estate and Gift Tax

Israeli law presently does not impose estate or gift taxes.

U.S. Federal Income Tax Considerations

The following summary describes certain United States federal income tax considerations generally applicable to United States Holders (as defined below) of our Class A ordinary shares. This summary deals only with our Class A ordinary shares held as capital assets within the meaning of Section 1221 of the Code. This summary also does not address the tax consequences that may be relevant to holders in special tax situations including, without limitation, dealers in securities, traders that elect to use a mark-to-market method of accounting, holders that own our Class A ordinary shares as part of a "straddle," "hedge," "conversion transaction," or other integrated investment, banks or other financial institutions, individual retirement accounts and other tax-deferred accounts, insurance companies, tax-exempt organizations, United States expatriates, holders whose functional currency is not the U.S. dollar, holders subject to the alternative minimum tax, holders that acquired our Class A ordinary shares in a compensatory transaction, holders subject to special tax accounting rules as a result of any item of gross income with respect to our Class A ordinary shares being taken into account in an applicable financial statement, holders which are entities or arrangements treated as partnerships for United States federal income tax purposes or holders that actually or constructively through attribution own 10% or more of the total voting power or value of our outstanding shares.

This summary is based upon the Code, applicable United States Treasury regulations, administrative pronouncements and judicial decisions, in each case as in effect on the date hereof, all of which are subject to change (possibly with retroactive effect). No ruling will be requested from the Internal Revenue Service, or the IRS, regarding the tax consequences described herein, and there can be no assurance that the IRS will agree with the discussion set out below. This summary does not address any United States federal tax consequences other than United States federal income tax consequences (such as the estate and gift tax or the Medicare tax on net investment income).

As used herein, the term “United States Holder” means a beneficial owner of our Class A ordinary shares that is, for United States federal income tax purposes, (i) an individual who is a citizen or resident of the United States, (ii) a corporation or other entity taxable as a corporation created or organized under the laws of the United States or any state thereof or therein or the District of Columbia, (iii) an estate the income of which is subject to United States federal income taxation regardless of its source, or (iv) a trust (a) that is subject to the supervision of a court within the United States and the control of one or more United States persons as described in the Code Section 7701(a)(30), or (b) that has a valid election in effect under applicable United States Treasury regulations to be treated as a “United States person.”

If an entity or arrangement treated as a partnership for United States federal income tax purposes acquires our Class A ordinary shares, the tax treatment of a partner in the partnership generally will depend upon the status of the partner and the activities of the partnership. Partners of a partnership considering an investment in our Class A ordinary shares should consult their tax advisors regarding the United States federal income tax consequences of acquiring, owning and disposing of our Class A ordinary shares.

THE SUMMARY OF UNITED STATES FEDERAL INCOME TAX CONSEQUENCES SET OUT BELOW IS FOR GENERAL INFORMATION ONLY. ALL PROSPECTIVE INVESTORS SHOULD CONSULT THEIR TAX ADVISORS AS TO THE PARTICULAR TAX CONSEQUENCES TO THEM OF OWNING AND DISPOSING OF OUR CLASS A ORDINARY SHARES, INCLUDING THE APPLICABILITY AND EFFECT OF STATE, LOCAL AND NON-U.S. TAX LAWS AND POSSIBLE CHANGES IN TAX LAW.

Dividends

Although we do not anticipate paying any dividends in the foreseeable future, as described in the section titled “Dividend Policy” above, if we do make any distributions, subject to the discussion below under “— Passive Foreign Investment Company,” the amount of dividends paid to a United States Holder with respect to our Class A ordinary shares before reduction for any Israeli taxes withheld therefrom generally will be included in the United States Holder’s gross income as ordinary income from foreign sources to the extent paid out of our current or accumulated earnings and profits (as determined for United States federal income tax purposes). Distributions in excess of earnings and profits will be treated as a non-taxable return of capital to the extent of the United States Holder’s adjusted tax basis in those Class A ordinary shares and thereafter as capital gains. However, we do not intend to calculate our earnings and profits under United States federal income tax principles. Therefore, United States Holders should expect that a distribution will generally be treated as a dividend even if that distribution would otherwise be treated as a non-taxable return of capital or as capital gain under the rules described above. If a dividend is paid in currency other than the U.S. dollar, the amount of dividend income will be the U.S. dollar amount calculated by reference to the exchange rate in effect on the date such distribution is included in the United States Holder’s income, regardless of conversion and exchange gain or loss upon conversion.

Foreign withholding tax paid on dividends on our Class A ordinary shares at the rate applicable to a United States Holder (taking into account any applicable income tax treaty) will, subject to limitations and conditions, be treated as foreign income tax eligible for credit against such holder’s United States federal income tax liability or, at such holder’s election, eligible for deduction in computing such holder’s United States federal taxable income. Dividends paid on our Class A ordinary shares generally will constitute “foreign source income” and “passive category income” for purposes of the foreign tax credit. However, if we are a “United States-owned foreign corporation,” solely for foreign tax credit purposes, a portion of the dividends allocable to our United States source earnings and profits may be re-characterized as United States source. A “United States-owned foreign corporation” is any foreign corporation in which United States persons own, directly or indirectly, 50% or more (by vote or by value) of the stock. In general, United States-owned foreign corporations with less than 10% of earnings and profits attributable to sources within the United States are excepted from these rules. If we are treated as a “United States-owned foreign corporation,” and if 10% or more of our earnings and profits are attributable to sources within the United States, a portion of the dividends paid on the Class A ordinary

shares allocable to our United States source earnings and profits will be treated as United States source, and, as such, the ability of a United States Holder to claim a foreign tax credit for any Israeli withholding taxes payable in respect of our dividends may be limited. The rules governing the treatment of foreign taxes imposed on a United States Holder and foreign tax credits are complex and recently issued U.S. Treasury regulations further restrict the availability of any such credit based on the nature of the withholding tax imposed by the foreign jurisdiction, and United States Holders should consult their tax advisors about the impact of these rules in their particular situation.

Dividends received by certain non-corporate United States Holders (including individuals) may be "qualified dividend income," which is taxed at the lower capital gains rate, provided that (i) either our Class A ordinary shares are readily tradable on an established securities market in the United States or we are eligible for benefits under a comprehensive United States income tax treaty that includes an exchange of information program and which the United States Treasury Department has determined is satisfactory for these purposes, (ii) we are neither a PFIC (as discussed below) nor treated as such with respect to the United States Holder for either the taxable year in which the dividend is paid or the preceding taxable year, and (iii) the United States Holder satisfies certain holding periods and other requirements. In this regard, shares generally are considered to be readily tradable on an established securities market in the United States if they are listed on Nasdaq, as our Class A ordinary shares are expected to be. United States Holders should consult their tax advisors regarding the availability of the reduced tax rate on dividends paid with respect to our Class A ordinary shares. The dividends will not be eligible for the dividends received deduction available to corporations in respect of dividends received from other United States corporations.

Disposition of Class A Ordinary Shares

Subject to the discussion below in the section titled "— Passive Foreign Investment Company," a United States Holder generally will recognize capital gains or loss for United States federal income tax purposes on the sale or other taxable disposition of our Class A ordinary shares equal to the difference, if any, between the amount realized and the United States Holder's adjusted tax basis in those Class A ordinary shares. If any Israeli tax is imposed on the sale, exchange or other disposition of our Class A ordinary shares, a United States Holder's amount realized generally will include the gross amount of the proceeds before deduction of the Israeli tax. In general, capital gains recognized by a non-corporate United States Holder, including an individual, are subject to a lower rate under current law if such United States Holder held shares for more than one year. The deductibility of capital losses is subject to limitations. Any such gain or loss generally will be treated as United States source income or loss for purposes of the foreign tax credit limitation. As a result of recent changes to the foreign tax credit rules, Israeli tax imposed on the sale, exchange or other taxable disposition of a Class A ordinary share is unlikely to be treated as a creditable tax for the United States Holder. The applicability of these rules is complex and United States Holders should consult their tax advisors as to the foreign tax credit and other U.S. federal income tax implications if any Israeli taxes are imposed on a sale, exchange or other taxable disposition of the Class A ordinary shares in their particular circumstances, including whether such taxes are deductible and the applicability of the United States-Israel Tax Treaty.

Passive Foreign Investment Company

We would be a PFIC for any taxable year if, after the application of certain look-through rules, either: (i) 75% or more of our gross income for such year is "passive income" (as defined in the relevant provisions of the Code), or (ii) 50% or more of the value of our assets (generally determined on the basis of a quarterly average) during such year is attributable to assets that produce or are held for the production of passive income. For these purposes, cash and other assets readily convertible into cash or that do or could generate passive income are categorized as passive assets, and the value of goodwill and other unbooked intangible assets is generally taken into account. Passive income generally includes, among other things, rents, dividends, interest, royalties, gains from the disposition of passive assets, and gains from commodities and securities transactions. For purposes of this test, we will be treated as owning a proportionate share of the assets and earning a proportionate share of the income of any other corporation of which we own, directly or indirectly, at least 25% (by value) of the stock. Based on our anticipated market capitalization and the composition of our income, assets, and

operations, we do not expect to be a PFIC for United States federal income tax purposes for the current taxable year or in the foreseeable future. However, this is a factual determination that must be made annually after the close of each taxable year. Moreover, the aggregate value of our assets for purposes of the PFIC determination may be determined by reference to the trading value of our Class A ordinary shares at the time of our initial public offering and in the future, which could fluctuate significantly. In addition, it is possible that the IRS may take a contrary position with respect to our determination in any particular year, and therefore, there can be no assurance that we were not a PFIC for 2022 or will not be classified as a PFIC for the current taxable year or in the future. Certain adverse United States federal income tax consequences could apply to a United States Holder if we are treated as a PFIC for any taxable year during which such United States Holder holds our Class A ordinary shares. Under the PFIC rules, if we were considered a PFIC at any time that a United States Holder holds our Class A ordinary shares, we would continue to be treated as a PFIC with respect to such holder's investment unless (i) we cease to be a PFIC, and (ii) the United States Holder has made a "deemed sale" election under the PFIC rules.

If we are a PFIC for any taxable year that a United States Holder holds our Class A ordinary shares, unless the United States Holder makes certain elections, any gain recognized by the United States Holder on a sale or other disposition of our Class A ordinary shares would be allocated pro-rata over the United States Holder's holding period for the Class A ordinary shares. The amounts allocated to the taxable year of the sale or other disposition and to any year before we became a PFIC would be taxed as ordinary income. The amount allocated to each other taxable year would be subject to tax at the highest rate in effect for individuals or the highest rate in effect for corporations, as appropriate, for that taxable year, and an interest charge would be imposed. Further, to the extent that any distribution received by a United States Holder on our Class A ordinary shares exceeds 125% of the average of the annual distributions on the Class A ordinary shares received during the preceding three years or the United States Holder's holding period, whichever is shorter, that distribution would be subject to taxation in the same manner as gain on the sale or other disposition of our Class A ordinary shares if we were a PFIC, described above. If we are treated as a PFIC with respect to a United States Holder for any taxable year, the United States Holder will be deemed to own equity in any of the entities in which we hold equity that also are PFICs. Certain elections may be available that would result in alternative treatments (such as mark-to-market treatment) of the Class A ordinary shares. In addition, a timely election to treat us as a qualified electing fund under the Code would result in an alternative treatment. However, we do not intend to prepare or provide the information that would enable United States Holders to make a qualified electing fund election. If we are considered a PFIC, a United States Holder also will be subject to annual information reporting requirements. United States Holders should consult their tax advisors about the potential application of the PFIC rules to an investment in the Class A ordinary shares.

Information Reporting and Backup Withholding

Distributions on and proceeds paid from the sale or other taxable disposition of our Class A ordinary shares may be subject to information reporting to the IRS. In addition, a United States Holder (other than an exempt holder who establishes its exempt status if required) may be subject to backup withholding on dividend payments and proceeds from the sale or other taxable disposition of our Class A ordinary shares paid within the United States or through certain U.S.-related financial intermediaries.

Backup withholding will not apply, however, to a United States Holder who furnishes a correct taxpayer identification number, makes other required certification and otherwise complies with the applicable requirements of the backup withholding rules. Backup withholding is not an additional tax. Rather, any amount withheld under the backup withholding rules will be creditable or refundable against the United States Holder's United States federal income tax liability, provided the required information is timely furnished to the IRS.

Foreign Financial Asset Reporting

Certain United States Holders are required to report their holdings of certain foreign financial assets, including equity of foreign entities, if the aggregate value of all of these assets exceeds certain

threshold amounts. Our Class A ordinary shares are expected to constitute foreign financial assets subject to these requirements unless the Class A ordinary shares are held in an account at certain financial institutions. United States Holders should consult their tax advisors regarding the application of these reporting requirements.

UNDERWRITING

We, the selling shareholders and the underwriters named below have entered into an underwriting agreement with respect to the ordinary shares being offered by us and the selling shareholders. Subject to certain conditions, each underwriter has severally agreed to purchase the number of ordinary shares indicated in the following table. Goldman Sachs & Co. LLC, Morgan Stanley & Co. LLC and Allen & Company LLC are the representatives of the underwriters.

Underwriters	Number of Class A Ordinary Shares
Goldman Sachs & Co. LLC	
Morgan Stanley & Co. LLC	
Allen & Company LLC	
BofA Securities, Inc.	
Barclays Capital Inc.	
Truist Securities, Inc.	
JMP Securities LLC	
KeyBanc Capital Markets Inc.	
Total	

The underwriters are committed to take and pay for all of the Class A ordinary shares being offered, if any are taken, other than the Class A ordinary shares covered by the option described below unless and until this option is exercised.

The underwriters have an option to buy up to an additional Class A ordinary shares from us to cover sales by the underwriters of a greater number of Class A ordinary shares than the total number set forth in the table above. They may exercise that option for 30 days. If any Class A ordinary shares are purchased pursuant to this option, the underwriters will severally purchase Class A ordinary shares in approximately the same proportion as set forth in the table above.

The following table shows the per Class A ordinary share and total underwriting discounts and commissions to be paid to the underwriters by us and the selling shareholders. Such amounts are shown assuming both no exercise and full exercise of the underwriters' option to purchase additional Class A ordinary shares.

	Paid by the Company		Paid by the Selling Shareholders	
	No Exercise	Full Exercise	No Exercise	Full Exercise
Per Class A Ordinary Share	$	$	$	$
Total	$	$	$	$

Class A ordinary shares sold by the underwriters to the public will initially be offered at the initial public offering price set forth on the cover of this prospectus. Any Class A ordinary shares sold by the underwriters to securities dealers may be sold at a discount of up to $ per Class A ordinary share from the initial public offering price. After the initial offering of the Class A ordinary shares, the representatives may change the offering price and the other selling terms. The offering of the Class A ordinary shares by the underwriters is subject to receipt and acceptance and subject to the underwriters' right to reject any order in whole or in part.

We have agreed that we will not, for a period of 180 days after the date of this prospectus, or the Lock-Up Period, (i) offer, sell, contract to sell, pledge, grant any option to purchase, make any short sale or otherwise transfer or dispose of, directly or indirectly, or file with or confidentially submit to the Commission a registration statement under the Act relating to, any of our securities that are substantially similar to Class A ordinary shares, including but not limited to any options or warrants to purchase Class A ordinary shares or any securities that are convertible into or exchangeable for, or that represent the right to receive, Class A ordinary shares or any such substantially similar securities, or publicly

disclose the intention to make any offer, sale, pledge, disposition or filing or (ii) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of Class A ordinary shares or any such other securities, or publicly disclose such intention, whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of Class A ordinary shares or such other securities, in cash or otherwise (other than the Class A ordinary shares to be sold in this offering or pursuant to employee stock option plans existing on, or upon the conversion or exchange of convertible or exchangeable securities outstanding as of, the date of this prospectus), without the prior written consent of Goldman Sachs & Co. LLC and Morgan Stanley & Co. LLC.

The restrictions set forth above applicable to us are subject to specified exceptions, including: (i) the Class A ordinary shares to be sold in this offering, (ii) Class A ordinary shares issued upon the conversion of convertible securities pursuant to their terms, each outstanding on the date of this prospectus and described herein, (iii) the issuance by us of Class A ordinary shares upon the exercise or settlement (including net or cashless exercise or settlement) of restricted share units, options or warrants, in each case, that is outstanding on the date of this prospectus and described herein, (iv) the grant by us of any options, warrants or awards to purchase or the issuance by us of Class A ordinary shares or any securities (including, without limitation options, restricted shares) convertible into or exercisable for, Class A ordinary shares pursuant to our equity compensation plans disclosed herein, (v) any Class A ordinary shares or any security convertible into or exercisable for Class A ordinary shares issued by us in connection with an acquisition by us or any of our subsidiaries of not less than a majority or controlling portion of the securities, business, property or other assets of another person or entity or pursuant to an employee benefit plan assumed by us in connection with such acquisition, (vi) any Class A ordinary shares or any security convertible into or exercisable for Class A ordinary shares issued by us in connection with a transaction that includes a bona fide commercial relationship (including joint ventures, marketing or distribution arrangements, collaboration agreements, intellectual property license agreements) *provided* that in the case of clauses (v) and (vi), the aggregate number of Class A ordinary shares we may sell or issue or agree to sell or issue shall not exceed 10% of the total number of Class A ordinary shares issued and outstanding immediately following the completion of the transactions contemplated by this prospectus, and (vii) the filing of any registration statement on Form S-8 relating to any benefit plans, equity compensation plans or arrangements disclosed herein, provided that in the case of clauses (iii), (iv), (v) and (vi), each recipient of such securities shall execute a lock-up letter on substantially the same terms as described above for the remainder of the Lock-Up Period.

Our executive officers, directors and the holders of substantially all of our outstanding ordinary shares immediately prior to this offering, including the selling shareholders (each a “lock-up party”), will not, for the Lock-Up Period, (i) offer, sell, contract to sell, pledge, grant any option, right or warrant to purchase, purchase any option or contract to sell, lend or otherwise transfer or dispose of any of Class A ordinary shares, or any options or warrants to purchase any Class A ordinary shares, or any securities convertible into, exchangeable for or that represent the right to receive Class A ordinary shares (such Class A ordinary shares, options, rights, warrants or other securities, including the Class B ordinary shares, collectively, “Lock-Up Securities”), including without limitation any such Lock-Up Securities now owned or hereafter acquired by the undersigned, (ii) engage in any hedging or other transaction or arrangement (including, without limitation, any short sale or the purchase or sale of, or entry into, any put or call option, or combination thereof, forward, swap or any other derivative transaction or instrument, however described or defined) which is designed to or which reasonably could be expected to lead to or result in a sale, loan, pledge or other disposition (whether by the lock-up party or someone other than the lock-up party), or transfer of any of the economic consequences of ownership, in whole or in part, directly or indirectly, of any Lock-Up Securities, whether any such transaction or arrangement (or instrument provided for thereunder) would be settled by delivery of Class A ordinary shares or other securities, in cash or otherwise (any such sale, loan, pledge or other disposition, or transfer of economic consequences, a “Transfer”), (iii) make any demand for or exercise any right with respect to the registration of any Lock-Up Securities or (iv) otherwise publicly announce any intention to engage in or cause any action, activity, transaction or arrangement described in clauses (i), (ii) or (iii) above, without the prior written consent of Goldman Sachs & Co. LLC and Morgan Stanley & Co. LLC who may, in their sole discretion and at any time without notice, release all or any portion of the ordinary shares subject to the lock-up agreements.

The restrictions set forth above applicable to our executive officers and directors and the holders of substantially all of our outstanding ordinary shares are subject to specified exceptions, including:

(a) transfer of the Lock-Up Securities:

i. as one or more *bona fide* gifts or charitable contributions, or for *bona fide* estate planning purposes,

ii. upon death by will, testamentary document or intestate succession,

iii. if the lock-up party is a natural person, to any member of the undersigned's immediate family ("immediate family" shall mean any relationship by blood, current or former marriage, domestic partnership or adoption, not more remote than first cousin) or to any trust for the direct or indirect benefit of the undersigned or the immediate family of the lock-up party or, if the lock-up party is a trust, to a trustor or beneficiary of the trust or the estate of a beneficiary of such trust,

iv. to a partnership, limited liability company or other entity of which the undersigned and the immediate family of the lock-up party are the legal and beneficial owner of all of the outstanding equity securities or similar interests,

v. to a nominee or custodian of a person or entity to whom a disposition or transfer would be permissible under clauses (i) through (iv) above,

vi. if the lock-up party is a corporation, partnership, limited liability company or other business entity, (A) to another corporation, partnership, limited liability company or other business entity that is an affiliate (as defined in Rule 405 under the Securities Act) of the lock-up party, or to any investment fund or other entity which fund or entity is controlled or managed by the lock-up party or affiliates of the lock-up party, or (B) as part of a distribution by the lock-up party to its shareholders, partners, members or other equityholders or to the estate of any such shareholders, partners, members or other equityholders,

vii. by operation of law, such as pursuant to a qualified domestic order, divorce settlement, divorce decree, separation agreement or other court order,

viii. to us from an employee upon death, disability or termination of employment, in each case, of such employee,

ix. in connection with a sale of the lock-up party's Class A ordinary shares acquired in this offering (if the lock-up party is not an officer of director) or open market transactions after the completion of this offering,

x. to us in connection with the vesting, settlement or exercise of restricted share units, options, warrants or other rights to purchase Class A ordinary shares (including, in each case, by way of "net" or "cashless" exercise), including any transfer to us for the payment of tax withholdings or remittance payments due as a result of the vesting, settlement or exercise of such restricted share units, options, warrants or other rights, or in connection with the conversion of convertible securities, in all such cases pursuant to equity awards granted under a share incentive plan or other equity award plan, or pursuant to the terms of convertible securities, each as described herein, *provided* that any securities received upon such vesting, settlement, exercise or conversion shall be subject to the terms of the lock-up agreement,

xi. to us in connection with the repurchase of securities granted under any stock incentive plan or stock purchase plan, which plan is described herein; or

xii. with the prior written consent of Goldman Sachs & Co. LLC and Morgan Stanley & Co. LLC on behalf of the underwriters;

provided that (A) in the case of clauses (i), (ii), (iii), (iv), (v) and (vi) and above, such transfer or distribution shall not involve a disposition for value, (B) in the case of clauses (i), (ii), (iii), (iv),

(v), (vi), (vii) and (xi) above, it shall be a condition to the transfer or distribution that the donee, devisee, transferee or distributee, as the case may be, shall sign and deliver to Goldman Sachs & Co. LLC and Morgan Stanley & Co. LLC a lock-up agreement, (C) in the case of clauses (i), (iii), (iv), (v), (vi), (ix) and (xi) above, no filing by any party (including, without limitation, any donor, donee, devisee, transferor, transferee, distributor or distributee) under the Exchange Act, or other public filing, report or announcement shall be required or shall be voluntarily made in connection with such transfer or distribution (other than, in the case of clause (i), (iii), (iv) or (v), such report as may be legally required on Form 5 made after the end of the calendar year in which such transaction occurs, which Form 5 shall clearly indicate in the footnotes thereto the nature and conditions of such transfer or distribution), and (D) in the case of clauses (ii), (vii), (viii) and (x) above, no filing under the Exchange Act or other public filing, report or announcement shall be voluntarily made, and if any such filing, report or announcement shall be legally required during the Lock-Up Period, such filing, report or announcement shall clearly indicate in the footnotes thereto the nature and conditions of such transfer or distribution;

(b) enter into a written plan meeting the requirements of Rule 10b5-1 under the Exchange Act relating to the transfer, sale or other disposition of the lock up party's Lock-Up Securities, if then permitted by us, *provided* that none of the securities subject to such plan may be transferred, sold or otherwise disposed of until after the expiration of the Lock-Up Period and no public announcement, report or filing under the Exchange Act, or any other public filing, report or announcement, shall be required or shall be voluntarily made regarding the establishment of such plan during the Lock-Up Period; and

(c) transfer the lock-up party's Lock-Up Securities pursuant to:

i. a *bona fide* third-party tender offer, merger, consolidation or other similar transaction that is approved by our board of directors and made to all holders of our share capital involving a Change of Control (for purposes hereof, "Change of Control" shall mean the transfer (whether by tender offer, merger, consolidation or other similar transaction), in one transaction or a series of related transactions, to a person or group of affiliated persons, of share capital if, after such transfer, such person or group of affiliated persons would hold at least a majority of the our outstanding voting securities (or the surviving entity)),

provided that in the event that such transaction is not completed, the lock-up party's Lock-Up Securities shall remain subject to the provisions of the lock-up agreement.

Prior to the offering, there has been no public market for the Class A ordinary shares. The initial public offering price has been negotiated among us, the selling shareholders and the representatives. Among the factors to be considered in determining the initial public offering price of the Class A ordinary shares, in addition to prevailing market conditions, will be our historical performance, estimates of the business potential and our earnings prospects, an assessment of our management and the consideration of the above factors in relation to market valuation of companies in related businesses.

We currently anticipate that up to % of the shares of Class A ordinary shares offered hereby will, at our request, be offered to retail investors through Robinhood Financial, LLC ("Robinhood") or SoFi Securities LLC ("SoFi"), as selling group members, via their online brokerage platforms. Such platforms are not affiliated with ODDITY. Purchases through such platforms will be subject to the terms, conditions, and requirements set by such platforms. Any purchase of our Class A ordinary shares in this offering through such platforms will be at the same initial public offering price, and at the same time, as any other purchases in this offering, including purchases by institutions and other large investors. The Robinhood and SoFi platforms and information on their respective applications do not form a part of this prospectus.

We have applied to list our Class A ordinary shares on Nasdaq under the symbol " ODD."

In connection with the offering, the underwriters may purchase and sell Class A ordinary shares in the open market. These transactions may include short sales, stabilizing transactions and purchases to cover positions created by short sales. Short sales involve the sale by the underwriters of a greater

number of Class A ordinary shares than they are required to purchase in the offering, and a short position represents the amount of such sales that have not been covered by subsequent purchases. A "covered short position" is a short position that is not greater than the amount of additional Class A ordinary shares for which the underwriters' option described above may be exercised. The underwriters may cover any covered short position by either exercising their option to purchase additional Class A ordinary shares or purchasing Class A ordinary shares in the open market. In determining the source of Class A ordinary shares to cover the covered short position, the underwriters will consider, among other things, the price of Class A ordinary shares available for purchase in the open market as compared to the price at which they may purchase additional Class A ordinary shares pursuant to the option described above. "Naked" short sales are any short sales that create a short position greater than the amount of additional Class A ordinary shares for which the option described above may be exercised. The underwriters must cover any such naked short position by purchasing Class A ordinary shares in the open market. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of the Class A ordinary shares in the open market after pricing that could adversely affect investors who purchase in the offering. Stabilizing transactions consist of various bids for or purchases of Class A ordinary shares made by the underwriters in the open market prior to the completion of the offering.

The underwriters may also impose a penalty bid. This occurs when a particular underwriter repays to the underwriters a portion of the underwriting discount received by it because the representatives have repurchased Class A ordinary shares sold by or for the account of such underwriter in stabilizing or short covering transactions.

Purchases to cover a short position and stabilizing transactions, as well as other purchases by the underwriters for their own accounts, may have the effect of preventing or retarding a decline in the market price of our Class A ordinary shares, and together with the imposition of the penalty bid, may stabilize, maintain or otherwise affect the market price of the Class A ordinary shares. As a result, the price of the Class A ordinary shares may be higher than the price that otherwise might exist in the open market. The underwriters are not required to engage in these activities and may end any of these activities at any time. These transactions may be effected on Nasdaq, in the over-the-counter market or otherwise.

We estimate that our share of the total expenses of the offering, excluding underwriting discounts and commissions, will be approximately $. We have also agreed to reimburse the underwriters for certain FINRA-related expenses incurred by them in connection with the offering in an amount up to $.

We and the selling shareholders have agreed to indemnify the several underwriters against certain liabilities, including liabilities under the Securities Act of 1933.

The underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. Certain of the underwriters and their respective affiliates have provided, and may in the future provide, a variety of these services to us and to persons and entities with relationships with us, for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the underwriters and their respective affiliates, officers, directors and employees may purchase, sell or hold a broad array of investments and actively traded securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to our assets, securities and/or instruments (directly, as collateral securing other obligations or otherwise), and/or persons and entities with relationships with us. The underwriters and their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

In connection with the offering, certain of the underwriters or securities dealers may distribute prospectuses by electronic means, such as email.

Directed Share Program

At our request, the underwriters have reserved up to % of the Class A ordinary shares offered by this prospectus for sale at the initial public offering price per share through a directed share program to certain of our employees, directors, partners, and friends and family members of certain of our employees, directors, and partners. The number of Class A ordinary shares available for sale to the general public will be reduced by the number of reserved shares purchased by these individuals in the directed share program. Any reserved shares not purchased by these individuals will be offered by the underwriters to the general public on the same basis as the other Class A ordinary shares offered by this prospectus. Any shares sold under the directed share program will not be subject to the terms of any lock-up agreement, except in the case of shares purchased by any of our officers or directors. We will agree to indemnify the underwriters against certain liabilities and expenses, including liabilities under the Securities Act of 1933, in connection with sales of the shares reserved for the directed share program. The directed share program will be arranged through Goldman Sachs & Co. LLC.

Selling Restrictions

European Economic Area

In relation to each Member State of the European Economic Area, each a "Member State," no ordinary shares have been offered or will be offered pursuant to this offering to the public in that Member State prior to the publication of a prospectus in relation to the ordinary shares which has been approved by the competent authority in that Member State or, where appropriate, approved in another Member State and notified to the competent authority in that Member State, all in accordance with the Prospectus Regulation, except that offers of ordinary shares may be made to the public in that Member State at any time under the following exemptions under the Prospectus Regulation:

(a) to any legal entity which is a qualified investor as defined under the Prospectus Regulation;

(b) to fewer than 150 natural or legal persons (other than qualified investors as defined under the Prospectus Regulation), subject to obtaining the prior consent of the underwriters for any such offer; or

(c) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of ordinary shares shall require the Issuer or any underwriter to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an "offer to the public" in relation to any ordinary shares in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and any ordinary shares to be offered so as to enable an investor to decide to purchase or subscribe for any ordinary shares, and the expression "Prospectus Regulation" means Regulation (EU) 2017/1129.

United Kingdom

In relation to the UK, no ordinary shares have been offered or will be offered pursuant to this offering to the public in the UK prior to the publication of a prospectus in relation to the ordinary shares that either (i) has been approved by the Financial Conduct Authority, or (ii) is to be treated as if it had been approved by the Financial Conduct Authority in accordance with the transitional provision in Regulation 74 of the Prospectus (Amendment etc.) (EU Exit) Regulations 2019, except that offers of ordinary shares may be made to the public in the UK at any time under the following exemptions under the UK Prospectus Regulation:

(a) to any legal entity which is a qualified investor as defined in Article 2 of the UK Prospectus Regulation;

(b) to fewer than 150 natural or legal persons (other than qualified investors as defined in Article 2 of the UK Prospectus Regulation), subject to obtaining the prior consent of the Representatives for any such offer; or

(c) in any other circumstances falling within section 86 of the Financial Services and Markets Act 2000, as amended, or the FSMA,

provided that no such offer of units shall require the issuer or any underwriter to publish a prospectus pursuant to section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of this provision, the expression an "offer to the public" in relation to any units in the UK means the communication in any form and by any means of sufficient information on the terms of the offer and any units to be offered so as to enable an investor to decide to purchase or subscribe for any units, and the expression "UK Prospectus Regulation" means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

Canada

The securities may be sold in Canada only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions, and Ongoing Registrant Obligations. Any resale of the securities must be made in accordance with an exemption form, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this prospectus (including any amendment hereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory of these rights or consult with a legal advisor.

Pursuant to section 3A.3 of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the underwriters are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

Hong Kong

The ordinary shares may not be offered or sold in Hong Kong by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong), or the Companies (Winding Up and Miscellaneous Provisions) Ordinance, or which do not constitute an invitation to the public within the meaning of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong), or the Securities and Futures Ordinance, or (ii) to "professional investors" as defined in the Securities and Futures Ordinance and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance, and no advertisement, invitation or document relating to the ordinary shares may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to ordinary shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" in Hong Kong as defined in the Securities and Futures Ordinance and any rules made thereunder.

Singapore

This prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the ordinary shares may not be circulated or distributed, nor may the ordinary shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor (as defined under Section 4A of the Securities and Futures Act, Chapter 289 of Singapore, or the SFA) under Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA, in each case subject to conditions set forth in the SFA.

Where the ordinary shares are subscribed or purchased under Section 275 of the SFA by a relevant person which is a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor, the securities (as defined in Section 239(1) of the SFA) of that corporation shall not be transferable for 6 months after that corporation has acquired the ordinary shares under Section 275 of the SFA except: (1) to an institutional investor under Section 274 of the SFA or to a relevant person (as defined in Section 275(2) of the SFA), (2) where such transfer arises from an offer in that corporation's securities pursuant to Section 275(1A) of the SFA, (3) where no consideration is or will be given for the transfer, (4) where the transfer is by operation of law, (5) as specified in Section 276(7) of the SFA, or (6) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore, or Regulation 32.

Where the ordinary shares are subscribed or purchased under Section 275 of the SFA by a relevant person which is a trust (where the trustee is not an accredited investor (as defined in Section 4A of the SFA)) whose sole purpose is to hold investments and each beneficiary of the trust is an accredited investor, the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferable for 6 months after that trust has acquired the ordinary shares under Section 275 of the SFA except: (1) to an institutional investor under Section 274 of the SFA or to a relevant person (as defined in Section 275(2) of the SFA), (2) where such transfer arises from an offer that is made on terms that such rights or interest are acquired at a consideration of not less than S$200,000 (or its equivalent in a foreign currency) for each transaction (whether such amount is to be paid for in cash or by exchange of securities or other assets), (3) where no consideration is or will be given for the transfer, (4) where the transfer is by operation of law, (5) as specified in Section 276(7) of the SFA, or (6) as specified in Regulation 32.

Solely for the purposes of our obligations pursuant to Section 309B of the SFA, we have determined, and hereby notify all relevant persons (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018, or the CMP Regulations) that the ordinary shares are "prescribed capital markets products" (as defined in the CMP Regulations) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Japan

The securities have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended), or the FIEA. The securities may not be offered or sold, directly or indirectly, in Japan or to or for the benefit of any resident of Japan (including any person resident in Japan or any corporation or other entity organized under the laws of Japan) or to others for reoffering or resale, directly or indirectly, in Japan or to or for the benefit of any resident of Japan, except pursuant to an exemption from the registration requirements of the FIEA and otherwise in compliance with any relevant laws and regulations of Japan.

Switzerland

The ordinary shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange, or SIX or on any other stock exchange or regulated trading facility in Switzerland. This document has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the ordinary shares or the offering may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this document nor any other offering or marketing material relating to the offering, the Company, the ordinary shares have been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the offer of ordinary shares will not be supervised by, the Swiss Financial Market Supervisory Authority FINMA (FINMA), and the offer of ordinary shares has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes, or CISA. The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of ordinary shares.

Dubai International Financial Centre

This prospectus relates to an Exempt Offer in accordance with the Offered Securities Rules of the Dubai Financial Services Authority, or the DFSA. This prospectus is intended for distribution only to persons of a type specified in the Offered Securities Rules of the DFSA. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this prospectus nor taken steps to verify the information set forth herein and has no responsibility for the prospectus. The ordinary shares to which this prospectus relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the ordinary shares offered should conduct their own due diligence on the ordinary shares. If you do not understand the contents of this prospectus you should consult an authorized financial advisor.

Israel

This document does not constitute a prospectus under the Israeli Securities Law, 5728-1968, or the Securities Law, and has not been filed with or approved by the Israel Securities Authority. In Israel, this prospectus is being distributed only to, and is directed only at, and any offer of the ordinary shares is directed only at, (1) a limited number of persons in accordance with the Israeli Securities Law and, (2) investors listed in the first addendum, or the Addendum, to the Israeli Securities Law, consisting primarily of joint investment in trust funds, provident funds, insurance companies, banks, portfolio managers, investment advisors, members of the Tel Aviv Stock Exchange, underwriters, venture capital funds, entities with equity in excess of NIS 50 million, and “qualified individuals,” each as defined in the Addendum (as it may be amended from time to time), collectively referred to as qualified investors (in each case, purchasing for their own account or, where permitted under the Addendum, for the accounts of their clients who are investors listed in the Addendum). Qualified investors are required to submit written confirmation that they fall within the scope of the Addendum, are aware of its meaning and agree to it.

EXPENSES OF THE OFFERING

We estimate that our expenses in connection with this offering, other than underwriting discounts and commissions, will be as follows:

Expenses	Amount
SEC registration fee	$ 11,020
FINRA filing fee	15,500
Stock exchange listing fee	295,000
Transfer agent's fee	*
Printing and engraving expenses	*
Legal fees and expenses	*
Accounting fees and expenses	*
Miscellaneous costs	*
Total	$ *

* To be filed by amendment.

All amounts in the table are estimates except the SEC registration fee, the stock exchange listing fee and the FINRA filing fee. We will pay all of the expenses of this offering.

LEGAL MATTERS

The validity of our Class A ordinary shares and certain other matters of Israeli law will be passed upon for us by Herzog Fox & Neeman, Tel Aviv, Israel. Certain matters of U.S. federal law will be passed upon for us by Latham & Watkins LLP, New York, New York. Certain matters of Israeli law will be passed upon for the underwriters by Goldfarb Gross Seligman & Co., Tel Aviv, Israel. Certain matters of U.S. federal law will be passed upon for the underwriters by Davis Polk & Wardwell LLP, New York, New York.

EXPERTS

The consolidated financial statements of Oddity Tech Ltd. at December 31, 2022 and 2021, and for each of the two years in the period ended December 31, 2022, appearing in this Prospectus and Registration Statement have been audited by Kost, Forer, Gabbay and Kasierer, a member of Ernst & Young Global, independent registered public accounting firm, as set forth in their report thereon appearing elsewhere herein, and are included in reliance upon such report given on the authority of such firm as experts in accounting and auditing.

ENFORCEABILITY OF CIVIL LIABILITIES

We are incorporated under the laws of the State of Israel. Service of process upon us and upon our directors and officers and the Israeli experts named in this prospectus, substantially all of whom reside outside the United States, may be difficult to obtain within the United States. Furthermore, because substantially all of our assets and substantially all of our directors and officers are located outside the United States, any judgment obtained in the United States against us or any of our directors and officers may not be collectible within the United States.

We have irrevocably appointed ODDITY Tech US Inc. as our agent to receive service of process in any action against us in any U.S. federal or state court arising out of this offering or any purchase or sale of securities in connection with this offering. The address of our agent is 110 Greene Street, New York, New York 10012.

We have been informed by our legal counsel in Israel, Herzog Fox & Neeman, that it may be difficult to initiate an action with respect to U.S. securities laws claims in original actions instituted in Israel. Israeli courts may refuse to hear a claim based on an alleged violation of U.S. securities laws reasoning that Israel is not the most appropriate forum to hear such a claim. In addition, even if an Israeli court agrees to hear a claim, it may determine that Israeli law and not U.S. law is applicable to the claim. If U.S. law is found to be applicable, the content of applicable U.S. law must be proved as a fact by expert witnesses which can be a time-consuming and costly process. Certain matters of procedure may also be governed by Israeli law.

Subject to certain time limitations and legal procedures, Israeli courts may enforce a U.S. judgment in a civil matter which, subject to certain exceptions, is non-appealable, including judgments based upon the civil liability provisions of the Securities Act and the Exchange Act, and including a monetary or compensatory judgment in a non-civil matter, provided that, among other things:

- the judgment was rendered after due process by a court which was, according to the laws of the state of the court, competent to render the judgment;
- the obligation imposed by the judgment is enforceable according to the law of the state in which the relief was granted and according to the rules relating to the enforceability of judgments in Israel;
- the substance of the judgment is not contrary to public policy of Israel; and
- the judgment is executory in the state in which it was given.

Even if these conditions are met, an Israeli court may not declare a foreign civil judgment enforceable if:

- the judgment was given in a state whose laws do not provide for the enforcement of judgments of Israeli courts (subject to exceptional cases);
- the enforcement of the judgment is likely to prejudice the sovereignty or security of the State of Israel;
- the judgment was obtained by fraud;
- the opportunity given to the defendant to bring its arguments and evidence before the court was not reasonable in the opinion of the Israeli court;
- the judgment was rendered by a court not competent to render it according to the laws of private international law as they apply in Israel;
- the judgment is contradictory to another judgment that was given in the same matter between the same parties and that is still valid; or
- at the time the action was brought in the foreign court, a lawsuit in the same matter and between the same parties was pending before a court or tribunal in Israel.

If a foreign judgment is enforced by an Israeli court, it generally will be payable in Israeli currency, which can then be converted into non-Israeli currency and transferred out of Israel. The usual practice

in an action before an Israeli court to recover an amount in a non-Israeli currency is for the Israeli court to issue a judgment for the equivalent amount in Israeli currency at the rate of exchange in force on the date of the judgment, but the judgment debtor may make payment in foreign currency. Pending collection, the amount of the judgment of an Israeli court stated in Israeli currency ordinarily will be linked to the Israeli consumer price index plus interest at the annual statutory rate set by Israeli regulations prevailing at the time. Judgment creditors must bear the risk of unfavorable exchange rates. The trend in recent years has increasingly been for Israeli courts to enforce a foreign judgment in the foreign currency specified in the judgment, in which case there are also applicable rules regarding the payment of interest.

WHERE YOU CAN FIND ADDITIONAL INFORMATION

We have filed with the SEC a registration statement (including amendments and exhibits to the registration statement) on Form F-1 under the Securities Act with respect to the Class A ordinary shares offered hereby. This prospectus, which is part of the registration statement, does not contain all of the information set forth in the registration statement and the exhibits and schedules thereto. The rules and regulations of the SEC allow us to omit certain information from this prospectus that is included in the registration statement and the exhibits and schedules to the registration statement. For further information, we refer you to the registration statement and the exhibits and schedules filed as part of the registration statement.

Statements contained in this prospectus as to the contents of any contract, agreement, or other document are not necessarily complete descriptions of all terms of these documents. If a document has been filed as an exhibit to the registration statement, we refer you to the copy of the document that has been filed for a complete description of its terms. Each statement in this prospectus relating to a document filed as an exhibit is qualified in all respects by the filed exhibit. You should read this prospectus and the documents that we have filed as exhibits to the registration statement of which this prospectus is a part completely.

Upon the closing of this offering, we will become subject to the informational requirements of the Exchange Act applicable to foreign private issuers. Accordingly, we will be required to file reports and other information with the SEC, including annual reports on Form 20-F and reports on Form 6-K. The SEC maintains an internet website that contains reports and other information about issuers, like us, that file electronically with the SEC. The address of that website is www.sec.gov. We also maintain a website at https://oddity.com, at which, following the completion of this offering, you may access these materials free of charge as soon as reasonably practicable after they are electronically filed with, or furnished to, the SEC. Information contained on, or that can be accessed through, our website does not constitute part of this prospectus, and the inclusion of our website address in this prospectus is an inactive textual reference only.

As a foreign private issuer, we are exempt under the Exchange Act from, among other things, the rules prescribing the furnishing and content of proxy statements, and our officers, directors, and principal shareholders are exempt from the reporting and short-swing profit recovery provisions contained in Section 16 of the Exchange Act with respect to their purchase and sale of our Class A ordinary shares. In addition, we will not be required under the Exchange Act to file periodic reports and financial statements with the SEC as frequently or as promptly as U.S. companies whose securities are registered under the Exchange Act.

We will send our transfer agent a copy of all notices of shareholders' meetings and other reports, communications, and information that are made generally available to shareholders. The transfer agent has agreed to mail to all shareholders a notice containing the information (or a summary of the information) contained in any notice of a meeting of our shareholders received by the transfer agent and will make available to all shareholders such notices and all such other reports and communications received by the transfer agent.

ODDITY TECH LTD. AND ITS SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS

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AS OF DECEMBER 31, 2022

AS OF MARCH 31, 2023 (UNAUDITED)

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and Board of Directors of

ODDITY TECH LTD.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Oddity Tech Ltd. and its subsidiaries (the "Company") as of December 31, 2022 and 2021, the related consolidated statements of income, statements of redeemable A shares and changes in shareholders' equity and cash flows for each of the two years in the period ended December 31, 2022, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2022 and 2021, and the results of its operations and its cash flows for each of the two years in the period ended December 31, 2022, in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ KOST FORER GABBAY & KASIERER
A Member of Ernst & Young Global

We have served as the Company's auditor since 2019.
Tel-Aviv, Israel
May 1, 2023

ODDITY TECH LTD. AND ITS SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
U.S. dollar in thousands

	December 31,	
	2022	2021
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 40,955	$ 28,827
Short-term deposits	18,000	—
Trade receivables	7,576	5,141
Inventory	70,230	51,457
Prepaid expenses and other current assets	9,172	7,273
Total current assets	145,933	92,698
LONG-TERM ASSETS:		
Property, plant and equipment, net	9,468	9,656
Deferred tax asset, net	2,334	1,003
Intangible assets, net	26,800	21,663
Goodwill	16,237	16,237
Operating lease right-of-use assets	13,278	—
Other assets	2,358	1,713
Total long-term assets	70,475	50,272
Total assets	$ 216,408	$ 142,970

The accompanying notes are an integral part of the consolidated financial statements.

ODDITY TECH LTD. AND ITS SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
U.S. dollar in thousands (except share and per share data)

	December 31,	
	2022	2021
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Trade payables	$ 44,807	$ 37,019
Other accounts payable and accrued expenses	37,792	14,119
Short-term debt and current maturities of long-term debt	3,917	4,430
Current maturities of operating lease liabilities	3,890	—
Total current liabilities	90,406	55,568
LONG-TERM LIABILITIES:		
Operating lease liabilities, non-current	8,076	—
Digital securities liability	648	
Other long-term liabilities	6,298	6,478
Total liabilities	105,428	62,046
COMMITMENTS AND CONTINGENCIES (Note 9)		
Redeemable A shares of NIS 0.001 par value each – Authorized: 2,000,000 shares at December 31, 2022 and 2021; Issued and outstanding: 63,904 shares at December 31, 2022 and 2021(**)	12,275	12,275
SHAREHOLDERS' EQUITY:(**)		
Class A ordinary shares of NIS 0.001 par value each – Authorized: 10,000,000 shares at December 31, 2022 and 2021; Issued and outstanding: 2,493,153 and 1,697,311 shares at December 31, 2022 and 2021, respectively	—(*)	—(*)
Class B ordinary shares of NIS 0.001 par value each – Authorized: 2,000,000 shares at December 31, 2022 and 2021; Issued and outstanding: 910,792 and 1,697,311 shares at December 31, 2022 and 2021, respectively	—(*)	—(*)
Additional paid-in capital	53,723	45,395
Cumulative translation adjustments	1,738	1,738
Retained earnings	43,244	21,516
Total shareholders' equity	98,705	68,649
Total liabilities and shareholders' equity	$ 216,408	$ 142,970

(*) Represents an amount lower than $1.

(**) Adjusted for the issuance of Class B ordinary shares and additional Redeemable A shares (see Note 11).

The accompanying notes are an integral part of the consolidated financial statements.

ODDITY TECH LTD. AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME
U.S. dollar in thousands (except share and per share data)

	Year Ended December 31,	
	2022	2021
Net revenue	$ 324,520	$ 222,555
Cost of revenue	106,470	69,374
Gross profit	218,050	153,181
Selling, general and administrative	190,385	133,669
Operating income	27,665	19,512
Financial expenses (income), net	(1,247)	877
Income before taxes on income	28,912	18,635
Taxes on income	7,184	4,715
Net income	$ 21,728	$ 13,920
Basic earnings per share of Class A and Class B ordinary share and Redeemable A share	$ 6.27	$ 4.07
Diluted earnings per share of Class A and Class B ordinary share and Redeemable A share	$ 5.94	$ 4.01

The accompanying notes are an integral part of the consolidated financial statements.

ODDITY TECH LTD. AND ITS SUBSIDIARIES

STATEMENTS OF REDEEMABLE A SHARES AND CHANGES IN SHAREHOLDERS' EQUITY
U.S. dollars in thousands (except share and per share data)

	Redeemable A shares(**)		Class A ordinary shares(**)		Class B ordinary shares(**)		Additional paid-in capital	Retained earnings	Cumulative translation adjustments	Total shareholders' equity
	Shares	Amount	Shares	Amount	Shares	Amount				
Balance as of January 1, 2021	—	$ —	1,697,200	$ —(*)	1,697,200	$ —(*)	$ 43,015	$ 7,596	$ 1,738	$ 52,349
Issuance of Redeemable A shares	63,904	12,275	—	—	—	—	—	—	—	—
Share based compensation	—	—	—	—	—	—	2,380	—	—	2,380
Vesting of RSUs	—	—	111	—(*)	111	—(*)	—	—	—	—
Net income	—	—	—	—	—	—(*)	—	13,920	—	13,920
Balance as of December 31, 2021	63,904	12,275	1,697,311	—(*)	1,697,311	—(*)	45,395	21,516	1,738	68,649
Share conversion	—		790,239	—(*)	(790,239)	—(*)	—	—	—	
Share based compensation	—	—	—	—	—	—	8,253	—	—	8,253
Exercise of options and vesting of RSUs	—	—	5,603	—(*)	3,720	—(*)	75	—	—	75
Net income	—	—	—	—	—	—	—	21,728	—	21,728
Balance as of December 31, 2022	63,904	$ 12,275	2,493,153	—(*)	910,792	—(*)	$ 53,723	$ 43,244	$ 1,738	$ 98,705

(*) Represents an amount lower than $1.

(**) Adjusted for the issuance of Class B and additional Redeemable A shares (see Note 11).

The accompanying notes are an integral part of the consolidated financial statements.

ODDITY TECH LTD. AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
U.S. dollars in thousands

	Year Ended December 31,	
	2022	2021
Cash flows from operating activities:		
Net income	$ 21,728	$ 13,920
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	4,408	4,006
Share-based compensation	6,697	2,107
Deferred income taxes	(1,515)	(903)
Increase in trade receivable	(2,435)	(588)
Increase in prepaid expenses and other receivables	(1,802)	(1,306)
Increase in inventory	(18,773)	(35,732)
Increase in trade payables	7,788	21,087
Increase in other accounts payable and accrued expenses	23,651	7,103
Change in operating lease right-of-use assets	5,009	—
Change in operating lease liability	(6,321)	—
Other	597	530
Net cash provided by operating activities	39,032	10,224
Cash flows from investing activities:		
Purchase of property, plant and equipment	(2,347)	(2,371)
Capitalization of software development costs	(5,051)	(3,354)
Purchase of other intangible assets	(382)	(1,020)
Loan to shareholder	—	(3,000)
Repayment of loan to shareholder	—	3,000
Investment in short term deposits	(18,000)	—
Acquisition of a business, net of cash acquired	—	(11,787)
Other	—	(250)
Net cash used in investing activities	(25,780)	(18,782)
Cash flows from financing activities:		
Repayment of loans and borrowings	(362)	(318)
Deferred issuance costs	(607)	—
Proceeds from issuance of digital securities	648	—
Proceeds from exercise of options	75	—
Net cash used in financing activities	(246)	(318)
Effect of exchange rate fluctuations on cash and cash equivalents	(781)	(359)
Net increase (decrease) in cash, cash equivalents and restricted cash	12,225	(9,235)
Cash, cash equivalents and restricted cash at the beginning of the year	30,889	40,124
Cash, cash equivalents and restricted cash at the end of the year	$ 43,114	$ 30,889
Components of cash, cash equivalents, and restricted cash:		
Cash and cash equivalents	$ 40,955	$ 28,827
Restricted cash included within prepaid expenses and other current assets	2,159	2,062
Total cash, cash equivalents and restricted cash	$ 43,114	$ 30,889
Supplemental disclosure of cash flow information:		
Cash paid during the year for interest	$ (210)	$ (168)
Cash paid during the year for income tax	$ (1,945)	$ (696)
Supplemental disclosures of non-cash investing and financing activities:		
Issuance of Redeemable A shares in connection with an acquisition of a business (see Note 3)	$ —	$ 12,275
Non-cash compensation capitalized as part of capitalization of software development costs	$ 1,577	$ 397
Lease liabilities arising from obtaining right-of-use assets	$ 1,079	$ —

The accompanying notes are an integral part of the consolidated financial statements.

ODDITY TECH LTD. AND ITS SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands (except share and per share data)

NOTE 1: — GENERAL

Oddity Tech Ltd., an Israeli corporation, together with its subsidiaries (the "Company") is a consumer-tech company which builds and scales digital-first brands designed to disrupt the offline-dominated beauty and wellness industries. The Company leverages data science, machine learning and computer vision capabilities to identify consumer needs and develop solutions in the form of beauty, wellness and tech products.

NOTE 2: — SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States ("U.S. GAAP").

a. Basis of presentation and principles of consolidation:

These consolidated financial statements have been prepared in accordance with U.S. GAAP as set forth in the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC"). The consolidated financial statements include accounts of the Company's wholly owned subsidiaries in which the Company controls. All intercompany account balances and transactions are eliminated upon consolidation.

b. Use of estimates:

The preparation of the consolidated financial statements in conformity with U.S. GAAP requires management to make estimates, judgments and assumptions. The Company's management believes that the estimates, judgments and assumptions used are reasonable based upon information available at the time they were made.

These estimates, judgments and assumptions can affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities as of the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

c. Financial statements in U.S. dollars:

The functional currency for the Company and its subsidiaries is determined based on the primary economic environment in which the companies operate that is U.S. dollar (the "functional currency").

Accordingly, transactions denominated in currencies other than the functional currency are re-measured to the functional currency in accordance with ASC No. 830, "Foreign Currency Matters". All transaction gains and losses from the re-measured monetary balance sheet items are reflected in the statements of income as financial income or expenses, as appropriate.

d. Cash equivalents:

Cash equivalents are short-term unrestricted highly liquid investments that are readily convertible into cash, with original maturities of three months or less at the date of deposit.

e. Restricted cash:

Restricted cash consists of deposits used as security for credit facility, credit cards and lease agreements. As of December 31, 2022 and 2021, restricted cash amounted to $2,159 and $2,062, respectively, and is included within prepaid expenses and other current assets.

ODDITY TECH LTD. AND ITS SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands (except share and per share data)

NOTE 2: — SIGNIFICANT ACCOUNTING POLICIES (Continued)

f. Short-term bank deposits:

Short term bank deposits are deposits with an original maturity of more than three months but less than one year from the date of acquisition. Accrued interest in deposits is classified as other current assets. As of December 31, 2022, the Company's bank deposits were denominated in U.S. dollars and bore interest at weighted-average interest rates of 5.1%.

g. Digital securities

The Company accounts for securities issued as either equity-classified or liability-classified instruments based on an assessment of the digital securities specific terms and applicable authoritative guidance. The assessment considers whether the digital securities are freestanding financial instruments, meeting the definition of a liability under ASC 480, "Distinguishing Liabilities from Equity" or meeting all the requirements for equity classification, including whether the digital securities are indexed to the Company's stock and whether the digital securities holders could potentially require "net cash settlement" in a circumstance outside of the Company's control, among other conditions for equity classification under ASC 815-40. This assessment, which requires the use of professional judgment, is conducted at the time of issuance and as of each subsequent reporting period end. Digital securities that meet all the criteria for equity classification, are required to be recorded as a component of additional paid-in capital. Digital securities that do not meet all the criteria for equity classification, are required to be recorded as liabilities at their initial fair value on the date of issuance and remeasured to fair value at each balance sheet date thereafter.

As of December 31, 2022, all the outstanding digital securities (see Note 16) were classified as liabilities. The liability-classified digital securities are recorded under other long-term liabilities on the consolidated balance sheet. Changes in the estimated fair value of the digital securities are recognized in "Financial expenses (income), net" in the consolidated statements of income. Digital securities are classified within Level 3 as the valuation inputs are based on unobservable inputs. Changes in fair value were immaterial during 2022.

h. Inventory:

Inventory costs include costs incurred to bring inventory to its current condition, including materials, manufacturing costs, inbound freight, duties and other costs. The Company values its inventory at cost, using an average costing method. Net realizable value is estimated based upon assumptions made about future demand, market conditions and the age of the inventory. If the Company determines that the estimated net realizable value of its inventory is less than the carrying value of such inventory, a charge to cost of revenue is recorded to reflect the lower of cost or net realizable value. If actual market conditions are less favorable than those projected by the Company, further adjustments may be required that would increase the cost of revenue in the period in which such a determination was made.

i. Property, plant and equipment:

Property, plant and equipment are stated at cost, net of accumulated depreciation. When assets are retired or otherwise disposed of, the cost and accumulated depreciation are removed from the accounts and any resulting gain or loss is reflected in the consolidated statements of income in the period realized. Maintenance and repairs are expensed as incurred.

ODDITY TECH LTD. AND ITS SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands (except share and per share data)

NOTE 2: — SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, plant and equipment items are depreciated on a straight-line basis over the estimated useful lives of the assets, as follows:

	Years
Computers and electronic equipment	3
Office furniture and equipment	7 – 15
Molds and others	7
Leasehold improvements	Shorter of lease term or estimated useful life

j. Impairment of long-lived assets and intangible assets subject to amortization, including right-of-use ("ROU") lease asset:

Long-lived assets held and used by the Company are reviewed for impairment in accordance with ASC 360, "Property, Plant and Equipment" whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to the future undiscounted cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment is measured as the amount of which the carrying amount of the assets exceeds the fair value of the assets. During the years ended December 31, 2022 and 2021, no impairment was identified.

k. Business combination:

The Company applies the provisions of ASC 805, "Business Combination" and allocates the fair value of purchase consideration to the tangible assets acquired, liabilities assumed and intangible assets acquired based on their estimated fair values. The excess of the fair value of purchase consideration over the fair values of these identifiable assets and liabilities is recorded as goodwill.

When determining the fair values of assets acquired and liabilities assumed, management makes significant estimates and assumptions, especially with respect to intangible assets. Significant estimates in valuing certain intangible assets include but are not limited to future expected cash flows from acquired technology from a market participant perspective, useful lives and discount rates. Management's estimates of fair value are based upon assumptions believed to be reasonable, but which are inherently uncertain and unpredictable and, as a result, actual results may differ from estimates. Acquisition-related expenses are recognized separately from the business combination and are expensed as incurred (see also Note 3).

l. Goodwill:

Goodwill reflects the excess of the consideration transferred, including the fair value of any contingent consideration, over the assigned fair values of the identifiable net assets acquired at the acquisition date. Goodwill is not amortized, and is tested for impairment at least on an annual basis. The Company operates as one reporting unit. The Company tests goodwill for impairment annually in the fourth quarter and whenever events or changes in circumstances indicate the carrying amount of goodwill may not be recoverable. When testing goodwill for impairment, the Company may first perform a qualitative assessment. If the Company determines it is not more likely than not that the reporting unit's fair value is less than its carrying amount, then no further analysis is necessary. If the Company determines that it is more likely than not that the reporting unit's fair is less than its carrying amount, then the quantitative impairment test will be performed. The Company may elect to bypass the qualitative assessment and proceed directly to performing a quantitative analysis. Under the quantitative

ODDITY TECH LTD. AND ITS SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands (except share and per share data)

NOTE 2: — SIGNIFICANT ACCOUNTING POLICIES (Continued)

impairment test, if the carrying amount of the Company's reporting unit exceeds its fair value, the Company will recognize an impairment loss in an amount equal to that excess but limited to the total amount of goodwill.

During the years ended December 31, 2022 and 2021, no impairment of goodwill has been identified.

m. Internal use software costs:

The Company capitalizes certain costs associated with the development of its website and its proprietary technology after the preliminary project stage is complete and until the software is ready for its intended use. Costs incurred during the preliminary project stage or costs incurred for data conversion activities, training, maintenance, and general and administrative or overhead costs are expensed as incurred. Capitalization begins when the preliminary project stage is complete, management authorizes and commits to the funding of the software project with the required authority, it is probable the project will be completed, the software will be used to perform the functions intended and certain functional and quality standards have been met.

Qualified costs incurred during the operating stage of the Company's software applications relating to upgrades and enhancements are capitalized to the extent it is probable that they will result in added functionality, while costs that cannot be separated between maintenance and minor upgrades and enhancements to websites and internal use software are expensed as incurred. Capitalized website and software development costs are amortized on a straight-line basis over their estimated useful life beginning with the time when it is ready for intended use. Amortization expenses are included under selling, general and administrative expenses in the consolidated statements of income. Management evaluates the useful lives of these assets on an annual basis and tests for impairment whenever events or changes in circumstances occur that could impact the recoverability of these assets.

During the years ended December 31, 2022 and 2021, the Company capitalized $6,628 and $3,751 of website and software development costs, respectively.

n. Intangible assets:

Intangible assets are amortized over their estimated useful lives using the straight-line method, at the following annual periods ranges:

	Years
Internal-used software	3 – 5
Technology	3 – 6
Other intangibles	5 – 10

o. Concentration of credit risk:

The Company is subject to certain risks, including exposure to risks associated with online commerce environment, credit card fraud, as well as the interpretation of state and local laws and regulations in regards to the collection and remittance of sales and use taxes. The Company does not have significant vendor concentrations.

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash and cash equivalents, restricted cash, short-term deposits, and trade receivables.

The Company's cash and cash equivalents, restricted cash and short-term bank deposits are invested in major banks in the United States and Israel. The Company is exposed to credit risk in the

ODDITY TECH LTD. AND ITS SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands (except share and per share data)

NOTE 2: — SIGNIFICANT ACCOUNTING POLICIES (Continued)

event of default by the financial institutions to the extent of the amounts recorded on the accompanying consolidated balance sheets exceed federally insured limits. The Company places its cash and cash equivalents, restricted cash and short-term deposits with financial institutions with high-quality credit ratings and has not experienced any losses in such accounts.

The Company's trade receivables are derived mainly from sales to customers in the United States, Canada, UK, Europe, Australia and Israel. The Company's sales are primarily based on credit card transactions and therefore bear minimal credit risk.

The Company performs ongoing credit evaluations of its customers and records allowance for doubtful accounts to the extent that the amount is not collectible. For each of the years ended December 31, 2022 and 2021 there was no individual customer that accounted for 10% or more of the Company's revenue.

p. Severance pay:

Israeli parent:

Severance liability is calculated (pursuant to Israeli severance pay law for all Israeli employees), based on the most recent salary of each employee multiplied by the number of years of employment as of the balance sheet date.

The Company makes monthly deposits with certain insurance companies and pension funds on behalf of each employee. The value of these deposits was recorded as an asset in the Company's balance sheet. The deposited funds made for those employees include profits accumulated up to the balance sheet date. The deposited funds could be withdrawn only upon the fulfillment of the obligation pursuant to Israel's Severance Pay Law or labor agreements. The value of the deposited funds was based on the cash surrendered value of these deposits and include profits.

The Company's liability for severance pay is partially covered by the provisions of Section 14 of the Severance Pay Law ("Section 14"). Under Section 14 employees are entitled to monthly deposits, at a rate of 8.33% of their monthly salary, deposited on their behalf to their insurance funds. Payments in accordance with Section 14 release the Company from any future severance payments in respect of those employees. As a result, the Company does not recognize any liability for severance pay due to these employees and the deposits under Section 14 are not recorded as an asset in the Company's consolidated balance sheets.

During the years ended December 31, 2022 and 2021, severance expenses were $959 and $647, respectively.

q. Defined benefit plan:

U.S. subsidiary:

The U.S. subsidiary has a defined benefit plan (the "Benefit Plan") under the provisions of Section 401(k) of the Internal Revenue Code (the "Code"), which covers eligible U.S. employees as they are defined in the Benefit Plan. Participants may elect to contribute up to a maximum amount as prescribed by the Code. The U.S. subsidiary, at its discretion, makes matching contribution of up to 4% of the participant's compensation. During the years ended December 31, 2022 and 2021, the expenses were immaterial.

ODDITY TECH LTD. AND ITS SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands (except share and per share data)

NOTE 2: — SIGNIFICANT ACCOUNTING POLICIES (Continued)

r. Fair value of financial instruments:

Fair value is defined as the amount that would be received for selling an asset or paid to transfer a liability in an orderly transaction between market participants and requires that assets and liabilities carried at fair value are classified and disclosed in the following three categories:

Level 1 — Unadjusted quoted prices in active markets for identical assets or liabilities accessible to the reporting entity at measurement date.

Level 2 — Other than quoted prices included in Level 1 inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 — Unobservable inputs for the asset or liability used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at measurement date.

The carrying amounts of cash and cash equivalents, restricted cash, short-term bank deposits, trade receivables, prepaid expenses and other current assets, trade payables and other accounts payables approximate their fair value due to the short-term maturity of such instruments.

s. Income taxes:

The Company accounts for income taxes in accordance with ASC 740, “Income Taxes” (“ASC 740”). ASC 740 prescribes the use of the liability method whereby deferred tax assets and liabilities are recognized for the future tax consequences attributable to the differences between the financial statements carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using the enacted tax rates and laws that will be in effect when the differences are expected to reverse. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. The Company provides a valuation allowance, if necessary, to reduce deferred tax assets to their estimated realizable value, if it is more likely than not that a portion or all of the deferred tax assets will not be realized.

The Company accounts for uncertain tax positions in accordance with ASC 740-10. ASC 740-10 contains a two-step approach to recognizing and measuring uncertain tax positions. The first step is to evaluate the tax position taken or expected to be taken in a tax return by determining if the weight of available evidence indicates that it is more likely than not that, on an evaluation of the technical merits, the tax position will be sustained on audit, including resolution of any related appeals or litigation processes. The second step is to measure the tax benefit as the largest amount that is more than 50% (cumulative probability) likely to be realized upon ultimate settlement.

The Company establishes reserves for uncertain tax positions based on the evaluation of whether or not the Company’s uncertain tax position is “more likely than not” to be sustained upon examination. The Company records interest and penalties pertaining to its uncertain tax positions in the financial statements as income tax expense.

t. Revenue recognition:

The Company recognizes revenue in accordance with ASC No. 606, “Revenue from Contracts with Customers” (“ASC 606”). Under ASC 606, the Company recognizes revenue when its customers obtain control of promised goods or services in an amount that reflects the consideration that the Company expects to receive in exchange for those goods or services. The Company determines revenue recognition through the following steps:

ODDITY TECH LTD. AND ITS SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands (except share and per share data)

NOTE 2: — SIGNIFICANT ACCOUNTING POLICIES (Continued)

1. Identification of the contract, or contracts, with a customer;
2. Identification of the performance obligations in the contract;
3. Determination of the transaction price;
4. Allocation of the transaction price to the performance obligations in the contract; and
5. Recognition of revenue when, or as, the performance obligations are satisfied.

The Company derives its revenue primarily from the sale of beauty and wellness products through its online direct-to-consumer model based on its proprietary technology. Revenue is recognized when the control of the products is transferred to the customer, which is when the products are shipped to the customer. The Company also offers a “Try Before You Buy” program, which allows some of its customers to order certain products and pay for the products after the trial period ends. Under ASC 606 the Company recognizes revenue for orders placed under the program when the trial period lapses.

The Company recognizes revenue in an amount that reflects the consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer. Sales and other taxes the Company collects concurrent with revenue-producing activities are excluded from revenue. Shipping fees charged to customers are reported within revenue.

The Company accounts for shipping and handling costs as fulfillment costs which are classified as part of cost of revenue.

The Company records a reserve for estimated product returns in each reporting period. This reserve is calculated using historical return trends and is recorded within other accounts payable and accrued expenses. Any difference between the actual returns and previous estimates is adjusted in the period in which such returns occur. The sales refund reserve as of December 31, 2022 and 2021, was immaterial.

For the years ended December 31, 2022 and 2021, the Company recognized $1,638 and $1,615 of revenue that was deferred as of December 31, 2021 and 2020, respectively. Deferred revenue as of December 31, 2022 amounted to $4,488 and is expected to be recognized when the performance obligation is satisfied.

u. Cost of revenue:

Cost of revenue consists principally of the costs to procure the Company's products, including the amounts invoiced by third-party contract manufacturers and suppliers for inventory, as well as inbound and outbound shipping costs, duties and other related costs and inventory write-offs. Cost of revenue also include third-party fulfillment costs, warehousing, depreciation and amortization and packaging costs.

v. Operating expenses:

Selling, general and administrative expenses:

Selling, general and administrative expenses primarily consist of marketing and advertising expenses, employee-related costs including salaries, benefits and share-based compensation, rents, software and product research and development costs, depreciation and amortization expense, professional fees, payment processing fees and other general expenses.

Advertising costs are expensed as incurred and were $92,048 and $63,771 for the years ended December 31, 2022 and 2021, respectively.

ODDITY TECH LTD. AND ITS SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands (except share and per share data)

NOTE 2: — SIGNIFICANT ACCOUNTING POLICIES (Continued)

w. Accounting for share-based compensation:

The Company accounts for share-based compensation in accordance with ASC No. 718, "Compensation — Stock Compensation" ("ASC 718") that requires companies to estimate the fair value of equity-based payment awards on the date of grant using an option-pricing model. The Company recognizes compensation expenses for the value of its awards granted based on the straight-line attribution method over the requisite service period of each of the awards. The Company recognizes forfeitures of awards as they occur.

The Company selected the Black-Scholes option-pricing model as the fair value method for its options awards. The option-pricing model requires a number of assumptions as noted below:

Expected dividend yield — The expected dividend yield assumption is based on the Company's historical experience and expectation of no future dividend payouts. The Company has historically not paid cash dividends and has no foreseeable plans to pay cash dividends in the future.

Expected volatility — Since the Company is not traded on any stock exchange, quoted prices of the Company's shares are unavailable. According to ASC 718, due to insufficient or no historical data for the Company, the expected volatility determination was based on comparable companies' share volatility.

Risk free interest rate — The risk-free interest rate is based on the yield of U.S. Treasury bonds with equivalent terms.

Expected term — The period that the Company's options are expected to be outstanding was determined based on the simplified method permitted by Staff Accounting Bulletin No. 110 as the average of the vesting period and the contractual term of those options.

Fair value of ordinary shares — As the Company's ordinary shares are not publicly traded, the Company estimates the fair value of its ordinary shares based on contemporaneous valuations and other factors deemed relevant by management.

x. Basic and diluted earnings per share:

The Company computes earnings per share of Class A and Class B ordinary shares and Redeemable A shares using the two-class method. Basic earnings per share is computed using the weighted-average number of shares outstanding during the period. Diluted earnings per share is computed using the weighted-average number of shares and the effect of potentially dilutive securities outstanding during the period. Potentially dilutive securities consist of share-based compensation awards. The dilutive effect of share-based compensation awards is reflected in diluted earnings per share by application of the treasury stock method.

The distribution rights of Class A and Class B ordinary shares and Redeemable A shares are identical. The Redeemable A shares are contingently convertible (see Note 11), the conversion conditions have not been met as of December 31, 2022 and 2021, and the Redeemable A shares carrying amount exceeds the redemption value. As a result, the undistributed earnings are allocated based on the contractual participation rights of the Class A and Class B ordinary shares and Redeemable A shares as if the earnings for the year had been distributed. As the dividend rights are identical, the undistributed earnings are allocated on a proportionate basis.

y. Operating segments:

Operating segments are defined as components of an entity for which separate financial information is available and that is regularly reviewed by the Chief Operating Decision Maker ("CODM") in deciding

ODDITY TECH LTD. AND ITS SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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NOTE 2: — SIGNIFICANT ACCOUNTING POLICIES (Continued)

how to make operating decisions, allocate resources to an individual segment and in assessing performance. The Company's CODM is its Chief Executive Officer. The Company operates in one operating segment and this segment comprises the only reporting unit.

z. Leases

On January 1, 2022, the Company adopted Accounting Standards Update ("ASU") No. 2016-02, Leases ("Topic 842") using the modified retrospective transition approach by applying the new standard to all leases existing at the date of initial application. Results and disclosure requirements for reporting periods beginning after January 1, 2022 are presented under Topic 842, while prior period amounts have not been adjusted and continue to be reported in accordance with the historical accounting requirements under Topic 840.

The Company elected the package of practical expedients permitted under the transition guidance, which allowed it to carryforward the historical lease classification, the assessment on whether a contract was or contains a lease, and the initial direct costs for any leases that existed prior to January 1, 2022.

Leases are classified as either finance leases or operating leases. A lease is classified as a finance lease if any one of the following criteria are met: the lease transfers ownership of the asset by the end of the lease term, the lease contains an option to purchase the asset that is reasonably certain to be exercised, the lease term is for a major part of the remaining useful life of the asset, the present value of the lease payments equals or exceeds substantially all of the fair value of the asset, or the underlying asset is of such a specialized nature that it is expected to have no alternative use to the lessor at the end of lease term.

A lease is classified as an operating lease if it does not meet any one of these criteria. Since all the Company's lease contracts do not meet any of the criteria above, the Company concluded that all its lease contracts should be classified as operating leases.

Under Topic 842, the Company determined if an arrangement is a lease at inception. ROU assets and lease liabilities are recognized at commencement date based on the present value of remaining lease payments over the lease term. For this purpose, the Company considered only payments that are fixed and determinable at the time of commencement. As most of the Company's leases do not provide an implicit rate, the Company used its incremental borrowing rate based on the information available at commencement date in determining the present value of lease payments. The ROU asset also includes any lease payments made prior to commencement and is recorded net of any lease incentives received. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the Company will exercise such options. Variable lease costs are expensed as incurred on the consolidated statements of income.

Operating leases are included in operating lease ROU assets, current maturities of operating lease liabilities, and operating lease liabilities, non-current on the consolidated balance sheets.

aa. Recently issued and recently adopted accounting pronouncements:

As an "emerging growth company", the Jumpstart Our Business Startups Act ("JOBS Act") allows the Company to delay adoption of new or revised accounting pronouncements applicable to public companies until such pronouncements are made applicable to private companies. The Company has elected to use this extended transition period under the JOBS Act and as a result of this election, the financial statements may not be comparable to companies that comply with public company effective dates. The adoption dates discussed below reflect this election.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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NOTE 2: — SIGNIFICANT ACCOUNTING POLICIES (Continued)

On January 1, 2022, the Company adopted Topic 842, which supersedes the lease accounting guidance under Topic 840, and generally requires lessees to recognize operating and financing lease liabilities and corresponding ROU assets on the balance sheet and to provide enhanced disclosures surrounding the amount, timing and uncertainty of cash flows arising from leasing arrangements. The Company adopted the new guidance using the modified retrospective transition approach by applying the new standard to all leases existing on the date of initial application and not restating comparative periods. The most significant impact was the recognition of total ROU assets and corresponding liabilities of $17,208 on the consolidated balance sheets. The ROU assets include adjustments for prepayments and accrued lease payments. The adoption did not impact the beginning balance of retained earnings, or prior year consolidated statements of income and statements of cash flows.

In June 2016, the FASB issued ASU No. 2016-13, Financial Instruments — Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments (“ASU 2016-13”), which replaces the existing incurred loss impairment model with an expected credit loss model and requires a financial asset measured at amortized cost to be presented at the net amount expected to be collected. The guidance will be effective for the Company beginning January 1, 2023. ASU 2016-13 is not expected to have a material impact on the Company’s consolidated financial statements.

In October 2021, the FASB issued ASU 2021-08, Business Combinations (Topic 805): Accounting for Contract Assets and Contract Liabilities from Contracts with Customers (ASU 2021-08”). ASU 2021-08 requires an acquirer in a business combination to recognize and measure contract assets and contract liabilities acquired in a business combination in accordance with ASC 606, Revenue from Contracts with Customers, as if it had originated the contracts. The standard is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2023. ASU 2021-08 is not expected to have a material impact on the Company’s consolidated financial statements.

NOTE 3: — ACQUISITIONS

On July 9, 2021, the Company entered into a share purchase agreement with the shareholders of Voyage81 Ltd. (“Voyage81”), a developer of computer vision solutions which recover hyperspectral information from existing cameras, providing a unique and low-cost solution for low-light and material sensing, whereby the Company acquired all of the shares of Voyage81 from such shareholders. The aggregate purchase price amounted to $32,508 and was comprised of cash payment in the amount of $20,233 and the issuance of a new class of shares, Redeemable A shares, out of which 63,904 (adjusted for the issuance of Class B ordinary shares and additional Redeemable A shares, see Note 11) were issued to the sellers for an aggregated fair value of $12,275. The cash consideration was comprised of $16,975 which was paid at the closing date and $3,258 of deferred consideration to be paid over the course of three years.

The results of Voyage81’s operations have been included in the consolidated financial statements since July 29, 2021. Pro forma results of operations related to this acquisition have not been prepared because they are not material to the Company’s consolidated statements of income.

ODDITY TECH LTD. AND ITS SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands (except share and per share data)

NOTE 3: — ACQUISITIONS (Continued)

The purchase price allocation for the acquisition has been determined as follows:

Tangible assets (including receivables, property and equipment and other)	$ 4,822
Deferred tax liability, net	(957)
Intangible assets:	
Technology	12,712
Goodwill	15,931
Total assets	$32,508

The acquired technology was valued by using the multi-period excess earnings method under the income approach. This method reflects the present value of the projected cash flows that are expected to be generated by the acquired technology after making adjustments for the cash flow contributions of other assets, which are also known as contributory asset charges.

The weighted-average useful life for the Technology purchased is 6 years.

Goodwill generated from the above business combinations is attributed to synergies between the Company's and the acquired business and is not deductible for income tax purposes. The acquisition-related costs were immaterial.

NOTE 4: — INVENTORY

	December 31,	
	2022	2021
Raw materials and work in progress	$27,307	$27,717
Finished goods	42,923	23,740
Total	$70,230	$51,457

Write down to reduce inventories to net realizable value as of December 31, 2022 and 2021 amounted to $2,236 and $865, respectively.

NOTE 5: — PROPERTY, PLANT AND EQUIPMENT

	December 31,	
	2022	2021
Cost:		
Computers, software and electronic equipment	$ 2,827	$ 2,062
Office, furniture and equipment	1,690	1,231
Molds and others	2,446	1,974
Leasehold improvements	16,161	15,510
	23,124	20,777
Less – accumulated depreciation	(13,656)	(11,121)
Property, plant and equipment, net	$ 9,468	$ 9,656

Depreciation and amortization expenses for the years ended December 31, 2022 and 2021 amounted to $2,535 and $2,803, respectively.

ODDITY TECH LTD. AND ITS SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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NOTE 6: — GOODWILL AND OTHER INTANGIBLE ASSETS, NET

a. Goodwill:

	2022	2021
Balance as of January 1,	$16,237	$ 306
Acquisition	—	15,931
Balance as of December 31,	$16,237	$16,237

b. Other intangible assets, net:

	December 31, 2022		
	Gross carrying amount	Accumulated amortization	Net carrying amount
Internal-used software	$15,711	$(3,089)	$12,622
Technology	13,033	(311)	12,722
Other intangibles	2,147	(691)	1,456
Total intangible assets	$30,891	$(4,091)	$26,800

	December 31, 2021		
	Gross carrying amount	Accumulated amortization	Net carrying amount
Internal-used software	$ 9,083	$(1,538)	$ 7,545
Technology	13,033	(205)	12,828
Other intangibles	1,765	(475)	1,290
Total intangible assets	$23,881	$(2,218)	$21,663

c. Amortization expenses for the years ended December 31, 2022 and 2021 amounted to $1,873 and $1,203, respectively.

d. The estimated future amortization expense of other intangible assets as of December 31, 2022 is as follows:

2023	$ 5,329
2024	5,601
2025	4,971
2026	4,258
2027	3,499
Thereafter	3,142
	$26,800

ODDITY TECH LTD. AND ITS SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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NOTE 7: — OTHER ACCOUNTS PAYABLE AND ACCRUED EXPENSES

	December 31,	
	2022	2021
Employees and related accruals	$19,370	$ 4,973
Government authorities	12,904	6,645
Other	5,518	2,501
Total	$37,792	$14,119

NOTE 8: — LOANS

a. 2016 Credit Line Agreement:

On May 10, 2016, the Company entered into a credit line agreement with a bank (the "2016 Credit Line Agreement"), denominated in New Israeli Shekels ("NIS"), pursuant to which the Company may withdraw an aggregate principal amount of up to NIS 25,000,000 ($7,104 according to the applicable exchange rate as of December 31, 2022). The 2016 Credit Line has a maturity date of one year which is automatically renewed on an annual basis. The principal amount will bear interest at a floating per annum rate equal to prime plus 1.4% and additional annual fee of 0.4% of the unused credit line. During the years ended December 31, 2022 and 2021, the Company did not withdraw or repay any amounts in respect of the 2016 Credit Line Agreement. The outstanding balance of the loan as of December 31, 2022 and 2021 was $3,569 and $4,036, respectively. Interest expense was immaterial for the years ended December 31, 2022 and 2021.

b. 2020 Loan Agreement:

On April 27, 2020, the Company entered into a loan agreement with a bank (the "2020 Loan Agreement"), denominated in NIS, pursuant to which the Company borrowed an aggregate principal amount of NIS 5,000,000 ($1,420 according to the applicable exchange rate as of December 31, 2022). The principal amount will bear interest at a floating per annum rate equal to prime plus 1.5% starting April 27, 2021 (the "Commencement Date"). Following the Commencement Date, the Company shall make 48 monthly installments of principal and interest. The outstanding balance of the loan as of December 31, 2022 and 2021 was $813 and $1,313, respectively.

NOTE 9: — COMMITMENTS AND CONTINGENCIES

a. Guarantees:

Guarantees in the amount of $916 were issued by banks to secure rent payments to landlords.

b. Liens:

The loans made under the 2016 Credit Line Agreement and the 2020 Loan Agreement are secured by a floating charge on the Company's assets and liens on deposit in the amount of $2,000. This amount is reflected under prepaid expenses and other current assets on the consolidated balance sheets.

c. Litigation:

From time to time, the Company is party to various legal proceedings, claims and litigation that arise in the normal course of business. In the opinion of management, the ultimate outcome of these matters will not have a material adverse effect on the Company's financial position, results of operations or cash flows. Accruals for loss contingencies are recorded when a loss is probable, and the amount of such loss can be reasonably estimated.

ODDITY TECH LTD. AND ITS SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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NOTE 10: — LEASES

The Company has entered into various non-cancelable operating lease agreements for certain office spaces, stores and motor vehicles. The leases have remaining lease terms of up to 5 years, some of which may include options to extend the leases for up to an additional 5 years. The Company does not assume renewals in its determination of the lease term unless the renewals are considered as reasonably assured.

The components of operating lease cost recorded under operating expenses for the year ended December 31, 2022 were as follows:

Operating lease cost	$5,133
Short term lease cost	364
	$5,472

Supplemental balance sheet information related to operating leases is as follows:

	December 31, 2022
Operating lease ROU assets	$13,278
Operating lease liabilities, current	3,890
Operating lease liabilities, non-current	8,076
Weighted-average remaining lease term (in years)	4.23
Weighted-average discount rate	1.67%

Future minimum lease payments under non-cancelable operating lease agreements as of December 31, 2022, were as follows:

	December 31, 2022
2023	$ 4,053
2024	3,107
2025	1,908
2026	1,287
2027	856
Thereafter	1,235
Total undiscounted lease payments	$12,446
Less: imputed interest	(480)
Present value of lease liabilities	$11,966

NOTE 11: — SHAREHOLDERS' EQUITY

a. Ordinary shares:

On February 2022, the Company amended its articles of association to include a dual class ordinary share structure pursuant to which the Company will have two classes of ordinary shares outstanding: Class A ordinary shares and Class B ordinary shares. The rights of the holders of Class A ordinary shares and Class B ordinary shares are identical, except with respect to voting rights, conversion rights, and transfer rights. Immediately after the effectiveness of the dual class structure,

ODDITY TECH LTD. AND ITS SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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NOTE 11: — SHAREHOLDERS' EQUITY (Continued)

the Company issued and distributed Class B ordinary shares to the holders of Class A ordinary shares on a one-for-one ratio, such that each holder of Class A ordinary shares received one Class B ordinary share for each Class A ordinary share. In addition, Redeemable A shareholders received additional Redeemable A shares on a one-for-one ratio. Holders of the Class A ordinary shares and Class B ordinary shares will vote together as a single class on all matters submitted to a vote of shareholders except as otherwise provided in the Company's amended and restated articles of association or as required by applicable law.

These consolidated financial statements have been retroactively adjusted to give effect to the dual class share structure for all periods presented.

1. Class A ordinary shares:

Confer upon their holders voting rights, rights to receive dividends and certain other rights as described in the Company's articles of association and under the applicable law.

2. Class B ordinary shares:

Confer upon their holders identical rights as Class A ordinary shares, except with respect to voting rights, conversion rights, and transfer rights. Each holder of Class B ordinary shares shall be entitled to ten votes for each Class B ordinary share. Each Class B ordinary share is convertible at any time at the option of the holder into one Class A ordinary share. In addition, each Class B ordinary share will convert automatically on a one-for-one basis into a Class A ordinary share upon the sale or transfer of such Class B ordinary share, other than excluded transfers as further described in the Company's amended and restated articles of association.

b. Redeemable A shares:

Redeemable A shares confer upon their holders rights to receive dividends and certain other rights as described in the Company's articles of association and under the applicable law with no voting rights. The holder of such shares has a redemption right in the case that the Company does not consummate a Deemed Liquidation Event (as defined in the Company's articles of association) prior to the second anniversary of the date of the issuance of the Redeemable A shares for an aggregated redemption value of $12,000.

The deemed liquidation preference provisions of the Redeemable A shares are considered contingent redemption provisions that are not solely within the Company's control. Accordingly, the Redeemable A shares have been presented outside of permanent equity in the temporary equity (mezzanine) section of the consolidated financial statements.

During the years ended December 31, 2022 and 2021, the Company did not adjust the carrying values of the redeemable shares to the deemed liquidation values of such shares since Redeemable A shares carrying amount exceeds the redemption value.

c. 2020 Equity incentive plan:

On April 1, 2020, the Company's board of directors adopted the IL Makiage Cosmetics (2013) Ltd. 2020 Equity Incentive Plan (the "Plan").

The Plan provides for the grant of share options, share awards and restricted shares to the Company's and its affiliates' respective employees, non-employee directors and consultants. The options generally vest over four years and have 5-10 years contractual terms. Any option that is forfeited or canceled before expiration becomes available for future grants under the Plan. Each option, that

ODDITY TECH LTD. AND ITS SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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NOTE 11: — SHAREHOLDERS' EQUITY (Continued)

was granted before the issuance of Class B shares, is exercisable for one Class A share and one Class B share. Each option, that was granted thereafter is exercisable for one Class A ordinary share.

The fair value of options granted during the years ended December 31, 2022 and 2021 is estimated at the date of grant using the following grant date weighted average assumptions:

	Year Ended December 31,	
	2022	2021
Risk-free interest rate	1.35% – 4.13%	0.46% – 1.18%
Expected term (in years)	3.31 – 3.61	2.5 – 6.13
Expected volatility	40%	40%
Expected dividend yield	0%	0%

A summary of Company's stock options that are exercisable for one Class A ordinary share and one Class B ordinary share activity is as follows:

	Number of options	Weighted average exercise price	Weighted average remaining contractual terms (in years)	Aggregate intrinsic value
Outstanding at beginning of year	178,523	$285.91	6.48	$79,611
Granted	1,036	433.07		
Exercised	(775)	97.21		
Forfeited	(5,642)	162.78		
Outstanding at end of year	173,142	291.65	5.39	82,580
Exercisable at end of year	65,156	$271.62	5.64	$32,382

Intrinsic value represents the potential amount receivable by the option holders had all option holders exercised their share options as of such date.

The weighted-average grant date fair value of options granted during the year ended December 31, 2022 and 2021 was $381.69 and $108.22, respectively.

The aggregate intrinsic value of the exercised share options for the year ended December 31, 2022 was $520.

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NOTE 11: — SHAREHOLDERS' EQUITY (Continued)

A summary of Company's stock options that are exercisable for one Class A ordinary share activity is as follows:

	Number of options	Weighted average exercise price	Weighted average remaining contractual terms (in years)	Aggregate intrinsic value
Outstanding at beginning of year	—	$ —	—	$ —
Granted	13,144	202.59		
Exercised	—	—		
Forfeited	—	—		
Outstanding at end of year	13,144	202.59	4.83	2,388
Exercisable at end of year	983	$296.84	4.78	$ 86

The weighted-average grant date fair value of options granted during the fiscal year ended December 31, 2022 was $230.27.

As of December 31, 2022, there were $13,408 of total unrecognized compensation cost related to non-vested share-based compensation arrangements granted under the Plan. This expense is expected to be recognized over a period of approximately 4 years.

The following table summarizes the activities for unvested RSUs that settle upon vesting into one Class A ordinary share and one Class B ordinary share for the year ended December 31, 2022:

	Number of RSUs	Weighted- average grant date fair value
Outstanding as of January 1, 2022	8,266	$534.98
Granted	1,162	731.85
Vested	(2,945)	541.40
Forfeited	(308)	534.98
Outstanding as of December 31, 2022	6,175	$568.97

The following table summarizes the activities for unvested RSUs that settle upon vesting into one Class A share for the year ended December 31, 2022:

	Number of RSUs	Weighted- average grant date fair value
Outstanding as of January 1, 2022	—	$ —
Granted	10,016	383.58
Vested	(1,883)	396.73
Forfeited	—	—
Outstanding as of December 31, 2022	8,133	$380.54

As of December 31, 2022, there were $5,616 of total unrecognized compensation cost related to RSUs granted under the Plan. This expense is expected to be recognized over a period of approximately 4 years.

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NOTE 12: — EARNINGS PER SHARE

The Company computes earnings per share of Class A and Class B ordinary shares and Redeemable A shares using the two-class method. Basic earnings per share is computed using the weighted-average number of shares outstanding during the period. Diluted earnings per share is computed using the weighted-average number of shares and the effect of potentially dilutive securities outstanding during the period. Potentially dilutive securities consist of employee stock options and restricted stock units. The dilutive effect of outstanding employee stock options and restricted stock units is reflected in diluted earnings per share by application of the treasury stock method.

The rights, including the liquidation and dividend rights, of the holders of the Company's Class A and Class B ordinary shares and Redeemable A shares are identical, except with respect to voting. As a result, the undistributed earnings for each year are allocated based on the contractual participation rights of the Class A and Class B ordinary shares and Redeemable A shares as if the earnings for the year had been distributed. As the liquidation and dividend rights are identical, the undistributed earnings are allocated on a proportionate basis.

In the years ended December 31, 2022 and 2021, the earnings per share amounts are the same for Class A and Class B ordinary and Redeemable A shares because the holders of each class are entitled to equal per share dividends or distributions in liquidation in accordance with the Company's articles of association.

The following tables set forth the computation of basic and diluted earnings per share attributable to Class A and Class B ordinary shares and Redeemable A shares:

	Year Ended December 31, 2022		
	Class A ordinary shares	Class B ordinary shares	Redeemable A shares
Basic earnings per share:			
Numerator:			
Allocation of undistributed earnings	$ 14,563	$ 6,764	$ 401
Denominator:			
Number of shares used in per share computation	2,320,999	1,077,949	63,904
Basic earnings per share	$ 6.27	$ 6.27	$ 6.27
Diluted earnings per share:			
Numerator:			
Allocation of undistributed earnings for basic computation	$ 14,563	$ 6,764	$ 401
Reallocation of undistributed earnings	(198)	220	(22)
Allocation of undistributed earnings	14,365	6,984	379
Denominator:			
Number of shares used in basic computation	2,320,999	1,077,949	63,904
Weighted-average effect of dilutive securities:			
Employee stock options and RSUs	98,775	98,346	—
Number of shares used in per share computation	2,419,774	1,176,295	—
Diluted earnings per share	$ 5.94	$ 5.94	$ 5.94

ODDITY TECH LTD. AND ITS SUBSIDIARIES

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NOTE 12: — EARNINGS PER SHARE (Continued)

	Year Ended December 31, 2021		
	Class A ordinary shares	Class B ordinary shares	Redeemable A shares
Basic earnings per share:			
Numerator:			
Allocation of undistributed earnings	$ 6,905	$ 6,905	$ 110
Denominator:			
Number of shares used in per share computation	1,697,206	1,697,206	27,137
Basic earnings per share	$ 4.07	$ 4.07	$ 4.07
Diluted earnings per share:			
Numerator:			
Allocation of undistributed earnings for basic computation	$ 6,905	$ 6,905	$ 110
Reallocation of undistributed earnings	1	1	(2)
Allocation of undistributed earnings	6,906	6,906	108
Denominator:			
Number of shares used in basic computation	1,697,206	1,697,206	27,137
Weighted-average effect of dilutive securities:			
Employee stock options and RSUs	25,638	25,638	—
Number of shares used in per share computation	1,722,844	1,722,844	27,137
Diluted earnings per share	$ 4.01	$ 4.01	$ 4.01

Employee stock options to purchase 17,327 and 8,786 ordinary shares were excluded from the calculation during 2022 and 2021, respectively, because the effect would be anti-dilutive. The basic and diluted earnings per share were adjusted to reflect the issuance of Class B ordinary shares and additional Redeemable A shares.

NOTE 13: — GEOGRAPHICAL INFORMATION

Revenues from sales to customers:

	Year Ended December 31,	
	2022	2021
North America	$258,726	$170,543
Others	65,794	52,012
Total net revenue	$324,520	$222,555

Total revenue is attributed to geographic areas based on the location of the end customer.

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NOTE 13: — GEOGRAPHICAL INFORMATION (Continued)

The following table summarizes long-lived assets by geographic area, which consist of property, plant and equipment, net and right-of-use assts:

	December 31,	
	2022	2021
Israel	$18,665	$6,882
United States	4,081	2,774
Total long-lived assets	$22,746	$9,656

NOTE 14: — TAXES ON INCOME

a. Tax rates applicable to the Company:

Israeli parent and Israeli subsidiaries:

The tax rate applicable to the Israeli companies in 2022 and 2021 is — 23%.

Applicable benefits to the Company:

1. "Preferred Technology Enterprises" ("PTE") granting a 12% tax rate in central Israel on qualified income deriving from Benefited Intellectual Property, subject to a number of conditions being fulfilled, including a minimal amount or ratio of annual R&D expenditure and R&D employees, as well as having at least 25% of annual income derived from exports to large markets.

2. A withholding tax rate of 20% for dividends paid from PTE income (with an exemption from such withholding tax applying to dividends paid to an Israeli company). Such rate may be reduced to 4% on dividends paid to a foreign resident company, subject to certain conditions regarding percentage of foreign ownership of the distributing entity.

The Company elected to apply the PTE regime in 2022 for its qualified income and believes it meets the required conditions.

Income taxes on non-Israeli subsidiaries:

Non-Israeli subsidiaries are taxed according to the tax laws in their respective countries of residence.

The Company does not provide deferred tax liabilities when it intends to reinvest earnings of foreign subsidiaries indefinitely or if distributed, no tax liability will be imposed. Undistributed earnings of foreign subsidiaries that are not distributed amounted to $10,508 and unrecognized deferred tax liability related to such earning amounted to $2,417 as of December 31, 2022.

b. Deferred income taxes:

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes.

ODDITY TECH LTD. AND ITS SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands (except share and per share data)

NOTE 14: — TAXES ON INCOME (Continued)

	December 31,	
	2022	2021
Deferred tax assets:		
Research and development costs	$ 661	$ 601
Depreciation and amortization	519	463
Employees and other accruals	1,457	541
Operating lease liabilities	2,691	—
Stock based compensation	1,177	420
Net operating losses	908	696
Other	467	397
Deferred tax assets	7,880	3,118
Valuation allowance	(1,010)	(686)
Net deferred tax assets	6,870	2,432
Deferred tax liabilities:		
Property and equipment	(182)	(235)
Operating lease right-of-use assets	(2,980)	—
Intangible assets	(1,529)	(1,533)
Total deferred tax liabilities	(4,691)	(1,768)
Total deferred tax assets, net	$ 2,179	$ 664

c. A reconciliation of the Company's effective tax rate to the statutory tax rate in Israel is as follows:

	Year Ended December 31,	
	2022	2021
Income before taxes on income, as reported in the consolidated statements of income	$28,912	$18,635
Statutory tax rate in Israel	23%	23%
Theoretical taxes on income	$ 6,650	$ 4,286
Foreign currency measurement differences (*)	662	(172)
Preferred Enterprise tax (**)	(1,996)	(388)
Subsidiaries taxed at different tax rate	418	61
Non-deductible expenses	732	414
Uncertain tax positions	858	90
Other	(140)	424
Actual tax expenses	7,184	$ 4,715

(*) Results for tax purposes are measured under the "Measurement of results for tax purposes under the Income Tax (Inflationary Adjustments) Law, 1985", in terms of earnings in NIS. As explained in Note 2c, the financial statements are measured in U.S. dollars. The difference between the annual changes in the NIS/dollar exchange rate causes a difference between taxable income and the income before taxes shown in the financial statements. In accordance with ASC 740-10-25-3(F), the Company has not provided deferred income taxes in respect of the difference between the functional currency and the tax bases of assets and liabilities.

(**) Basic earnings per share amounts of the benefit resulting from the Technological Preferred or Preferred Enterprise status	$0.58	$0.11
Diluted earnings per share amounts of the benefit resulting from the Technological Preferred or Preferred Enterprise status	$0.55	$0.11

ODDITY TECH LTD. AND ITS SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands (except share and per share data)

NOTE 14: — TAXES ON INCOME (Continued)

d. Income before taxes on income is comprised as follows:

	Year Ended December 31,	
	2022	2021
Domestic (Israel)	$22,205	$18,045
Foreign	6,707	590
Total	$28,912	$18,635

e. Actual tax expenses are comprised as follow:

	Year Ended December 31,	
	2022	2021
Current:		
Domestic (Israel)	$ 4,528	$4,463
Foreign	4,171	1,155
Total current income tax expense	$ 8,699	$5,618
Deferred:		
Domestic	(181)	(276)
Foreign	(1,334)	(627)
Total deferred income tax expense	(1,515)	(903)
Total taxes on income	$ 7,184	$4,715

f. A reconciliation of the beginning and ending balances of the total amounts of unrecognized tax benefits are as follows:

	2022	2021
Uncertain tax positions, beginning of year	$1,081	$ 287
Decrease related to previous years tax positions	(247)	—
Increase related to previous years tax positions	41	10
Increases in tax positions for current year	907	784
Uncertain tax positions, end of year	$1,782	$1,081

The Company currently does not expect uncertain tax positions to change significantly over the next 12 months, except in the case of settlements with tax authorities, the likelihood and timing of which is difficult to estimate. Timing of the resolution of audits is highly uncertain and therefore as of December 31, 2022, the Company cannot estimate the change in unrecognized tax benefits resulting from these audits within the next 12 months.

Substantially all the balance of unrecognized tax benefits, if recognized, would reduce the Company's annual effective tax rate.

The Company adjusts the unrecognized tax benefit liability and income tax expense in the period in which the uncertain tax position is effectively settled, the statute of limitations expires or when new information is available.

ODDITY TECH LTD. AND ITS SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands (except share and per share data)

NOTE 14: — TAXES ON INCOME (Continued)

During the years ended December 31, 2022 and 2021, interest expense related to uncertain tax positions was immaterial. As of December 31, 2022 and 2021, accrued interest liability related to uncertain tax positions was immaterial and is included within income tax accrual on the balance sheets. The Company did not accrue penalties during the years ended December 31, 2022 and 2021.

The Company believes that it has adequately provided for any reasonably foreseeable outcomes related to tax audits and settlement. The final tax outcome of its tax audits could be different from that which is reflected in the Company's income tax provisions and accruals. Such differences could have a material effect on the Company's income tax provision and net income in the period in which such determination is made.

The Company believes it had adequately provided for all of its uncertain tax positions, including those items currently under dispute.

As of December 31, 2022, the Company had open tax years for the periods between 2017 and 2022 in Israel and for the periods between 2019 and 2022 for the U.S. subsidiaries.

NOTE 15: — RELATED PARTY TRANSACTIONS

On July 5, 2017, the Company entered into a service agreement with Cosmofill Industries Ltd. ("Cosmofill"), an entity controlled by one of the Company's shareholders which provides the Company with filling and assembling services for some of the Company's cosmetic products.

Services provided to the Company by Cosmofill amounted to $113 and $109 for the years ended December 31, 2022 and 2021, respectively. The outstanding balance in respect of this related party transaction as of December 31, 2022 and 2021 was insignificant.

On October 6, 2020, the Company entered into a loan agreement with the Company's co-founder and Chief Executive Officer for an aggregate principle amount of $3,000, which had an annual interest rate of 0.49%. The loan was provided in January 2021 and was repaid in full in December 2021.

As of December 31, 2021 the Company had a current receivable balance of $625 with its Chief Executive Officer, which was fully repaid during April 2022.

On October 4, 2020, the Company provided its co-founders, the Chief Executive Officer and Chief Product Officer, with an incentive plan (the "Incentive Plan") in connection with certain revenue thresholds over agreed period. Under the Incentive Plan, the Chief Executive Officer and Chief Product Officer are eligible to earn up to $20,000 and $10,000 of incremental incentive bonuses respectively, subject to certain revenue thresholds and other conditions. As of December 31, 2022, the Company recognized an expense of $12,643 under the Incentive Plan.

NOTE 16: — DIGITAL SECURITIES

On April 26, 2022, the Company launched an offering of digital securities (the "Digital Securities"). The Digital Securities are represented by a blockchain-based digital token using the Ethereum blockchain. Each Digital Security will automatically convert into Class A ordinary share of the Company immediately prior to the closing of an initial public offering by the Company of its Class A ordinary shares (an "IPO") at a conversion price equal to 80% of the initial price per Class A ordinary share to the public in an IPO, subject to customary adjustments in the event of any stock dividend, stock split, combination or similar recapitalization affecting such shares. Holders of the Digital Securities do not have any voting rights, are not entitled to any dividends or other distributions, and do not have any right to the Company's assets in the event of a liquidation, dissolution or winding-up of the Company. Upon conversion of the

ODDITY TECH LTD. AND ITS SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands (except share and per share data)

NOTE 16: — DIGITAL SECURITIES (Continued)

Digital Securities into Class A ordinary shares, the digital token previously representing such Digital Securities will be decommissioned. The Class A ordinary shares will have the rights and preferences set forth in the Company's articles of association. This offer has been prepared solely for the benefit of "accredited investors" (as such term is defined under Regulation D) and certain parties that are not "U.S. persons". The Company issued an aggregate of 648 digital securities at a purchase price per digital security of $1,000.

The Digital Securities will be redeemable, in whole or in part, at the Company's option at a cash redemption price equal to the original purchase price per Digital Security to be redeemed.

The Company concluded that the digital securities are not indexed to the Company's own stock and should be recorded as a liability measured at fair value with changes in fair value recognized in earnings.

The Digital Securities' change in the fair value during the year ended December 31, 2022 was immaterial.

NOTE 17: — SUBSEQUENT EVENTS

The Company evaluated all events or transactions that occurred subsequent to December 31, 2022, through the date of approval of these financial statements, May 1, 2023, and has determined that there are no subsequent events that require disclosure or recognition in the financial statements except for the below:

In April 2023, the Company signed an agreement to acquire 100% of the shares of Revela Inc. ("Revela"), a US biotechnology company. The aggregated purchase price amounted to $70,000 subject to certain price adjustments as described in the agreement. The consideration was comprised of cash and the Company's restricted shares which are subject to certain performance milestones as specified in the agreement. In addition, the transaction includes additional consideration related to compensation for post combination services. Closing of the acquisition is subject to fulfillment of certain conditions as agreed by the parties.

ODDITY TECH LTD. AND ITS SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS

AS OF MARCH 31, 2023

Unaudited

INDEX

ODDITY TECH LTD. AND ITS SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
U.S. dollar in thousands

	March 31, 2023 (Unaudited)	December 31, 2022
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 99,916	$ 40,955
Short-term deposits	8,000	18,000
Trade receivables	8,536	7,576
Inventory	69,851	70,230
Prepaid expenses and other current assets	13,435	9,172
Total current assets	199,738	145,933
LONG-TERM ASSETS:		
Property, plant and equipment, net	9,185	9,468
Deferred tax assets, net	2,429	2,334
Intangible assets, net	26,508	26,800
Goodwill	16,237	16,237
Operating lease right-of-use assets	14,835	13,278
Other assets	3,577	2,358
Total long-term assets	72,771	70,475
Total assets	$ 272,509	$ 216,408

The accompanying notes are an integral part of the unaudited interim consolidated financial statements.

ODDITY TECH LTD. AND ITS SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
U.S. dollar in thousands (except share and per share data)

	March 31, 2023 (Unaudited)	December 31, 2022
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Trade payables	$ 73,157	$ 44,807
Other accounts payable and accrued expenses	45,294	37,792
Short-term debt and current maturities of long-term debt	1,316	3,917
Current maturities of operating lease liabilities	3,827	3,890
Total current liabilities	123,594	90,406
LONG-TERM LIABILITIES:		
Operating lease liabilities, non-current	9,484	8,076
Digital securities liability	680	648
Other long-term liabilities	6,122	6,298
Total liabilities	139,880	105,428
COMMITMENTS AND CONTINGENCIES (Note 5)		
Redeemable A shares of NIS 0.001 par value each – Authorized: 2,000,000 shares at March 31, 2023 (unaudited) and December 31, 2022; Issued and outstanding: 63,904 shares at March 31, 2023 (unaudited) and December 31, 2022	12,275	12,275
SHAREHOLDERS' EQUITY:		
Class A ordinary shares of NIS 0.001 par value each – Authorized: 10,000,000 shares at March 31, 2023 (unaudited) and December 31, 2022; Issued and outstanding: 2,493,673 and 2,493,153 shares at March 31, 2023 (unaudited) and December 31, 2022, respectively	—(*)	—(*)
Class B ordinary shares of NIS 0.001 par value each – Authorized: 2,000,000 shares at March 31, 2023 (unaudited) and December 31, 2022; Issued and outstanding: 910,826 and 910,792 shares at March 31, 2023 (unaudited) and December 31, 2022, respectively	—(*)	—(*)
Additional paid-in capital	55,782	53,723
Cumulative translation adjustments	1,738	1,738
Retained earnings	62,834	43,244
Total shareholders' equity	120,354	98,705
Total liabilities and shareholders' equity	$ 272,509	$ 216,408

(*) Represents an amount lower than $1.

The accompanying notes are an integral part of the unaudited interim consolidated financial statements.

ODDITY TECH LTD. AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME
U.S. dollar in thousands (except share and per share data)

	Three months ended March 31,	
	2023	2022
	(Unaudited)	
Net revenue	$ 165,654	$ 90,414
Cost of revenue	48,169	30,047
Gross profit	117,485	60,367
Selling, general and administrative	92,764	56,732
Operating income	24,721	3,635
Financial expenses (income), net	157	(443)
Income before taxes on income	24,564	4,078
Taxes on income	4,974	1,067
Net income	$ 19,590	$ 3,011
Basic earnings per share of Class A and Class B ordinary share and Redeemable A share	$ 5.65	$ 0.87
Diluted earnings per share of Class A and Class B ordinary share and Redeemable A share	$ 5.34	$ 0.82

The accompanying notes are an integral part of the unaudited interim consolidated financial statements.

ODDITY TECH LTD. AND ITS SUBSIDIARIES

STATEMENTS OF REDEEMABLE A SHARES AND CHANGES IN SHAREHOLDERS' EQUITY
U.S. dollars in thousands (except share and per share data)

	Redeemable A shares		Class A ordinary shares		Class B ordinary shares		Additional paid-in capital	Retained earnings	Cumulative translation adjustments	Total shareholders' equity
	Shares	Amount	Shares	Amount	Shares	Amount				
Balance as of January 1, 2023	63,904	$ 12,275	2,493,153	$ —(*)	910,792	$ —(*)	$ 53,723	$ 43,244	$ 1,738	$ 98,705
Share based compensation	—	—	—	—	—	—	2,059	—	—	2,059
Vesting of RSUs	—	—	520	—	34	—	—	—	—	—
Net income	—	—	—	—	—	—	—	19,590	—	19,590
Balance as of March 31, 2023 (unaudited)	63,904	$ 12,275	2,493,673	$ —(*)	910,826	$ —(*)	$ 55,782	$ 62,834	$ 1,738	$ 120,354

	Redeemable A shares		Class A ordinary shares		Class B ordinary shares		Additional paid-in capital	Retained earnings	Cumulative translation adjustments	Total shareholders' equity
	Shares	Amount	Shares	Amount	Shares	Amount				
Balance as of January 1, 2022(**)	63,904	$ 12,275	1,697,311	$ —(*)	1,697,311	$ —(*)	$ 45,395	$ 21,516	$ 1,738	$ 68,649
Share conversion	—	—	790,239	—(*)	(790,239)	—(*)	—	—	—	—
Share based compensation	—	—	—	—	—	—	1,724	—	—	1,724
Vesting of RSUs	—	—	105	—	105	—	—	—	—	—
Net income	—	—	—	—	—	—	—	3,011	—	3,011
Balance as of March 31, 2022 (unaudited)	63,904	$ 12,275	2,487,655	$ —(*)	907,177	$ —(*)	$ 47,119	$ 24,527	$ 1,738	$ 73,384

(*) Represents an amount lower than $1.

(**) Adjusted for the issuance of Class B ordinary shares and additional Redeemable A shares.

The accompanying notes are an integral part of the unaudited interim consolidated financial statements.

ODDITY TECH LTD. AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
U.S. dollars in thousands

	Three months ended March 31,	
	2023	2022
	(Unaudited)	
Cash flows from operating activities:		
Net income	$ 19,590	$ 3,011
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	1,900	1,143
Share-based compensation	1,811	1,327
Deferred income taxes	(250)	(682)
Increase in trade receivables	(960)	(1,009)
Increase in prepaid expenses and other receivables	(4,239)	(5,685)
Decrease (increase) in inventory	379	(2,636)
Increase in trade payables	27,450	17,805
Increase in other accounts payable and accrued expenses	7,502	3,271
Change in operating lease right-of-use assets	1,154	1,298
Change in operating lease liability	(1,366)	(1,577)
Other	228	(191)
Net cash provided by operating activities	53,199	16,075
Cash flows from investing activities:		
Purchase of property, plant and equipment	(328)	(781)
Capitalization of software development costs	(749)	(1,297)
Purchase of other intangible assets	—	(344)
Proceeds from short-term deposits	10,000	—
Other	(250)	—
Net cash provided by (used in) investing activities	8,673	(2,422)
Cash flows from financing activities:		
Repayment of loans and borrowings	(2,662)	(96)
Deferred issuance costs	(151)	—
Net cash used in financing activities	(2,813)	(96)
Effect of exchange rate fluctuations on cash and cash equivalents	(74)	133
Net increase in cash, cash equivalents and restricted cash	58,985	13,690
Cash, cash equivalents and restricted cash at the beginning of the period	43,114	30,889
Cash, cash equivalents and restricted cash at the end of the period	$ 102,099	$ 44,579
Components of cash, cash equivalents, and restricted cash:		
Cash and cash equivalents	$ 99,916	$ 42,422
Restricted cash included within prepaid expenses and other current assets	2,183	2,157
Total cash, cash equivalents and restricted cash	$ 102,099	$ 44,579
Supplemental disclosure of cash flow information:		
Cash paid during the period for interest	$ 51	$ 49
Cash paid during the period for income tax	$ 2,399	$ —
Supplemental disclosures of non-cash investing and financing activities:		
Non-cash compensation capitalized as part of capitalization of software development costs	$ 248	$ 422
Issuance expenses on credit	$ 900	$ —
Lease liabilities arising from obtaining right-of-use assets	$ 2,711	$ 351

The accompanying notes are an integral part of the unaudited interim consolidated financial statements.

ODDITY TECH LTD. AND ITS SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands (except share and per share data)

NOTE 1: — GENERAL

Oddity Tech Ltd., an Israeli corporation, together with its subsidiaries (the "Company") is a consumer-tech company which builds and scales digital-first brands designed to disrupt the offline-dominated beauty and wellness industries. The Company leverages data science, machine learning and computer vision capabilities to identify consumer needs and develop solutions in the form of beauty, wellness and tech products.

NOTE 2: — SIGNIFICANT ACCOUNTING POLICIES

a. Basis of presentation

The unaudited interim consolidated financial statements and accompanying notes have been prepared in accordance with U.S. generally accepted accounting principles ("U.S. GAAP"). In management's opinion, the unaudited interim consolidated financial statements reflect all adjustments of a normal recurring nature that are necessary for a fair financial statement presentation. The Company's interim period results do not necessarily indicate the results that may be expected for any other interim period or for the full year ending December 31, 2023. The significant accounting policies applied in the annual consolidated financial statements of the Company as of December 31, 2022, have been applied consistently in these unaudited interim consolidated financial statements, unless otherwise stated. These interim consolidated financial statements should be read in conjunction with the consolidated financial statements as of and for the year ended December 31, 2022.

The consolidated balance sheet as of December 31, 2022 included herein was derived from the audited financial statements as of that date, but does not include all disclosures including notes required by U.S. GAAP.

b. Basis of Consolidation:

Intercompany transactions and balances have been eliminated in the preparation of the interim consolidated financial statements.

c. Use of estimates:

The preparation of interim consolidated financial statements in conformity with U.S. GAAP requires management to make estimates, judgments, and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, together with amounts disclosed in the related notes to the interim consolidated financial statements. The Company's significant estimates and assumptions used in these financial statements include, but are not limited to, the recognition and disclosure of contingent liabilities, revenue recognition and stock-based compensation awards. The Company bases its estimates on historical factors, current circumstances and the experience and judgment of management. The Company evaluates its assumptions on an ongoing basis. The Company's management believes that the estimates, judgments, and assumptions used are reasonable based on information available at the time they are made. Estimates, by their nature, are based on judgment and available information, therefore, actual results could be materially different from these estimates.

d. Significant Accounting Policies:

There have been no material changes to the significant accounting policies from the Company's Annual Report for the year ended December 31, 2022, except for the policies noted below which changed as a result of the adoption of Topic 326.

e. Trade Receivables

Trade receivables are recorded and carried at the original invoiced amount less an allowance for any potential uncollectible amounts. The Company makes estimates of expected credit losses based

ODDITY TECH LTD. AND ITS SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands (except share and per share data)

NOTE 2: — SIGNIFICANT ACCOUNTING POLICIES (Continued)

upon its assessment of various factors, including historical experience, the age of the accounts receivable balances, credit quality of its customers, current economic conditions, reasonable and supportable forecasts of future economic conditions, and other factors that may affect the Company's ability to collect from customers. The estimated credit loss allowance is recorded as general and administrative expenses on the consolidated statements of income. As of March 31, 2023, the allowance for credit losses was immaterial.

f. Restricted cash:

Restricted cash consists of deposits used as security for credit facility, credit cards and lease agreements. As of March 31, 2023 and December 31, 2022, restricted cash amounted to $2,183 and $2,159, respectively, and is included within prepaid expenses and other current assets.

g. Recently issued and adopted accounting pronouncements:

In June 2016, the FASB issued ASU 2016-13, Financial Instruments — Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments ("ASU 2016-13"). ASU 2016-13 requires the measurement of all expected credit losses for financial assets held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts. ASU 2016-13 requires enhanced qualitative and quantitative disclosures to help investors and other financial statement users better understand significant estimates and judgments used in estimating credit losses, as well as the credit quality and underwriting standards of an organization's portfolio. ASU 2016-13 is effective for fiscal years beginning after December 15, 2022, and interim periods within those fiscal years. The Company adopted this standard on January 1, 2023, and the adoption did not have a material impact on these unaudited interim consolidated financial statements.

In October 2021, the FASB issued ASU 2021-08, Business Combinations (Topic 805) ("ASU 2021-08"). ASU 2021-08 requires that an acquiring entity recognize, and measure contract assets and contract liabilities acquired in a business combination in accordance with ASC 606, Revenue from Contracts with Customers ("ASC 606") and that at the acquisition date, the acquirer accounts for related revenue contracts in accordance with ASC 606 as if it had originated the contracts. The Company adopted this standard on January 1, 2023, and the adoption did not have a material impact on these unaudited interim consolidated financial statements.

NOTE 3: — INVENTORY

	March 31, 2023	December 31, 2022
	(Unaudited)	
Raw materials and work in progress	$22,813	$27,307
Finished goods	47,038	42,923
Total	$69,851	$70,230

Write down to reduce inventories to net realizable value as of March 31, 2023 and December 31, 2022 amounted to $2,052 and $2,236, respectively.

NOTE 4: — LOANS

a. 2016 Credit Line Agreement:

On May 10, 2016, the Company entered into a credit line agreement with a bank (the "2016 Credit Line Agreement"), denominated in New Israeli Shekels ("NIS"), pursuant to which the Company may

ODDITY TECH LTD. AND ITS SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands (except share and per share data)

NOTE 4: — LOANS (Continued)

withdraw an aggregate principal amount of up to NIS 25,000,000 ($6,916 according to the applicable exchange rate as of March 31, 2023). The 2016 Credit Line has a maturity date of one year which is automatically renewed on an annual basis. The principal amount will bear interest at a floating per annum rate equal to prime plus 1.4% and additional annual fee of 0.4% of the unused credit line. During the three months ended March 31, 2023, the Company repaid $2,574 out of the 2016 Credit Line. During the twelve months ended December 31, 2022, the Company did not withdraw or repay any amounts in respect of the 2016 Credit Line Agreement. The outstanding balance of the loan as of March 31, 2023 and December 31, 2022 was $977 and $3,569, respectively. Interest expenses were immaterial for the three months ended March 31, 2023 and 2022.

b. 2020 Loan Agreement:

On April 27, 2020, the Company entered into a loan agreement with a bank (the “2020 Loan Agreement”), denominated in NIS, pursuant to which the Company borrowed an aggregate principal amount of NIS 5,000,000 ($1,383 according to the applicable exchange rate as of March 31, 2023). The principal amount will bear interest at a floating per annum rate equal to prime plus 1.5% starting April 27, 2021 (the “Commencement Date”). Following the Commencement Date, the Company shall make 48 monthly installments of principal and interest. The outstanding balance of the loan as of March 31, 2023 and December 31, 2022 was $706 and $813, respectively.

NOTE 5: — COMMITMENTS AND CONTINGENCIES

a. Guarantees:

Guarantees in the amount of $878 were issued by banks to secure rent payments to landlords.

b. Liens:

The loans made under the 2016 Credit Line Agreement and the 2020 Loan Agreement are secured by a floating charge on the Company’s assets and liens on deposit in the amount of $2,000. This amount is reflected under prepaid expenses and other current assets on the consolidated balance sheets.

c. Litigation:

From time to time, the Company is party to various legal proceedings, claims and litigation that arise in the normal course of business. In the opinion of management, the ultimate outcome of these matters will not have a material adverse effect on the Company’s financial position, results of operations or cash flows. Accruals for loss contingencies are recorded when a loss is probable, and the amount of such loss can be reasonably estimated.

NOTE 6: — SHAREHOLDERS’ EQUITY

2020 Equity incentive plan:

On April 1, 2020, the Company’s board of directors adopted the IL Makiage Cosmetics (2013) Ltd. 2020 Equity Incentive Plan (the “Plan”).

The Plan provides for the grant of share options, share awards and restricted shares to the Company’s and its affiliates’ respective employees, non-employee directors and consultants. The options generally vest over four years and have 5-10 years contractual terms. Any option that is forfeited or canceled before expiration becomes available for future grants under the Plan. Each option, that

ODDITY TECH LTD. AND ITS SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands (except share and per share data)

NOTE 6: — SHAREHOLDERS' EQUITY (Continued)

was granted before the issuance of Class B shares (February 2022), is exercisable for one Class A share and one Class B share. Each option that was granted thereafter is exercisable for one Class A ordinary share.

There were no grants of stock options during the three-month period ended March 31, 2023.

The fair value of options granted during the three months ended March 31, 2022 is estimated at the date of grant using the following grant date weighted average assumptions:

	Three months ended March 31,
	2022
	(Unaudited)
Risk-free interest rate	1.35%
Expected term (in years)	3.56
Expected volatility	40%
Expected dividend yield	0%

A summary of the Company's stock options that are exercisable for one Class A ordinary share and one Class B ordinary share activity for the three months ended March 31, 2023 (unaudited) is as follows:

	Number of options	Weighted average exercise price	Weighted average remaining contractual terms (in years)	Aggregate intrinsic value
Outstanding as of January 1, 2023	173,142	$ 291.65	5.39	$82,580
Granted	—	—		
Exercised	—	—		
Forfeited	—	—		
Outstanding as of March 31, 2023	173,142	291.65	5.14	$82,580
Exercisable as of March 31, 2023	79,599	$ 275.47	5.30	$39,253

Intrinsic value represents the potential amount receivable by the option holders had all option holders exercised their share options as of such date.

ODDITY TECH LTD. AND ITS SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands (except share and per share data)

NOTE 6: — SHAREHOLDERS' EQUITY (Continued)

A summary of Company's stock options that are exercisable for one Class A ordinary share activity for the three months ended March 31, 2023 (unaudited) is as follows:

	Number of options	Weighted average exercise price	Weighted average remaining contractual terms (in years)	Aggregate intrinsic value
Outstanding as of January 1, 2023	13,144	$202.59	4.83	$2,388
Granted	—	—		
Exercised	—	—		
Forfeited	(741)	253.36		
Outstanding as of March 31, 2023	12,403	199.56	4.58	$2,291
Exercisable as of March 31, 2023	1,277	$277.84	4.51	$ 136

As of March 31, 2023, there were $11,885 of total unrecognized compensation costs related to non-vested share-based compensation arrangements granted under the Plan. This expense is expected to be recognized over a period of approximately 4 years.

The following table summarizes the activities for unvested RSUs that settle upon vesting into one Class A ordinary share and one Class B ordinary share during the three months ended March 31, 2023 (unaudited):

	Number of RSUs
Outstanding as of January 1, 2023	6,175
Granted	—
Vested	(34)
Forfeited	—
Outstanding as of March 31, 2023	6,141

The following table summarizes the activities for unvested RSUs that settle upon vesting into one Class A share during the three months ended March 31, 2023 (unaudited):

	Number of RSUs
Outstanding as of January 1, 2023	8,133
Granted	—
Vested	(486)
Forfeited	(114)
Outstanding as of March 31, 2023	7,533

As of March 31, 2023, there were $4,930 of total unrecognized compensation costs related to RSUs granted under the Plan. This expense is expected to be recognized over a period of approximately 4 years.

ODDITY TECH LTD. AND ITS SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands (except share and per share data)

NOTE 7: — EARNINGS PER SHARE

The Company computes earnings per share of Class A and Class B ordinary shares and Redeemable A shares using the two-class method. Basic earnings per share is computed using the weighted-average number of shares outstanding during the period. Diluted earnings per share is computed using the weighted-average number of shares and the effect of potentially dilutive securities outstanding during the period. Potentially dilutive securities consist of employee stock options and restricted stock units. The dilutive effect of outstanding employee stock options and restricted stock units is reflected in diluted earnings per share by application of the treasury stock method.

The rights, including the liquidation and dividend rights, of the holders of the Company's Class A and Class B ordinary shares and Redeemable A shares are identical, except with respect to voting. As a result, the undistributed earnings for each period are allocated based on the contractual participation rights of the Class A and Class B ordinary shares and Redeemable A shares as if the earnings for the period had been distributed. As the liquidation and dividend rights are identical, the undistributed earnings are allocated on a proportionate basis.

During the three months ended March 31, 2023 and 2022, the earnings per share amounts are the same for Class A and Class B ordinary and Redeemable A shares because the holders of each class are entitled to equal per share dividends or distributions in liquidation in accordance with the Company's articles of association.

The following tables set forth the computation of basic and diluted earnings per share attributable to Class A and Class B ordinary shares and Redeemable A shares:

	Three Months Ended March 31, 2023		
	Class A ordinary shares	Class B ordinary shares	Redeemable A shares
		(Unaudited)	
Basic earnings per share:			
Numerator:			
Allocation of undistributed earnings	$ 14,084	$ 5,145	$ 361
Denominator:			
Number of shares used in per share computation	2,493,618	910,792	63,904
Basic earnings per share	$ 5.65	$ 5.65	$ 5.65
Diluted earnings per share:			
Numerator:			
Allocation of undistributed earnings for basic computation	$ 14,084	$ 5,145	$ 361
Reallocation of undistributed earnings	(227)	247	(20)
Allocation of undistributed earnings	13,857	5,392	341
Denominator:			
Number of shares used in basic computation	2,493,618	910,792	63,904
Weighted-average effect of dilutive securities:			
Employee stock options and RSUs	100,478	98,473	—
Number of shares used in per share computation	2,594,096	1,009,265	63,904
Diluted earnings per share	$ 5.34	$ 5.34	$ 5.34

ODDITY TECH LTD. AND ITS SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands (except share and per share data)

NOTE 7: — EARNINGS PER SHARE (Continued)

	Three Months Ended March 31, 2022		
	Class A ordinary shares	Class B ordinary shares	Redeemable A shares
		(Unaudited)	
Basic earnings per share:			
Numerator:			
Allocation of undistributed earnings	$ 1,563	$ 1,392	$ 56
Denominator:			
Number of shares used in per share computation	1,794,981	1,599,641	63,904
Basic earnings per share	$ 0.87	$ 0.87	$ 0.87
Diluted earnings per share:			
Numerator:			
Allocation of undistributed earnings for basic computation	$ 1,563	$ 1,392	$ 56
Reallocation of undistributed earnings	(3)	6	(3)
Allocation of undistributed earnings	1,560	1,398	53
Denominator:			
Number of shares used in basic computation	1,794,981	1,599,641	63,904
Weighted-average effect of dilutive securities:			
Employee stock options and RSUs	97,074	97,074	—
Number of shares used in per share computation	1,892,055	1,696,715	63,904
Diluted earnings per share	$ 0.82	$ 0.82	$ 0.82

Employee stock options to purchase 16,090 and 9,303 ordinary shares were excluded from the calculation during the three months ended March 31, 2023 and 2022, respectively, because the effect would be anti-dilutive. The basic and diluted earnings per share were adjusted to reflect the issuance of Class B ordinary shares and additional Redeemable A shares.

NOTE 8: — GEOGRAPHICAL INFORMATION

Revenues from sales to customers:

	Three months ended March 31,	
	2023	2022
	(Unaudited)	
North America	$140,447	$72,129
Others	25,207	18,285
Total net revenue	$165,654	$90,414

Total revenue is attributed to geographic areas based on the location of the end customer.

The following table summarizes long-lived assets by geographic area, which consist of property, plant and equipment, net and right-of-use assts:

ODDITY TECH LTD. AND ITS SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands (except share and per share data)

NOTE 8: — GEOGRAPHICAL INFORMATION (Continued)

	March 31, 2023	December 31, 2022
	(Unaudited)	
Israel	$18,888	$18,665
United States	5,132	4,081
Total long-lived assets	$24,020	$22,746

NOTE 9: — RELATED PARTY TRANSACTIONS

On October 4, 2020, the Company provided its co-founders, the Chief Executive Officer and Chief Product Officer, with an incentive plan (the "Incentive Plan") in connection with certain revenue thresholds over agreed period. Under the Incentive Plan, the Chief Executive Officer and Chief Product Officer are eligible to earn up to $20,000 and $10,000 of incremental incentive bonuses respectively, subject to certain revenue thresholds and other conditions. During the three-months period ended March 31, 2023 and 2022, the Company recognized under the Incentive Plan, an expense of $7,785 and $0, respectively.

NOTE 10: — DIGITAL SECURITIES LIABILITY

On April 26, 2022, the Company launched an offering of digital securities (the "Digital Securities"). The Digital Securities are represented by a blockchain-based digital token using the Ethereum blockchain. Each Digital Security will automatically convert into Class A ordinary share of the Company immediately prior to the closing of an initial public offering by the Company of its Class A ordinary shares (an "IPO") at a conversion price equal to 80% of the initial price per Class A ordinary share to the public in an IPO, subject to customary adjustments in the event of any stock dividend, stock split, combination or similar recapitalization affecting such shares. Holders of the Digital Securities do not have any voting rights, are not entitled to any dividends or other distributions, and do not have any right to the Company's assets in the event of a liquidation, dissolution or winding-up of the Company. Upon conversion of the Digital Securities into Class A ordinary shares, the digital token previously representing such Digital Securities will be decommissioned. The Class A ordinary shares will have the rights and preferences set forth in the Company's articles of association. This offer has been prepared solely for the benefit of "accredited investors" (as such term is defined under Regulation D) and certain parties that are not "U.S. persons". The Company issued an aggregate of 648 digital securities at a purchase price per digital security of $1,000.

The Digital Securities will be redeemable, in whole or in part, at the Company's option at a cash redemption price equal to the original purchase price per Digital Security to be redeemed.

The Company concluded that the digital securities are not indexed to the Company's own stock and should be recorded as a liability measured at fair value with changes in fair value recognized in earnings.

The Digital Securities' change in the fair value during the three-month period ended March 31, 2023 was immaterial.

NOTE 11: — SUBSEQUENT EVENTS

The Company evaluated all events or transactions that occurred subsequent to March 31, 2023, through the date of approval of these financial statements, June 1, 2023, and has determined that there are no subsequent events that require disclosure or recognition in the financial statements except for the below:

ODDITY TECH LTD. AND ITS SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands (except share and per share data)

NOTE 11: — SUBSEQUENT EVENTS (Continued)

On May 12, 2023, the Company completed the acquisition of 100% of the shares of Revela Inc. ("Revela"), a US biotechnology company. The aggregated purchase price amounted to approximately $69,000 and was comprised of: (i) cash in the amount of $32,514 (ii) 45,571 Class A ordinary shares and (iii) 39,768 restricted Class A ordinary shares which are subject to certain performance milestones as specified in the agreement. In addition, the transaction includes additional consideration related to compensation for post combination services. The acquisition of Revela has been accounted for as a business combination using the acquisition method of accounting.

Shares

Class A Ordinary Shares

Prospectus

Goldman Sachs & Co. LLC

Morgan Stanley

Allen & Company LLC

BofA Securities **Barclays** **Truist Securities**

JMP Securities, A CITIZENS COMPANY **KeyBanc Capital Markets**

Through and including , 2023 (the 25th day after the date of this prospectus), all dealers that effect transactions in the ordinary shares, whether or not participating in this offering, may be required to deliver a prospectus. This in addition to the dealer's obligation to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 6. Indemnification of Directors and Officers.

Under the Companies Law, a company may not exculpate an office holder from liability for a breach of the duty of loyalty. An Israeli company may exculpate an office holder in advance from liability to the company, in whole or in part, for damages caused to the company as a result of a breach of duty of care but only if a provision authorizing such exculpation is included in its articles of association. Our amended and restated articles of association to be effective upon the closing of this offering include such a provision. An Israeli company may not exculpate a director from liability arising out of a prohibited dividend or distribution to shareholders.

An Israeli company may indemnify an office holder in respect of the following liabilities and expenses incurred for acts performed as an office holder, either in advance of an event or following an event, provided a provision authorizing such indemnification is contained in its articles of association:

- a financial liability imposed on him or her in favor of another person pursuant to a judgment, including a settlement or arbitrator's award approved by a court. However, if an undertaking to indemnify an office holder with respect to such liability is provided in advance, then such an undertaking must be limited to events which, in the opinion of the board of directors, can be foreseen based on the company's activities when the undertaking to indemnify is given, and to an amount or according to criteria determined by the board of directors as reasonable under the circumstances, and such undertaking shall detail the abovementioned events and amount or criteria;
- reasonable litigation expenses, including legal fees, incurred by the office holder (1) as a result of an investigation or proceeding instituted against him or her by an authority authorized to conduct such investigation or proceeding, provided that (i) no indictment was filed against such office holder as a result of such investigation or proceeding; and (ii) no financial liability, such as a criminal penalty, was imposed upon him or her as a substitute for the criminal proceeding as a result of such investigation or proceeding or, if such financial liability was imposed, it was imposed with respect to an offense that does not require proof of criminal intent; and (2) in connection with a monetary sanction;
- reasonable litigation expenses, including legal fees, incurred by the office holder or imposed by a court in proceedings instituted against him or her by the company, on its behalf or by a third party or in connection with criminal proceedings in which the office holder was acquitted or as a result of a conviction for an offense that does not require proof of criminal intent; and
- expenses, including reasonable litigation expenses and legal fees, incurred by an office holder in relation to an administrative proceeding instituted against such office holder, or certain compensation payments made to an injured party imposed on an office holder by an administrative proceeding, pursuant to certain provisions of the Israeli Securities Law.

An Israeli company may insure an office holder against the following liabilities incurred for acts performed as an office holder if and to the extent provided in the company's articles of association:

- a breach of the duty of loyalty to the company, to the extent that the office holder acted in good faith and had a reasonable basis to believe that the act would not prejudice the company;
- a breach of the duty of care to the company or to a third party, to the extent such breach arises out of the negligent conduct of the office holder;
- a financial liability imposed on the office holder in favor of a third party;
- a financial liability imposed on the office holder in favor of a third party harmed by a breach in an administrative proceeding; and

- expenses, including reasonable litigation expenses and legal fees, incurred by the office holder as a result of an administrative proceeding instituted against him or her, pursuant to certain provisions of the Israeli Securities Law.

An Israeli company may not indemnify, exculpate or insure an office holder against any of the following:

- a breach of the duty of loyalty, except to the extent that the office holder acted in good faith and had a reasonable basis to believe that the act would not prejudice the company;
- a breach of the duty of care committed intentionally or recklessly, excluding a breach arising out of the negligent conduct of the office holder;
- an act or omission committed with intent to derive illegal personal benefit; or
- a civil or criminal fine, monetary sanction or forfeit levied against the office holder.

Under the Companies Law, exculpation, indemnification, and insurance of office holders must be approved by the compensation committee and the board of directors (and, with respect to directors and the chief executive officer, by the shareholders). However, under regulations promulgated under the Companies Law, the insurance of office holders shall not require shareholder approval and may be approved by only the compensation committee, if the engagement terms are determined in accordance with the company's compensation policy and that policy was approved by the shareholders by the same special majority required to approve a compensation policy, provided that the insurance policy is on market terms and the insurance policy is not likely to materially impact the company's profitability, assets or obligations.

Our amended and restated articles of association to be effective upon the closing of this offering allow us to exculpate, indemnify and insure our office holders for any liability imposed on them as a consequence of an act (including any omission) which was performed by virtue of being an office holder. Our office holders are currently covered by a directors and officers' liability insurance policy.

We have entered into agreements with certain of our directors and executive officers exculpating them in advance, to the fullest extent permitted by law, from liability to us for damages caused to us as a result of a breach of duty of care, and undertaking to indemnify them to the fullest extent permitted by law. This indemnification is limited to events determined as reasonably anticipated by the board of directors based on our activities, and to an amount determined by the board of directors as reasonable under the circumstances.

Effective as of the date of this offering, the maximum indemnification amount set forth in such agreements is limited to an amount equal to the higher of $25 million and 25% of our total shareholder's equity as reflected in our most recent consolidated financial statements prior to the date on which the indemnity payment is made. The maximum amount set forth in such agreements is in addition to any amount paid (if paid) under insurance and/or by a third party pursuant to an indemnification arrangement.

In the opinion of the SEC, indemnification of directors and office holders for liabilities arising under the Securities Act, however, is against public policy and therefore unenforceable.

There is no pending litigation or proceeding against any of our office holders as to which indemnification is being sought, nor are we aware of any pending or threatened litigation that may result in claims for indemnification by any office holder.

Item 7. Recent Sales of Unregistered Securities.

During the past three years, we issued securities which were not registered under the Securities Act as set forth below. We believe that each of such issuances was exempt from registration under the Securities Act in reliance on Section 4(2) of the Securities Act, Rule 701 and/or Regulation S under the Securities Act.

The following is a summary of transactions during the preceding three fiscal years involving sales of our securities that were not registered under the Securities Act.

In July 2021, we issued an aggregate of 31,952 Redeemable A Shares at a purchase price per share of approximately $375.56. Of these Redeemable A Shares, 6,370 remain in escrow until January 23, 2023 to satisfy certain indemnification obligations.

In February 2022, we issued an aggregate of 1,697,311 Class B ordinary shares and 31,952 Redeemable A shares (of which 6,370 Redeemable A shares were placed in escrow until January 23, 2023 to satisfy certain indemnification obligations) to existing holders of Class A ordinary shares and Redeemable A shares, respectively, on a one-for-one basis in connection with the implementation of a dual class ordinary share structure.

In June 2022, we issued and sold an aggregate of 648 digital securities in a private placement at a purchase price per digital security of $1,000. These digital securities were issued and sold pursuant to Regulation D and Regulation S of the Securities Act.

Since March 31, 2020, we have granted our directors, officers, employees and consultants an aggregate of options to purchase 192,703 Class A ordinary shares, at a weighted-average exercise price of $281.02 per share, and 179,559 Class B ordinary shares, at a weighted-average exercise price of $286.76 per share under our 2020 Equity Incentive Plan.

Since March 31, 2020, we have granted our directors, officers, employees and consultants an aggregate of 16,825 Class A ordinary shares underlying RSUs, and 9,539 Class B ordinary shares underlying RSUs, to which have been or will be settled in ordinary shares under our 2020 Equity Incentive Plan.

In connection with our acquisition of Revela in May 2023, we issued 85,339 Class A ordinary shares as part of the purchase price.

No underwriter or underwriting discount or commission was involved in any of the transactions set forth in Item 7.

Item 8. Exhibits and Financial Statement Schedules.

(a) The Exhibit Index is hereby incorporated herein by reference.

(b) Financial Statement Schedules.

All schedules have been omitted because they are not required, are not applicable or the information is otherwise set forth in the Consolidated Financial Statements and related notes thereto.

Item 9. Undertakings.

(a) The undersigned registrant hereby undertakes to provide to the underwriters at the closing specified in the underwriting agreement certificates in such denominations and registered in such names as required by the underwriters to permit prompt delivery to each purchaser.

(b) Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers, and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction, the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

(c) The undersigned registrant hereby further undertakes that:

(1) For purposes of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.

(2) For the purpose of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

EXHIBIT INDEX

Exhibit No.	Description
1.1*	Form of Underwriting Agreement
3.1	Amended and Restated Articles of Association of the Registrant, as currently in effect
3.2	Form of Amended and Restated Articles of Association of the Registrant to be effective upon the closing of this offering
4.1	Specimen share certificate of the Registrant
4.2	Registration Rights Agreement
5.1*	Opinion of Herzog Fox & Neeman, counsel to the Registrant, as to the validity of the Class A ordinary shares (including consent)
10.1	Form of Indemnification Agreement
10.2†	Il Makiage Cosmetics (2013) Ltd. 2020 Equity Incentive Plan
10.3†	U.S. Sub-Plan to the Il Makiage Cosmetics (2013) Ltd. 2020 Equity Incentive Plan
10.4†*	2023 Incentive Award Plan
10.5†	Form Share Option Agreement
10.6†	Form Restricted Share Unit Agreement
10.7†*	2023 Employee Share Purchase Plan
10.8†	Non-Employee Director Compensation Policy
10.9†	Compensation Policy for Directors and Officers
10.10	Holdback Agreement with Niv Price
10.11^#	Voyage81 Stock Purchase Agreement
10.12#	Agreement and Plan of Mergers, by and among ODDITY Labs, LLC, Revela Inc., IM Pro Makeup NY L.P., IM Pro Makeup NY Merger Sub, Inc. and Evan Zhao, as representative, dated April 4, 2023.
21.1	List of subsidiaries of the Registrant
23.1	Consent of Kost, Forer, Gabbay & Kasierer, an independent registered public accounting firm
23.2*	Consent of Herzog Fox & Neeman (included in Exhibit 5.1)
24.1	Power of Attorney (included in signature page to Registration Statement)
99.1	Consent of Ohad Chereshniya as director nominee
107	Filing Fee Table

* To be filed by amendment.

† Indicates a compensatory plan or arrangement.

^ Certain portions of this exhibit (indicated by "[***]") have been omitted pursuant to Item 601(b)(10)(iv) of Regulation S-K. The Registrant undertakes to furnish supplemental unredacted copies of the exhibit upon request by the SEC.

Schedules have been omitted pursuant to Item 601(b)(2) of Regulation S-K. The Registrant undertakes to furnish supplemental copies of any of the omitted schedules upon request by the SEC.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form F-1 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Tel Aviv, Israel on this 23rd day of June, 2023.

ODDITY Tech Ltd.

By: /s/ Oran Holtzman
Name: Oran Holtzman
Title: Chief Executive Officer

KNOW ALL PERSONS BY THESE PRESENTS that each person whose signature appears below hereby constitutes and appoints Oran Holtzman and Lindsay Drucker Mann and each of them, his or her true and lawful attorneys-in-fact and agents, with full power to act separately and full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement and all additional registration statements pursuant to Rule 462 (b) of the Securities Act of 1933, as amended, and to file the same, with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto each said attorney-in-fact and agent full power and authority to do and perform each and every act in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or either of them or his or her or their substitute or substitutes may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed by the following persons on June 23, 2023 in the capacities indicated:

Name	Title
/s/ Oran Holtzman Oran Holtzman	Chief Executive Officer, Director (Principal Executive Officer)
/s/ Lindsay Drucker Mann Lindsay Drucker Mann	Global Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)
/s/ Shiran Holtzman-Erel Shiran Holtzman-Erel	Director
/s/ Michael Farello Michael Farello	Director
/s/ Lilach Payorski Lilach Payorski	Director

Signature of Authorized U.S. Representative of Registrant

Pursuant to the requirements of the Securities Act of 1933, as amended, the undersigned, the duly authorized representative in the United States of ODDITY Tech Ltd. has signed this registration statement on June 23, 2023.

By: /s/ Lindsay Drucker Mann

Name: Lindsay Drucker Mann
Title: Global Chief Financial Officer

Exhibit 3.1

The Companies Law 5759-1999

Private Company Limited by Shares

AMENDED AND RESTATED ARTICLES OF ASSOCIATION

OF

Oddity Tech Ltd.

Adopted by the Shareholders on February 23, 2022

PART A: DEFINITIONS AND INTERPRETATION

1. Definitions

In these Articles of Association, the following terms shall have the meaning appearing opposite them, unless another interpretation is expressly stated herein:

"**2019 SPA**"	Share Purchase Agreement, dated June 6, 2019, by and between the Company and L Catterton;
"**Affiliate**"	With respect to any Person, a Person that directly or indirectly, through one or more intermediaries, Controls, is Controlled by or under common Control with the first-mentioned Person;
"**Alternate Director**"	As defined in these Articles;
"Articles"	These amended and restated articles of association as they may be modified or amended from time to time by the Shareholders;
"**Board of Directors**"	The Board of Directors of the Company elected or properly appointed in accordance with the provisions of these Articles; any committee of the Board of Directors to the extent that any of the authorities of the Board of Directors are delegated to it;
"**Business Day**"	Each day other than: (i) Friday, Saturday and Sunday, or (ii) any other day on which commercial banks in Israel or New York are generally closed for business;
"**CEO**"	The person holding this title and any person having the authority of a General Manager whatever his title;
"**Closing Date of the SPA**"	June 2, 2017;
"**Companies Law**"	The Israeli Companies Law, 5759-1999 and any and all rules and regulations promulgated thereunder, all as amended from time to time;
"**Companies Ordinance**"	Those sections of the Companies Ordinance [New Version] 5743 - 1983 that remain in force after the date of the coming into force of the Companies Law as the same shall be amended from time to time thereafter or any other law which shall replace those sections after the date of entry into force of the Companies Law;
"**Company**"	Oddity Tech Ltd.;
"**Control**"	Means (i) the ability to direct, or cause the direction of, the management and policies of the relevant Person, whether through the ownership of voting securities, by contract or otherwise, and whether directly or indirectly, or (ii) the beneficial ownership (directly or indirectly, including through one or more intermediaries) of 50% or more of the ownership interests in such Person, including the issued and outstanding share capital, voting rights or other ownership interests, or (iii) the right to appoint the majority of the directors (or the equivalent thereof) in such Person;

"**Corporate Representative**"	As defined in these Articles;
"**Director**" or "**Directors**"	A member or members of the Board of Directors who are elected or appointed in accordance with the provisions of these Articles, including an Alternate Director and a Corporate Representative serving in such capacity at the relevant time;
"**Equity Securities**"	(i) any Shares, other shares or interests, (ii) any ownership interests in a Person other than a company, including membership interests, partnership interests, joint venture interests and beneficial interests, and (iii) any warrants, options, convertible or exchangeable securities, convertible debt, subscription rights (including any preemptive or similar rights), calls or other rights to purchase or acquire any of the foregoing;
"**Family Member**"	With respect to any Person, the spouse, registered domestic partner, parent, sibling, descendants (including any adopted descendant) and trusts for the benefit of each of the foregoing of such Person who is a natural person ;
"**Fully Diluted Basis**"	With respect to any Person, after taking into account all issued and outstanding shares of such Person of any class (calculated on an as-converted basis), and after giving effect to the conversion or exercise (as the case may be) of all Equity Securities, including any and all undertakings or promises (whether written or oral) to receive the same, into the shares of such Person;
"**Governmental Body**"	Any (a) nation, principality, state, commonwealth, province, territory, county, municipality, district or other jurisdiction of any nature; (b) Israeli, federal, state, local, municipal, or other government; (c) governmental authority of any nature (including any governmental, administrative or regulatory division, department, agency, commission, instrumentality, official, organization, unit, body or entity and any court or other tribunal); or (d) multi-national organization or body;
"General Meeting"	As defined in the Companies Law;
"IM Investments"	Il Makiage Investments L.P. a limited partnership organized under the laws of Israel, registered number 550269492, having its principal offices at 8 Hacharash St., Tel Aviv, Israel;
"**Involuntary Transfer**"	Means and includes disposition upon death of a Shareholder, whether by will or upon intestacy; disposition pursuant to any judgment, execution, levy, seizure, attachment, or other similar legal process; transfer to any receiver, trustee in bankruptcy, assignee for the benefit of creditors, or other similar party; transfer or disposition in connection with a divorce or settlement decree or agreement; and any other transfer, direct or indirect, of any Interest or any part thereof, or of any legal, equitable or beneficial interests of a Shareholder in any Interest or part thereof, that is not a Voluntary Transfer;

"**IPO**"	An initial underwritten public offering of Shares that raised gross proceeds to the Company of at least US $75 million at a per share price equal to 2.5 x US$ 6,150.58 (as adjusted for any Recapitalization Event occurring following the issuance of the L Catterton SPA Shares);
"In Writing" or **"Written"**	Including by photocopy, facsimile or electronic mail;
"L Catterton"	LCGP3 PRO MAKEUP, L.P., a Delaware limited partnership, having its principal offices at 599 West Putnam Avenue, Greenwich, CT 06830, USA;
"**L Catterton Entitlement Holdings Threshold**"	A number of Shares equal to 75% of the number of L Catterton SPA Shares (as such number of shares may be adjusted for any Recapitalization Event);
"L Catterton SPA Shares"	As at February 15, 2022, a total of 552,800 Shares as such number of shares may be adjusted for any Recapitalization Events occurring following that date;
"L Catterton 2019 SPA Shares"	As at February 15, 2022, a total of 154,300 Shares as such number of shares may be adjusted for any Recapitalization Event occurring following that date;
"Minority Shareholder"	A Shareholder, holding 5% or less of the Company's issued and outstanding share capital at that time;
"**Non-U.S. CapEx**"	Capital expenditures made by the Company, less all U.S. CapEx;
"**Non-U.S. EBITDA**"	as defined in the Shareholders Agreement;
"**Office"** or "**the Offices of the Company"**	The registered office of the Company at the relevant time;
"Office Holder" or "**Officer**"	As defined in the Companies Law;
"**Oran Shilo"**	OS Investments together with IM Investments;
"**Ordinary Shareholder"**	Any holder of Ordinary Shares of the Company, as may be from time to time
"**OS Investments"**	Oran Shilo Investments LP, a limited partnership organized under the laws of the State of Israel, registered number 55-025056-7, having its principal offices at 8 Hacharash St., Tel Aviv, Israel;
"**Permitted Pledge**"	A pledge, encumbrance or other security interest provided, directly or indirectly, by Oran Shilo (or by its direct or indirect shareholders) to any third party in respect of such number of Shares held by them directly or indirectly, equal to or less than the difference between (i) shares held by L Catterton (and its Permitted Transferees) and Oran Shilo (and its Permitted Transferees) at that time, minus (ii) shares that represent 51% of the Company's issued and outstanding share capital at that time;

"**Permitted Transferees**"	With respect to a Shareholder:

(I) in the case of an institutional, private equity, hedge, venture capital or other private investment fund, or any subsidiary of such a person, any partner, limited partner, retired partner, member or retired member of such holder, any affiliated fund, any fund which is Controlled by or under common Control with one or more general partners of such holder, any fund that is managed and governed by the same management company as such holder, any fund that Controls such holder or any fund that is Controlled by, under common Control with, managed or advised by the same management company or registered investment advisor that controls, is under common control with, manages or advises the fund that Controls such holder;

(II) in the case of a mutual fund, pension fund, other pooled investment vehicle or an institutional client, to another mutual fund, pension fund, other pooled investment vehicle or an institutional client in connection with a merger, fund reorganization or otherwise for regulatory or fund management purposes;

(III) in the case of a partnership, its limited partners, provided each has received their entitlement in the Transferred Company's shares on a pro-rata basis based on their limited partner's interest; or

(IV) in the case of a natural person, an entity Controlled (directly or indirectly) by a natural person, or a trust created by a natural person,

(a) such natural person;

(b) a legal successor or heir of such natural person, provided that the foregoing shall not be regarded as Permitted Transferees for the purpose of Article 6.1.4.

(c) a Family Member and, solely in the context of a transfer of assets in connection with a divorce, a former spouse of such natural person (provided that such transfer is not in excess of 50% of the shares held by such a Shareholder and subject to such former spouse signing an irrevocable proxy and power of attorney to such transferring Shareholder with respect to such transferred shares in form and substance reasonably satisfactory to the Board of Directors);

(d) any custodian, trustee (including a trustee of a voting trust), executor or other fiduciary for the account of such Shareholder or natural person or any one or more Family Members of such natural person or any of such Shareholder's Permitted Transferees or any trust contemplated by clause (e);

(e) a trust whose sole beneficiary(ies) is the Shareholder and/or its Permitted Transferees;

(f) if the Shareholder is a trust, any beneficiary(ies) of the trust; and

(g) a company, corporation, partnership or limited liability company Controlled by such natural person and/or his Family Members directly, or indirectly through one or more Permitted Transferees thereof;

provided that with respect to Class B Shares, in the case of clauses (IV)(c) through (g), such natural person maintains the exclusive ability to vote the Class B Shares.

For the avoidance of any doubt, as of the Effective Time, Oran Holtzman is a Permitted Transferee and the ultimate Controlling shareholder of Oran Shilo.

"**Person**" **or** "**person**"	Any natural person, corporation, general partnership, limited partnership, limited liability company, limited liability partnership, proprietorship, trust union, association, court, tribunal, agency, governmental, regulatory organization, arbitrator, board, bureau, instrumentality, governmental authority or other entity, enterprise, authority or business organization, including any Governmental Body;
"**Recapitalization Event**"	Any dividend in Shares (i.e., issuance of bonus shares), split-up of shares, redemption of Shares, combination of Shares into a lesser number of Shares, re-capitalization, reclassification, exchange pursuant to a merger or consolidation or similar event (if immediately following such transaction all of the capital stock of the surviving or resulting corporation is held by persons who were Shareholders immediately preceding such transaction);
"**Register of Charges**"	The register of charges pursuant to Section 172 of the Companies Ordinance;
"**Register of Directors**"	The register of Directors pursuant to Section 224 of the Companies Law;
"**Register of Shareholders**"	The register of shareholders of the Company pursuant to Section 127 of the Companies Law, together with any additional shareholders register that the Company may maintain outside Israel;
"**Shareholder**"	Any holder of Shares of the Company, as may be from time to time;
"**Shares**"	Any shares of any class of the Company;
"**Security Interest**"	Means any mortgage, charge, pledge, lien, attachment, assignment, security interest, hypothecation, restriction, option, right to acquire, right of first offer, right of first refusal or right of pre-emption or any other encumbrance or third party right or interest of any kind; or any other agreement or arrangement the effect of which is the creation of security; any other type of arrangement (including a title transfer or retention arrangement) having similar effect; or any agreement or arrangement or obligation to create any of the same;

"**Shareholders Agreement**"	The amended and restated shareholders agreement dated October 25, 2021, among L Catterton, Oran Shilo and the Company;
"**Simple Majority**"	A majority of those present and voting at a general meeting or meeting of the Board of Directors. The vote of any person present at a meeting as aforesaid who does not vote or abstains from voting with respect to any matter on the agenda shall not be included in the number of votes cast;
"**SPA**"	as defined in the Shareholders Agreement;
"Strategic "Partnership	as defined in the Shareholders Agreement;
"**Surplus Account**"	The profits of the Company as appearing in the books of account of the Company;
"**Transaction**"	A contract or an agreement or a unilateral decision to bestow a right or some other benefit;
"**Transfer**"	Means any Voluntary Transfer or Involuntary Transfer;
"**U.S. Business**"	Means the Company's retail and other businesses operated in the United States or promoted or marketed primarily to the United States market, including all sales made in the United States;
"**U.S. CapEx**"	Means capital expenditures made solely with respect to the U.S. Business;
"**U.S. EBITDA**"	Means consolidated earnings before interest, taxes, depreciation and amortization of the U.S. Business of the Company's subsidiaries, as set forth in such Subsidiaries' standalone financial statements for the most recently completed fiscal year, as determined in accordance with the same methodology used to calculate the Non-U.S. EBITDA;
"**V81 SPA**"	Share Purchase Agreement dated July 9, 2021 in respect of Voyage81 Ltd.
"**Voluntary Transfer**"	Any sale, transfer, assignment, gift, pledge or encumbrance, grant of security interest, distribution pursuant to voluntary liquidation, or other voluntary disposition or alienation of any Shares or Equity Securities or any portion thereof or of any legal, equitable and beneficial interest in Shares or Equity Securities or part thereof;
"**year**" or "**month**"	According to the Gregorian calendar.

In addition to the defined terms in this Article 1, each capitalized term listed below has the meaning ascribed to it in the Article referenced opposite such term.

Defined Terms

Acceptance Notice	Articles 12.2.1, 13.2
Acquirer	Article 12.4.1
Appointment	Article 17.6
Anti Trust Law	Article 26.1
Business Plan	Article 22.13
Chairman	Article 18.1.2
Class A Shares	Article 4
Class B Shares	Article 4
Distress Fund Raising	Article 22.1
Equity Grants	Article 13.1
Financing	Article 13.1
Invested Capital	Article 22.3
L Catterton Director	Article 17
New Securities	Article 13.1
Notice	Articles 12.2.1, 13.1
Offer	Articles 12.2.1, 12.4.1
Offeree	Article 12.2.1
Offered Shares	Articles 12.2.1, 12.3.1
Offeror	Article12.2.1
Ordinary Shares	Article 4
Participation Notice	Article 12.3.2
Proposed Transaction	Articles 12.3.1, 12.4.1
Redeemable A Shares	Article 4
Response Period	Article 12.2.1
Secretary	Article 25
Securities Law	Article 26.1f
Selling Shareholder	Article 12.3.1
Senior Securities	Article 22.1
Subsidiary	Article 22
Tag-Along Period	Article 12.3.2

2. Interpretation

2.1 Subject to the provisions of Article 1 above, and unless the context expressly requires some other interpretation, capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Companies Law or in the Companies Ordinance, as the case may be.

2.2. In these Articles, words in the singular shall include the plural (and vice versa); masculine terms shall include the feminine gender (and vice versa), and words indicating individuals shall include corporations.

2.3. Any Article in these Articles which provides for an arrangement which differs in whole or in part from any provision in the Companies Law or the Companies Ordinance, as the case may be, which can be stipulated against, amended or added to, in whole or with regard to specific matters or within specific limitations, in accordance with any law, shall be considered a stipulation against the provision of the Companies Law or the Companies Ordinance, as the case may be, even if the actual stipulation is not specified in the said Article, and even if it is expressly stated in the Article (in whatever form) that the effectiveness of the Article is subject to the provisions of any law.

2.4. In the event of a contradiction between any Article and the provisions of any law that may not be stipulated against, amended or added to, the provisions of the said law shall prevail, provided that nothing thereby shall nullify or impair the effectiveness of these Articles or any other Article herein.

2.5. In interpreting any Article or examining its effectiveness, the interpretation shall be given to that Article which is most likely to achieve its purpose as appearing therefrom or as appearing from the other Articles included within these Articles of Association.

PART B: THE COMPANY, ITS OBJECTS AND ITS CAPITAL

3. The Company and its Objects

3.1. The Company is a private company.

3.2. The objectives of the Company shall be to undertake any lawful activity.

3.3. The Company is subject to the following limitations:

(a) the Company may not offer any shares, convertible securities or debentures of the Company to the public;

(b) the number of Shareholders for the time being in the Company (exclusive of employees of the Company and former employees of the Company who have continued as Shareholders in the Company after the termination of such employment) is limited to fifty (50). Where two or more persons hold one or more shares in the Company jointly, they shall, for the purposes of this Article, be treated as a single Shareholder;

(c) the transfer of Equity Securities in the Company (and the transfer of any rights in shares held by a number of joint owners) shall be subject to the restrictions contained in these Articles.

3.4. The Company may contribute reasonable amounts for any suitable purpose or category of purposes even if such contributions do not fall within business considerations of the Company. The Board of Directors may determine the amounts of the contributions, the purpose or category of purposes for which the contribution is to be made and the identity of the recipients of any contribution.

3.5. The Company may at any time undertake any kind of business activity which is permitted under the terms of these Articles, expressly or by implication, and may refrain from these activities, whether or not the Company has commenced that kind of business activity, all in the absolute discretion of the Board of Directors.

4. Capital of the Company

The authorized share capital of the Company is NIS 14,000 (Fourteen Thousand New Israeli Shekels) divided into (i) 10,000,000 (Ten Million) Class A Ordinary Shares of nominal value NIS 0.001 each ("**Class A Shares**"); (ii) 2,000,000 (Two Million) Class B Ordinary Shares of nominal value NIS 0.001 each ("**Class B Shares**" and, together with the Class A Shares, the "**Ordinary Shares**"); and (iii) 2,000,000 (Two Million) Redeemable A Shares of nominal value NIS 0.001 each ("**Redeemable A Shares**").

5. Limited Liability

The liability of each of the Shareholders of the Company for the indebtedness of the Company shall be limited to payment of the nominal value of the shares of that Shareholder.

6. Rights attaching to the Shares

6.1. **Rights of Ordinary Shares**

6.1.1. Voting Rights.

(a) Except as otherwise expressly provided herein or required by applicable law, the holders of Class A Shares and Class B Shares shall vote together as one class on all matters submitted to the vote of the Shareholders.

(b) Except as otherwise expressly provided herein or required by applicable law, on any matter that is submitted to a vote of the Shareholders, each holder of Class A Shares shall be entitled to one (1) vote for each Class A Share then held by it, and each holder of Class B Shares shall be entitled to ten (10) votes for each Class B Share then held by it.

6.1.2. Identical Rights. Unless these Articles provide otherwise, the Class A Shares and Class B Shares shall carry the same rights and rank equally, share ratably and be identical in all respects, and each Class A Share and Class B Share shall vest in the holder thereof:

(a) The right to receive an invitation to and to participate in each General Meeting of the Company, annual or special, and the right to one (1) vote (in respect of each Class A Share) or ten (10) votes (in respect of each Class B Share) in respect of each share that the holder holds in every vote at each General Meeting of the Company in which he participates provided that the share is owned by the shareholder on the date specified in the resolution to convene the General Meeting in question;

(b) The right to receive, together with the Redeemable A Shares, if and to the extent distributed, dividends, bonus shares and any other distribution in each case, in accordance with the number of shares that the shareholder holds on the date upon which it is resolved to distribute the dividend or bonus shares or other distribution (as the case may be) or at such later date as shall be provided in the resolution in question. The Class A Shares, Class B Shares and Redeemable A Shares shall be treated equally, identically and ratably, on a per share basis, with respect to any dividend, bonus shares or distribution, *provided* that any bonus shares issued on a share shall be in the same per share ratio for all classes, but shall be of the same class of the share on which it is being distributed (i.e. Class A Shares will be issued as bonus shares on outstanding Class A Shares, Class B Shares will be issued as bonus shares on outstanding Class B Shares and Redeemable A Shares will be issued as bonus shares on outstanding Redeemable A Shares), unless different treatment is proposed by the Board of Directors and approved in a general meeting of each of the Class A Shares and Class B Shares, each voting separately as a class, and in which a majority of the shares of each such class present and voting in such meeting affirmatively votes in favor of such different treatment;

(c) The right to participate in the distribution of any surplus assets of the Company upon liquidation (it being clarified that the Class A Shares, Class B Shares and Redeemable A Shares shall be treated equally, identically and ratably, on a per share basis, with respect to the distribution of any surplus assets of the Company upon liquidation).

(d) If the Company effects a split, reverse split, subdivision or combination of the outstanding Class A Shares, Class B Shares or Redeemable A Shares, the outstanding Shares of each other class will be subject to the same split, reverse split, subdivision or combination in the same proportion and manner, unless different treatment is proposed by the Board of Directors and approved in a general meeting of each of the Class A Shares and Class B Shares, each voting separately as a class, and in which a majority of the shares of each such class present and voting in such meeting affirmatively votes in favor of such different treatment.

(e) Change of Control Transaction. Class A Shares, Class B Shares and Redeemable A Shares shall be treated equally, identically and ratably on a per share basis with respect to any consideration into which such Shares are converted or any consideration paid or otherwise distributed to Shareholders of the Company in connection with a Change of Control Transaction (as defined below), unless different treatment of the Shares of each such class is proposed by the Board of Directors and approved in a general meeting of each of the Class A Shares and Class B Shares, each voting separately as a class, and in which a majority of the shares of each such class present and voting in such meeting affirmatively votes in favor of such different treatment.

6.1.3. Voluntary Conversion. Each one (1) Class B Share shall be convertible into one (1) Class A Share at the option of the holder thereof, at any time, upon written notice to the Company.

6.1.4. Automatic Conversion Upon Transfer. Class B Shares shall automatically convert into an equal number of Class A Shares upon a Transfer of such Class B Shares (including, for the avoidance of doubt, a Transfer to another Shareholder, including a Transfer pursuant to an exercise of Section 12.2 (*Right of First Offer*)) by the holder of such shares as of immediately following the Effective Time (or in the case of any Class B Shares issued following the Effective Time, by the holder of such Class B Shares as of the time of original issuance of such shares) (any such holder, the "**Operative Holder**") or by any of such Operative Holder's Permitted Transferees to a natural person or entity other than (A) the Operative Holder, or (B) a Permitted Transferee of such Operative Holder, *provided, however*, that the following shall not be considered a "Transfer" for the purposes of this Article 6.1.4: (a) the pledge of Class B Shares by a holder of Class B Shares that creates a mere security interest in such shares pursuant to a *bona fide* loan or indebtedness transaction so long as the holder of Class B Shares continues to exercise exclusive voting control over such pledged shares; *provided, however*, that a foreclosure on such Class B Shares or other similar action under or in connection with the pledge shall constitute a "Transfer" for the purpose hereof; and (b) the fact that, at any time the spouse of any holder of Class B Shares possesses or obtains an interest in such holder's Class B Shares arising solely by reason of the application of the community property laws of any jurisdiction, so long as no other event or circumstance shall exist or have occurred that constitutes a "Transfer" of such Class B Shares.

6.1.5. Conversion of All Outstanding Class B Shares. Each one (1) issued and outstanding Class B Share shall automatically, without any further action, convert into one (1) Class A Share upon the earliest of: (a) the date specified by affirmative vote or written consent of the holders of at least sixty percent (60%) of the outstanding Class B Shares, voting or acting as a separate class; (b) 5:00 pm New York City time on a date fixed by the Board that is not less than sixty (60) days nor more than one hundred and eighty (180) days following the date that Oran Shilo and Oran Holtzman, together with their Permitted Transferees, cease to hold an aggregate of at least thirty-three percent (33%) of the number of Class B Shares held by such holders at the Effective Time (as such number of shares is adjusted for any Recapitalization Event); (c) 5:00 pm New York City time on a date fixed by the Board that is not less than sixty (60) days nor more than one hundred and eighty (180) days following the death of Oran Holtzman; and (d) the seven-year anniversary of the closing date of the Company's IPO.

6.1.6. Procedures. The Company may, from time to time, establish such policies and procedures relating to the conversion of Class B Shares to Class A Shares and the general administration of this dual class share structure, including the issuance of share certificates (or the establishment of book-entry positions) with respect thereto, as it may deem necessary or advisable, and may request that holders of Class B Shares furnish affidavits or other proof to the Company as it deems necessary to verify the ownership of Class B Shares and to confirm that a conversion to Class A Shares has not occurred.

The Company may provide a written notice and certification request to any holder of Class B Shares that (a) specifies a date that is not less than ninety (90) calendar days after the date of such notice and certification request (the "**Certification Date**") and (b) requests a certification, in a form satisfactory to the Company, verifying such holder's ownership of Class B Shares and confirming that an event requiring a conversion to Class A Shares has not occurred to be delivered by such holder to the Company by the Certification Date. To the extent such holder does not furnish a certification satisfactory to the Company prior to the specified Certification Date, any such Class B Shares held by such holder shall automatically, and without further action by the Company or such holder, be deemed to have converted into Class A Shares as of the Certification Date.

A determination by the Board that a Transfer results in a conversion to Class A Shares shall be conclusive and binding.

6.1.7. Immediate Effect of Conversion. In the event of a conversion of Class B Shares to Class A Shares pursuant to this Article 6, such conversion(s) shall be deemed to have been made either at the time that the Company receives the written notice required, the time that the Transfer of such shares occurred or upon the applicable dates or events set forth in Articles 6.1.4 through 6.1.6 above (inclusive), as applicable. Upon any conversion of Class B Shares to Class A Shares, all rights of the holder of such Class B Shares shall cease and the person or persons in whose names or names the certificate or certificates (or book-entry position(s)) representing the Class B Shares) are to be issued shall be treated for all purposes as having become the record holder or holders of such number of Class A Shares into which such Class B Shares were convertible. Class B Shares that are converted into Class A Shares as provided in this Article 6 shall not be reissued. Any proxy issued with respect to Class B Shares shall, unless otherwise stated in such proxy, continue to apply with respect to the Class A Shares into which the Class B Shares have been converted.

6.1.8. Reservation of Shares. The Company shall at all times reserve and keep available out of its authorized but unissued Class A Shares, solely for the purpose of effecting the conversion of the Class B Shares as provided in this Article 6, such number of its Class A Shares as shall from time to time be sufficient to effect the conversion of all outstanding Class B Shares into Class A Shares.

6.1.9. Definitions. In this Article 6.1, the following terms (whether or not capitalized) shall bear the meanings set forth opposite them, respectively, unless the subject or context requires otherwise:

(a) "Change of Control Transaction" means (i) the merger, consolidation, business combination, or other similar transaction of the Company with any other entity, other than a merger, consolidation, business combination, or other similar transaction that would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) more than fifty percent (50%) of the total voting power represented by the voting securities of the Company and more than fifty percent (50%) of the total number of outstanding Shares of the Company, in each case as outstanding immediately after such merger, consolidation, business combination, or other similar transaction, and the shareholders of the Company immediately prior to the merger, consolidation, business combination, or other similar transaction own voting securities of the Company, the surviving entity or its parent immediately following the merger, consolidation, business combination, or other similar transaction in substantially the same proportions (vis-à-vis each other) as such shareholders owned the voting securities of the Company immediately prior to the transaction; (ii) a recapitalization, liquidation, dissolution, or other similar transaction involving the Company, other than a recapitalization, liquidation, dissolution, or other similar transaction that would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or being converted into voting securities of the surviving entity or its parent) more than fifty percent (50%) of the total voting power represented by the voting securities of the Company *and* more than fifty percent (50%) of the total number of outstanding Shares of the Company, in each case as outstanding immediately after such recapitalization, liquidation, dissolution or other similar transaction, and the shareholders of the Company immediately prior to the recapitalization, liquidation, dissolution or other similar transaction own voting securities of the Company, the surviving entity or its parent immediately following the recapitalization, liquidation, dissolution or other similar transaction in substantially the same proportions (vis-à-vis each other) as such shareholders owned of the voting securities of the Company immediately prior to the transaction.

(b) "Effective Time" shall mean the date on which the Class B Shares are initially issued to the holders thereof.

6.2. **Redeemable A Shares** – The Redeemable A Shares shall not have any voting rights and the holders thereof will not be entitled to attend or vote at any General Meeting in respect of the Redeemable A Shares, shall not be entitled to receive notice of any General Meeting in respect of such shares and shall not be entitled or required to sign any shareholders' written consent in respect of such shares. Without derogating from the generality of the immediately preceding sentence, in the event the consent of the holders of the Redeemable A Shares is required to effect any of the resolutions of the shareholders in accordance with the Companies Law, the holders of Redeemable A Shares hereby waive any rights to vote as a separate class to the maximum extent permitted by law. In the event that, notwithstanding this Article above, a class vote of the Redeemable A Shares is required and cannot not be waived by law, each Redeemable A Share shall convey to its holder the right to receive notice of, and to participate and vote in, such class vote, and each holder thereof shall be required to vote such shares in the same manner voted or instructed by the majority of the Class A Shares and Class B Shares voting together as one class on an as-converted basis (as provided below). Notwithstanding the above, the holders of Redeemable A Shares shall have all other rights of shareholders under the Companies Law, including without limitation, the right to receive annual audited financial statements.

6.2.1. **Redemption at the Option of a Holder** - If the Company does not consummate a Deemed Liquidation Event (as defined below) prior to the second anniversary of the date of original issuance of the Redeemable A Shares, then for a period of three months following such second anniversary (such three month period, the "**Redemption Period**"), each holder of Redeemable A Shares will have the right to require the Company to redeem such shares at a redemption price per share equal to the value of each Consideration Share (as defined in the V81 SPA, and the value of which is as agreed pursuant to the V81 SPA), as such price may be adjusted for any Recapitalization Event occurring following the issuance of the Redeemable A Shares (including Recapitalization Events that occurred prior to the adoption of these Articles), plus all accumulated, accrued, declared but unpaid dividends thereon. The Company shall provide the holders of the Redeemable A Shares with a notice of the commencement date of the Redemption Period. Each holder of Redeemable A Shares shall be entitled, during the Redemption Period, to provide written notice to the Company (via email) stating its desire to have its Redeemable A Shares (all or a part thereof) so redeemed (in this Article 6.2: the "**Notice**"). The Company shall be required to effect such redemption within 14 days following receipt of the Notice, by making payment, in cash to such holder, in accordance with wire instructions provided in the Notice. For the sake of clarity, until the consummation of such redemption, the Redeemable A Shares shall remain outstanding and shall convey to the holders thereof all rights, preferences and privileges set forth in the Articles, under applicable law and hereunder.

6.2.2. **Non-transferability**– Without prejudice the provisions of Article 12, until the earlier of the Company's IPO, Direct Listing or consummation of a SPAC Transaction (as defined below), the Redeemable A Shares shall be non-transferable except for a sale: (i) as part of a Deemed Liquidation Event; or (ii) pursuant to Article 12.3. Any Transfer of Redeemable A Shares in violation of this Article 6.2.2 shall be null and void.

6.2.3. **Conversion** – Upon the earlier of (a) the consummation of the Company's IPO, Direct Listing or consummation of a SPAC Transaction, or (b) any transfer of a Redeemable A Share, subject to Article 6.2.2 above, each such issued and outstanding Redeemable A Share shall, immediately prior to and subject to the consummation of the transfer thereof, be automatically converted into one Class A Share (adjusted for any Recapitalization Event).

For the sole purpose of this Article 6.2, any of the following events shall be considered a "**Deemed Liquidation Event"**: ***(A)*** any merger, reorganization or consolidation of the Company with or into another entity, or the acquisition of the Company by means of any transaction or series of related transactions, *except* any such merger, reorganization, consolidation or other transaction or series of related transactions, in which the issued shares of the Company as of immediately prior to such transaction represent, immediately following such merger, reorganization, consolidation or other transaction or series of related transactions, at least a majority, by voting power, of the issued and outstanding shares of the surviving or acquiring entity ; ***(B)*** a sale or other disposition of all or substantially all of the shares and/or the assets of the Company, in a single transaction or a series of related transactions, other than to a wholly-owned subsidiary of the Company; ***(C)*** the consummation of the Company's IPO, Direct Listing or consummation of a SPAC Transaction

For the sole purpose of this Article, (a) **"SPAC Transaction"** means a merger, consolidation, share exchange, share purchase or other business combination between (1) the shareholders of the Company, the Company and/or a wholly-owned subsidiary of the Company and (2) a publicly listed "special purpose acquisition company" (a "**SPAC**") and/or its shareholders (or a subsidiary of the publicly listed company), in connection with which either (x) the Company becomes a publicly listed Company (or a subsidiary of a publicly listed company), or (y) the shareholders of the Company immediately prior to the closing of such merger, consolidation, share exchange, share purchase or other business combination hold or have the right, by virtue of their shareholdings in the Company, to acquire or to be issued, immediately following the closing of such merger, consolidation, share exchange, share purchase or other business combination, the majority shareholding in a publicly listed company that is the surviving entity of such merger, consolidation, share exchange, share purchase or other business combination; (b) "**Direct Listing**" means the Company's initial listing of its Class A Shares on an internationally recognized exchange by means of an effective registration statement.

6.3. Subject to the provisions of any law, and without prejudice to any special rights granted to the current Shareholders of the Company prior to such date and any rights set forth in Article 22, if any, the Company (acting through the Board of Directors) may issue shares, whether included within the original capital of the Company or as a result of an increase in capital, with rights that are superior or inferior to the outstanding shares, or may issue shares which are preferred or subordinated with regard to distributions, voting rights, the right to repayment of capital or in connection with any other matter, all as the Company shall determine from time to time.

6.4. If at any time the share capital is divided into different classes of shares, the General Meeting may, unless the terms of issue of that class of shares provide otherwise, amend, convert, expand, add to or otherwise alter the rights, preferences, limitations and provisions relating to those shares (or which do not relate at such time to one of the classes), provided that the holders of the class of shares that have been issued and whose rights will be affected thereby agree thereto at a meeting of the holders of the shares of the said class.

6.5. The special rights of the holders of any shares or class of shares that have been issued, including shares issued with preferred rights or other special rights, shall not be deemed to have been altered or impaired as a result of the creation or issue of additional shares of equal rank or as a result of the cancellation of authorized share capital of the same class which have not yet been issued, unless it is otherwise specified in the conditions of issue of those shares.

6.6. The consolidation or division of the share capital of the Company shall not be deemed to amend the rights attaching to the shares which are the subject of such consolidation.

6.7. The provisions of these Articles with respect to General Meetings shall apply to all meetings of any class of Shareholders, mutatis mutandis.

6.8. Subject to any special provisions in this regard contained in these Articles, the unissued shares forming part of the authorized share capital of the Company shall at all times be under the control of the Board of Directors, which shall be entitled to issue or otherwise deal with them, in favour of such Persons, for cash or other non-cash consideration, upon such terms and conditions and at such times as the Board of Directors shall deem fit. The Board of Directors shall have full authority to issue a demand for payment in respect of any shares, at such times, for such period and for such consideration as the Board of Directors shall deem fit, and to grant any Person the right to demand that any shares be issued to him at such times, for such period and for such consideration as the Board of Directors shall determine in its absolute discretion.

6.9. Subject to Article 22, the Company may issue redeemable Equity Securities upon such terms as the Board of Directors of the Company shall determine.

6.10. The Board of Directors may attach to redeemable Equity Securities the attributes of shares, including voting rights and the right to participate in profits.

7. Shareholders

7.1. The Company shall be entitled to treat the registered holder of any share, including a Shareholder holding a share on trust, as the absolute owner, and accordingly shall not be required to recognize any claim on the part of any person on the basis of any equitable right or on any other basis in relation to such share, or in relation to any benefit therein on the part of any other person unless an order to this effect has been given by a court of competent jurisdiction.

7.2. The Board of Directors may, from time to time, set procedures in connection with determining the identity of Shareholders and in connection with the manner in which any right, benefit, asset or amount should be transferred to or distributed among them, including, without limitation, with respect to the distribution of dividends or bonus shares, and with respect to the grant of any right, asset or other benefit to the Shareholders in their capacity as such. Any monies, bonus shares, rights or property of any kind that are transferred to a Shareholder (including to his agent, attorney or to any other person that the Shareholder directs) whose identity has been authenticated in accordance with the procedures as aforesaid shall be deemed settlement in full and release of the indebtedness of the Company towards any person claiming a right to such payment, transfer, distribution or grant of right, as the case may be.

8. Changes in Share Capital

8.1. Subject to Article 22.2, the General Meeting of the Company may, from time to time, increase the authorized share capital of the Company by creating new shares, whether or not all of the shares that have been resolved to be issued have in fact been issued at such time, and whether or not all of the shares which have been issued at such time have been paid in full. The increase in share capital shall be in such amount and divided into shares and shall be made subject to such terms and conditions and with such rights and preferences as shall be specified in the resolution creating the shares and in particular the shares may be issued with preferred or subordinated rights (or without rights) to dividends, voting, repayment of capital or with respect to any other matters.

8.2. Unless the resolution authorizing the increase in share capital provides otherwise, the new shares shall be issued subject to all of the provisions of these Articles which apply to the existing share capital of the Company.

8.3. The General Meeting of the Company may, from time to time, cancel any of its unissued authorised share capital, unless there is any outstanding obligation on the part of the Company, including a conditional obligation, to issue the shares.

8.4. The General Meeting of the Company may, from time to time, combine and/or divide the authorised share capital of the Company into shares without nominal value and/or shares with a greater and/or lower nominal value and/or into different classes of shares than those then existing.

PART C: THE SHARES

9. Share Certificates

9.1. Share certificates shall be signed by authorised signatories on the part of the Company, as may be determined by the Board of Directors from time to time, alongside the name of the Company.

9.2. Each Shareholder whose name appears in the Register of Shareholders shall be entitled to receive one share certificate in respect of the shares registered in his name, or, if the Board of Directors so authorizes (and after payment of the amount which the Board of Directors shall determine from time to time) to a number of share certificates, each one in respect of one or more of these shares. Each share certificate shall indicate the name of the Shareholder, the number of shares in respect of which it has been issued, and additional particulars that shall be determined by the Board of Directors.

9.3. A certificate in respect of a share registered in the name of two or more persons shall be delivered to such person as all of the registered shareholders of that share shall direct, and in the absence of such direction, to the person whose name appears first on the Register of Shareholders from among the names of the joint owners.

9.4. If a certificate is lost or damaged, the Board of Directors may issue a new certificate in its place, provided that the original certificate is presented to and destroyed by the Board of Directors, or it is proved to the satisfaction of the Board of Directors that the certificate has been lost or destroyed, and the Board of Director receives security satisfactory to it in respect for any possible damage, in each case against payment if a requirement for such a payment is imposed.

9.5. Shares shall be deemed to have been paid in full if the full amount of the nominal value and any premium thereon has been paid, in accordance with the terms of issue of the shares.

10. Calls on Shares

10.1. The Board of Directors may, from time to time, at its sole discretion, make calls for payment upon shareholders in respect of any sum that has not been paid up in respect of shares held by such shareholders and which, pursuant to the terms of allotment or issuance of such shares, is not payable at a fixed time. Each shareholder shall pay to the Company the amount of every call so made upon him at the time and place designated by the Board of Directors. A call for payment may be made for payment of a number of installments. A call for payment shall be deemed to be made when the decision to issue the call is approved by the Board of Directors.

10.2. Notice of any call for payment shall be given In Writing to the Shareholder not less than fourteen (14) days prior to the time of payment fixed in such notice, and shall specify the amount due, the time and place of payment, and the person to whom such payment is to be made. Prior to the time for any such payment fixed in a notice of a call given to a Shareholder, the Board of Directors may, by notice in writing to such Shareholder, revoke such call in whole or in part or extend the time fixed for payment.

10.3. Joint holders of a share shall be jointly and severally liable to pay all calls for payment in respect of such share.

10.4. If pursuant to the terms of allotment or issuance of a share, or otherwise, an amount is payable at a fixed time or in installments at fixed times, whether on account of such share or by way of premium, such amount shall be payable at such time as if it was payable by virtue of a call for payment made by the Board of Directors and for which due notice was given, and the provisions of these Articles with regard to calls shall be applicable to such amount.

10.5. If any amount called for payment is not paid prior to or on the due date for payment, the person who, at such time, is the owner of the share for which the call for payment was issued or payment is due shall pay interest on such amount at the rate determined by the Board of Directors from time to time, from the date fixed for payment until actual payment. The Board of Directors may decide to waive all or part of such interest.

10.6. With the consent of the Board of Directors, any Shareholder may pay to the Company any amount not yet called or payable in respect of his shares. If agreed with the shareholder, the Board of Directors may approve the payment by the Company of interest on all or part of any such amount until the date the amount would have been payable if it had not been paid in advance, at such rate as may be agreed by the Board of Directors and the Shareholder. The Board of Directors may, at any time prior to the due date for payment, cause the Company to repay the money so advanced to such Shareholder.

11. Forfeiture and Charge

11.1. If a Shareholder fails to pay an amount payable by virtue of a call or any portion thereof, on or before the day fixed for payment of the same, the Board of Directors may at any time after the day fixed for such payment, so long as such amount or any portion thereof remains unpaid, issue a notice to the said Shareholder requiring him to pay such amounts, together with accumulated interest thereon and any expenses incurred by the Company in connection with the non-payment.

11.2. The notice shall state the date and place or places on which the call or the said demand must be paid, together with interest and expenses as stated above. The notice shall also specify that, in the event of non-payment on or before the said date at the place specified in the notice, the shares in respect of which the call was made or payments are due may be forfeited.

11.3. If the requirements of such notice have not been met, then following such time until the payment of the call, or the said amount, the interest and expenses payable in connection with the shares, the Board of Directors may decide to forfeit the shares in respect of which such notice was issued. Such forfeiture shall include any dividends that have been declared with respect to such shares and which have not yet been paid prior to such forfeiture.

11.4. Any forfeited share shall be considered the property of the Company and the Board of Directors may, in accordance with these Articles and subject to any provisions of law, sell, reissue or transfer such share in any manner as it may see fit.

11.5. The Board of Directors may, at any time prior to such sale, reissuance or Transfer in another manner of the forfeited share, cancel the forfeiture in such manner and on such conditions as it shall determine in its absolute discretion.

11.6. Each Shareholder whose shares have been forfeited shall cease to enjoy any rights in connection with the forfeited shares, provided that, notwithstanding the foregoing, it shall be required to immediately pay to the Company the amount of any call or unpaid amounts including interest and expenses payable to the Company in respect of the shares on the date on which the forfeiture was carried out together with interest on such sums from the date of forfeiture until the date of payment of all such amounts (including interest and expenses as stated above) at the rate determined by the Board of Directors, provided only that in the event that the forfeited shares are resold, the amount of the debt of the Shareholder whose shares are forfeited shall be reduced by the net amount (after deduction of tax and expenses of the Company in respect of the sale of the forfeited shares) received by the Company from the resale.

11.7. The provisions of these Articles regarding forfeiture of shares shall also apply to the non-payment of any specific amount that, according to the terms of allotment or issuance of the relevant share, is payable at a fixed time (whether in respect of the nominal value of the shares and whether in respect of premium) as if such amount was payable following a call issued and notified to the Shareholder in accordance with the law.

11.8. The Company shall have a first ranking charge over all shares registered in the name of the Shareholders (without regard to any equitable or other claim or in such shares on the part of any other person), other than with respect to shares that are fully paid up, including with respect to any proceeds of sale, for the purposes of paying the debts and obligations of the said shareholder to the Company whether individually or together with another person in respect of the shares issued to him by the Company, whether or not such debts or obligations have matured. The said charge shall also apply to all dividends declared from time to time in respect of such shares.

11.9. In order to realize the said charge, the Board of Directors shall be entitled to sell the shares subject to the charge in such manner as it shall see fit in its sole discretion; provided that no shares may be sold unless the shareholder or his executor has received written notice specifying that the Company intends to sell the shares and the said shareholder or executor, as appropriate, has not paid all the said amounts or complied with the obligations within a period of ten Business Days from the date of issuance of such notice.

11.10. The net amounts (after deducting any tax and expenses incurred by the Company in such sale) from the sale as stated above shall serve to pay the said debts and to fulfill the said obligations of the Shareholder including the debts and obligations which have not yet matured, and any surplus shall be paid to the Shareholder or his executor.

11.11. Upon any sale after forfeiture or upon the realization of the charge in accordance with these Articles, the Board of Directors shall be entitled to appoint any person to sign a share transfer deed with respect to such shares and to cause the purchaser to be registered in the Register of Shareholders as the owner of the shares being sold. The purchaser shall not be required to confirm the validity of the sale proceedings or to confirm the application of the proceeds of such sale and, after the registration of such shareholder in the Register of Shareholders with respect to such shares, the validity of the sale shall not be disputed and the sole remedy of any person who is harmed by the sale shall be to seek damages solely against the Company.

12. Restrictions on Transfer of Shares

No Shareholder shall make any Transfer of any Equity Securities, except in compliance with this Article 12. Any Transfer of shares or other Equity Securities of the Company in violation of this Article 12 shall be null and void.

12.1. General Restrictions

Without derogating from the other provisions of this Article12, any Transfer of shares or other Equity Securities of the Company (including to a Permitted Transferee) shall be subject to the following:

12.1.1. conditioned upon the execution by the transferee of a written undertaking whereby the transferee agrees to adhere to and observe the provisions of these Articles and the Shareholders Agreement, and to assume all of the transferor's obligations and undertakings under these Articles and such the Shareholders Agreement;

12.1.2. no Shareholder may Transfer Equity Securities to a proposed transferee (including its Controlling Persons and/or any Affiliates thereof) who is indicted in charges of, or has been convicted of, a criminal offense (other than traffic and other minor violations), unless the Board of Directors (including the approval of a L Catterton Director, which will not be unreasonably withheld) finds that such circumstances are not materially detrimental to the business or the reputation of the Company and its Subsidiaries, taken as a whole; and

12.1.3. Any rights of L Catterton set forth in these Articles and/or in the Shareholders Agreement shall be transferable provided that they are transferred together with the L Catterton SPA Shares and/or the L Catterton 2019 SPA Shares in accordance with the terms of these Articles and the Shareholders Agreement; provided, however, that L Catterton and its Permitted Transferees shall not transfer to a transferee who is not a Permitted Transferee of L Catterton, and no transferee of L Catterton who is not its Permitted Transferee shall be entitled to exercise, any rights under Article 27 (*Protective Covenants*). For the avoidance of doubt, L Catterton's rights under these Articles and under the Shareholders Agreement may be transferred to any of its Permitted Transferees, including the rights under Article 22.

12.1.4. Without prejudice of the aforesaid, a Minority Shareholder will not Transfer its Equity Securities to any Person without a prior written approval from the Board of Directors, which may be withheld for any reason and without any justification, and any such Transfer will be subject to Article 12.2.

12.2. Right of First Offer

12.2.1. If an Ordinary Shareholder intends to Transfer (in this Article, the "**Offeror**") any of its Equity Securities in the Company to a transferor which is not a Permitted Transferee of such Shareholder (in this Article, the "**Offered Shares**"), it shall first offer (in this Article, the "**Offer**") such Offered Shares to the other Ordinary Shareholder(s), excluding the Minority Shareholder(s) (in this Article, the "**Offerees**"), by delivering a notice thereto setting forth the terms and conditions to such proposed Transfer (in this Article, the "**Notice**"), including the price per Offered Share, the number of Offered Shares, the payment terms and other applicable terms, if any. The Offerees may accept the Offer by delivering, within a thirty (30) day period from the date of receipt of the Notice (in this Article, the "**Response Period**"), an acceptance notice agreeing to the Offer and setting forth the maximum number of Offered Shares such Offeree undertakes to purchase under the terms of the Notice (in this Article, the "**Acceptance Notice**"). Such Acceptance Notice shall be deemed unconditional and irrevocable. A failure to accept the Offer in writing within said 30-day period shall be deemed a waiver of such right of first offer in respect of such Offer.

12.2.2. If the Acceptance Notices, in the aggregate, are in respect of all of, or more than all of, the Offered Shares, then the accepting Offerees shall acquire the Offered Shares, on the terms aforementioned, in proportion to their respective ownership of the outstanding shares of the Company, provided that no accepting Offerees shall be entitled to acquire under the provisions of this Article more than the number of Offered Shares initially accepted by such Offeree, and upon the allocation to it of the full number of Offered Shares so accepted, it shall be disregarded in any subsequent computations and allocations hereunder. Any shares remaining after the computation of such respective entitlements shall be re-allocated among the accepting Offerees (other than those to be disregarded as aforesaid), in the same manner, until one hundred percent (100%) of the Offered Shares have been allocated as aforesaid. The accepting Offerees shall then be obligated to transfer the consideration for their respective share in the Offered Shares, and consummate the purchase of such Offered Shares on the terms and conditions set forth in the Notice, within sixty (60) days after the expiration of the Response Period. The Offeror shall deliver the Offered Shares to the accepting Offerees, free and clear of any Security Interest other than those created by these Articles and the Shareholders Agreement.

12.2.3. If the Acceptance Notices, in the aggregate, are in respect of less than all of the Offered Shares, or if the Offerees do not respond at all to the Offer within the said 30-day period, then the Offeror may sell and transfer all the Offered Shares to a third party, at the price and on the terms and conditions as specified in the Notice or at a greater price and on terms and conditions not more advantageous to such third party, within one hundred and eighty (180) days after the expiration of the Response Period or after the actual day when all the Offerees gave notice of their refusal to purchase all of the Offered Shares (or their acceptance of less than all of the Offered Shares), whichever is the earlier. If the Offeror does not sell and transfer such Offered Shares to a third party within the aforesaid 180-day period, or it wishes to sell or transfer the Offered Shares on terms and conditions more favorable to a transferee than those stated in the Notice, it shall again offer the Offered Shares first to the Offeree(s), in accordance with the provisions of this Article 12.2.

12.2.4. This Article 12.2 shall also apply to the sale of Equity Securities by a receiver, liquidator, trustee in bankruptcy, administrator of an estate, executor of a will, etc.

12.2.5. This Article 12.2 shall expire upon the consummation of an IPO. This Article 12.2 shall not apply in case of a drag along pursuant to Article 12.4.

12.3. Tag-Along

12.3.1. If Oran Shilo or any of its Permitted Transferees or, only in the event of a Qualifying Sale (as defined below) by L Catterton, L Catterton or its Permitted Transferees (a "**Selling Shareholder**") wishes to Transfer to any Person, other than to its Permitted Transferees, all or any of its Equity Securities in the Company including to a third party pursuant to Article 12.2.3 above (for the purpose of this Article 12.3 the "**Offered Shares**"), then such Selling Shareholder shall notify, (a) in case that the Selling Shareholder is Oran Shilo or any of its Permitted Transferees, L Catterton and, subject to the Transfer being a Qualifying Sale by Oran Shilo or its Permitted Transferees, also the Shareholders that were initially issued with Redeemable A Shares, and (b) in case of a Qualifying Sale by L Catterton, Shareholders that were initially issued with Redeemable A Shares (each of the offerees referred to in (a) or (b), as applicable, the "**Offered Shareholders**"), of the proposed sale (the "**Proposed Transaction**"), by delivering the Offered Shareholders a written notice, stating therein the identity of the purchaser and the proposed price, terms of payment and other terms of sale of the Offered Shares (in this Article 12.3, the "**Notice**"). For the avoidance of doubt, the Selling Shareholder shall first comply with Article 12.2 *(Right of First Offer)* before complying with this Article 12.3 *(Tag-Along)*. "**Qualifying Sale**" means a sale pursuant to which the Offered Shares comprise more than 10% of the issued and outstanding share capital of the Company at the time of such offer.

12.3.2. Upon receipt of the Notice, Offered Shareholders shall be entitled to notify such Selling Shareholder, by delivering a written notice to such Selling Shareholder (the "**Participation Notice**") within thirty (30) days after receipt of the Notice (the "**Tag-Along Period**"), that it wishes to participate in such Selling Shareholder's sale of the Offered Shares, and to sell to the proposed purchaser up to that number of shares owned by it determined by multiplying the total number of Offered Shares by a fraction the numerator of which is the number of shares owned by the Offered Shareholder and the denominator of which is the total number of Equity Securities (calculated on a Fully-Diluted Basis) owned by all Offered Shareholders and the Selling Shareholder. The sale shall be effected under the same terms and conditions (including the same price per share, warranties, holdbacks, covenants and indemnities) set out in the Notice. A Participation Notice shall be unconditional and irrevocable. A failure by an Offered Shareholder to deliver a Participation Notice to such Selling Shareholder within the Tag-Along Period shall be deemed a waiver by the Offered Shareholder of its tag-along right with respect to such Proposed Transaction.

12.3.3. To the extent an Offered Shareholder exercises its tag-along right pursuant to this Article 12.3, the number of the Offered Shares that such Selling Shareholder may sell pursuant to the Proposed Transaction shall be correspondingly reduced. At the closing of the sale of the Offered Shares to the purchaser, such Selling Shareholder shall transfer its Offered Shares to the purchaser only if the purchaser concurrently therewith purchases, on the same terms and conditions specified in the Notice, all of the shares as to which a Participation Notice has been delivered. An Offered Shareholder shall deliver its portion of the Offered Shares to the purchaser, free and clear of any Security Interest other than those created by these Articles and the Shareholders Agreement.

12.3.4. If an Offered Shareholder does not deliver a Participation Notice within the Tag-Along Period, or otherwise waives its right to tag-along pursuant to the terms hereof, then such Selling Shareholder shall be entitled to Transfer the Offered Shares to the third-party purchaser, *provided, however*, that in no event shall such Selling Shareholder Transfer any of the Offered Shares on terms more favorable to such Selling Shareholder than those stated in the Notice, and, *provided, further*, that any of the Offered Shares not Transferred within one hundred and twenty (120) days after the expiration of the Tag-Along Period (which period shall extend by up to additional sixty (60) days if the cause for the delay in the Transfer is a delay in receipt of a regulatory consent required under applicable law, if any) shall be subject again to the provisions of this Article 12.3.

12.3.5. This Article 12.3 shall expire upon the consummation of an IPO. This this Article 12.3 shall not apply in case of a drag along pursuant to Article 12.4.

12.4. Drag Along

Subject to the provisions of Article 22 (*Protective Covenants*) below to the extent applicable, but notwithstanding the provisions of Articles 12.2 and 12.3 above:

12.4.1. In the event that the Board of Directors, or the Shareholders of the Company, as applicable, approve, pursuant to the relevant sections of the Shareholders Agreement, a binding offer (in this Article 12.4, the "**Offer**") received from any Person(s) who is not an Affiliate or Permitted Transferee of a Shareholder (an "**Acquirer**"), to effect a transaction or a series of related transactions resulting in the purchase of all or substantially all of the shares or assets of the Company, whether effected by way of a share sale, asset sale, merger, acquisition or otherwise (in this Article 12.4, the "**Proposed Transaction**"), then all Shareholders shall be compelled: (i) if asked to do so by the Company, the Board of Directors, the Shareholders' meeting or by the Acquirer, to sell all of its shares and other Equity Securities in the Company to the Acquirer, free and clear of any Security Interest other than those created by the Shareholders Agreement and this Articles, and under the same terms stated in the Offer (including the same price per Share, warranties, holdbacks, covenants and indemnities), and (ii) not to oppose such Proposed Transaction and, if applicable, vote all of their shares in favor of such Proposed Transaction.

12.4.2. If compelled to sell, at the closing of the Proposed Transaction, the Shareholders shall (to the extent required by the Company or the Acquirer) deliver certificates evidencing its ownership of the shares (or Equity Securities, as applicable) being sold by them, accompanied by a duly executed written instruments of transfer in form satisfactory to the Acquirer, against delivery of the closing purchase price therefor and take any other actions and sign any other document reasonably necessary to effect such Proposed Transaction.

12.4.3. The Shareholders hereby agree that the provisions of Section 341 of the Companies Law shall not apply to them, to the extent such provisions may be waived. Without derogating from the aforesaid and in addition to it, to the extent that the provisions of Section 341 of the Companies Law cannot be waived, (i) the majority required for a forced sale pursuant to Sections 341(d) of the Companies Law shall be 50% of the voting rights in the Company and for the purpose of Section 8.5 of the Shareholders Agreement (and for that purpose only), it shall be the holdings of L Catterton in the Company at the relevant time it exercises its drag right pursuant to that Section, and (ii) to the extent permitted by law, the notices that should be sent by the Acquirer according to the provisions set forth in Section 341(a) and 341(c) of the Companies Law may be sent by either the Acquirer or the Company and the time frame set forth in the aforementioned provisions for sending each of such notices under Section 341, shall not be limited to the time frame specified therein.

12.4.4. In the event of a conflict between the provisions of (or the exercise of rights pursuant to) this Article 12.4 *(Drag Along)* and the provisions of Article 12.3 *(Tag Along)*, then the provisions of this Article 12.4 shall prevail.

12.5. Transfer to Permitted Transferees; Permitted Pledge

12.5.1. Notwithstanding any provision to the contrary in this Article 12 (other than Article 12.1.4), an Ordinary Shareholder shall have the right to (x) pledge or encumber its shares in connection with a loan made to the Company or any of its Subsidiaries, and (y) Transfer all or part of its shares or other Equity Securities (together with its rights under the Shareholders Agreement and subject to Article 12.1.3 above) to its Permitted Transferees, provided that (a) such Permitted Transferee has agreed In Writing (i) to adhere to and observe the provisions of the Shareholders Agreement as if such Permitted Transferee was the Transferor, and (ii) to Transfer such shares back to the Shareholder which held such shares initially in the event such Permitted Transferee ceases at any time to be a Permitted Transferee of such Shareholder, and (b) such Shareholder shall ipso facto be deemed to have agreed to guarantee performance by such Permitted Transferee of its obligations pursuant to clause (a). Oran Shilo and their Permitted Transferees may pledge or encumber their shares in connection with a Permitted Pledge, provided that as a condition to such pledge, the pledgee (and any person acquiring said pledged shares pursuant to the realization of such pledge) shall agree to adhere to the provisions of Article 12.4 (*Drag Along*) and allow for the transfer of the pledged shares in the circumstances of Section 12.4 when they are free and clear of any Security Interest (it being clarified that in such event, the pledgee may maintain its rights in the proceeds received from the sale of the shares in accordance with its pledge agreement with the pledgor).

13. Preemptive Rights and Financing

13.1. Prior to the consummation of an IPO, if the Board of Directors resolves to issue or sell any New Securities (as defined below) or to accept a shareholders' loan from one or more of the Shareholders (including in either case in connection with a Distress Fund Raising, a "**Financing**"), the Company shall, before such issuance of New Securities or such extension of Financing, offer to each Shareholder (in this Article 13 and its sub-articles, the term "**Shareholder**" – shall exclude any Minority Shareholder) the right to purchase a *pro-rata* share of the New Securities or to provide the *pro-rata* share of the Financing in accordance with the provisions of this Article 13. For the avoidance of doubt, the Company shall be obligated to offer the preemptive rights under this Article 13 with respect to any Distress Fund Raising that contemplates the issuance of New Securities or is in the form of a Financing.

A Shareholder's *pro-rata* share, for purposes of this Article 13, is the ratio between: (i) the number of the issued and outstanding shares owned by such Shareholder immediately prior to the issuance of the New Securities or the extension of the Financing; and (ii) the total number of issued and outstanding shares owned by all Shareholders immediately prior to the issuance of the New Securities or the extension of the Financing.

For the purpose of this Article 13, the term "**New Securities**" shall mean shares, whether now or hereafter authorized, and any other Equity Securities; *provided*, *however*, that New Securities shall not include: (i) shares issued in connection with any share split, share dividend, recapitalization, reclassification, issuance of bonus shares or similar recapitalization event by the Company approved, if required, pursuant to Article 22; (ii) shares or options issued to employees, directors, officers or consultants, other than any of the Shareholders or Oran Holtzman, pursuant to a share option plan or incentive plan approved by the Board of Directors and which provides for aggregate issuances under all such plans of not more than a number of Equity Securities equal to 5% of the total number of shares on a Fully-Diluted Basis (collectively "**Equity Grants**") and provided further that if the Company seeks to issue Equity Grants in excess of the 5% threshold it shall be entitled to do so for as long as any such excess issuance beyond the 5% shall not dilute L Catterton's then outstanding holding in the Company; (iii) shares or other Equity Securities issued to a Person or its shareholders pursuant to the acquisition of such Person by the Company or any of its subsidiaries (including by way of a merger or share swap) or purchase of all or substantially all of the assets of such Person by the Company or its subsidiaries approved, if required, pursuant to Article 22; or (iv) Equity Securities issued to a lending institution in connection with a loan or credit facility approved, if required, pursuant to Article 22.

13.2. In the event the Company proposes to undertake an issuance of New Securities or to raise Financing, it shall give each Shareholder written notice of its intention, describing the type of Equity Securities or Financing, their price, amount and the general terms upon which the Company proposes to issue or raise the same (in this Article 13, the "**Notice**"). Each Shareholder shall have thirty (30) days after the receipt of Notice to agree to purchase all (and not only part) of such Shareholder's *pro rata* share of such New Securities or to provide all (and not only part of) such Shareholder's *pro rata* share of the Financing, for the price and/or upon the terms specified in the Notice, by giving a written notice to the Company (in this Article 13, the "**Acceptance Notice**"). An Acceptance Notice shall be unconditional and irrevocable. Any failure by a Shareholder to send to the Company an Acceptance Notice within such 30-day period shall be deemed as an irrevocable waiver of such Shareholder's right to participate in purchase of the New Securities or the extension of the Financing described in the Notice. In the event of a Financing or issuance of New Securities which is made as part of a Distress Fund Raising (and only in such event), then to the extent that any New Securities or portion of the Financing remains available (because one or more Shareholder did not deliver an Acceptance Notice), such remaining New Securities or portion of the Financing shall be re-allocated among those Shareholders who have provided an Acceptance Notice, pro rata among such Shareholders or in such other proportions as agreed by such Shareholders.

13.3. In the event that the Shareholders fail to exercise in full their preemptive right within the said 30-day period, the Company shall have one hundred and eighty (180) days thereafter to sell or enter into an agreement to sell the un-exercised portion of the New Securities or obtain the portion of the Financing which was not provided by the Shareholders, at a price not more favorable to the third party purchasers or lenders than those specified in the Notice. In the event the Company has not sold or entered into an agreement to sell the New Securities or has not obtained the Financing in accordance with the foregoing terms within the said 180-day period, the Company shall not thereafter issue or sell any New Securities or raise any Financing without first offering such securities or seeking such Financing from the Shareholders, in accordance with the terms of this Article 13.

13.4. The rights set forth in this Article may be assigned, in whole or in part, by a Shareholder to its Permitted Transferees, subject to such Permitted Transferee agreement to adhere and observe the provisions of the Shareholders Agreement as set forth in Article 12.5.

13.5. Section 290(a) of the Companies Law shall not apply to the Company and only the provisions of this Article 13 shall apply.

PART D - GENERAL MEETINGS

14. Convening a General Meeting

14.1. Subject to compliance with the applicable laws, at least seven (7) days' notice of each Shareholders' meeting must be given to each Shareholder holding Ordinary Shares (then entitled to receive an invitation and to participate and vote in General Meetings pursuant to these Articles) specifying the date, time and place of the meeting, and the business to be transacted thereat shall be given In Writing and sent by electronic mail or by overnight courier, except that in the event that the Chairman (as defined below) determines that there is an urgent matter on the agenda, a Written notice of the meeting of the Shareholders may be dispatched to all Shareholders not less than forty-eight (48) hours before the Shareholders' meeting.

14.2. If all Shareholders agree In Writing to a shorter period of notice, then any meeting called at such shorter period of notice shall be deemed to be properly called.

14.3. Unless all the Shareholders agree otherwise, no business may be transacted at a Shareholders' meeting other than as set out in the notice of meeting delivered to the Shareholders.

14.4. The quorum required to commence a General Meeting shall consist of Shareholders holding the majority of the voting rights in the Company (provided that one of whom must be L Catterton), provided that if a quorum is not present at a General Meeting within thirty (30) minutes of the time set for such General Meeting, the meeting shall be adjourned and postponed by seven (7) days. If a quorum is not present at such reconvened meeting of the General Meeting within thirty (30) minutes of the time set for such reconvened meeting, such reconvened meeting shall again be adjourned and postponed to the same time three (3) days thereafter and at such second reconvened meeting the attendance of any Shareholder(s) holding the majority of the voting rights the Company will qualify as a quorum irrespective of whether L Catterton is represented at such second reconvened meeting.

14.5. Subject to the provisions of Article 22 (*Protective Covenants*) hereof, to the extent applicable, resolutions at General Meetings shall be adopted by a majority of the votes of the Shareholders present at such General Meeting. Each Shareholder shall have one (1) vote for each Class A Share held by such Shareholder and ten (10) votes for each Class B Share held by such Shareholder.

14.6. Unless otherwise expressly directed by a court of competent jurisdiction the provisions of these Articles shall apply, with such changes as shall be required in the circumstances, to the convening, conduct and proceedings of a General Meeting convened by order of a court of competent jurisdiction and of a General Meeting lawfully convened other than by the Board of Directors, and to any vote at such meeting.

15. Notices to Shareholders

15.1. Each Shareholder may waive his right to receive notice or his right to receive a notice at any specified time, and may agree that a General Meeting be convened and decisions taken thereat even though he or she has not received notice of the meeting or has not received notice within a specified time, in each case subject to the provisions of any law prohibiting a waiver or agreement of this nature.

15.2. The Company may give notice to joint holders of any share by notice to the joint holder whose name first appears on the Register of Shareholders with respect to that share.

15.3. The validity of any resolutions carried at a General Meeting shall not be affected if the Company, by oversight, has not sent a notice of the convening of the meeting to a shareholder entitled to receive written notice of the convening the meeting, or has sent an incomplete or incorrect notice regarding the convening of the meeting or its agenda, or has not served a notice as aforesaid to the shareholder or has delayed in sending or delivering the said notice.

15.4. Any document or notice delivered by the Company in accordance with the provisions of these Articles shall be deemed to have been properly served notwithstanding the death, bankruptcy or liquidation of that Shareholder (whether or not the Company knew of the circumstances) so long as no other Person has been registered in his place as Shareholder in the Register of Shareholders, and delivery or service as aforesaid shall be deemed sufficient for all purposes with respect to any Person who claims to be entitled to the shares in question.

16. Voting by Proxy and in Other Manners

16.1. A resolution In Writing signed by all the Shareholders of the Company then entitled to attend and vote at General Meetings or to which all such Shareholders have given their Written consent shall be deemed to have been unanimously adopted by a General Meeting duly convened and held.

16.2. A General Meeting may be held via any means of communication - provided that the Shareholders participating therein can hear one another at the same time - or in any other manner permitted by law.

16.3. A corporation which is a Shareholder in the Company may authorize a representative of such corporation to be its representative at any meeting of the Company. A person authorized as aforesaid shall be entitled to make use, on behalf of the corporation that he represents, of the same powers which the corporation itself could have used if it was an individual Shareholder in the Company.

16.4. In the case of joint holders of a share, the vote of the principal joint holder shall be accepted by the Company, whether given in person or by proxy, and the vote of the remaining joint holders shall not be accepted. For the purpose of this Article, the principal joint holder shall be deemed to be the shareholder whose name first appears in the Register of Shareholders with respect to the relevant shares.

16.5. A Shareholder may appoint a proxy to vote in his place and the proxy need not be a Shareholder in the Company. The appointment of a proxy shall be In Writing signed by the person making the appointment or by an attorney authorized for this purpose, and if the person making the appointment is a corporation, by a person or persons authorized to bind the corporation.

16.6. The document appointing the proxy to vote (the "**Appointment**") and power of attorney (if any) pursuant to which the Appointment has been signed, or a copy thereof certified to the satisfaction of the Board of Directors, shall be deposited in the Office or at the location set for the meeting not less than forty eight (48) hours before the time of the meeting at which the person specified in the Appointment is due to vote, or shall be delivered by hand to the chairman at the commencement of the meeting provided that the chairman of the meeting may waive this requirement for any meeting.

16.7. A Shareholder holding more than one share may appoint more than one proxy, subject to the following provisions:

(a) The Appointment shall indicate the class and number of shares in respect of which it is given;

(b) If the number of the shares of any class specified in the Appointments that have been given by one Shareholder exceeds the number of shares of that class held by him, all of the Appointments given by that Shareholder shall be void;

(c) If only one proxy is appointed by the Shareholder and the Appointment does not indicate the number and class of shares in respect of which it is given, the Appointment shall be deemed to have been given with respect to all of the shares owned by the Shareholder at the time for determining the entitlement to participate and vote in the meeting (if the Appointment is given for a specific meeting) or in respect of all of the shares held by the Shareholder at the date of depositing the appointment with the Company or on the date of delivery to the chairman of the meeting, as the case may be. In the event that an Appointment is given with respect to a number of shares less than the number of shares held by the Shareholder, the Shareholder shall be deemed to have abstained from voting with respect to the remainder of the shares that he owns and the Appointment shall be valid with respect to the number of shares specified therein.

16.8. Each Appointment of a proxy, whether for a specific meeting or otherwise, shall, to the extent that the circumstances permit, be substantially in the following form:

"I, _____ (I.D. Number/Company Number _____) of _____, in my capacity as shareholder in _____ Limited, hereby appoint _____, (I.D. Number/Company Number _____) of_____, or in his/her absence, _____, (I.D. Number/Company Number _____) of _____, to vote on my behalf and in my name with respect to _____ Class __ shares held by me at the (annual/special) meeting of the Company that shall be held on the ____ day of _____, and at any adjournment of such meeting.

In witness whereof I have signed hereon this ___ day of _____.

_____
Name and Signature"

16.9. A vote cast pursuant to an Appointment appointing a proxy shall be valid notwithstanding the death of the person making the Appointment or the cancellation of the power of attorney or the Transfer of the share in respect of which the vote is cast as aforesaid unless notice in writing of the death, cancellation or Transfer as aforesaid has been received in the Office or by the chairman of the meeting, by the time of the vote.

PART E: THE BOARD OF DIRECTORS

17. The Board of Directors, Appointment and Dismissal of Directors

17.1. The Board of Directors shall consist of up to five (5) directors, which will be appointed as follows:

17.1.1. For as long as L Catterton and its Permitted Transferees collectively hold at least the L Catterton Entitlement Holdings Threshold, L Catterton shall have the right to appoint two (2) directors to the Board of Directors; *provided*, *however*, that in the event that L Catterton and its Permitted Transferees collectively hold below the L Catterton Entitlement Holdings Threshold but collectively more than 30% of the L Catterton SPA Shares, L Catterton shall have the right to appoint one (1) director to the Board of Directors (each appointee of L Catterton shall be referred to as a "**L Catterton Director**" and collectively as the "**L Catterton Directors**"). The L Catterton Directors shall not be a legal or financial adviser of L Catterton or its Affiliates; *provided*, *however*, that, individuals employed by L Catterton or its Affiliates, including those in a legal or financing role, will not be restricted from serving as L Catterton Directors. The Company shall cause each of its Subsidiaries to maintain the same Board of Directors structure with the same representation of the Shareholders, to the extent permitted by applicable law of the jurisdiction in which such Subsidiary is formed.

17.1.2. Oran Shilo and their Permitted Transferees, acting jointly, shall have the right to appoint three (3) directors to the Board of Directors, one of whom shall serve as the chairman of the Board of Directors (the "**Chairman**"). For so long as Oran Holtzman controls OS Investments, Oran Shilo shall appoint Oran Holtzman as one of its directors and Holtzman shall serve as Chairman.

17.2. A Shareholder that is entitled to appoint a Director to the Board of Directors shall be entitled to dismiss or replace such Director. Appointment, dismissal and replacement of a Director shall be effected by furnishing a Written notification to the Company, signed by the Shareholder entitled to effect such appointment, replacement or removal, and shall become effective on the date fixed in the notice or upon receipt of the notice by the Company, whichever is later.

17.3. All notices of meetings of the Board of Directors shall state the date, time and place of the meeting, and the nature of business proposed to be transacted thereat, and shall be given to all Directors in writing sent by electronic mail or by overnight courier. Notices of meeting of the Board of Directors shall be dispatched to all Directors not less than seven (7) days before the proposed date for such meeting, unless all the Directors agree In Writing to a shorter notice period. Notwithstanding the foregoing, in the event that the Chairman determines that there is an urgent material matter that requires action by the Board of Directors, a notice of the meeting of the Board of Directors may be dispatched to all Directors not less than twenty-four (24) hours before the Board of Directors meeting.

17.4. If a Director has appointed an Alternate Director (as defined below) for himself, notice shall be provided both to the Director and to the Alternate Director. Notice to a Director which is a corporation shall be delivered to the Corporate Representative.

17.5. The details of a Director, Alternate Director or Corporate Representative appearing in the Register of Directors which the Company maintains or which have been notified to the Company In Writing together with a request that these details be used for the purposes of delivery of notices, shall be the address and other details of the Director for the purposes of delivery of notices to him.

17.6. Any member of the Board of Directors may participate and act at any meeting through the use of a conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other. The attendance of any Director at a meeting of the Board of Directors shall constitute a waiver of notice of such meeting. Notwithstanding the nature of the business set forth on the applicable notice, the Directors may transact business at a Board of Directors meeting other than as set out in the applicable notice of meeting delivered to the Directors. The Board of Directors shall meet at least bi-annually and at such other times as determined by the Chairman or pursuant to applicable law and, to the extent possible, the Directors will consult with each other regarding the scheduling of Board of Directors meetings.

17.7. The quorum required to commence a meeting of the Board of Directors shall be a majority of the members of the Board of Directors then serving (provided that at least one of whom will be an L Catterton Director). If a quorum is not present at a meeting of the Board of Directors within thirty (30) minutes of the time set for such meeting, the meeting shall be adjourned and postponed to the same time three (3) days thereafter. If a quorum is not present at such reconvened meeting of the Board of Directors within thirty (30) minutes of the time set for such reconvened meeting, such reconvened meeting shall again be adjourned and postponed to the same time three (3) days thereafter. At any such second reconvened meeting (and only at such meeting), a majority of the Directors then serving shall constitute quorum, irrespective of whether an L Catterton Director is represented at such second reconvened meeting.

17.8. Subject to the provisions of Article 22 *(Protective Covenants)* hereof: (a) the Board of Directors may take action upon a majority of the votes of the members of the Board of Directors present at a meeting of the Board of Directors at which quorum as provided in Article 18.7 is present, and (b) each member of the Board of Directors shall have one (1) vote at all meetings of the Board of Directors attended by him or her; provided, however, that (x) Oran Holtzman, for the period he is a Director, shall have such number of additional votes (in addition to his own vote) that equals to the number of the Directors that Oran Shilo is entitled to appoint, but has failed to so appoint at that time (and/or that Oran Shilo has appointed, but who failed to attend the relevant meeting) and (y) to the extent L Catterton is entitled to appoint two Directors pursuant to Section18.1.1, any L Catterton director who is appointed shall be entitled to an additional vote in the event the second L Catterton Director has not been appointed (or that has been appointed, but failed to attend the relevant meeting).

17.9. The Company shall reimburse the Directors for their respective reasonable out-of-pocket expenses incurred in attending Board of Directors meetings or meetings of Board of Directors committees, promptly upon presentation of receipts. Subject to the foregoing, Directors shall not be entitled to any per-diem or other remuneration in connection with their service on the Board of Directors.

17.10. Subject to the provisions of any law, a Director who has ceased to serve as Director is eligible to be re-appointed.

17.11. Subject to the provisions of any law, the office of a Director shall be vacated (including the office of an Alternate Director and a Corporate Representative) automatically in each of the following events:

(a) upon his death;

(b) if he is declared to be legally incompetent;

(c) if he is declared bankrupt, or if the Director is a corporation, if a liquidator, receiver, special manager or trustee (in each case temporary or permanent) is appointed for the corporation or its assets within the context of a creditors scheme of arrangement or an order of stay of proceedings;

(d) if he resigns from office by written notice to the Company, the Chairman or the Board of Directors, in which case the office of the Director shall be vacated on the date of service of notice or at such later date specified in the notice;

(e) if his term of office has terminated in accordance with the provisions of these Articles;

(f) if the Director is convicted in a final judgment of an offence of a nature which disqualifies a person from serving as a company director; or

(g) if a court of competent jurisdiction decides to terminate his office in a decision or judgment for which no stay of enforcement granted.

18. **Alternate Director and Corporate Representative**

18.1. Subject to any limitations set forth in Article 18.1, a Director may at any time appoint an alternate (the "**A1ternate Director**") who is fit to serve as Director and meets the requirements for such position in accordance with these Articles and the Shareholders Agreement. So long as the appointment of the Alternate Director remains in force, the Alternate Director alone is entitled to participate in any meeting of the Board of Directors and he shall have all of the duties, rights and authorities (other than the authority to appoint an alternate for himself) which the Director who appointed him has, but without thereby limiting the liability under any law of the Director who appointed him.

18.2. A person who at that time is serving as a Director or an Alternate Director of another Director may be appointed as an Alternate Director. In addition, a Director may be appointed as an Alternate Director for a member of a committee of the Board of Directors, provided that such Director to be appointed as such is not a member of the committee of the Board of Directors.

18.3. The appointment of an Alternate Director and the cancellation thereof shall be by written notice that the appointing Director shall deliver to the Company. The appointment and cancellation of appointment shall come into effect on the later of the date of delivery of the notice to the Company or the date specified in the notice.

18.4. A Director who appoints an Alternate Director may at any time cancel the appointment. In addition, the office of Alternate Director shall be vacated whenever the Alternate Director notifies the Company in Writing of his resignation from office as Alternate Director, with effect from the date of his notice or whenever the Director who has appointed the Alternate Director ceases to be a Director of the Company for whatever reason.

18.5. A corporation which acts as Director or Alternate Director shall appoint an individual who is qualified to be appointed as a Director to act on its behalf on the Board of Directors (the "**Corporate Representative**").

18.6. The appointment of a Corporate Representative and the cancellation thereof shall be by notice in Writing which the appointing corporation shall deliver to the Company, and shall come into effect on the later of the date of service of notice to the Company or on the date specified in the notice.

18.7. The appointing corporation shall not be entitled to the rights or authorities of a Director at a time at which the corporation has no validly appointed Corporate Representative.

19. **Chairman of the Board of Directors**

19.1. The Chairman will serve as the chairman of the General Meetings of the Company. If the Board of Directors has no Chairman or if he is not present fifteen (15) minutes from the time stated for the commencement of the meeting, the Shareholders present at the meeting may choose someone amongst them to chair the meeting. The office of Chairman shall not, by itself, entitle the holder thereof to vote at any General Meeting nor shall it entitle such holder to a second or casting vote (without derogating, however, from the rights of such Chairman to vote as a Shareholder or proxy of a Shareholder if, in fact, he is also a Shareholder or such proxy).

19.2. At a meeting of the Board of Directors, only those matters specified in the notice convening the meeting shall be discussed, unless all of the members of the Board of Directors agree to discuss additional matters.

19.3. The agenda of meetings of the Board of Directors shall be fixed by the Chairman of the Board of Directors and shall include:

(a) matters determined by the Chairman;

(b) matters specified by the Person at whose request the meeting has been convened;

(c) any matter which a Director or the General Manager has requested the Chairman to include on the agenda within a reasonable time prior to the convening of the meeting of the Board of Directors.

19.4. The Directors may pass resolutions without actually meeting, provided that all the Directors entitled to participate in the discussion and vote on the matter brought for resolution have agreed that no meeting is required for such matter. A resolution in writing signed by all Directors or to which all the Directors have given their written consent, (by letter, facsimile, electronic mail or otherwise) shall be deemed to have been unanimously adopted by the Board of Directors duly convened and held.

19.5. The Chairman or the person appointed by the Board of Directors or any person authorized by them shall record minutes of the decisions taken with or without the convening of the Board of Directors, including the resolution not to meet. The minutes shall be signed by the Chairman or the person appointed or authorized by the Board of Directors, as the case may be.

19.6. Any action taken by or in accordance with a decision of the Board of Directors or by or in accordance with a decision of a committee of the Board of Directors or by a Director acting in his capacity as Director shall be valid and effective even if it is subsequently discovered that there was a defect in the appointment of any of the Directors or the election of any of the Directors or if all or one of them was disqualified, in each case as if each of the Directors had been lawfully elected and as if he was fully qualified to act as Director, Alternate Director, Corporate Representative or member of the said committee, as the case may be.

20. **Authority of the Board of Directors**

20.1. The Board of Directors shall set the policy guidelines for the Company and shall supervise the performance and activities of the CEO. The Board of Directors shall have the powers and authorities necessary, in the opinion of the Board of Directors, in order to carry out its duties fully and efficiently, all subject to the provisions set forth in these Articles.

20.2. Subject to Article 22, the Board of Directors may exercise any authority of the Company which has not been delegated by these Articles or by law to the CEO or to the General Meeting, and such authority shall be deemed to have been delegated to the Board of Directors by these Articles.

20.3. The power of the Board of Directors shall be subject to the provisions of any law, and to any Article or resolution that shall be adopted by the Company in General Meeting, provided that no such Article or resolution shall affect the validity of any action taken prior thereto by the Board of Directors or pursuant to a decision thereof which would have been legally valid but for the adoption of the said Article or resolution.

20.4. The General Meeting may assume the authority vested in the Board of Directors (including the authorities vested in the Board of Directors in the absence of a General Manager) for a specific matter or for a specific period of time which will not exceed the period of time required under the circumstances of the matter.

21. **Committees of the Board of Directors**

21.1. In the event that the Board of Directors establishes a compensation committee and/or an audit committee or any other committees that serve functions similar to a compensation or audit committee (whether in accordance with the Companies Law or as the Board of Directors may otherwise charter), and L Catterton is entitled to appoint any directors to the Board of Directors pursuant to Article 18.1.1, L Catterton shall be entitled to appoint one (1) member to each such committee.

21.2. A person who is not a Director may not serve as a member of any committee to which the Board of Directors has delegated any of its powers or authorities. A person who is not a Director may serve as a member of a committee established solely to advise the Board of Directors.

21.3. Each committee of the Board of Directors must, in exercising its authority, comply with the directions of the Board of Directors.

21.4. Unless the Board of Directors has determined otherwise, meetings, decisions and activities of the committees of the Board of Directors shall be conducted and convened in accordance with the provisions of these Articles which relate to the convening and conduct of meetings of the Board of Directors, the manner of adopting resolutions and the methods of operation of the Board of Directors, mutatis mutandis.

21.5. Any decision adopted or action taken by any committee of the Board of Directors in accordance with the delegation of the powers of the Board of Directors to such committee shall be equivalent to a decision adopted or action taken by the Board of Directors itself. A decision or recommendation of a committee of the Board of Directors which requires approval of the Board of Directors, will be brought to the attention of the Directors a reasonable period of time prior to the meeting of the Board of Directors.

22. **Protective Covenants**

Notwithstanding anything to the contrary set out herein or in the Shareholders Agreement, for so long as the holdings of L Catterton in the Company meet the L Catterton Entitlement Holdings Threshold, the Board of Directors or the Shareholders shall not adopt any resolution, and the Company shall not take, or permit any direct or indirect subsidiary of the Company (a "**Subsidiary**") to take, any action on the below matters, without either (i) the written consent of L Catterton; or (ii) the consent of at least one (1) L Catterton Director (where such resolution is brought before the Board of Directors), or the consent of L Catterton (where such resolution is brought before the General Meeting):

22.1. Any amendment or restatement of these Articles in a manner that could adversely affect any right attached to the L Catterton SPA Shares and/or the L Catterton 2019 SPA Shares (except as permitted pursuant to Section 11 of the Shareholders Agreement), including a reclassification of any outstanding Equity Securities into Senior Securities (as defined below), except that an authorization, classification or issuance of Equity Securities having rights, preferences or privileges as to dividends and liquidation superior to the L Catterton SPA Shares and/or the L Catterton 2019 SPA Shares (and which also may include any anti-dilution rights) will be permitted if it is made in the context of a Distress Fund Raising, *provided, however*, that in no event, including a Distress Fund Raising, shall the Company be permitted to (i) grant to any Person sale or exit rights (including rights of first offer or refusal, tag-rights and drag rights) that take priority over or otherwise adversely affect the rights granted to L Catterton contained herein (it being clarified that the grant of such rights to others that result in the pro-rata dilution of the rights of all Shareholders who are entitled to such right)other than a reduction of the percentage of Equity Securities that L Catterton may include in connection with a tag-along right as compared to the percentage that Oran Shilo may include in such sale) shall not be considered as taking priority over or otherwise adversely affecting the rights granted to L Catterton contained herein), (ii) grant any Person a tag-along sale right on the sale of, or grant any drag along rights over, the shares owned by L Catterton or its Permitted Transferees, or (iii) diminish or modify the pre-emptive rights under Article 13 or the other special right provided to L Catterton pursuant to the Shareholders Agreement (it being clarified that grant of pre-emptive rights to others that result in the pro-rata dilution of the rights of the all other shareholders' pre-emptive entitlement shall not be considered as diminishing or modifying L Catterton's rights under Article 13).

"**Distress Fund Raising**" means Company fund raising, whether by way of an issuance of Equity Securities, borrowing or otherwise, where the Company's consolidated cash balance is less than US$ 3 million; *provided*, that the amount that may be raised at each Distress Fund Raising shall not exceed the amount required in order to achieve a cash balance of US$10 million following such Distress Fund Raising if the fund raising is being made in the form of non-convertible indebtedness or US$20 million if it is being made in the form of Equity Securities, it being expressly agreed that the Company can engage in a Distress Fund Raising (without the consent of L Catterton or a L Catterton Director, as the case may be) each time the Company has a cash balance of less than US$ 3 million;

"**Senior Securities**" means Equity Securities of the Company that have any right, preference or privilege senior or adverse to the L Catterton SPA Shares and/or the L Catterton 2019 SPA Shares with respect to liquidation preferences or dividend rights, or that provides for the granting of (w) special voting rights (i.e., which does not grant one vote for each share) or board representation not commensurate with the economic ownership percentage represented by such Equity Securities or anti-dilution rights, (x) sale or exit rights (including rights of first offer and refusal, tag-rights and drag rights) that take priority over or otherwise adversely affect the rights granted to L Catterton contained herein (it being clarified that the grant of such rights to others that result in the pro-rata dilution of the rights of all Shareholders who are entitled to such right, other than reduction of the number of Equity Securities that are offered by the Selling Shareholder to all other Shareholders who will be entitled to such right (other than a reduction of the percentage of the Equity Securities that L Catterton may include in connection with a tag-along right as compared to the percentage that Oran Shilo may include in such sale) shall not be considered as taking priority over or otherwise adversely affecting the rights granted to L Catterton contained herein), (y) a tag-along sale right on the sale of, or grant any drag along rights over, the shares owned by L Catterton or its Permitted Transferees, or (z) diminish or modify the pre-emptive rights under Article 13 or the other special right provided to L Catterton pursuant to the Shareholders Agreement (it being clarified that grant of pre-emptive rights to others that result in the pro-rata dilution of the rights of the all other shareholders' pre-emptive entitlement shall not be considered as diminishing or modifying L Catterton's rights under Article 13);

22.2. Any authorization or issuance of Senior Securities, except if made in the context of a Distress Fund Raising (subject to the proviso at the end of Article 22.1 above);

22.3. Any merger or sale of all or substantially all the Company's assets or a merger or reorganization or consolidation of the Company with or into one or more other entities (whether pursuant to or in connection with a Strategic Partnership or otherwise), or any transaction under Article 12.4 other than: (i) if such actions do not result in a change to the ownership percentage of L Catterton in the surviving company as compared to its holdings in the Company immediately before such change (including a merger with a wholly owned subsidiary of the Company or any similar reorganization); (ii) solely for the purpose of changing the Company's domicile, or (iii) if such actions result in L Catterton receiving consideration per L Catterton SPA Share and L Catterton 2019 SPA Share, as applicable, in value equal to (or higher than) three (3) times the Invested Capital in respect of each such Share then held and sold by L Catterton in such event. "**Invested Capital**", for the purpose of the foregoing, means the weighted average price per L Catterton SPA Share and L Catterton 2019 SPA Share originally paid by L Catterton for each of these Shares under the SPA and the 2019 SPA, being US$ 6,929.71 (as adjusted for any Recapitalization Event occurring following the date of the 2019 SPA);

22.4. Change the nature of the business of the Company and its subsidiaries, taken as a whole, including entering into the ownership, active management or operation of any line of business other than those engaged in by the Company as of the Closing Date of the SPA or the material reduction of the Company's retail store consumer business, including a material reduction in the number of retail locations. For the avoidance of doubt, none of the businesses or actions, or the type of business or actions, contemplated within the Business Plan (as defined below) shall be regarded as a change to the nature of the Company's business for the purpose of the foregoing;

22.5. Make any loans or advances to (excluding loans or advances made in the ordinary course of business, e.g., trade payables), guarantees for the benefit of (excluding guarantees in the ordinary course of business, including, landlord and construction guarantees for budgeted store openings, regulatory\municipal related guarantees, etc.) or investments in, any Person, in an aggregate amount in excess of US$ 1,000,000;

22.6. Acquire or enter into any agreement to acquire the business, activity or securities of another Person having a value of US$ 500,000;

22.7. Incur any indebtedness in an aggregate amount exceeding US$ 5,000,000, other than trade debt incurred in the ordinary course of business and other than in the context of a Distress Fund Raising;

22.8. Create, incur, assume or suffer to exist any liens over any of the assets of the Company or any of its subsidiaries, other than in respect of indebtedness which is not subject to a L Catterton, or L Catterton Director, consent pursuant to this Article 22;

22.9. Enter into any transaction or agreement with any of (i) a Shareholder or an Affiliate of the Company, (ii) any Family Member of a Shareholder or any Affiliate, or (iii) any member of management (other than employment agreements) or any Affiliates or Family Members of Persons identified in clauses (i), (ii) or (iii), or amend or modify any such transaction or agreement, other than any transaction, agreement, amendment or modification which is made on an arms-length basis or which is between the Company and its subsidiary(ies) or between two or more of its subsidiaries; provided, however, notwithstanding the foregoing, that employment agreements (and any amendment or modification thereto) between the Company or any of its subsidiary, on the one hand, and Oran Holtzman, any Family Member of Oran Holtzman or any subsequent CEO of the Company, on the other hand, shall require the consent of a L Catterton Director;

22.10. Declaration or payment of any dividend (including by way of redemption) in an amount that (a) if U.S. EBITDA for the most recently completed fiscal year less U.S. CapEx during such fiscal year is negative, exceeds 75% of the accumulated Non-U.S. EBITDA less Non-U.S. CapEx for the period commencing from January 1, 2017 through the date of declaration or payment of such dividend (less any dividends previously paid after the Closing Date (as such term is defined in the SPA)), or (b) if U.S. EBITDA for the most recently completed fiscal year less U.S. CapEx during such fiscal year is zero or positive, exceeds 50% of the consolidated Company's (all Company operations (including in Israel and the U.S. Business)) then distributable profits at the end of such fiscal year as reflected in the audited and consolidated financial statements of the Company for such fiscal year; provided that in all events, immediately following the payment of any dividend pursuant to (a) or (b) above, the Company has (i) sufficient working capital for current operations as reasonably determined by the Board of Directors, and (ii) a consolidated Company cash balance of at least US$ 3 million of cash or cash equivalents;

22.11. Hiring a CEO;

22.12. Adoption of an annual budget (other than with respect to capital expenditures as set forth in Article 22.13) or plan that:

22.12.1. during the period beginning on Closing Date of the SPA and ending on the fifth anniversary of the Closing Date of the SPA, calls for planned total operating expenses (*i.e.* all planned business expenditures reflected on the P&L budget (management accounts) between direct contribution and EBITDA, as calculated pursuant to the Shareholders Agreement) which materially, in the aggregate and not per expense, exceed (by more than 35%) in that year from what is set out in the five year business plan attached to the Shareholders Agreement ("**Business Plan**") for that year; provided, however, that unused marketing expenses from the Business Plan in a certain year may be carried forward to the following year(s) and accordingly increase such deviation amount in a certain year which does not require consent pursuant to this Article; or

22.12.2. would result in a consolidated Company cash balance (in accordance with the management forecast/budget (management accounts)) of less than US$ 3 million at any point during the fiscal year;

22.13. Adoption of an annual capital expenditure plan/budget that:

22.13.1. during the period beginning on Closing Date of the SPA and ending on the fifth anniversary of the Closing Date of the SPA, calls for a material annual increase (by more than $ 1.5 million) in the aggregate capital expenditures set forth in the Business Plan for that year; or

22.13.2. would result in a consolidated Company cash balance (in accordance with the management forecast/budget (management accounts)) of less than US$ 3 million at any point during the fiscal year;

22.14. Any material deviation (more than 25%) from the capital expenditure plan contemplated in the aforementioned annual budget or plan, or any capital expenditure in excess of US $100,000 (whether or not budgeted) that would result in a consolidated Company cash balance of less than US$ 3 million; or

22.15. Change or replacement of the Company's auditors, unless such replacement auditor is one of the "Big 4" international accounting firms, including their Israeli Affiliates.

PART F: THE CEO AND OFFICERS

23. **The Chief Executive Officer**

23.1. The Board of Directors of the Company may appoint one or more CEO for the Company. If a CEO is appointed, he shall have all of the authorities vested in the General Manager under these Articles. If no CEO is appointed, the Company shall be managed by the Board of Directors, and the Board of Directors shall have all of the authorities, rights and duties of the CEO.

23.2. The CEO is responsible for the day-to-day management of the affairs of the Company within the framework of the policies set down by the Board of Directors and subject to its directions.

23.3. The CEO shall have full managerial and operational authority to carry out all of the activities which the Company may carry on by law and under these Articles and which have not been vested by law or by these Articles in any other organ of the Company. The CEO shall be subject to the supervision of the Board of Directors.

23.4. The CEO may, with the prior written approval of the Board of Directors, delegate his authority to another person who is subordinate to him.

23.5. The Board of Directors may decide to transfer the authority vested in the CEO to the Board of Directors in a specific instance or for a specific period of time.

23.6. The Board of Directors may direct the CEO how to act in a specific matter. If the CEO does not comply with the direction, the Board of Directors may exercise the authority necessary to carry out the direction in his place.

23.7. The Board of Directors may exercise the authorities of the CEO if the CEO is incapable of performing them.

23.8. The General Meeting may assume for itself the authorities vested in the CEO or transfer these authorities to the Board of Directors, for a specific matter or for a specific period of time.

24. **Secretary**

The Board of Directors may appoint a Company secretary (the "**Secretary**") and determine his or her duties and authorities. The Secretary, if appointed, shall be responsible to the Board of Directors and shall report to it.

25. **Insurance, Release and Indemnification of Officers**

25.1 The Company may, from time to time and subject to any provision of law, enter into an agreement to insure an Officer against any liability, in whole or in part, that may be imposed upon such Officer as a result of an action carried out in his capacity as an Officer in each of the following cases:

(a) breach of duty of care towards the Company or towards another Person;

(b) breach of fiduciary duty towards the Company, provided that the Officer acted in good faith and had reasonable grounds to assume that the action would not harm the interests of the Company;

(c) a monetary liability imposed on him in favour of a third party.

(d) a payment which the Officer is obligated to make to an injured party as set forth in Section 52(54)(a)(1)(a) of the Securities Law, and expenses that the Officer incurred in connection with a proceeding under Chapters H'3, H'4, or I'1 of the Israeli Securities Law – 1968 (the "**Securities Law**"), including reasonable legal expenses, which term includes attorney fees, to the extent permissible under the Securities Law; and

(e) any other circumstances arising under the law with respect to which the Company may, or will be able to, insure an Officer of the Company (including, without limitation, indemnification with respect to the matters referred to under Section 56h(b)(1) of the Securities Law and Section 50P of the Antitrust Law, 5758-1988, as amended, and any regulations promulgated thereunder (the **"Antitrust Law**"), if and to the extent permissible under the Antitrust Law applicable).

25.2 The Company may, from time to time and subject to any provision of law and to the maximum extent permitted under any applicable law, indemnify an Officer in respect of a liability or expense set out below which is imposed on him or incurred by him as a result of an action taken in his capacity as an Officer of the Company:

(a) monetary liability imposed on him in favour of a third party by a judgment, including a settlement or a decision of an arbitrator which is given the force of a judgment by court order including a judgment imposed on such Officer in a compromise or in an arbitration decision approved by a competent court;

(b) reasonable litigation expenses, including legal fees, incurred by the Officer as a result of an investigation or proceeding instituted against such Officer by a competent authority, which investigation or proceeding has ended without the filing of an indictment or in the imposition of financial liability in lieu of a criminal proceeding, or has ended in the imposition of a financial obligation in lieu of a criminal proceeding for an offence that does not require proof of criminal intent or in connection with monetary sanctions (without derogating from Article 26.1 above, the phrases "proceeding that has ended without the filing of an indictment" and "financial obligation in lieu of a criminal proceeding" shall have the meanings ascribed to such phrases in Section 260(a)(1a) of the Companies Law);

(c) reasonable litigation expenses, including legal fees, which the Officer has incurred or is obliged to pay by the court in proceedings commenced against him by the Company or in its name or by any other person, or pursuant to criminal charges of which he is acquitted or criminal charges pursuant to which he is convicted of an offence which does not require proof of criminal intent;

(d) a payment which the Officer is obligated to make to an injured party as set forth in Section 52(54)(a)(1(a) of the Securities Law, and expenses that the Officer incurred in connection with a proceeding under Chapters H'3, H'4, or I'1 of the Securities Law, including reasonable legal expenses, which term includes attorneys' fees; and

(e) any other liability or expense incurred or imposed because of an act performed in his/her capacity as an officer of the company, which may be indemnified under the provisions of any law.

25.3 The Company may, from time to time and subject to any provision of law:

(a) undertake in advance to indemnify an Officer of the Company for any of the following:

(i) any liability as set out in Article 26.2(a) above, provided that the undertaking to indemnify is limited to the classes of events which in the opinion of the Board of Directors can be anticipated in light of the Company's activities at the time of giving the indemnification undertaking, and for an amount and/or criteria which the Board of Directors has determined are reasonable in the circumstances and, the events and the amounts or criteria that the Board of Directors deem reasonable in the circumstances at the time of giving of the undertaking are stated in the undertaking; or

(ii) any liability stated in Article 26.2 (b) or (c) above;

(b) indemnify an Officer after the occurrence of the event which is the subject of the indemnity.

25.4 Subject to the provisions of the Companies Law and to the extent permitted under law, the Company may release an Officer in advance from liability, in whole or in part, for damage suffered as a result of breach of duty of care of the Officer towards the Company, other than for a breach of care in connection with a Distribution (as defined in the Companies Law).

25.5 The above-mentioned provisions are not intended and shall not in any way limit the Company's ability to enter into any contract of insurance or to grant a release from liability or an indemnity:

(a) in connection with a person who is not an Officer, including employees, contractors or consultants of the Company who are not Officers;

(b) in connection with Officers - to the extent that the insurance, release or indemnity is not prohibited by law.

25.6 Any amendment to the Companies Law or other applicable law adversely affecting the right of any Officer to be indemnified, insured or released pursuant to this Article 26 above shall be prospective in effect, and shall not affect the Company's obligation or ability to indemnify or insure an Officer for any act or omission occurring prior to such amendment, unless otherwise provided by applicable law.

26. **Signature in the Name of the Company**

The signature rights in the name of the Company shall be determined by the Board of Directors of the Company or in any other manner determined by the Board of Directors, generally, for a class of matters or for a specific matter. Any signature in the name of the Company shall be accompanied by the name of the Company. The authorized signatories do not have to be Directors of the Company.

PART G: MINUTES. REGISTERS AND BOOKS OF ACCOUNTS

27. Minutes

27.1 The Board of Directors shall ensure that records of the following matters are duly maintained in books that shall be prepared for this purpose:

(a) the names of Directors who are present at any meeting of the Board of Directors and at any meeting of a committee of the Board of Directors (including any decision of the Board of Directors or of its committees which is adopted without actually convening);

(b) the names of the Shareholders participating in any General Meeting;

(c) the instructions given by the Board of Directors to the committees of the Board of Directors; and

(d) the proceedings and resolutions at General Meetings, meetings of the Board of Directors, and meetings of committees of the Board of Directors, including decisions adopted without actually convening.

27.2 Any minute of a meeting of the Board of Directors or of any committee of the Board of Directors or of the General Meeting of the Company which purports to be signed by the Director who chaired the meeting shall be prima facie evidence of the matters stated therein.

27.3 The Company shall maintain the records referred to in this Part G as required by law.

27.4 The minute book of General Meetings shall be open to inspection by the Shareholders of the Company at all reasonable times, and a copy thereof shall be sent to any Shareholder who so requests, subject to the procedures that the Board of Directors may specify from time to time regarding the times at which the minute book is open for inspection (including periods during which the minute book will be closed), regarding the authentification of the identity of the Shareholder and regarding any fee to be paid for inspection or delivery as aforesaid.

28. Books and Registers of the Company

28.1 The Company shall comply with all of the provisions of the Companies Law in connection with the maintenance of the Register of Directors, the Register of Shareholders, the additional register of shareholders, the register of material shareholders and the Register of Charges.

28.2 Each book, register and registration that the Company must maintain in accordance with the provisions of the Companies Law or these Articles shall be made in regular books or by electronic means, as the General Manager shall determine, provided that the persons entitled to inspect them are able to receive copies of the documents.

28.3 The Company may, bearing in mind the provisions of the Companies Law and any other law, maintain in any other country a register of shareholders, and exercise all of the authorities mentioned in the Companies Law in connection with these registers, subject to the authority of the Minister of Justice to enact rules in connection with the administration of the Register of Shareholders.

28.4 If the Company elects to maintain an additional shareholders' register outside Israel, it must indicate in the Register of Shareholders the number of shares that are registered in the additional share register, and the numbers of those shares if the shares are numbered.

28.5 The Company may close the Register of Shareholders and any other register which the Company maintains or shall maintain (whether by law, by agreement or at the election of the Company) in connection with any Equity Security of the Company, as the case may be, for such period of time as the Board of Directors deems fit, but no longer than for 30 Business Days in any year.

28.6 Subject to any provisions of law, the Company may determine a Record Date for the purposes of entitlement to receive invitations to General Meetings to participate and vote thereat and for the purposes of entitlement to dividends, bonus shares, participation in rights issuances and any other right, provided that this date shall not be more than 21 Business Days before the date set for the General Meeting, or the date in which the shareholders will be entitled to the other rights specified in this Article.

28.7 The Company may destroy any request for entering any change in the Register of Shareholders seven (7) years after the date of the change in the Register of Shareholders and there shall be a prima facie assumption that all requests for changes in the Register of Shareholders were valid and that any action taken by virtue or as a result thereof was lawfully taken.

PART H: AUDIT

29. Auditor

29.1 At least once in each year, the financial statements of the Company shall be audited by an auditor or auditors who will express their opinion as to the financial statements. The fiscal year of the Company for its financial statements shall be the twelve calendar months ended December 31.

29.2 Subject to Article 22.15, the Company shall appoint at the Annual General Meeting an auditor or auditors to act in this capacity until the following Annual General Meeting, but the General Meeting may appoint an auditor to serve in this capacity for a longer period of time, not extending beyond the end of the third Annual General Meeting after the appointment. If the Company decides not to hold an Annual General Meeting, it may appoint an auditor for three annual audits beyond the date of the appointment.

29.3 Subject to the provisions of the Companies Law, any act of the auditors of the Company shall be valid with regard to any person acting in good faith with the Company notwithstanding any defect in the appointment or qualification of the auditor.

29.4 The fees of the auditor for the audit and for any additional services of the auditor that are not within the scope of the audit shall be determined by the Board of Directors. The Board of Directors shall report to the annual meeting the fees and other terms of engagement of the auditor.

PART I: RESERVES, DISTRIBUTIONS AND BONUS SHARES

The provisions of Articles 30 to 31 below shall be subject to, and without derogating from, the provisions of Article 22 hereinabove.

30. Reserves

30.1 The Board of Directors may at any time allocate such amounts as it sees fit from the Surplus Account to a reserve for the distribution of dividends, the distribution of Bonus Shares, for the acquisition of Equity Securities in the Company or for any other purpose as it sees fit. Likewise, the Board of Directors may direct the management of and the uses to which any reserve or part thereof is put, including of any reserve or part thereof for the business of the Company, without need to maintain such amount separate from the remaining assets of the Company.

30.2 The Board of Directors may transfer from time to time sums which have been set aside as a reserve as aforesaid to the Surplus Account.

30.3 The Board of Directors may from time to time, subject to the provisions of any law and the provisions of these Articles, change the purpose for which any capital reserve has been designated or the manner in which it is managed, to combine or split reserves and to transfer the amount of any capital reserve to the Surplus Account or to any other account in the accounting records of the Company. Notwithstanding the aforesaid, the Board of Directors may not transfer any amount from the share premium account other than to share capital of the Company or for the purposes of a Reduction of Capital.

31. Distribution of Dividends and Bonus Shares

31.1 Each share, unless otherwise provided in the terms of issue of that share, shall entitle its holder to receive dividends and bonus shares if and when these are distributed, proportionate to the nominal value of shares which are paid up or deemed to be paid up, without taking into account any premium paid in respect thereof.

31.2 Subject to Article 22, a decision regarding a Distribution (as defined in the Companies Law) or the issuance of bonus shares shall be taken by the Board of Directors.

Subject to any provisions of law, the Company may determine a Record Date for the purposes of entitlement to receive any Distribution or bonus shares.

31.3 Unless the Board of Directors decides otherwise, the Company shall not pay interest on dividends including dividends which are paid after the date set for payment for whatever reason. The Board of Directors may decide from time to time in its absolute discretion, with regard to the payment of a specific dividend or class of dividends, to pay linkage differentials in respect of dividends paid after the date set for payment, based on a consumer price index or a rate of exchange of any foreign currency.

31.4 A dividend may be paid, in whole or in part, by way of distribution of assets of any kind. A distribution of assets as aforesaid shall be made by transfer, assignment, transfer of title, grant of a contractual or proprietary right or in any other manner as the Board of Directors shall direct.

31.5 If the Board of Directors decides to distribute a dividend, in whole or in part, by way of an allotment of shares in the Company to those entitled to receive the dividend at a price lower than the nominal value of those shares, the Company shall convert to share capital a portion of its Profits in respect of which the dividend was issued equal in amount to the difference between the nominal value of the said shares and the price paid therefor.

31.6 The Board of Directors may decide from time to time that all or part of the balance in the Surplus Account, the balance in the share premium account, the balance of any capital reserve that stands in credit or any other reserve included within the equity of the Company shall form part of the share capital of the Company and shall be considered to be payment in full for bonus shares of such class and number as the Board of Directors shall determine (in such amount, being not less than the nominal value of the shares, as the Board of Directors shall direct). The said bonus shares shall be allotted without payment, to the Shareholders of the Company who would have been entitled to receive the amount converted to share capital for the purpose of distribution of the bonus shares if that amount had been distributed by way of a cash dividend and in the same proportion.

31.7 The Board of Directors may, from time to time, transfer to the holders of Equity Securities issued by the Company that are convertible into shares of the Company, dividends, bonus shares or rights that are distributed by the Company as if the said Equity Securities had been converted into shares prior to the said distribution, in each case subject to the terms of issue of the said Equity Securities, the other provisions of these Articles and the obligations lawfully undertaken by the Company with respect thereto.

31.8 Subject to the provisions of Article 6.1.2, the Board of Directors may make any arrangements and take any actions necessary for the efficient and speedy implementation of the provisions of Article 32.7, to determine the rights which the holders of convertible Equity Securities shall receive and the manner in which they shall receive these rights and to carry out any adjustment necessary to the rights of the holders of the said Equity Securities as a result of any distribution of dividends, bonus shares or rights more than once, and to exercise any authority granted to the Board of Directors in connection with the distribution of dividends, bonus shares or rights to the shareholders in the Company, mutatis mutandis - all in the absolute discretion of the Board of Directors.

31.9 In order to implement any decision regarding the distribution of a dividend or bonus shares or in connection with the acquisition of Equity Securities of the Company, the Board of Directors may, subject to the provisions of Article 6.1.2:

(a) resolve any difficulty that arises in connection with the aforesaid distribution as it sees fit, and take any steps that it deems appropriate in order to overcome such difficulty;

(b) issue certificates for fractions of shares or to decide that shares in the Company which entitle the holder thereof to fractions of shares in an amount lower than the level fixed by the Board of Directors shall not entitle the holder to participate in that distribution, or to sell the fractions of shares and to pay the net proceeds of sale (after deduction of the expenses of sale and any tax that shall be payable in respect of the sale) to the persons entitled thereto;

(c) sign or appoint Person to sign on behalf of the shareholders on any contract or other document required for the purpose of implementing a distribution, and in particular the Board of Directors shall be entitled to sign or appoint another person who shall be entitled to enter into and sign a written document as required by the Companies Law, and this contract shall bind the Company and the shareholders;

(d) effect any arrangement which is, in the opinion of the Board of Directors, necessary in order to enable or facilitate the distribution.

31.10 Subject to the provisions of Article 6.1.2, the Board of Directors may determine from time to time the manner of payment of the dividends or the distribution of bonus shares and the arrangements therefore for each class of Shareholders. Without prejudice to the generality of the aforesaid, the Board of Directors may pay all dividends or monies due in respect of shares by sending cheques in the mail, and if the benefit is, in whole or in part, an asset or a right, by sending by mail any document confirming or creating the said right to the address of the shareholder as appearing in the Register of Shareholders. Any cheque or document sent as aforesaid shall be dispatched at the risk of the Shareholder.

31.11 The Board of Directors may delay any dividend, benefit, rights or amounts payable in connection with any shares which are subject to the Company's lien or charge and to use the proceeds of realisation thereof to pay the debts in respect of which the Company has a lien or charge.

31.12 Subject to the provisions of Article 6.1.2, the Board of Directors may decide that bonus shares shall be of the same class of shares as those shares which entitle the holders thereof to participate in the distribution of bonus shares, or that all bonus shares shall be of a single class which shall be distributed to all persons entitled thereto without taking into account the class of shares which they hold, or that bonus shares be a combination of classes of shares.

31.13 The transferee of any shares shall not be entitled to any dividend or any other Distribution or entitlement to bonus shares which has been declared in respect of those shares after the date of transfer but before registration of the transfer in the Register of Shareholders, and in the event of a transfer of shares which is subject to the approval of the Board of Directors, before the date of said approval.

31.14 If the payment of the dividend is not demanded within seven (7) years from the date of the decision to distribute that dividend, the person entitled thereto shall be deemed to have waived the dividend and ownership thereof shall return to the Company.

31.15 The Board of Directors may deduct from any dividend, distribution or other monies which are to be paid to a shareholder (including to a person who is one of the joint holders of a share) any amounts due from such a person to the Company (either by that person alone or jointly with another person) in respect of any call on shares or any other indebtedness which the Shareholder owes to the Company in his capacity as Shareholder.

31.16 If there are a number of persons registered as joint holders of a share, each one may give a valid receipt to the Company for any dividend or bonus shares which is paid or transferred in respect of that share or in respect of any consideration which the Company shall pay for acquiring that share and for any other monies or benefit given in respect of that share or as a result thereof.

PART J: LIQUIDATION AND REORGANISATION

32. Liquidation

32.1 Subject to the provisions of Section 319(1) of the Companies Ordinance, the General Meeting may adopt a resolution for the winding up of the Company, provided that the resolution is passed by the majority required by law, and in the absence of any legal requirement for a specific majority, by the majority required in accordance with these Articles.

32.2 If the Company is wound up and the assets available for distribution among the Shareholders are not sufficient for payment in full of the paid up share capital of the Company, the assets shall be distributed, as far as possible, so that the Shareholders will bear the losses proportionately to the share capital paid or that should have been paid by the commencement of the winding up and the number of shares held by the Shareholders.

32.3 If the Company is wound up and the assets available for distribution among the shareholders are more than sufficient for payment in full of the paid up share capital at the time of commencement of the winding up, the surplus shall be distributed among the Shareholders proportionately to the share capital paid or that should have been paid by the commencement of the winding up, and the number of shares held by the Shareholders. This Article shall not affect the rights of holders of any shares issued with special rights (for the purposes of the distribution of the assets of the Company at the time of a liquidation, any payments that have been made as share premium shall not be taken into account).

32.4 If the Company is wound up, by way of voluntary liquidation or otherwise, the liquidators may, if the approval of the General Meeting is given with the majority required by law, and in the absence of any legal requirement for a specific majority, by the majority required by these Articles, distribute any portion of the assets of the Company among the shareholders in specie, and the liquidators may, subject to receiving approval as aforesaid, deposit any part of the assets of the Company with trustees upon trust for the benefit of the Shareholders. A General Meeting that approves any distribution as aforesaid may also approve a distribution in a manner other than in accordance with the legal rights of the Shareholders and may grant special rights to any class of shareholders, provided that if a resolution is adopted authorizing any distribution other than in accordance with the legal rights of the Shareholders, a Shareholder who has been harmed thereby shall have the right to object in the same manner as if the resolution had been adopted by the majority required in Section 334 of the Companies Ordinance.

33. Reorganization

In the event of the sale of the assets of the Company, the Directors (or the liquidators in the event of the liquidation, if they have been so authorized by a resolution passed by the General Meeting with the majority required by law) may receive fully paid or partly paid shares, debentures or any other Security Interests of another company, Israeli or foreign, whether existing or being established for the purpose of acquiring all or part of the assets of the Company. The Board of Directors or the liquidators may distribute in specie such shares or debentures or Security Interests or any other property of the Company among the shareholders without realizing the same or may deposit them on trust on behalf of the Shareholders. A decision of the General Meeting as aforesaid may also direct the distribution of cash, shares or other Security Interests, rights or property in a manner other than in accordance with the legal rights of the Shareholders (or participants in the Company) and may determine the value of any asset of the Company at such price and in such manner as the General Meeting shall direct. All of the Shareholders (or participants) shall accept the valuation or distribution approved as aforesaid and shall waive their existing rights other than in the event that the Company is about to enter into liquidation or is in the process of being wound up, and the legal rights (if any) under the Companies Ordinance or the Companies Law, as the case may be, cannot be varied or cancelled by the provisions of this Article.

PART K: NOTICES

34. Presumption of Delivery of Notices

34.1 Unless expressly stated otherwise in these Articles, notices to be served under these Articles or in connection therewith shall be In Writing and signed by the person serving the notice.

34.2 A notice that is hand-delivered by the Company to an addressee at the address registered with the Company shall be deemed to have been received at the time of delivery to the addressee or at the time of deposit in the post box of the addressee.

34.3 A notice sent by facsimile, by electronic mail, via an internet site or other similar electronic means shall be deemed to have been received at the time of transmission unless the notice is transmitted on a day which is not a Business Day in which case it shall be deemed to have been received on the next following Business Day.

34.4 Confirmation of an Officer of the Company regarding the date and manner of delivery of a notice on behalf of the Company in accordance with or relating to these Articles shall be prima facie evidence of the facts stated therein.

Exhibit 3.2

THE COMPANIES LAW, 1999
A LIMITED LIABILITY COMPANY

AMENDED AND RESTATED
ARTICLES OF ASSOCIATION
OF
Oddity Tech Ltd.

As Adopted on _____, 2023

PRELIMINARY

1. **DEFINITIONS; INTERPRETATION**.

(a) In these Articles, the following terms (whether or not capitalized) shall bear the meanings set forth opposite them, respectively, unless the subject or context requires otherwise.

"Articles"	shall mean these Amended and Restated Articles of Association, as amended from time to time.
"Board of Directors"	shall mean the Board of Directors of the Company.
"Chairperson"	shall mean the Chairperson of the Board of Directors, or the Chairperson of the General Meeting, as the context implies;
"Company"	shall mean Oddity Tech Ltd.
"Companies Law"	shall mean the Israeli Companies Law, 5759-1999 and the regulations promulgated thereunder. The Companies Law shall include reference to the Companies Ordinance (New Version), 5743-1983, of the State of Israel, to the extent in effect according to the provisions thereof.
"Director(s)"	shall mean the member(s) of the Board of Directors holding office at a given time.
"Economic Competition Law"	shall mean the Israeli Economic Competition Law, 5758-1988, and the regulations promulgated thereunder.
"External Director(s)"	shall have the meaning provided for such term in the Companies Law.
"General Meeting"	shall mean an Annual General Meeting or Special General Meeting of the Shareholders (each as defined in Article 24 of these Articles) as the case may be.
"NIS"	shall mean New Israeli Shekels.
"Office"	shall mean the registered office of the Company at any given time.
"Office Holder" or "Officer"	shall have the meaning provided for such term in the Companies Law.
"Securities Law"	shall mean the Israeli Securities Law 5728-1968 and the regulations promulgated thereunder.
"Shareholder(s)"	shall mean the shareholder(s) of the Company, at any given time.

(b) Unless the context shall otherwise require: words in the singular shall also include the plural, and vice versa; any pronoun shall include the corresponding masculine, feminine and neuter forms; the words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation"; the words "herein", "hereof" and "hereunder" and words of similar import refer to these Articles in their entirety and not to any part hereof; all references herein to Articles or clauses shall be deemed references to Articles or clauses of these Articles; any references to any agreement or other instrument or law, statute or regulation are to it as amended, supplemented or restated, from time to time (and, in the case of any law, to any successor provisions or re-enactment or modification thereof being in force at the time); any reference to "law" shall include any law ('*din*') as defined in the Interpretation Law, 5741-1981 and any applicable supranational, national, federal, state, local, or foreign statute or law and shall be deemed also to refer to all rules and regulations promulgated thereunder; any reference to a "day" or a number of "days" (without any explicit reference otherwise, such as to business days) shall be interpreted as a reference to a calendar day or number of calendar days; any reference to a business day shall mean each calendar day other than any calendar day on which commercial banks in New York, New York or Tel-Aviv, Israel are authorized or required by applicable law to close; reference to a month or year means according to the Gregorian calendar; any reference to a "Person" shall mean any natural person, partnership, corporation, limited liability company, association, estate, any political, governmental, regulatory or similar agency or body, or other legal entity; and reference to "written" or "in writing" shall include written, printed, photocopied, typed, any electronic communication (including email, facsimile, signed electronically (in Adobe PDF, DocuSign or any other format)) or produced by any visible substitute for writing, or partly one and partly another, and signed shall be construed accordingly.

(c) The captions in these Articles are for convenience only and shall not be deemed a part hereof or affect the construction or interpretation of any provision hereof.

(d) The specific provisions of these Articles shall supersede the provisions of the Companies Law to the extent permitted thereunder.

LIMITED LIABILITY

2. The Company is a limited liability company and each Shareholder's liability for the Company's debt is therefore limited (in addition to any liabilities under any contract) to the payment of the full amount (par value (if any) and premium) such Shareholder was required to pay the Company for such Shareholder's Shares (as defined below), and which amount has not yet been paid by such Shareholder.

COMPANY'S OBJECTIVES

3. **OBJECTIVES**.

The Company's objectives are to carry on any business, and do any act, which is not prohibited by law.

4. **Donations**.

The Company may donate a reasonable amount of money (in cash or in kind, including the Company's securities) to worthy purposes, as the Board of Directors may determine in its discretion, even if such donations are not made on the basis or within the scope of business considerations of the Company.

Share capital

5. **Authorized share capital**.

The authorized share capital of the Company is NIS 240,000 (*two hundred and forty thousand*) divided into (i) 200,000,000 Class A Ordinary Shares of nominal value NIS 0.001 each (the "Class A Shares") and (ii) 40,000,000 Class B Ordinary Shares of nominal value NIS 0.001 each (the "Class B Shares" and, collectively with the Class A Shares, the "Shares").

6. **Rights of class a shares and class b shares**

(a) Voting Rights:

(i) Except as otherwise expressly provided herein or required by applicable law, the holders of Class A Shares and Class B Shares shall vote together as one class on all matters submitted to the vote of the Shareholders.

(ii) Except as required by applicable law, on any matter that is submitted to a vote of the Shareholders, each holder of Class A Shares shall be entitled to one (1) vote for each Class A Share then held by it, and each holder of Class B Shares shall be entitled to ten (10) votes for each Class B Share then held by it.

(b) Identical Rights. Except as otherwise expressly provided in these Articles (including in Article 6(a)(ii) above), the Class A Shares and Class B Shares shall carry the same rights and privileges and rank equally, share ratably and be identical in all respects, including, without limitation, each Class A Share and Class B Share shall vest in the holder thereof:

(i) The right to receive an invitation to and to participate in each General Meeting of the Company, whether Annual General Meeting or Special General Meeting, and the right to one (1) vote (in respect of each Class A Share) or ten (10) votes (in respect of each Class B Share) in respect of each share that the holder holds in every vote at each General Meeting of the Company in which he participates, provided that the share is owned by the shareholder on the date specified in the resolution to convene the General Meeting in question;

(ii) The right to receive, if and to the extent distributed, dividends, bonus shares and any other distribution in each case, in accordance with the number of shares that the shareholder holds on the date upon which it is resolved to distribute the dividend or bonus shares or other distribution (as the case may be) or at such later date as shall be provided in the resolution in question. The Class A Shares and the Class B Shares shall be treated equally, identically and ratably, on a per share basis, with respect to any dividend, bonus shares or distribution, *provided* that any bonus shares issued on a share shall be in the same per share ratio for all classes, but shall be of the same class of the share on which it is being distributed (i.e. Class A Shares (or rights to acquire such shares, as the case may be) will be issued as bonus shares on outstanding Class A Shares and Class B Shares (or rights to acquire such shares, as the case may be) will be issued as bonus shares on outstanding Class B Shares), unless different treatment is proposed by the Board of Directors and approved in a general meeting of each of the Class A Shares and Class B Shares, each voting separately as a class, and in which a majority of the shares of each such class present and voting in such meeting affirmatively votes in favor of such different treatment.

(iii) The right to participate in the distribution of any surplus assets of the Company upon liquidation (it being clarified that the Class A Shares and Class B Shares shall be treated equally, identically and ratably, on a per share basis, with respect to the distribution of any surplus assets of the Company upon liquidation).

(iv) If the Company effects a split, reverse split, subdivision or combination of the outstanding Class A Shares or Class B Shares, the outstanding Shares of each other class will be subject to the same split, reverse split, subdivision or combination in the same proportion and manner, unless different treatment is proposed by the Board of Directors and approved in a general meeting of each of the Class A Shares and Class B Shares, each voting separately as a class, and in which a majority of the shares of each such class present and voting in such meeting affirmatively votes in favor of such different treatment.

(v) Change of Control Transaction. Class A Shares and Class B Shares shall be treated equally, identically and ratably on a per share basis with respect to any consideration into which such Shares are converted or any consideration paid or otherwise distributed to Shareholders of the Company in connection with a Change of Control Transaction (as defined below), unless different treatment of the Shares of each such class is approved in a general meeting of each of the Class A Shares and Class B Shares, each voting separately as a class, and in which a majority of the shares of each such class present and voting in such meeting affirmatively vote in favor of such different treatment.

(c) Voluntary Conversion. Each one (1) Class B Share shall be convertible into one (1) Class A Share at the option of the holder thereof, at any time, upon written notice to the Company or the Company's transfer agent.

(d) Automatic Conversion Upon Transfer. Class B Shares shall automatically convert into an equal number of Class A Shares upon a Transfer (as defined below) of such Class B Shares, *provided, however,* that no such conversion shall occur upon the Transfer by a Shareholder to its, his or her Permitted Transferee (as defined below).

(e) Conversion of All Outstanding Class B Shares. Each one (1) issued and outstanding Class B Share shall automatically, without any further action, convert into one (1) Class A Share upon the earliest of: (a) the date specified by affirmative vote or written consent of the holders of at least sixty percent (60%) of the outstanding Class B Shares, voting or acting as a separate class; (b) 5:00 pm New York City time on a date fixed by the Board that is not less than sixty (60) days nor more than one hundred and eighty (180) days following the date that Oran Shilo and Oran Holtzman, together with their Permitted Transferees, cease to hold an aggregate of at least thirty-three percent (33%) of the number of Class B Shares held by such holders at the Effective Time; and (c) 5:00 pm New York City time on a date fixed by the Board that is not less than sixty (60) days nor more than one hundred and eighty (180) days following the death of Oran Holtzman; and (d) the seven-year anniversary of the closing date of the Company's underwritten initial public offering of its Class A Shares pursuant to an effective registration statement under the Securities Act of 1933, as amended.

(f) Procedures. The Company may, from time to time, establish such policies and procedures relating to the conversion of Class B Shares to Class A Shares and the general administration of this dual class share structure, including the issuance of share certificates (or the establishment of book-entry positions) with respect thereto, as it may deem necessary or advisable, and may request that holders of Class B Shares furnish affidavits or other proof to the Company as it deems necessary to verify the ownership of Class B Shares and to confirm that a conversion to Class A Shares has not occurred.

The Company may provide a written notice and certification request to any holder of Class B Shares that (a) specifies a date that is not less than ninety (90) calendar days after the date of such notice and certification request (the "Certification Date") and (b) requests a certification, in a form satisfactory to the Company, verifying such holder's ownership of Class B Shares and confirming that an event requiring a conversion to Class A Shares has not occurred to be delivered by such holder to the Company by the Certification Date. To the extent such holder does not furnish a certification satisfactory to the Company prior to the specified Certification Date, any such Class B Shares held by such holder shall automatically, and without further action by the Company or such holder, be deemed to have converted into Class A Shares as of the Certification Date.

A determination by the Board that a Transfer results in a conversion to Class A Shares shall be conclusive and binding.

(g) Immediate Effect of Conversion. In the event of a conversion of Class B Shares to Class A Shares pursuant to this Article 6, such conversion(s) shall be deemed to have been made either at the time that the Company receives the written notice required pursuant to Article 6(c), the time that the applicable Transfer of such shares occurred or upon the applicable dates or events set forth in Articles 6(d) through 6(f) above (inclusive), as applicable. Upon any conversion of Class B Shares to Class A Shares, all rights of the holder of such Class B Shares shall cease and the person or persons in whose names or names the certificate or certificates (or book-entry position(s)) representing the Class B Shares) are to be issued shall be treated for all purposes as having become the record holder or holders of such number of Class A Shares into which such Class B Shares were convertible. Class B Shares that are converted into Class A Shares as provided in this Article 6 shall not be reissued. Any proxy issued with respect to Class B Shares shall, unless otherwise stated in such proxy, continue to apply with respect to the Class A Shares into which the Class B Shares have been converted.

(h) Reservation of Shares for Conversion. The Company shall at all times reserve and keep available out of its authorized but unissued Class A Shares, solely for the purpose of effecting the conversion of the Class B Shares as provided in this Article 6, such number of its Class A Shares as shall from time to time be sufficient to effect the conversion of all outstanding Class B Shares into Class A Shares.

(i) Amendments. Notwithstanding anything to the contrary herein, this Article 6 may only be amended or replaced by a resolution adopted at a General Meeting by a majority of at least sixty percent (60%) of the total voting power of the Company's shareholders.

(j) Definitions. In this Article 6, the following terms (whether or not capitalized) shall bear the meanings set forth opposite them, respectively, unless the subject or context requires otherwise:

(i) "Change of Control Transaction" means (i) the merger, consolidation, business combination, or other similar transaction of the Company with any other entity, other than a merger, consolidation, business combination, or other similar transaction that would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) more than fifty percent (50%) of the total voting power represented by the voting securities of the Company and more than fifty percent (50%) of the total number of outstanding Shares of the Company, in each case as outstanding immediately after such merger, consolidation, business combination, or other similar transaction, and the shareholders of the Company immediately prior to the merger, consolidation, business combination, or other similar transaction own voting securities of the Company, the surviving entity or its parent immediately following the merger, consolidation, business combination, or other similar transaction in substantially the same proportions (vis-à-vis each other) as such shareholders owned the voting securities of the Company immediately prior to the transaction; (ii) a recapitalization, liquidation, dissolution, or other similar transaction involving the Company, other than a recapitalization, liquidation, dissolution, or other similar transaction that would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or being converted into voting securities of the surviving entity or its parent) more than fifty percent (50%) of the total voting power represented by the voting securities of the Company *and* more than fifty percent (50%) of the total number of outstanding Shares of the Company, in each case as outstanding immediately after such recapitalization, liquidation, dissolution or other similar transaction, and the shareholders of the Company immediately prior to the recapitalization, liquidation, dissolution or other similar transaction own voting securities of the Company, the surviving entity or its parent immediately following the recapitalization, liquidation, dissolution or other similar transaction in substantially the same proportions (vis-à-vis each other) as such shareholders owned the voting securities of the Company immediately prior to the transaction.

(ii) "Control" means (i) the ability to direct, or cause the direction of, the management and policies of the relevant Person, whether through the ownership of voting securities, by contract or otherwise, and whether directly or indirectly, or (ii) the beneficial ownership (directly or indirectly, including through one or more intermediaries) of 50% or more of the ownership interests in such Person, including the issued and outstanding share capital, voting rights or other ownership interests, or (iii) the right to appoint the majority of the directors (or the equivalent thereof) in such Person;

(iii) "Effective Time" shall mean February 23, 2022.

(iv) "Family Member" means to any Person, the spouse, registered domestic partner, parent, sibling, descendants (including any adopted descendant) and trusts for the benefit of each of the foregoing of such Person who is a natural person;

(v) "Oran Shiloh" means (i) Oran Shilo Investments LP (a limited partnership organized under the laws of the State of Israel, registered number 55-025056-7), and (ii) Il Makiage Investments L.P. (a limited partnership organized under the laws of Israel, registered number 55-026949-2).

(vi) "Permitted Transferee" shall mean any of the following:

(I) in the case of an institutional, private equity, hedge, venture capital or other private investment fund, or any subsidiary of such a person, any partner, limited partner, retired partner, member or retired member of such holder, any affiliated fund, any fund which is Controlled (as defined below) by or under common Control with one or more general partners of such holder, any fund that is managed and governed by the same management company as such holder, any fund that Controls such holder or any fund that is Controlled by, under common Control with, managed or advised by the same management company or registered investment advisor that controls, is under common control with, manages or advises the fund that Controls such holder;

(II) in the case of a mutual fund, pension fund, other pooled investment vehicle or an institutional client, to another mutual fund, pension fund, other pooled investment vehicle or an institutional client in connection with a merger, fund reorganization or otherwise for regulatory or fund management purposes;

(III) in the case of a partnership, its partners, provided each has received their entitlement in the Transferred Class B Shares on a pro-rata basis based on their partnership interests, *provided* that with respect to the Class B Shares, such partnership or its ultimate Controlling person, maintains the exclusive ability to vote or control and direct the vote of the Class B Shares;

(IV) in the case of a natural person, an entity Controlled (directly or indirectly) by a natural person, or a trust created by a natural person,

(a) such natural person;

(b) a Family Member of such natural person, and, solely in the context of a transfer of assets in connection with a divorce, a former spouse of such natural person (*provided* that and as long as such transfer is not in excess of 50% of the shares held by such a Shareholder and subject to such former spouse signing an irrevocable proxy and power of attorney to such transferring Shareholder with respect to such transferred shares in form and substance reasonably satisfactory to the Board of Directors, which includes such transferring Shareholder maintaining the exclusive ability to vote the Class B Shares);

(c) any custodian, trustee (including a trustee of a voting trust), executor or other fiduciary for the account of such Shareholder or natural person or any one or more Family Members of such natural person or any of such Shareholder's Permitted Transferees or any trust contemplated by clause (e);

(d) a trust whose sole beneficiary(ies) is the Shareholder, such natural person and/or their Permitted Transferees;

(e) if the Shareholder is a trust, any beneficiary(ies) of the trust; and

(f) a company, corporation, partnership or limited liability company Controlled by such natural person and/or his Family Members, in each case, whether directly or indirectly through one or more Permitted Transferees thereof,

provided that with respect to Class B Shares, in the case of clauses (IV)(b) through (f), such natural person (or in the case of an entity or trust, the natural person Controlling or creating it) maintains the exclusive ability to vote or control and direct the vote of the Class B Shares.

For the avoidance of any doubt, as of the date of adoption of these Articles, Oran Holtzman is a Permitted Transferee and the ultimate Controlling shareholder of Oran Shilo.

(vii) "Transfer" with respect to a Class B Share shall mean (i) any sale, assignment, transfer, conveyance, hypothecation, pledge or encumbrance (subject to sub-section (c) below) or other transfer or disposition of such share or any legal or beneficial interest in such share, whether or not for value and whether voluntary or involuntary or by operation of law or court order, including any such transaction or order that results in the designation of any other person to exercise the voting rights attached to the Class B Share, and (ii) the deposit of any Class B Share into a voting trust or entry into a voting agreement or arrangement with respect to any Class B Share or the granting of any proxy or power of attorney with respect thereto; *provided, however*, that the following shall not be considered a "Transfer": (a) the grant of a proxy to officers or directors of the Company at the request of the Board of Directors of the Company in connection with actions to be taken at any General Meeting; (b) entering into a voting agreement that provides for the grant of a voting proxy to the Chief Executive Officer of the Company; (c) the pledge of Class B Shares by a holder of Class B Shares that creates a mere security interest in such shares pursuant to a *bona fide* loan or indebtedness transaction so long as the holder of Class B Shares continues to exercise exclusive voting control over such pledged shares; *provided, however*, that a foreclosure on such Class B Shares or other similar action under or in connection with the pledge shall constitute a "Transfer"; (d) the fact that, at any time the spouse of any holder of Class B Shares possesses or obtains an interest in such holder's Class B Shares arising solely by reason of the application of the community property laws of any jurisdiction, so long as no other event or circumstance shall exist or have occurred that constitutes a "Transfer" of such Class B Shares; (e) the entering into a trading plan pursuant to Rule 10b5-1 under the U.S. Securities Exchange Act of 1934, as amended, with a broker or other nominee where the holder entering into the plan retains all voting control over the Class B Shares; *provided, however*, that a sale of such Class B Shares pursuant to such plan shall constitute a "Transfer" at the time of such sale; or (f) entering into a support, voting, tender or similar agreement, arrangement or understanding (with or without granting a proxy) in connection with a Change of Control Transaction; *provided, however,* that such Change of Control Transaction was approved by the Board of Directors.

7. **INCREASE OF AUTHORIZED SHARE CAPITAL**.

(a) The Company may, from time to time, by a Shareholders' resolution, whether or not all of the Shares then authorized have been issued, and whether or not all of the Shares theretofore issued have been called up for payment, increase its authorized share capital by increasing the number of Shares of any class it is authorized to issue. Any such increase shall be in such amount and shall be divided into such class of Shares, which Shares shall confer such rights and preferences, and shall be subject to such restrictions, as such resolution shall provide.

(b) Except to the extent otherwise provided in such resolution, any new Shares included in the authorized share capital increase as aforesaid shall be subject to all of the provisions of these Articles that are applicable to shares of such class that are included in the existing share capital.

8. **SPECIAL OR CLASS RIGHTS; MODIFICATION OF RIGHTS**.

(a) The Company may, from time to time, by a Shareholders' resolution, provide for shares with such preferred or deferred rights or other special rights and/or such restrictions, whether in regard to dividends, voting, repayment of share capital or otherwise, as may be stipulated in such resolution.

(b) If at any time the share capital of the Company is divided into different classes of shares, the rights attached to any class, unless otherwise provided by these Articles (including Article 6 hereof), may be modified or cancelled by the Company by a resolution of the General Meeting of the holders of all shares as one class, without any required separate resolution of any class of shares.

(c) The provisions of these Articles relating to General Meetings shall apply, *mutatis mutandis*, to any separate general meeting of the holders of the Shares of a particular class, it being clarified that the requisite quorum at any such separate general meeting shall be two or more Shareholders present in person or by proxy and holding not less than thirty-three and one-third percent ($33^{1}/_{3}$%) of the issued Shares of such class, *provided, however*, that if such separate general meeting of the holders of the particular class was initiated by and convened pursuant to a resolution adopted by the Board of Directors (and not pursuant to the request or motion of any other person) and, at such time of the meeting, the Company is qualified to use the forms and rules of a "foreign private issuer" under the US securities laws, the requisite quorum at any such separate general meeting shall be two or more Shareholders (not in default in payment of any sum referred to in Article 14 hereof) present in person or by proxy and holding not less than twenty-five percent (25%) of the issued Shares of such class. For the purpose of determining the quorum present at such General Meeting, a proxy may be deemed to be two (2) or more Shareholders pursuant to the number of Shareholders represented by the proxy holder.

(d) Unless otherwise provided by these Articles, an increase in the authorized share capital, the creation of a new class of shares, an increase in the authorized share capital of a class of shares, or the issuance of additional shares thereof out of the authorized and unissued share capital, shall not be deemed, for purposes of this Article 8, to modify or derogate or cancel the rights attached to previously issued shares of such class or of any other class.

9. **CONSOLIDATION, DIVISION, CANCELLATION AND REDUCTION OF SHARE CAPITAL**.

(a) The Company may, from time to time, by or pursuant to an authorization of a Shareholders' resolution, and subject to applicable law:

(i) consolidate all or any part of its issued or unissued authorized share capital into shares of a per share nominal value which is larger, equal to or smaller than the per share nominal value of its existing Shares;

(ii) divide or sub-divide its Shares (issued or unissued) or any of them, into shares of smaller or the same nominal value (subject, however, to the provisions of the Companies Law), and the resolution whereby any share is divided may determine that, as among the holders of the shares resulting from such subdivision, one or more of the shares may, in contrast to others, have any such preferred or deferred rights or rights of redemption or other special rights, or be subject to any such restrictions, as the Company may attach to unissued or new shares;

(iii) cancel any authorized Shares which, at the date of the adoption of such resolution, have not been issued to any person nor has the Company made any commitment, including a conditional commitment, to issue such shares, and reduce the amount of its share capital by the amount of the shares so canceled; or

(iv) reduce its share capital in any manner.

(b) With respect to any consolidation of issued Shares and with respect to any other action which may result in fractional shares, the Board of Directors may settle any difficulty which may arise with regard thereto, as it deems fit, and, in connection with any such consolidation or other action which could result in fractional shares, may, without limiting its aforesaid power:

(i) determine, as to the holder of shares so consolidated, which issued shares shall be consolidated into a share of a larger, equal or smaller nominal value per share;

(ii) issue, in contemplation of or subsequent to such consolidation or other action, shares sufficient to preclude or remove fractional share holdings;

(iii) redeem such shares or fractional shares sufficient to preclude or remove fractional share holdings;

(iv) round up, round down or round to the nearest whole number, any fractional shares resulting from the consolidation or from any other action which may result in fractional shares; or

(v) cause the transfer of fractional shares by certain Shareholders of the Company to other Shareholders thereof so as to most expediently preclude or remove any fractional shareholdings, and cause the transferees of such fractional shares to pay the transferors thereof the fair value thereof, and the Board of Directors is hereby authorized to act in connection with such transfer, as agent for the transferors and transferees of any such fractional shares, with full power of substitution, for the purposes of implementing the provisions of this sub-Article 9(b)(v).

10. **ISSUANCE OF SHARE CERTIFICATES, REPLACEMENT OF LOST CERTIFICATES**.

(a) To the extent that the Board of Directors determines that all shares shall be certificated or, if the Board of Directors does not so determine, to the extent that any Shareholder requests a share certificate or the Company's transfer agent so requires, share certificates shall be issued under the corporate seal of the Company or its written, typed or stamped name and shall bear the signature of one Director, the Company's Chief Executive Officer, or any person or persons authorized therefor by the Board of Directors. Signatures may be affixed in any mechanical or electronic form, as the Board of Directors may prescribe.

(b) Subject to the provisions of Article 10(a), each Shareholder shall be entitled to one numbered certificate for all of the shares of any class registered in his or her name. Each certificate shall specify the serial numbers of the shares represented thereby and may also specify the amount paid up thereon. The Company (as determined by an officer of the Company to be designated by the Chief Executive Officer) shall not refuse a request by a Shareholder to obtain several certificates in place of one certificate, unless such request is, in the opinion of such officer, unreasonable. Where a Shareholder has sold or transferred a portion of such Shareholder's shares, such Shareholder shall be entitled to receive a certificate in respect of such Shareholder's remaining shares, provided that the previous certificate is delivered to the Company before the issuance of a new certificate.

(c) A share certificate registered in the names of two or more persons shall be delivered to the person first named in the Register of Shareholders in respect of such co-ownership.

(d) A share certificate which has been defaced, lost or destroyed, may be replaced, and the Company shall issue a new certificate to replace such defaced, lost or destroyed certificate upon payment of such fee, and upon the furnishing of such evidence of ownership and such indemnity, as the Board of Directors in its discretion deems fit.

11. **Registered holder**.

Except as otherwise provided in these Articles or the Companies Law, the Company shall be entitled to treat the registered holder of each share as the absolute owner thereof, and accordingly, shall not, except as ordered by a court of competent jurisdiction, or as required by the Companies Law, be obligated to recognize any equitable or other claim to, or interest in, such share on the part of any other person.

12. **Issuance and repurchase of shares**.

(a) The unissued shares from time to time shall be under the control of the Board of Directors (and, to the extent permitted by law, any Committee thereof), which shall have the power to issue or otherwise dispose of shares and of securities convertible or exercisable into or other rights to acquire from the Company to such persons, on such terms and conditions (including, inter alia, price, with or without premium, discount or commission, and terms relating to calls set forth in Article 14(f) hereof), and at such times, as the Board of Directors (or the Committee, as the case may be) deems fit, and the power to give to any person the option to acquire from the Company any shares or securities convertible or exercisable into or other rights to acquire from the Company on such terms and conditions (including, inter alia, price, with or without premium, discount or commission), during such time as the Board of Directors (or the Committee, as the case may be) deems fit.

(b) The Company may at any time and from time to time, subject to the Companies Law, repurchase or finance the purchase of any shares or other securities issued by the Company, in such manner and under such terms as the Board of Directors shall determine, whether from any one or more Shareholders. Such purchase shall be deemed as a distribution (as this term is defined in the Companies Law) but shall not be deemed as payment of dividends and as such, no Shareholder will have the right to require the Company to purchase his or her shares or offer to purchase shares from any other Shareholders.

13. **Payment in installment**.

If pursuant to the terms of issuance of any share, all or any portion of the price thereof shall be payable in installments, every such installment shall be paid to the Company on the due date thereof by the then registered holder(s) of the share or the person(s) then entitled thereto.

14. **Calls on shares**.

(a) The Board of Directors may, from time to time, as it, in its discretion, deems fit, make calls for payment upon Shareholders in respect of any sum (including premium) which has not been paid up in respect of shares held by such Shareholders and which is not, pursuant to the terms of issuance of such shares or otherwise, payable at a fixed time, and each Shareholder shall pay the amount of every call so made upon him or her (and of each installment thereof if the same is payable in installments), to the person(s) and at the time(s) and place(s) designated by the Board of Directors, as any such times may be thereafter extended and/or such person(s) or place(s) changed. Unless otherwise stipulated in the resolution of the Board of Directors (and in the notice hereafter referred to), each payment in response to a call shall be deemed to constitute a pro rata payment on account of all the shares in respect of which such call was made.

(b) Notice of any call for payment by a shareholder shall be given in writing to such shareholder not less than fourteen (14) days prior to the time of payment fixed in such notice, and shall specify the time and place of payment, and the person to whom such payment is to be made. Prior to the time for any such payment fixed in a notice of a call given to a shareholder, the Board of Directors may in its absolute discretion, by notice in writing to such shareholder, revoke such call in whole or in part, extend the time fixed for payment thereof, or designate a different place of payment or person to whom payment is to be made. In the event of a call payable in installments, only one notice thereof need be given.

(c) If pursuant to the terms of issuance of a share or otherwise, an amount is made payable at a fixed time (whether on account of such nominal value of such share or by way of premium), such amount shall be payable at such time as if it were payable by virtue of a call made by the Board of Directors and for which notice was given in accordance with paragraphs (a) and (b) of this Article 14, and the provision of these Articles with regard to calls (and the non-payment thereof) shall be applicable to such amount or such installment (and the non-payment thereof).

(d) Joint holders of a share shall be jointly and severally liable to pay all calls for payment in respect of such share and all interest payable thereon.

(e) Any amount called for payment which is not paid when due shall bear interest from the date fixed for payment until actual payment thereof, at such rate (not exceeding the then prevailing debitory rate charged by leading commercial banks in Israel), and payable at such time(s) as the Board of Directors may prescribe.

(f) Upon the issuance of shares, the Board of Directors may provide for differences among the holders of such shares as to the amounts and times for payment of calls for payment in respect of such shares.

15. **Prepayment**.

With the approval of the Board of Directors, any Shareholder may pay to the Company any amount not yet payable in respect of his or her shares, and the Board of Directors may approve the payment by the Company of interest on any such amount until the same would be payable if it had not been paid in advance, at such rate and time(s) as may be approved by the Board of Directors. The Board of Directors may at any time cause the Company to repay all or any part of the money so advanced, without premium or penalty. Nothing in this Article 15 shall derogate from the right of the Board of Directors to make any call for payment before or after receipt by the Company of any such advance.

16. **Forfeiture and surrender**.

(a) If any Shareholder fails to pay an amount payable by virtue of a call, installment or interest thereon as provided for in accordance herewith, on or before the day fixed for payment of the same, the Board of Directors may at any time after the day fixed for such payment, so long as such amount (or any portion thereof) or interest thereon (or any portion thereof) remains unpaid, forfeit all or any of the shares in respect of which such payment was called for. All expenses incurred by the Company in attempting to collect any such amount or interest thereon, including, without limitation, attorneys' fees and costs of legal proceedings, shall be added to, and shall, for all purposes (including the accrual of interest thereon) constitute a part of, the amount payable to the Company in respect of such call.

(b) Upon the adoption of a resolution as to the forfeiture of a Shareholder's share, the Board of Directors shall cause notice thereof to be given to such Shareholder, which notice shall state that, in the event of the failure to pay the entire amount so payable by a date specified in the notice (which date shall be not less than fourteen (14) days after the date such notice is given and which may be extended by the Board of Directors), such shares shall be ipso facto forfeited, provided, however, that, prior to such date, the Board of Directors may cancel such resolution of forfeiture, but no such cancellation shall stop the Board of Directors from adopting a further resolution of forfeiture in respect of the non-payment of the same amount.

(c) Without derogating from Articles 52 and 56 hereof, whenever shares are forfeited as herein provided, all dividends, if any, theretofore declared in respect thereof and not actually paid shall be deemed to have been forfeited at the same time.

(d) The Company, by resolution of the Board of Directors, may accept the voluntary surrender of any share.

(e) Any share forfeited or surrendered as provided herein, shall become the property of the Company as a dormant share, and the same, subject to the provisions of these Articles, may be sold, re-issued or otherwise disposed of as the Board of Directors deems fit.

(f) Any person whose shares have been forfeited or surrendered shall cease to be a shareholder in respect of the forfeited or surrendered shares, but shall, notwithstanding, be liable to pay, and shall forthwith pay, to the Company, all calls, interest and expenses owing upon or in respect of such shares at the time of forfeiture or surrender, together with interest thereon from the time of forfeiture or surrender until actual payment, at the rate prescribed in Article 14(e) above, and the Board of Directors, in its discretion, may, but shall not be obligated to, enforce or collect the payment of such amounts, or any part thereof, as it shall deem fit. In the event of such forfeiture or surrender, the Company, by resolution of the Board of Directors, may accelerate the date(s) of payment of any or all amounts then owing to the Company by the person in question (but not yet due) in respect of all shares owned by such Shareholder, solely or jointly with another.

(g) The Board of Directors may at any time, before any share so forfeited or surrendered shall have been sold, re-issued or otherwise disposed of, nullify the forfeiture or surrender on such conditions as it deems fit, but no such nullification shall stop the Board of Directors from re-exercising its powers of forfeiture pursuant to this Article 16.

17. **LIEN.**

(a) Except to the extent the same may be waived or subordinated in writing, the Company shall have a first and paramount lien upon all the shares registered in the name of each Shareholder (without regard to any equitable or other claim or interest in such shares on the part of any other person), and upon the proceeds of the sale thereof, for his or her debts, liabilities and engagements to the Company arising from any amount payable by such Shareholder in respect of any unpaid or partly paid share, whether or not such debt, liability or engagement has matured. Such lien shall extend to all dividends from time to time declared or paid in respect of such share. Unless otherwise provided, the registration by the Company of a transfer of shares shall be deemed to be a waiver on the part of the Company of the lien (if any) existing on such shares immediately prior to such transfer.

(b) The Board of Directors may cause the Company to sell a share subject to such a lien when the debt, liability or engagement giving rise to such lien has matured, in such manner as the Board of Directors deems fit, but no such sale shall be made unless such debt, liability or engagement has not been satisfied within fourteen (14) days after written notice of the intention to sell shall have been served on such Shareholder, his or her executors or administrators.

(c) The net proceeds of any such sale, after payment of the costs and expenses thereof or ancillary thereto, shall be applied in or toward satisfaction of the debts, liabilities or engagements of such Shareholder in respect of such share (whether or not the same have matured), and the remaining proceeds (if any) shall be paid to the shareholder, his or her executors, administrators or assigns.

18. **SALE AFTER FORFEITURE OR SURRENDER OR FOR ENFORCEMENT OF LIEN**.

Upon any sale of a share after forfeiture or surrender or for enforcing a lien, the Board of Directors may appoint any person to execute an instrument of transfer of the share so sold and cause the purchaser's name to be entered in the Register of Shareholders in respect of such share. The purchaser shall be registered as the shareholder and shall not be bound to see to the regularity of the sale proceedings, or to the application of the proceeds of such sale, and after his or her name has been entered in the Register of Shareholders in respect of such share, the validity of the sale shall not be impeached by any person, and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

19. **REDEEMABLE SHARES**.

The Company may, subject to applicable law, issue redeemable shares or other securities and redeem the same upon terms and conditions to be set forth in a written agreement between the Company and the holder of such shares or in their terms of issuance.

Transfer of shares

20. **Registration of transfer**.

No transfer of shares shall be registered unless a proper writing or instrument of transfer (in any customary form or any other form satisfactory to the Board of Directors or an officer of the Company to be designated by the Chief Executive Officer) has been submitted to the Company (or its transfer agent), together with any share certificate(s) and such other evidence of title as the Board of Directors or an officer of the Company to be designated by the Chief Executive Officer may require. Notwithstanding anything to the contrary herein, shares registered in the name of The Depository Trust Company or its nominee shall be transferrable in accordance with the policies and procedures of The Depository Trust Company. Until the transferee has been registered in the Register of Shareholders in respect of the shares so transferred, the Company may continue to regard the transferor as the owner thereof. The Board of Directors, may, from time to time, prescribe a fee for the registration of a transfer, and may approve other methods of recognizing the transfer of shares in order to facilitate the trading of the Company's shares on the NASDAQ or on any other stock exchange on which the Company's shares are then listed for trading.

21. **Suspension of registration**.

The Board of Directors may, in its discretion to the extent it deems necessary, close the Register of Shareholders of registration of transfers of shares for a period determined by the Board of Directors, and no registrations of transfers of shares shall be made by the Company during any such period during which the Register of Shareholders is so closed.

Transmission of shares

22. **Decedents' shares**.

Upon the death of a Shareholder, the Company shall recognize the custodian or administrator of the estate or executor of the will, and in the absence of such, the lawful heirs of the Shareholder, as the only holders of the right for the shares of the deceased Shareholder, after receipt of evidence to the entitlement thereto, as determined by the Board of Directors or an officer of the Company to be designated by the Chief Executive Officer.

23. **Receivers and liquidators**.

(a) The Company may recognize any receiver, liquidator or similar official appointed to wind-up, dissolve or otherwise liquidate a corporate Shareholder, and a trustee, manager, receiver, liquidator or similar official appointed in bankruptcy or in connection with the reorganization of, or similar proceeding with respect to a Shareholder or its properties, as being entitled to the shares registered in the name of such Shareholder.

(b) Such receiver, liquidator or similar official appointed to wind-up, dissolve or otherwise liquidate a corporate Shareholder and such trustee, manager, receiver, liquidator or similar official appointed in bankruptcy or in connection with the reorganization of, or similar proceedings with respect to a Shareholder or its properties, upon producing such evidence as the Board of Directors (or an officer of the Company to be designated by the Chief Executive Officer) may deem sufficient as to his or her authority to act in such capacity or under this Article, shall with the consent of the Board of Directors or an officer of the Company to be designated by the Chief Executive Officer (which the Board of Directors or such officer may grant or refuse in its absolute discretion), be registered as a Shareholder in respect of such shares, or may, subject to the regulations as to transfer herein contained, transfer such shares.

24. **General meetings**.

(a) An annual General Meeting ("Annual General Meeting") shall be held at such time and at such place, either within or outside of the State of Israel, as may be determined by the Board of Directors.

(b) All General Meetings other than Annual General Meetings shall be called "Special General Meetings". The Board of Directors may, at its discretion, convene a Special General Meeting at such time and place, within or outside of the State of Israel, as may be determined by the Board of Directors.

(c) If so determined by the Board of Directors, an Annual General Meeting or a Special General Meeting may be held through the use of any means of communication approved by the Board of Directors, provided all of the participating Shareholders can hear each other simultaneously. A resolution approved by use of means of communications as aforesaid, shall be deemed to be a resolution lawfully adopted at such general meeting and a Shareholder shall be deemed present in person at such general meeting if attending such meeting through the means of communication used at such meeting.

25. **Record date for general meeting**.

Notwithstanding any provision of these Articles to the contrary, and to allow the Company to determine the Shareholders entitled to notice of or to vote at any General Meeting or any adjournment thereof, or entitled to receive payment of any dividend or other distribution or grant of any rights, or entitled to exercise any rights in respect of or to take or be the subject of any other action, the Board of Directors may fix a record date for the General Meeting, which shall not be more than the maximum period and not less than the minimum period permitted by law. Subject to applicable law, a determination of Shareholders of record entitled to notice of or to vote at a General Meeting shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for the adjourned meeting.

26. **Shareholder proposal request**.

(a) Any Shareholder or Shareholders of the Company holding at least the required percentage under the Companies Law of the voting rights of the Company which entitles such Shareholder(s) to require the Company to include a matter on the agenda of a General Meeting (the "Proposing Shareholder(s)") may request, subject to the Companies Law, that the Board of Directors include a matter on the agenda of a General Meeting to be held in the future, provided that the Board of Directors determines that the matter is appropriate to be considered at a General Meeting (a "Proposal Request"). In order for the Board of Directors to consider a Proposal Request and whether to include the matter stated therein in the agenda of a General Meeting, notice of the Proposal Request must be timely delivered in accordance with applicable law, and the Proposal Request must comply with the requirements of these Articles (including this Article 26) and any applicable law and stock exchange rules and regulations. The Proposal Request must be in writing, signed by all of the Proposing Shareholder(s) making such request, delivered, either in person or by registered mail, postage prepaid, and received by the Secretary or the Chief Legal Officer of the Company (or, in the absence thereof, by the Chief Executive Officer of the Company). To be considered timely, a Proposal Request must be received within the time periods prescribed by applicable law. The announcement of an adjournment or postponement of a General Meeting shall not commence a new time period (or extend any time period) for the delivery of a Proposal Request as described above. In addition to any information required to be included in accordance with applicable law, a Proposal Request must include the following: (i) the name, address, telephone number, fax number and email address of the Proposing Shareholder (or each Proposing Shareholder, as the case may be) and, if an entity, the name(s) of the person(s) that controls or manages such entity; (ii) the number and class of shares of the Company held by the Proposing Shareholder(s), directly or indirectly (and, if any of such shares are held indirectly, an explanation of how they are held and by whom), which shall be in such number no less than as is required to qualify as a Proposing Shareholder, accompanied by evidence satisfactory to the Company of the record holding of such shares by the Proposing Shareholder(s) as of the date of the Proposal Request; (iii) the matter requested to be included on the agenda of a General Meeting, all information related to such matter, the reason that such matter is proposed to be brought before the General Meeting, the complete text of the resolution that the Proposing Shareholder proposes to be voted upon at the General Meeting, and a representation that the Proposing Shareholder(s) intend to appear in person or by proxy at the meeting; (iv) a description of all arrangements or understandings between the Proposing Shareholders and any other Person(s) (naming such Person or Persons) in connection with the matter that is requested to be included on the agenda and a declaration signed by all Proposing Shareholder(s) of whether any of them has a personal interest in the matter and, if so, a description in reasonable detail of such personal interest; (v) a description of all Derivative Transactions (as defined below) by each Proposing Shareholder(s) during the previous twelve (12) month period, including the date of the transactions and the class, series and number of securities involved in, and the material economic terms of, such Derivative Transactions; and (vi) a declaration that all of the information that is required under the Companies Law and any other applicable law and stock exchange rules and regulations to be provided to the Company in connection with such matter, if any, has been provided to the Company. The Board of Directors, may, in its discretion, to the extent it deems necessary, request that the Proposing Shareholder(s) provide additional information necessary so as to include a matter in the agenda of a General Meeting, as the Board of Directors may reasonably require.

A "Derivative Transaction" means any agreement, arrangement, interest or understanding entered into by, or on behalf or for the benefit of, any Proposing Shareholder or any of its affiliates or associates, whether of record or beneficial: (1) the value of which is derived in whole or in part from the value of any class or series of shares or other securities of the Company, (2) which otherwise provides any direct or indirect opportunity to gain or share in any gain derived from a change in the value of securities of the Company, (3) the effect or intent of which is to mitigate loss, manage risk or benefit of security value or price changes, or (4) which provides the right to vote or increase or decrease the voting power of, such Proposing Shareholder, or any of its affiliates or associates, with respect to any shares or other securities of the Company, which agreement, arrangement, interest or understanding may include, without limitation, any option, warrant, debt position, note, bond, convertible security, swap, stock appreciation right, short position, profit interest, hedge, right to dividends, voting agreement, performance-related fee or arrangement to borrow or lend shares (whether or not subject to payment, settlement, exercise or conversion in any such class or series), and any proportionate interest of such Proposing Shareholder in the securities of the Company held by any general or limited partnership, or any limited liability company, of which such Proposing Shareholder is, directly or indirectly, a general partner or managing member.

(b) The information required pursuant to this Article shall be updated as of (i) the record date of the General Meeting, (ii) five business days before the General Meeting, and (iii) as of the General Meeting, and any adjournment or postponement thereof.

(c) The provisions of Articles 26(a) and 26(b) shall apply, *mutatis mutandis*, to any matter to be included on the agenda of a Special General Meeting which is convened pursuant to a request of a Shareholder duly delivered to the Company in accordance with the Companies Law.

(d) Notwithstanding anything to the contrary herein, this Article 26 may only be amended, replaced or suspended by a resolution adopted at a General Meeting by a majority of at least sixty percent (60%) of the total voting power of the Shareholders.

27. **NOTICE OF GENERAL MEETINGS; OMISSION TO GIVE NOTICE**.

(a) The Company is not required to give notice of a General Meeting, subject to any mandatory provision of the Companies Law.

(b) The accidental omission to give notice of a General Meeting to any Shareholder, or the non-receipt of notice sent to such Shareholder, shall not invalidate the proceedings at such meeting or any resolution adopted thereat.

(c) No Shareholder present, in person or by proxy, at any time during a General Meeting shall be entitled to seek the cancellation or invalidation of any proceedings or resolutions adopted at such General Meeting on account of any defect in the notice of such meeting relating to the time or the place thereof, or any item acted upon at such meeting.

(d) In addition to any places at which the Company may make available for review by Shareholders the full text of the proposed resolutions to be adopted at a General Meeting, as required by the Companies Law, the Company may add additional places for Shareholders to review such proposed resolutions, including an internet site.

PROCEEDINGS AT GENERAL MEETINGS

28. **QUORUM**.

(a) No business shall be transacted at a General Meeting, or at any adjournment thereof, unless the quorum required under these Articles for such General Meeting or such adjourned meeting, as the case may be, is present when the meeting proceeds to business.

(b) In the absence of contrary provisions in these Articles, the requisite quorum for any General Meeting shall be two or more Shareholders (not in default in payment of any sum referred to in Article 14 hereof), present in person or by proxy and holding shares conferring in the aggregate at least thirty-three and one third percent ($33^{1}/_{3}\%$) of the voting power of the Company, provided, however, that with respect to any General Meeting, including Annual General Meeting, that was initiated by and convened pursuant to a resolution adopted by the Board of Directors (and not pursuant to the request of any other person), and, at such time of the General Meeting, the Company is qualified to use the forms and rules of a "foreign private issuer" under the U.S. securities laws, the requisite quorum shall be two or more Shareholders (not in default in payment of any sum referred to in Article 14 hereof) present in person or by proxy and holding shares conferring in the aggregate at least twenty-five percent (25%) of the voting power of the Company. For the purpose of determining the quorum present at a certain General Meeting, a proxy may be deemed to be two (2) or more Shareholders pursuant to the number of Shareholders represented by the proxy holder.

(c) If within half an hour from the time appointed for the meeting a quorum is not present, then without any further notice the meeting shall be adjourned either (i) to the same day in the next week, at the same time and place, (ii) to such day and at such time and place as indicated in the notice of such meeting, or (iii) to such day and at such time and place as the Chairperson of the General Meeting shall determine (which may be earlier or later than the date pursuant to clause (i) above). No business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting as originally called. At such adjourned meeting, if the original meeting was convened pursuant to a request under Section 63 of the Companies Law, one or more shareholders, present in person or by proxy, and holding the number of shares required for making such request, shall constitute a quorum, but in any other case any shareholder (not in default as aforesaid) present in person or by proxy, shall constitute a quorum.

29. **CHAIRPERSON OF GENERAL MEETING**.

The Chairperson of the Board of Directors shall preside as Chairperson of every General Meeting of the Company. If at any meeting the Chairperson is not present within fifteen (15) minutes after the time fixed for holding the meeting or is unwilling or unable to act as Chairperson, any of the following may preside as Chairperson of the meeting (and in the following order): a Director designated by the Board of Directors, the Chief Executive Officer, the Chief Financial Officer, the Chief Legal Officer, the Secretary or any person designated by any of the foregoing. If at any such meeting none of the foregoing persons is present or all are unwilling or unable to act as Chairperson, the Shareholders present (in person or by proxy) shall choose a Shareholder or its proxy present at the meeting to be Chairperson. The office of Chairperson shall not, by itself, entitle the holder thereof to vote at any General Meeting nor shall it entitle such holder to a second or casting vote (without derogating, however, from the rights of such Chairperson to vote as a Shareholder or proxy of a Shareholder if, in fact, the Chairperson is also a Shareholder or such proxy).

30. **Adoption of resolutions at general meetings**.

(a) Except as required by the Companies Law or these Articles, including, without limitation, Article 40 below and Article 6, a resolution of the Shareholders shall be adopted if approved by the holders of a simple majority of the voting power represented at the General Meeting in person or by proxy and voting thereon, as one class, and disregarding abstentions from the count of the voting power present and voting. Without limiting the generality of the foregoing, a resolution with respect to a matter or action for which the Companies Law prescribes a higher majority or pursuant to which a provision requiring a higher majority would have been deemed to have been incorporated into these Articles, but for which the Companies Law allows these Articles to provide otherwise, shall be adopted by a simple majority of the voting power represented at the General Meeting in person or by proxy and voting thereon, as one class, and disregarding abstentions from the count of the voting power present and voting.

(b) Every question submitted to a General Meeting shall be decided by a show of hands, but the Chairperson of the General Meeting may determine that a resolution shall be decided by a written ballot. A written ballot may be implemented before the proposed resolution is voted upon or immediately after the declaration by the Chairperson of the results of the vote by a show of hands. If a vote by written ballot is taken after such declaration, the results of the vote by a show of hands shall be of no effect, and the proposed resolution shall be decided by such written ballot.

(c) A defect in convening or conducting a General Meeting, including a defect resulting from the non-fulfillment of any provision or condition set forth in the Companies Law or these Articles, including with regard to the manner of convening or conducting the General Meeting, shall not disqualify any resolution passed at the General Meeting and shall not affect the discussions or decisions which took place thereat.

(d) A declaration by the Chairperson of the General Meeting that a resolution has been carried unanimously, or carried by a particular majority, or rejected, and an entry to that effect in the minute book of the Company, shall be prima facie evidence of the fact without proof of the number or proportion of the votes recorded in favor of or against such resolution.

31. **Power to adjourn.**

A General Meeting, the consideration of any matter on its agenda, or the resolution on any matter on its agenda, may be postponed or adjourned, from time to time and from place to place: (i) by the Chairperson of a General Meeting at which a quorum is present (and he shall be required to do so if directed by the General Meeting, with the consent of the holders of a majority of the voting power represented in person or by proxy and voting on the question of adjournment), but no business shall be transacted at any such adjourned meeting except business which might lawfully have been transacted at the meeting as originally called, or a matter on its agenda with respect to which no resolution was adopted at the meeting originally called; or (ii) by the Board of Directors (whether prior to or at a General Meeting).

32. **Voting power**.

Subject to the provisions of Article 33(a) and to any other provision of these Articles, including Article 6, conferring special rights as to voting, or restricting the right to vote, every Shareholder shall have one (1) vote for each Class A Share held by the Shareholder of record and ten (10) votes for each Class B Share held by the Shareholder of record, on every resolution, without regard to whether the vote thereon is conducted by a show of hands, by written ballot, or by any other means.

33. **VOTING RIGHTS.**

(a) No Shareholder shall be entitled to vote at any General Meeting (or be counted as a part of the quorum thereat), unless all calls then payable by it, him or her in respect of it, his or her shares in the Company have been paid.

(b) A company or other corporate body being a Shareholder of the Company may duly authorize any person to be its representative at any meeting of the Company or to execute or deliver a proxy on its behalf. Any person so authorized shall be entitled to exercise on behalf of such Shareholder all the power, which the Shareholder could have exercised if it were an individual. Upon the request of the Chairperson of the General Meeting, written evidence of such authorization (in form acceptable to the Chairperson) shall be delivered to him or her.

(c) Any Shareholder entitled to vote may vote either in person or by proxy (who need not be Shareholder of the Company), or, if the Shareholder is a company or other corporate body, by representative authorized pursuant to Article (b) above.

(d) If two or more persons are registered as joint holders of any share, the vote of the senior who tenders a vote, in person or by proxy, shall be accepted to the exclusion of the vote(s) of the other joint holder(s). For the purpose of this Article 33(d), seniority shall be determined by the order of registration of the joint holders in the Register of Shareholders.

(e) If a Shareholder is a minor, under protection, bankrupt or legally incompetent, or in the case of a corporation, is in receivership or liquidation, it may, subject to all other provisions of these Articles and any documents or records required to be provided under these Articles, vote through his, her or its trustees, receiver, liquidator, natural guardian or another legal guardian, as the case may be, and the persons listed above may vote in person or by proxy.

PROXIES

34. **INSTRUMENT OF APPOINTMENT**.

(a) An instrument appointing a proxy shall be in writing and shall be substantially in the following form:

"I _____ of _____
(Name of Shareholder) *(Address of Shareholder)*

Being a shareholder of Oddity Tech Ltd. (the "Company") hereby appoints

_____ of _____
(Name of Proxy) *(Address of Proxy)*

as my proxy to vote for me and on my behalf in respect of all of my shares in the Company, at the General Meeting of the Company to be held on the ___ day of _____, _____ and at any adjournment(s) thereof.

Signed this ____ day of _____, _____.

(Signature of Appointor)

or in any usual or common form or in such other form as may be approved by the Board of Directors. Such proxy shall be duly signed by the appointor of such person's duly authorized attorney, or, if such appointor is company or other corporate body, in the manner in which it signs documents which binds it together with a certificate of an attorney with regard to the authority of the signatories.

(b) Subject to the Companies Law, the original instrument appointing a proxy or a copy thereof certified by an attorney (and the power of attorney or other authority, if any, under which such instrument has been signed) shall be delivered to the Company (at its Office, at its principal place of business, or at the offices of its registrar or transfer agent, or at such place as notice of the meeting may specify) not less than forty eight (48) hours (or such shorter period as the notice shall specify) before the time fixed for such meeting. Notwithstanding the above, the Chairperson shall have the right to waive the time requirement provided above with respect to all instruments of proxies and to accept instruments of proxy until the beginning of a General Meeting. A document appointing a proxy shall be valid for every adjourned meeting of the General Meeting to which the document relates.

35. **EFFECT OF DEATH OF APPOINTOR OF TRANSFER OF SHARES AND OR REVOCATION OF APPOINTMENT**.

(a) A vote cast in accordance with an instrument appointing a proxy shall be valid notwithstanding the prior death or bankruptcy of the appointing Shareholder (or of his or her attorney-in-fact, if any, who signed such instrument), or the transfer of the share in respect of which the vote is cast, unless written notice of such matters shall have been received by the Company or by the Chairperson of such meeting prior to such vote being cast.

(b) Subject to the Companies Law, an instrument appointing a proxy shall be deemed revoked (i) upon receipt by the Company or the Chairperson, subsequent to receipt by the Company of such instrument, of written notice signed by the person signing such instrument or by the Shareholder appointing such proxy canceling the appointment thereunder (or the authority pursuant to which such instrument was signed) or of an instrument appointing a different proxy (and such other documents, if any, required under Article 34(b) for such new appointment), provided such notice of cancellation or instrument appointing a different proxy were so received at the place and within the time for delivery of the instrument revoked thereby as referred to in Article 34(b) hereof, or (ii) if the appointing Shareholder is present in person at the meeting for which such instrument of proxy was delivered, upon receipt by the Chairperson of such meeting of written notice from such Shareholder of the revocation of such appointment, or if and when such Shareholder votes at such meeting. A vote cast in accordance with an instrument appointing a proxy shall be valid notwithstanding the revocation or purported cancellation of the appointment, or the presence in person or vote of the appointing Shareholder at a meeting for which it was rendered, unless such instrument of appointment was deemed revoked in accordance with the foregoing provisions of this Article 35(b) at or prior to the time such vote was cast.

36. **Powers of the board of directors**.

The Board of Directors may exercise all such powers and do all such acts and things as the Board of Directors is authorized by law or as the Company is authorized to exercise and do and are not hereby or by law required to be exercised or done by the General Meeting. The authority conferred on the Board of Directors by this Article 36 shall be subject to the provisions of the Companies Law, these Articles and any regulation or resolution consistent with these Articles adopted from time to time at a General Meeting.

37. **Exercise of powers of the board of directors**.

(a) A meeting of the Board of Directors at which a quorum is present in accordance with Article 46 shall be competent to exercise all the authorities, powers and discretion vested in or exercisable by the Board of Directors.

(b) A resolution proposed at any meeting of the Board of Directors shall be deemed adopted if approved by a majority of the Directors present, entitled to vote and voting thereon when such resolution is put to a vote.

(c) The Board of Directors may adopt resolutions, without convening a meeting of the Board of Directors, in writing or in any other manner permitted by the Companies Law. Any resolutions passed by way of written consent in lieu of a meeting shall be filed with the applicable minutes book of the Company.

38. **Delegation of powers**.

(a) The Board of Directors may, subject to the provisions of the Companies Law, delegate any or all of its powers to committees (in these Articles referred to as a "Committee of the Board of Directors", or "Committee"), each consisting of one or more persons, and it may from time to time revoke such delegation or alter the composition of any such Committee. Any Committee so formed shall, in the exercise of the powers so delegated, conform to any regulations imposed on it by the Board of Directors, subject to applicable law. No regulation imposed by the Board of Directors on any Committee and no resolution of the Board of Directors shall invalidate any prior act done or pursuant to a resolution by the Committee which would have been valid if such regulation or resolution of the Board of Directors had not been adopted. The meetings and proceedings of any such Committee of the Board of Directors shall, mutatis mutandis, be governed by the provisions herein contained for regulating the meetings of the Board of Directors, to the extent not superseded by any regulations adopted by the Board of Directors.

(b) The Board of Directors may from time to time appoint a Secretary to the Company, as well as Officers, agents, employees and independent contractors, as the Board of Directors deems fit, and may terminate the service of any such person. The Board of Directors may, subject to the provisions of the Companies Law, determine the powers and duties, as well as the salaries and compensation, of all such persons.

(c) Subject to applicable law, the General Meeting may, in accordance with Section 50 of the Companies Law, take upon itself the authority and powers given to the Board or to any other organ of the Company, in each case, in respect of a specific matter or for a limited time which will not exceed the required time period in the circumstances.

39. **NUMBER OF DIRECTORS**.

(a) The Board of Directors shall consist of such number of Directors (not less than three (3) nor more than seven (7), including the External Directors, if any were elected) as may be fixed from time to time by resolution of the Board of Directors.

(b) Notwithstanding anything to the contrary herein, this Article 39 may only be amended or replaced by a resolution adopted at a General Meeting by a majority of at least sixty percent (60%) of the total voting power of the Company's shareholders.

40. **ELECTION AND REMOVAL OF DIRECTORS**.

(a) The Directors, excluding the External Directors, if any were elected, shall be classified, with respect to the term for which they each severally hold office, into three classes, as nearly equal in number as practicable, hereby designated as Class I, Class II and Class III (each, a "Class"). The Board of Directors may assign members of the Board of Directors already in office to such classes at the time such classification becomes effective.

(i) The term of office of the initial Class I directors shall expire at the Annual General Meeting to be held on the first Annual General Meeting following the adoption of these Articles and when their successors are elected and qualified,

(ii) The term of office of the initial Class II directors shall expire at the first Annual General Meeting following the Annual General Meeting referred to in clause (i) above and when their successors are elected and qualified, and

(iii) The term of office of the initial Class III directors shall expire at the first Annual General Meeting following the Annual General Meeting referred to in clause (ii) above and when their successors are elected and qualified,

(b) At each Annual General Meeting, commencing with the Annual General Meeting referred to in Article 40(a)(i) above, each Nominee or Alternate Nominee (each as defined below) elected to replace the Directors of a Class whose term shall have expired at such Annual General Meeting shall be elected to hold office until the third Annual General Meeting next succeeding his or her election and until his or her respective successor shall have been elected and qualified. Notwithstanding anything to the contrary, each Director shall serve until his or her successor is elected and qualified or until such earlier time as such Director's office is vacated.

(c) If the number of Directors, excluding External Directors, if any were elected, that comprises the Board of Directors is hereafter changed by the Board of Directors, any newly created directorships or decrease in directorships shall be so apportioned by the Board of Directors among the classes as to make all classes as nearly equal in number as is practicable, provided that no decrease in the number of Directors constituting the Board of Directors shall shorten the term of any incumbent Director.

(d) Prior to every General Meeting of the Company at which Directors are to be elected, and subject to clauses (a) and (h) of this Article, the Board of Directors (or a Committee thereof) shall select, by a resolution adopted by a majority of the Board of Directors (or such Committee), a number of Persons to be proposed to the Shareholders for election as Directors at such General Meeting (the "Nominees").

(e) Any Proposing Shareholder requesting to include on the agenda of a General Meeting a nomination of a Person to be proposed to the Shareholders for election as Director (such person, an "Alternate Nominee"), may so request provided that it complies with this Article 40(e), Article 26 and applicable law. Unless otherwise determined by the Board of Directors, a Proposal Request relating to an Alternate Nominee is deemed to be a matter that is appropriate to be considered only at an Annual General Meeting. In addition to any information required to be included in accordance with applicable law, such a Proposal Request shall include information required pursuant to Article 26, and shall also set forth: (i) the name, address, telephone number, fax number and email address of the Alternate Nominee and all citizenships and residencies of the Alternate Nominee; (ii) a description of all arrangements, relations or understandings during the past three (3) years, and any other material relationships, between the Proposing Shareholder(s), any of its affiliates, or, to the knowledge of the Proposing Shareholder, any other shareholder in the Company and each Alternate Nominee; (iii) a declaration signed by the Alternate Nominee that he or she consents to be named in the Company's notices and proxy materials and on the Company's proxy card relating to the General Meeting, if provided or published, and that he or she, if elected, consents to serve on the Board of Directors and to be named in the Company's disclosures and filings; (iv) a declaration signed by each Alternate Nominee as required under the Companies Law and any other applicable law and stock exchange rules and regulations for the appointment of such an Alternate Nominee and an undertaking that all of the information that is required under law and stock exchange rules and regulations to be provided to the Company in connection with such an appointment has been provided (including, information in respect of the Alternate Nominee as would be provided in response to the applicable disclosure requirements under Form 20-F (or Form 10-K, if applicable) or any other applicable form prescribed by the U.S. Securities and Exchange Commission (the "SEC")); (v) a declaration made by the Alternate Nominee of whether he or she meets the criteria for an independent director and, if applicable, External Director of the Company under the Companies Law and/or under any applicable law, regulation or stock exchange rules, and if not, then an explanation of why not; and (vi) any other information required at the time of submission of the Proposal Request by applicable law, regulations or stock exchange rules. In addition, the Proposing Shareholder(s) and each Alternate Nominee shall promptly provide any other information reasonably requested by the Company, including a duly completed director and officer questionnaire, in such form as may be provided by the Company, with respect to each Alternate Nominee. The Board of Directors may refuse to acknowledge the nomination of any person not made in compliance with the foregoing. The Company shall be entitled to publish any information provided by a Proposing Shareholder or Alternate Nominee pursuant to this Article 40(e) and Article 26, and the Proposing Shareholder and Alternate Nominee shall be responsible for the accuracy and completeness thereof.

(f) The Nominees or Alternate Nominees shall be elected by a resolution adopted at the General Meeting at which they are subject for election. Notwithstanding Articles 26(a) and 26(c), in the event of a Contested Election, the method of calculation of the votes and the manner in which the resolutions will be presented to the General Meeting shall be determined by the Board of Directors in its sole and absolute discretion. In the event that the Board of Directors does not or is unable to make a determination on such matter, then the method described in clause (ii) below shall apply. The Board of Directors may consider, among other things, the following methods: (i) election of competing slates of Director nominees (determined in a manner approved by the Board of Directors) by a majority of the voting power represented at the General Meeting in person or by proxy and voting on such competing slates, (ii) election of individual Directors by a plurality of the voting power represented at the General Meeting in person or by proxy and voting on the election of Directors (which shall mean that the nominees receiving the largest number of "for" votes will be elected in such Contested Election), (iii) election of each nominee by a majority of the voting power represented at the General Meeting in person or by proxy and voting on the election of Directors, provided that if the number of such nominees exceeds the number of Directors to be elected, then as among such nominees the election shall be by plurality of the voting power as described above, and (iv) such other method of voting as the Board of Directors deems appropriate, including use of a "universal proxy card" listing all Nominees and Alternate Nominees by the Company. For the purposes of these Articles, election of Directors at a General Meeting shall be considered a "Contested Election" if the aggregate number of Nominees and Alternate Nominees at such meeting exceeds the total number of Directors to be elected at such meeting, with the determination thereof being made by the Secretary or the Chief Legal Officer of the Company (or, in the absence thereof, by the Chief Executive Officer of the Company) as of the close of the applicable notice of nomination period under Article 26 or under applicable law, based on whether one or more notice(s) of nomination were timely filed in accordance with Article 26, this Article 40 and applicable law; provided, however, that the determination that an election is a Contested Election shall not be determinative as to the validity of any such notice of nomination; and provided further, that, if, prior to the time of such meeting, one or more notices of nomination of an Alternate Nominee are withdrawn such that the number of candidates for election as Director no longer exceeds the number of Directors to be elected, the election shall not be considered a Contested Election. Shareholders shall not be entitled to cumulative voting in the election of Directors, except to the extent specifically set forth in this clause (f).

(g) Notwithstanding anything to the contrary herein, this Article 40 and Article 43(e) may only be amended, replaced or suspended by a resolution adopted at a General Meeting by a majority of at least sixty percent (60%) of the total voting power of the Company's shareholders.

(h) Notwithstanding anything to the contrary in these Articles, the election, qualification, removal or dismissal of External Directors, if so elected, shall be only in accordance with the applicable provisions set forth in the Companies Law.

41. **COMMENCEMENT OF DIRECTORSHIP**.

Without derogating from Article 40, the term of office of a Director shall commence as of the date of his or her appointment or election, or on a later date if so specified in his or her appointment or election.

42. **CONTINUING DIRECTORS IN THE EVENT OF VACANCIES**.

The Board of Directors (and, if so determined by the Board of Directors, the General Meeting) may at any time and from time to time appoint any person as a Director to fill a vacancy (whether such vacancy is due to a Director no longer serving or due to the number of Directors serving being less than the maximum number stated in Article 39 hereof). In the event of one or more such vacancies in the Board of Directors, the continuing Directors may continue to act in every matter, provided, however, that if the number of Directors serving is less than the minimum number provided for pursuant to Article 39 hereof, they may only act in an emergency or to fill the office of a Director which has become vacant up to a number equal to the minimum number provided for pursuant to Article 39 hereof, or in order to call a General Meeting of the Company for the purpose of electing Directors to fill any or all vacancies. The office of a Director that was appointed by the Board of Directors to fill any vacancy shall only be for the remaining period of time during which the Director whose service has ended was filled would have held office, or in case of a vacancy due to the number of Directors serving being less than the maximum number stated in Article 39 hereof the Board of Directors shall determine at the time of appointment the Class pursuant to Article 40 to which the additional Director shall be assigned. Notwithstanding anything to the contrary herein, this Article 42 may only be amended, replaced or suspended by a resolution adopted at a General Meeting by a majority of at least sixty percent (60%) of the total voting power of the Company's shareholders.

43. **VACATION OF OFFICE**.

The office of a Director shall be vacated and he shall be dismissed or removed:

(a) ipso facto, upon his or her death;

(b) if he or she is prevented by applicable law from serving as a Director;

(c) if the Board of Directors determines that due to his or her mental or physical state he or she is unable to serve as a Director;

(d) if his or her directorship expires pursuant to these Articles and/or applicable law;

(e) by a resolution adopted at a General Meeting by a majority of at least sixty percent (60%) of the total voting power of the Shareholders (with such removal becoming effective on the date fixed in such resolution). This sub-Article (e) may only be amended, replaced or suspended by a resolution adopted at a General Meeting by a majority of at least sixty percent (60%) of the total voting power of the Shareholders;

(f) by his or her written resignation, such resignation becoming effective on the date fixed therein, or upon the delivery thereof to the Company, whichever is later; or

(g) with respect to an External Director, if so elected, and notwithstanding anything to the contrary herein, only pursuant to applicable law.

44. **Conflict of interests; approval of related party transactions.**

(a) Subject to the provisions of applicable law and these Articles, no Director shall be disqualified by virtue of his or her office from holding any office or place of profit in the Company or in any company in which the Company shall be a shareholder or otherwise interested, or from contracting with the Company as vendor, purchaser or otherwise, nor shall any such contract, or any contract or arrangement entered into by or on behalf of the Company in which any Director shall be in any way interested, be avoided, nor, other than as required under the Companies Law, shall any Director be liable to account to the Company for any profit arising from any such office or place of profit or realized by any such contract or arrangement by reason only of such Director's holding that office or of the fiduciary relations thereby established, but the nature of his or her interest, as well as any material fact or document, must be disclosed by him or her at the meeting of the Board of Directors at which the contract or arrangement is first considered, if his or her interest then exists, or, in any other case, at no later than the first meeting of the Board of Directors after the acquisition of his or her interest.

(b) Subject to the Companies Law and these Articles, a transaction between the Company and an Office Holder, and a transaction between the Company and another entity in which an Office Holder of the Company has a personal interest, in each case, which is not an Extraordinary Transaction (as defined by the Companies Law), shall require only approval by the Board of Directors, a Committee of the Board of Directors or the Chief Executive Officer of the Company. Such authorization, as well as the actual approval, may be for a particular transaction or more generally for specific type of transactions.

Proceedings of the board of directors

45. **Meetings**.

(a) The Board of Directors may meet and adjourn its meetings and otherwise regulate such meetings and proceedings as the Board of Directors thinks fit.

(b) A meeting of the Board of Directors shall be convened by the Secretary or the Chief Legal Officer of the Company upon instruction of the Chairperson or upon a request of at least two Directors which is submitted to the Chairperson or in any event that such meeting is required by the provisions of the Companies Law. In the event that the Chairperson does not instruct the Secretary or the Chief Legal Officer of the Company to convene a meeting upon a request of at least two (2) Directors within fourteen (14) days of such request, then such two Directors may convene a meeting of the Board of Directors. Any meeting of the Board of Directors shall be convened upon not less than two (2) days' notice, unless such notice is waived in writing by all of the Directors as to a particular meeting or by their attendance at such meeting or unless the matters to be discussed at such meeting are of such urgency and importance that notice is reasonably determined by the Chairperson as ought to be waived or shortened under the circumstances.

(c) Notice of any such meeting may be given orally, by telephone, in writing or by mail, facsimile, email or such other means of communications as the Company may apply, from time to time.

(d) Notwithstanding anything to the contrary herein, failure to deliver notice to a Director of any such meeting in the manner required hereby may be waived by such Director, and a meeting shall be deemed to have been duly convened notwithstanding such defective notice if such failure or defect is waived prior to action being taken at such meeting, by all Directors entitled to participate at such meeting to whom notice was not duly given as aforesaid.

Without derogating from the foregoing, no Director present at any time during a meeting of the Board of Directors shall be entitled to seek the cancellation or invalidation of any proceedings or resolutions adopted at such meeting on account of any defect in the notice of such meeting relating to the date, time or the place thereof or the convening of the meeting.

46. **Quorum**.

Until otherwise unanimously decided by the Board of Directors, a quorum at a meeting of the Board of Directors shall be constituted by the presence in person or by any means of communication of a majority of the Directors then in office who are lawfully entitled to participate and vote in the meeting. No business shall be transacted at a meeting of the Board of Directors unless the requisite quorum is present (in person or by any means of communication provided that all participating Directors can hear each other simultaneously) when the meeting proceeds to business. If within thirty (30) minutes from the time appointed for a meeting of the Board of Directors a quorum is not present, the meeting shall stand adjourned at the same place and time forty-eight (48) hours thereafter unless the Chairperson has determined that there is such urgency and importance that a shorter period is required under the circumstances. If an adjourned meeting is convened in accordance with the foregoing and a quorum is not present within thirty (30) minutes of the announced time, the requisite quorum at such adjourned meeting shall be, any two (2) Directors, if the number of Directors then serving is up to five (5), and any three (3) Directors, if the number of Directors then serving is more than five (5), in each case who are lawfully entitled to participate in the meeting and who are present at such adjourned meeting. At an adjourned meeting of the Board of Directors the only matters to be considered shall be those matters which might have been lawfully considered at the meeting of the Board of Directors originally called if a requisite quorum had been present, and the only resolutions to be adopted are such types of resolutions which could have been adopted at the meeting of the Board of Directors originally called.

47. **Chairperson of the board of directors**.

The Board of Directors shall, from time to time, elect one of the members of the Board to be the Chairperson of the Board of Directors, remove such Chairperson from office and appoint in his or her place. The Chairperson of the Board of Directors shall preside at every meeting of the Board of Directors, but if there is no such Chairperson, or if at any meeting he is not present within fifteen (15) minutes of the time fixed for the meeting or if he is unwilling to take the chair, the Directors present shall choose one of the Directors present at the meeting to be the Chairperson of such meeting.

48. **Validity of acts despite defects**.

All acts done or transacted at any meeting of the Board of Directors, or of a Committee of the Board of Directors, or by any person(s) acting as Director(s), shall, notwithstanding that it may afterwards be discovered that there was some defect in the appointment of the participants in such meeting or any of them or any person(s) acting as aforesaid, or that they or any of them were disqualified, be as valid as if there were no such defect or disqualification.

Chief executive officer

49. **Chief executive officer**.

The Board of Directors shall from time to time appoint one or more persons, whether or not Directors, as Chief Executive Officer of the Company who shall have the powers and authorities set forth in the Companies Law, and may confer upon such person(s), and from time to time modify or revoke, such titles and such duties and authorities of the Board of Directors as the Board of Directors may deem fit, subject to such limitations and restrictions as the Board of Directors may from time to time prescribe. Such appointment(s) may be either for a fixed term or without any limitation of time, and the Board of Directors may from time to time (subject to any additional approvals required under, and the provisions of, the Companies Law and of any contract between any such person and the Company) fix their salaries and compensation, remove or dismiss them from office and appoint another or others in his, her or their place or places.

MINUTES

50. **MINUTES.**

Any minutes of the General Meeting or the Board of Directors or any Committee thereof, if purporting to be signed by the Chairperson of the General Meeting, the Board of Directors or a Committee thereof, as the case may be, or by the Chairperson of the next succeeding General Meeting, meeting of the Board of Directors or meeting of a Committee, as the case may be, shall constitute prima facie evidence of the matters recorded therein.

DIVIDENDS

51. **DECLARATION OF DIVIDENDS**.

The Board of Directors may from time to time declare, and cause the Company to pay dividends as permitted by the Companies Law. The Board of Directors shall determine the time for payment of such dividends and the record date for determining the shareholders entitled thereto.

52. **AMOUNT PAYABLE BY WAY OF DIVIDENDS**.

Subject to the provisions of these Articles (including Article 6) and subject to the rights or conditions attached at that time to any share in the capital of the Company granting preferential, special or deferred rights or not granting any rights with respect to dividends, any dividend paid by the Company shall be allocated among the Shareholders (not in default in payment of any sum referred to in Article 14 hereof) entitled thereto on a *pari passu* basis in proportion to their respective holdings of the issued and outstanding shares of the Company in respect of which such dividends are being paid.

53. **INTEREST**.

No dividend shall carry interest as against the Company.

54. **PAYMENT IN SPECIE**.

If so declared by the Board of Directors, a dividend declared in accordance with Article 51 may, subject to Article 6, be paid, in whole or in part, by the distribution of specific assets of the Company or by distribution of paid up shares, debentures or other securities of the Company or of any other companies, or in any combination thereof, in each case, the fair value of which shall be determined by the Board of Directors in good faith.

55. **IMPLEMENTATION OF POWERS**.

The Board of Directors may settle, as it deems fit, any difficulty arising with regard to the distribution of dividends, bonus shares or otherwise, and in particular, to issue certificates for fractions of shares and sell such fractions of shares in order to pay their consideration to those entitled thereto, or to set the value for the distribution of certain assets and to determine that cash payments shall be paid to the Shareholders on the basis of such value, or that fractions whose value is less than NIS 0.01 shall not be taken into account. The Board of Directors may instruct to pay cash or convey these certain assets to a trustee in favor of those people who are entitled to a dividend, as the Board of Directors shall deem appropriate.

56. **Deductions from dividends**.

The Board of Directors may deduct or set off from any dividend or other moneys payable to any Shareholder in respect of a share any and all sums of money then payable by him or her to the Company on account of calls or otherwise in respect of shares of the Company and/or on account of any other matter of transaction whatsoever.

57. **Retention of dividends.**

(a) The Board of Directors may retain any dividend or other moneys payable or property distributable in respect of a share on which the Company has a lien, and may apply the same in or toward satisfaction of the debts, liabilities, or engagements in respect of which the lien exists.

(b) The Board of Directors may retain any dividend or other moneys payable or property distributable in respect of a share in respect of which any person is, under Articles 22 or 23, entitled to become a Shareholder, or which any person is, under said Articles, entitled to transfer, until such person shall become a Shareholder in respect of such share or shall transfer the same.

58. **Unclaimed dividends**.

All unclaimed dividends or other moneys payable in respect of a share may be invested or otherwise made use of by the Board of Directors for the benefit of the Company until claimed. The payment of any unclaimed dividend or such other moneys into a separate account shall not constitute the Company a trustee in respect thereof, and any dividend unclaimed after a period of one (1) year (or such other period determined by the Board of Directors) from the date of declaration of such dividend, and any such other moneys unclaimed after a like period from the date the same were payable, shall be forfeited and shall revert to the Company, provided, however, that the Board of Directors may, at its discretion, cause the Company to pay any such dividend or such other moneys, or any part thereof, to a person who would have been entitled thereto had the same not reverted to the Company. The principal (and only the principal) of any unclaimed dividend of such other moneys shall be if claimed, paid to a person entitled thereto.

59. **Mechanics of payment**.

Any dividend or other moneys payable in cash in respect of a share, less the tax required to be withheld pursuant to applicable law, may, as determined by the Board of Directors in its sole discretion, be paid by check or warrant sent through the post to, or left at, the registered address of the person entitled thereto or by transfer to a bank account specified by such person (or, if two or more persons are registered as joint holders of such share or are entitled jointly thereto in consequence of the death or bankruptcy of the holder or otherwise, to any one of such Persons or his or her bank account or the person who the Company may then recognize as the owner thereof or entitled thereto under Article 22 or 23 hereof, as applicable, or such person's bank account), or to such person and at such other address as the person entitled thereto may by writing direct, or in any other manner the Board of Directors deems appropriate. Every such check or warrant or other method of payment shall be made payable to the order of the person to whom it is sent, or to such person as the person entitled thereto as aforesaid may direct, and payment of the check or warrant by the banker upon whom it is drawn shall be a good discharge to the Company. Every such check shall be sent at the risk of the Person entitled to the money represented thereby.

Accounts

60. **Books of account.**

The Company's books of account shall be kept at the Office of the Company, or at such other place or places as the Board of Directors may think fit, and they shall always be open to inspection by all Directors. No shareholder, not being a Director, shall have any right to inspect any account or book or other similar document of the Company, except as explicitly conferred by law or authorized by the Board of Directors. The Company shall make copies of its annual financial statements available for inspection by the Shareholders at the principal offices of the Company. The Company shall not be required to send copies of its annual financial statements to the Shareholders.

61. **Auditors.**

The appointment, authorities, rights and duties of the auditor(s) of the Company, shall be regulated by applicable law, provided, however, that in exercising its authority to fix the remuneration of the auditor(s), the Shareholders in General Meeting may act (and in the absence of any action in connection therewith shall be deemed to have so acted) to authorize the Board of Directors (with right of delegation to a Committee thereof or to management) to fix such remuneration subject to such criteria or standards, and if no such criteria or standards are so provided, such remuneration shall be fixed in an amount commensurate with the volume and nature of the services rendered by such auditor(s). The General Meeting may, if so recommended by the Board of Directors, appoint the auditors for a period that may extend until the third Annual General Meeting after the Annual General Meeting in which the auditors were appointed.

62. **Fiscal year**.

The fiscal year of the Company shall be determined by the Board of Directors.

Supplementary registers

63. **Supplementary registers**.

Subject to and in accordance with the provisions of Sections 138 and 139 of the Companies Law, the Company may cause supplementary registers to be kept in any place outside Israel as the Board of Directors may think fit, and, subject to all applicable requirements of law, the Board of Directors may from time to time adopt such rules and procedures as it may think fit in connection with the keeping of such branch registers.

Exemption, indemnity and insurance

64. **Insurance**.

Subject to the provisions of the Companies Law with regard to such matters, the Company may enter into a contract for the insurance of the liability, in whole or in part, of any of its Office Holders imposed on such Office Holder due to an act performed by or an omission of the Office Holder in the Office Holder's capacity as an Office Holder of the Company arising from any matter permitted by law, including the following:

(a) a breach of duty of care to the Company or to any other person;

(b) a breach of his or her duty of loyalty to the Company, provided that the Office Holder acted in good faith and had reasonable grounds to assume that act that resulted in such breach would not prejudice the interests of the Company;

(c) a financial liability imposed on such Office Holder in favor of any other person; and

(d) any other event, occurrence, matters or circumstances under any law with respect to which the Company may, or will be able to, insure an Office Holder, and to the extent such law requires the inclusion of a provision permitting such insurance in these Articles, then such provision is deemed to be included and incorporated herein by reference (including, without limitation, in accordance with Section 56h(b)(1) of the Securities Law, if and to the extent applicable, and Section 50P of the Economic Competition Law).

65. **Indemnity**.

(a) Subject to the provisions of the Companies Law, the Company may retroactively indemnify an Office Holder of the Company to the maximum extent permitted under applicable law, including with respect to the following liabilities and expenses, provided that such liabilities or expenses were imposed on such Office Holder or incurred by such Office Holder due to an act performed by or an omission of the Office Holder in such Office Holder's capacity as an Office Holder of the Company:

(i) a financial liability imposed on an Office Holder in favor of another person by any court judgment, including a judgment given as a result of a settlement or an arbitrator's award which has been confirmed by a court;

(ii) reasonable litigation expenses, including legal fees, expended by the Office Holder as a result of an investigation or proceeding instituted against him or her by an authority authorized to conduct such investigation or proceeding, or in connection with a financial sanction, provided that (1) no indictment (as defined in the Companies Law) was filed against such Office Holder as a result of such investigation or proceeding; and (2) no financial liability in lieu of a criminal proceeding (as defined in the Companies Law) was imposed upon him or her as a result of such investigation or proceeding or if such financial liability was imposed, it was imposed with respect to an offense that does not require proof of criminal intent or in relation to a monetary sanction;

(iii) reasonable litigation costs, including legal fees, expended by an Office Holder or which were imposed on an Office Holder by a court in proceedings filed against the Office Holder by the Company or in its name or by any other person or in a criminal charge in respect of which the Office Holder was acquitted or in a criminal charge in respect of which the Office Holder was convicted for an offence which did not require proof of criminal intent; and

(iv) any other event, occurrence, matter or circumstance under any law with respect to which the Company may, or will be able to, indemnify an Office Holder, and to the extent such law requires the inclusion of a provision permitting such indemnity in these Articles, then such provision is deemed to be included and incorporated herein by reference (including, without limitation, in accordance with Section 56h(b)(1) of the Israeli Securities Law, if and to the extent applicable, and Section 50P(b)(2) of the RTP Law).

(b) Subject to the provisions of the Companies Law, the Company may undertake to indemnify an Office Holder, in advance, with respect to those liabilities and expenses described in the following Articles:

(i) Sub-Article 65(a)(ii) to 65(a)(iv); and

(ii) Sub-Article 65(a)(i), provided that:

(1) the undertaking to indemnify is limited to such events which the Directors shall deem to be foreseeable in light of the operations of the Company at the time that the undertaking to indemnify is made and for such amounts or criterion which the Directors may, at the time of the giving of such undertaking to indemnify, deem to be reasonable under the circumstances; and

(2) the undertaking to indemnify shall set forth such events which the Directors shall deem to be foreseeable in light of the operations of the Company at the time that the undertaking to indemnify is made, and the amounts and/or criterion which the Directors may, at the time of the giving of such undertaking to indemnify, deem to be reasonable under the circumstances.

66. **Exemption**.

Subject to the provisions of the Companies Law, the Company may, to the maximum extent permitted by law, exempt and release, in advance, any Office Holder from any liability for damages arising out of a breach of a duty of care.

67. **General**.

(a) Any amendment to the Companies Law or any other applicable law adversely affecting the right of any Office Holder to be indemnified, insured or exempt pursuant to Articles 64 to 66 and any amendments to Articles 64 to 66 shall be prospective in effect, and shall not affect the Company's obligation or ability to indemnify, insure or exempt an Office Holder for any act or omission occurring prior to such amendment, unless otherwise provided by applicable law.

(b) The provisions of Articles 64 to 66 shall apply to the maximum extent permitted by law (including, the Companies Law, the Securities Law and the Economic Competition Law); and (ii) are not intended, and shall not be interpreted so as to restrict the Company, in any manner, in respect of the procurement of insurance and/or in respect of indemnification (whether in advance or retroactively) and/or exemption, in favor of any person who is not an Office Holder, including, without limitation, any employee, agent, consultant or contractor of the Company who is not an Office Holder; and/or any Office Holder to the extent that such insurance and/or indemnification is not specifically prohibited under law.

Winding up

68. **Winding up**.

If the Company is wound up, then, subject to applicable law and to the rights of the holders of shares with special rights upon winding up, the assets of the Company available for distribution among the Shareholders shall be distributed to them in proportion to the number of issued and outstanding shares held by each Shareholder.

Notices

69. **Notices**.

(a) Any written notice or other document may be served by the Company upon any Shareholder either personally, by facsimile, email or other electronic transmission, or by sending it by prepaid mail (airmail if sent internationally) addressed to such Shareholder at his or her address as described in the Register of Shareholders or such other address as the Shareholder may have designated in writing for the receipt of notices and other documents.

(b) Any written notice or other document may be served by any Shareholder upon the Company by tendering the same in person to the Secretary or the Chief Legal Officer of the Company at the principal office of the Company, by facsimile transmission, or by sending it by prepaid registered mail (airmail if posted outside Israel) to the Company at its Office.

(c) Any such notice or other document shall be deemed to have been served:

(i) in the case of mailing, forty-eight (48) hours after it has been posted, or when actually received by the addressee if sooner than forty-eight hours after it has been posted, or

(ii) in the case of overnight air courier, on the next business day following the day sent, with receipt confirmed by the courier, or when actually received by the addressee if sooner than three business days after it has been sent;

(iii) in the case of personal delivery, when actually tendered in person, to such addressee;

(iv) in the case of facsimile, email or other electronic transmission, on the first business day (during normal business hours in place of addressee) on which the sender receives automatic electronic confirmation by the addressee's facsimile machine that such notice was received by the addressee or delivery confirmation from the addressee's email or other communication server.

(d) If a notice is, in fact, received by the addressee, it shall be deemed to have been duly served, when received, notwithstanding that it was defectively addressed or failed, in some other respect, to comply with the provisions of this Article 69.

(e) All notices to be given to the Shareholders shall, with respect to any share to which persons are jointly entitled, be given to whichever of such persons is named first in the Register of Shareholders, and any notice so given shall be sufficient notice to the holders of such share.

(f) Any Shareholder whose address is not described in the Register of Shareholders, and who shall not have designated in writing an address for the receipt of notices, shall not be entitled to receive any notice from the Company.

(g) Notwithstanding anything to the contrary contained herein, notice by the Company of a General Meeting, containing the information required by applicable law and these Articles to be set forth therein, which is published, within the time otherwise required for giving notice of such meeting, in either or several of the following manners (as applicable) shall be deemed to be notice of such meeting duly given, for the purposes of these Articles, to any Shareholder whose address as registered in the Register of Shareholders (or as designated in writing for the receipt of notices and other documents) is located either inside or outside the State of Israel:

(i) if the Company's shares are then listed for trading on a national securities exchange in the United States or quoted in an over-the-counter market in the United States, publication of notice of a General Meeting pursuant to a report or a schedule filed with, or furnished to, the SEC pursuant to the Securities Exchange Act of 1934, as amended; and/or

(ii) on the Company's internet site.

(h) The mailing or publication date and the record date and/or date of the meeting (as applicable) shall be counted among the days comprising any notice period under the Companies Law and the regulations thereunder.

AMENDMENT

70. **AMENDMENT**.

Any amendment of these Articles (including pursuant to Article 6(i) and Section Article 26(d)) shall require, in addition to the approval of the General Meeting of shareholders in accordance with these Articles, also the approval of the Board of Directors with the affirmative vote of a majority of the then serving Directors.

71. **FORUM FOR ADJUDICATION OF DISPUTES**.

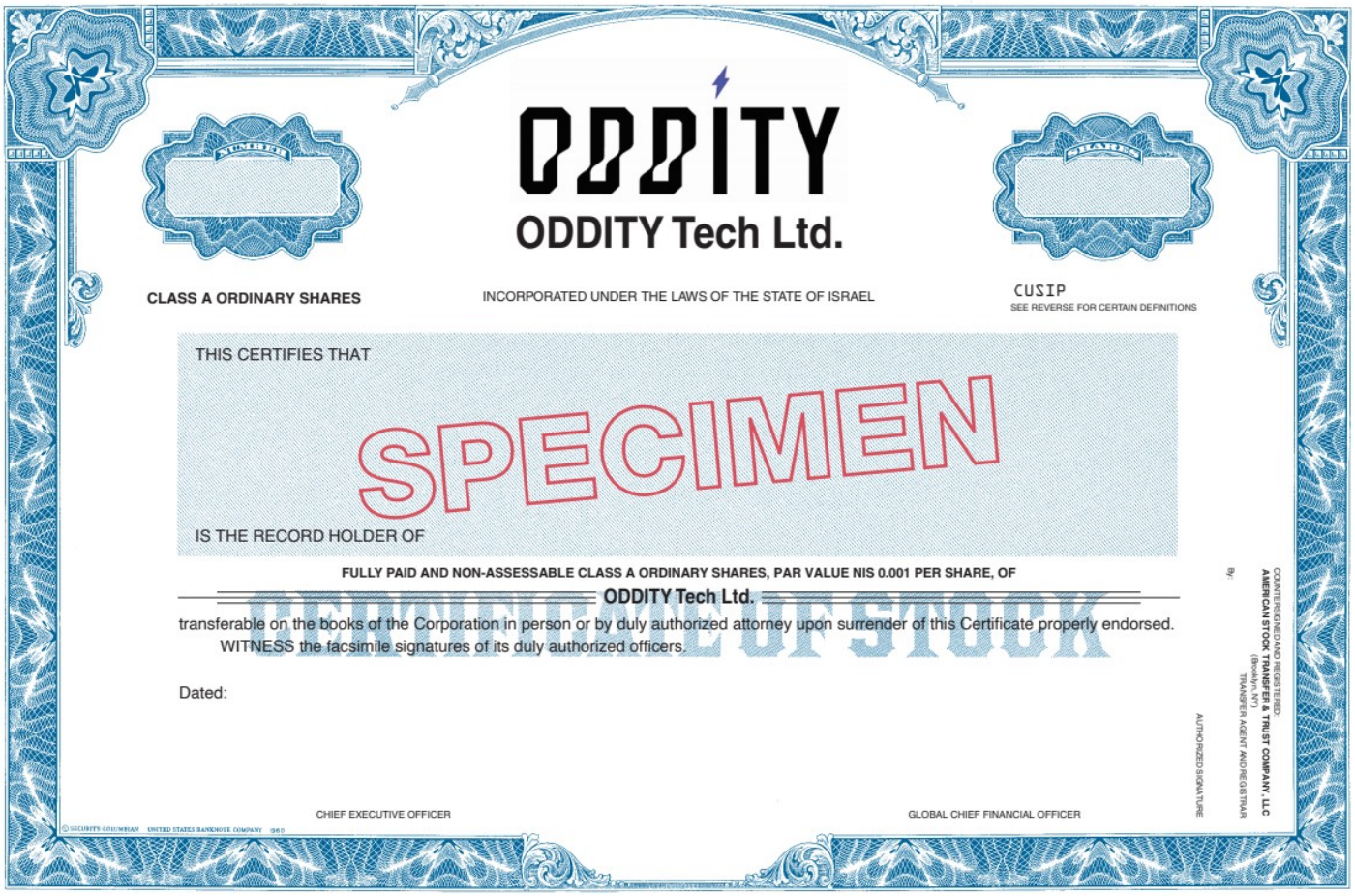
(a) Unless the Company consents in writing to the selection of an alternative forum, the federal district courts of the United States of America shall, to the fullest extent permitted by law, be the exclusive forum for the resolution of any complaint asserting a cause or causes of action arising under the U.S. Securities Act of 1933, as amended, including all causes of action asserted against any defendant to such complaint. For the avoidance of doubt, this provision is intended to benefit and may be enforced by the Company, its officers and directors, the underwriters to any offering giving rise to such complaint, and any other professional or entity whose profession gives authority to a statement made by that person or entity and who has prepared or certified any part of the documents underlying the offering. The foregoing provisions of this Article 71 shall not apply to causes of action arising under the U.S. Securities Exchange Act of 1934, as amended, or any other claim for which the U.S. federal courts have exclusive jurisdiction.

(b) Unless the Company consents in writing to the selection of an alternative forum, the competent courts in Tel Aviv, Israel shall be the exclusive forum for (i) any derivative action or proceeding brought on behalf of the Company, (ii) any action asserting a claim of breach of a fiduciary duty owed by any director, officer or other employee of the Company to the Company or the Company's shareholders, or (iii) any action asserting a claim arising pursuant to any provision of the Companies Law or the Securities Law or these Articles. Any person or entity purchasing or otherwise acquiring or holding any interest in shares of the Company shall be deemed to have notice of and consented to the provisions of this Article 71.

Any person or entity purchasing or otherwise acquiring or holding any interest in share capital of the Company shall be deemed to have notice of and consented to the provisions of this Article 71.

If any provision or provisions of this Article 71 shall be held to be invalid, illegal or unenforceable as applied to any circumstance for any reason whatsoever, (a) the validity, legality and enforceability of such provisions in any other circumstance and of the remaining provisions of this Article 71 (including, without limitation, each portion of any paragraph of this Article Tenth containing any such provision held to be invalid, illegal or unenforceable that is not itself held to be invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby and (b) the application of such provision to other persons or entities and circumstances shall not in any way be affected or impaired thereby.

* * *


ODDITY
ODDITY Tech Ltd.
NUMBER
SHARES
CLASS A ORDINARY SHARES
INCORPORATED UNDER THE LAWS OF THE STATE OF ISRAEL
CUSIP
SEE REVERSE FOR CERTAIN DEFINITIONS
THIS CERTIFIES THAT
SPECIMEN
IS THE RECORD HOLDER OF
FULLY PAID AND NON-ASSESSABLE CLASS A ORDINARY SHARES, PAR VALUE NIS 0.001 PER SHARE, OF
ODDITY Tech Ltd.
transferable on the books of the Corporation in person or by duly authorized attorney upon surrender of this Certificate properly endorsed.
WITNESS the facsimile signatures of its duly authorized officers.
CERTIFICATE OF STOCK
Dated:
CHIEF EXECUTIVE OFFICER
GLOBAL CHIEF FINANCIAL OFFICER
COUNTERSIGNED AND REGISTERED:
AMERICAN STOCK TRANSFER & TRUST COMPANY, LLC
(Brooklyn, NY)
TRANSFER AGENT AND REGISTRAR
By:
AUTHORIZED SIGNATURE

The following abbreviations, when used in the inscription on the face of this certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM	— as tenants in common	UNIF GIFT MIN ACT —	..... Custodian ..... (Cust) (Minor)
TEN ENT	— as tenants by the entireties		Under Uniform Gifts to Minors
JT TEN	— as joint tenants with right of survivorship and not as tenants in common		Act ..... (State)

Additional abbreviations may also be used though not in the above list.

For Value Received, _____ hereby sell, assign and transfer unto

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

_____

PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS, INCLUDING POSTAL ZIP CODE, OF ASSIGNEE

_____

_____

_____

Class A Ordinary Shares represented by this Certificate, and do hereby irrevocably constitute and appoint

_____ Attorney

to transfer the said shares on the books of the within named Corporation with full power of substitution in the premises.

Dated _____

X _____

X _____

NOTICE: THE SIGNATURE(S) TO THIS ASSIGNMENT MUST CORRESPOND WITH THE NAME(S) AS WRITTEN UPON THE FACE OF THE CERTIFICATE IN EVERY PARTICULAR, WITHOUT ALTERATION OR ENLARGEMENT OR ANY CHANGE WHATSOEVER.

SIGNATURE(S) GUARANTEED:

_____

THE SIGNATURE(S) MUST BE GUARANTEED BY AN ELIGIBLE GUARANTOR INSTITUTION (BANKS, STOCKBROKERS, SAVINGS AND LOAN ASSOCIATIONS AND CREDIT UNIONS WITH MEMBERSHIP IN AN APPROVED SIGNATURE GUARANTEE MEDALLION PROGRAM), PURSUANT TO S.E.C. RULE 17Ad-15.

Exhibit 4.2

Execution Copy

REGISTRATION RIGHTS AGREEMENT

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REGISTRATION RIGHTS AGREEMENT

THIS REGISTRATION RIGHTS AGREEMENT (this "**Agreement**") is made as of this 2nd day of June, 2017 by and between Il Makiage Cosmetics (2013) Ltd., a company organized under the laws of Israel (the "**Company**"), and LCGP3 PRO MAKEUP, L.P., a Delaware limited partnership ("**L Catterton**"), Oran Shilo Investments LP, a limited partnership organized under the laws of the State of Israel ("**Oran Shilo**") and Il Makiage Investments L.P. a limited partnership organized under the laws of Israel ("**IM Investments**"). Each of L Catterton, Oran Shilo and IM Investments shall be referred as "**Investor**" and collectively the "**Investors**".

RECITALS

WHEREAS, the Company and the Investors are parties to that certain Share Purchase Agreement of even date herewith (the "**Purchase Agreement**"); and

WHEREAS, the Company and the Investors are parties to that certain Shareholders' Agreement of even date herewith (the "**Shareholders' Agreement**"); and

WHEREAS, in order to induce the Company to enter into the Purchase Agreement and to induce the L Catterton to invest funds in the Company pursuant to the Purchase Agreement, the Investors and the Company hereby agree that this Agreement shall govern the rights of the Investors to cause the Company to register Shares owned by the Investors and shall govern certain other matters as set forth in this Agreement;

NOW, THEREFORE, the parties hereby agree as follows:

1. Definitions. For purposes of this Agreement:

1.1 "**Affiliate**" means, with respect to any specified Person, any other Person who, directly or indirectly, controls, is controlled by, or is under common control with such Person, including without limitation any general partner, managing member, officer or director of such Person or any venture capital fund now or hereafter existing that is controlled by one or more general partners or managing members of, or shares the same management company with, such Person.

1.2 "**Applicable Securities Law**" means any statute, law, regulation or rule of a country other than the United States that governs or addresses the sale or registration of securities in such jurisdiction, and the Israeli securities laws.

1.3 "**Damages**" means any loss, damage, claim or liability (joint or several) to which a party hereto may become subject under the Securities Act, the Exchange Act, or other federal or state law or other Applicable Securities Law, insofar as such loss, damage, claim or liability (or any action in respect thereof) arises out of or is based upon: (i) any untrue statement or alleged untrue statement of a material fact contained in any registration statement of the Company, including any preliminary prospectus or final prospectus contained therein or any amendments or supplements thereto; (ii) an omission or alleged omission to state therein a material fact required to be stated therein, or necessary to make the statements therein not misleading; or (iii) any violation or alleged violation by the indemnifying party (or any of its agents or Affiliates) of the Securities Act, the Exchange Act, any state securities law, or other Applicable Securities Law or any rule or regulation promulgated under the Securities Act, the Exchange Act, or any state securities law or other Applicable Securities Law.

1.4 "**Exchange Act**" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

1.5 "**Excluded Registration**" means (i) a registration relating to the sale of securities to employees of the Company or a subsidiary pursuant to a stock option, stock purchase, or similar plan approved by the Board of Directors of the Company; (ii) a registration relating to an SEC Rule 145 transaction; (iii) a registration on any form that does not include substantially the same information as would be required to be included in a registration statement covering the sale of the Registrable Securities; or (iv) a registration in which the only Shares being registered is Shares issuable upon conversion of debt securities that are also being registered.

1.6 "**Form S-1**" means such form, or Form F-1 if applicable to a non- U.S. issuer, under the Securities Act or any similar form under other Applicable Securities Law as in effect on the date hereof or any successor registration form under the Securities Act subsequently adopted by the SEC.

1.7 "**Form S-3**" means such form, or Form F-3 if applicable to a non- U.S. issuer, under the Securities Act or any similar form under other Applicable Securities Law as in effect on the date hereof or any registration form under the Securities Act subsequently adopted by the SEC that permits incorporation of substantial information by reference to other documents filed by the Company with the SEC.

1.8 "**IPO**" means the Company's first underwritten public offering of its Shares under the Securities Act or other Applicable Securities Law.

1.9 "**Person**" means any individual, corporation, partnership, trust, limited liability company, association or other entity.

1.10 "**Registrable Securities**" means (i) the Shares owned by Oran Shilo immediately after the Closing of the Purchase Agreement; (ii) the Shares owned by IM Investments immediately after the Closing of the Purchase Agreement; (iii) the Shares purchased by the L Catterton pursuant to the Purchase Agreement; (iv) any shares of capital stock of the Company, or any Shares issued or issuable (directly or indirectly) upon conversion and/or exercise of any other securities of the Company, acquired by the Investors or their Permitted Transferees (as defined in the Shareholders' Agreement) after the date hereof by purchase, assignment or operation of law; and (v) any Shares issued as (or issuable upon the conversion or exercise of any warrant, right, or other security that is issued as) a dividend or other distribution with respect to, or in exchange for or in replacement of, the Shares referenced in clauses (i) through (iv) above; excluding in all cases, however, any Registrable Securities sold by a Person in a transaction in which the applicable rights under this Agreement are not assigned pursuant to Subsection 3.1, and excluding for purposes of Section 2 any shares for which registration rights have terminated pursuant to Subsection 2.12(c)2.12 of this Agreement.

1.11 "**Registrable Securities then outstanding**" means the number of Shares determined by adding the number of Shares outstanding that are Registrable Securities and the number of Shares issuable (directly or indirectly) pursuant to then exercisable and/or convertible securities that are Registrable Securities.

1.12 "**SEC**" means the U.S. Securities and Exchange Commission or any other applicable governmental or quasi-governmental body or agency performing functions similar to the U.S. Securities and Exchange Commission.

1.13 "**SEC Rule 144**" means Rule 144 promulgated by the SEC under the Securities Act.

1.14 "**SEC Rule 145**" means Rule 145 promulgated by the SEC under the Securities Act.

1.15 "**Securities Act**" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

1.16 "**Selling Expenses**" means all underwriting discounts, selling commissions, and stock transfer taxes applicable to the sale of Registrable Securities, and fees and disbursements of counsel(s) for the Investors, except for the fees and disbursements of the Investors' Counsel(s) borne and paid by the Company as provided in Subsection 2.6.

1.17 "**Shares**" means the ordinary shares of the Company of par value NIS 0.1 each.

Other terms used herein and not otherwise defined shall have the meaning ascribed to such terms in the Shareholders' Agreement.

2. Registration Rights. The Company covenants and agrees as follows:

2.1 Demand Registration.

(a) Form S-1 Demand. If at any time after the earlier of (i) four (4) years after the date of this Agreement or (ii) one hundred eighty (180) days after the effective date of the registration statement for the IPO, the Company receives a request from any of the Investors that the Company file a Form S-1 registration statement (or similar registration statement or form under Applicable Securities Law) with respect to all or a lesser portion of the Registrable Securities then outstanding, then the Company shall as soon as practicable, and in any event within sixty (60) days after the date such request is given by the respective Investor, file a Form S-1 registration statement under the Securities Act (or similar registration statement or form under Applicable Securities Laws) covering all Registrable Securities that the Investor requested to be registered.

(b) Form S-3 Demand. If at any time when it is eligible to use a Form S-3 registration statement (or similar registration statement or form under Applicable Securities Law), the Company receives a request from any of the Investors that the Company file a Form S-3 registration statement (or similar registration statement or form under Applicable Securities Law) with respect to outstanding Registrable Securities, then the Company shall as soon as practicable, and in any event within forty-five (45) days after the date such request is given by the respective Investor, file a Form S-3 registration statement under the Securities Act covering all Registrable Securities requested to be included in such registration.

(c) Notwithstanding anything to the contrary, in the event that the IPO will not or is not expected to result in gross proceeds to the Company of at least US $75 million at a per Share price equal to 2.5 times the per Share price (as adjusted for any Recapitalization Event) paid by L Catterton for the L Catterton SPA Shares, then the Company shall be entitled to refuse to register any Registrable Securities pursuant to Subsection 2.1(a) above and none of the Investors shall have any claim whatsoever in connection with such refusal.

(d) Furthermore and notwithstanding the foregoing obligations, if the Company furnishes to the requesting Investor a certificate signed by the Company's chief executive officer stating that in the good faith judgment of the Company's Board of Directors it would be materially detrimental to the Company and its stockholders for such registration statement to either become effective or remain effective for as long as such registration statement otherwise would be required to remain effective, because such action would (i) materially interfere with a significant acquisition, corporate reorganization, or other similar transaction involving the Company; (ii) require premature disclosure of material information that the Company has a bona fide business purpose for preserving as confidential; or (iii) render the Company unable to comply with requirements under the Securities Act, Exchange Act or other Applicable Securities Law, then the Company shall have the right to defer taking action with respect to such filing, and any time periods with respect to filing or effectiveness thereof shall be tolled correspondingly, for a period of not more than ninety (90) days after the request of the respective Investor is given; provided, however, that the Company may not invoke this right more than once in any twelve (12) month period and the period during which the Company defers taking action with respect to such filing shall not exceed one hundred twenty (120) days; and provided further that the Company shall not register any securities for its own account or that of any other stockholder during such ninety (90) day period other than an Excluded Registration.

(e) The Company shall not be obligated to effect, or to take any action to effect, any registration pursuant to Subsection 2.1(a) (i) during the period that is sixty (60) days before the Company's good faith estimate of the date of filing of, and ending on a date that is one hundred eighty (180) days after the effective date of, a Company-initiated registration, provided that the Company is actively employing in good faith commercially reasonable efforts to cause such registration statement to become effective; (ii) after the Company has effected two (2) registrations pursuant to Subsection 2.1(a); or (iii) if an Investor proposes to dispose of shares of Registrable Securities that may be immediately registered on Form S-3 pursuant to a request made pursuant to Subsection 2.1(b). The Company shall not be obligated to effect, or to take any action to effect, any registration pursuant to Subsection 2.1(b) (i) during the period that is thirty (30) days before the Company's good faith estimate of the date of filing of, and ending on a date that is ninety (90) days after the effective date of, a Company-initiated registration, provided that the Company is actively employing in good faith commercially reasonable efforts to cause such registration statement to become effective; or (ii) if the Company has effected two (2) registrations pursuant to Subsection 2.1(b). A registration shall not be counted as "effected" for purposes of this Subsection 2.1(e) until such time as the applicable registration statement has been declared effective by the SEC.

2.2 Company Registration. If the Company proposes to register (including, for this purpose, a registration effected by the Company for stockholders other than the Investors) any of its Shares under the Securities Act or other Applicable Securities Law in connection with the public offering of such securities solely for cash (other than in an Excluded Registration), the Company shall, at such time, promptly give the Investors notice of such registration. Upon the request of an Investor given within twenty (20) days after such notice is given by the Company, the Company shall, subject to the provisions of Subsection 2.3, cause to be registered all of the Registrable Securities that each such Investor has requested to be included in such registration. The Company shall have the right to terminate or withdraw any registration initiated by it under this Subsection 2.2 before the effective date of such registration, whether or not an Investor has elected to include Registrable Securities in such registration. The expenses (other than Selling Expenses) of such withdrawn registration shall be borne by the Company in accordance with Subsection 2.6.

2.3 Underwriting Requirements.

(a) If, pursuant to Subsection 2.1, an Investor intends to distribute the Registrable Securities covered by its request by means of an underwriting, it shall so advise the Company as a part of its request made pursuant to Subsection 2.1. The underwriter(s) will be selected jointly by the Company and such Investor(s). In such event, the right of such Investor(s) to include the such Investor's Registrable Securities in such registration shall be conditioned upon the Investor's participation in such underwriting and the inclusion of such Investor's Registrable Securities in the underwriting to the extent provided herein. The respective Investors shall (together with the Company as provided in Subsection 2.4(e)) enter into an underwriting agreement in customary form with the underwriter(s) selected for such underwriting. Notwithstanding any other provision of this Subsection 2.3, if the managing underwriter advises the respective Investors in writing that marketing factors require a limitation on the number of shares to be underwritten, then the number of Registrable Securities held by the respective Investors to be included in such underwriting shall not be reduced unless all other securities are first entirely excluded from the underwriting, and then they shall be reduced on a pro-rata basis among all Investors that asked to participate in the registration (based on their pro-rata holdings in Registrable Securities at that time) provided that no Investor will be required to register more than the number of Registrable Securities that it asked to register.

(b) In connection with any offering involving an underwriting of shares of the Company's capital stock pursuant to Subsection 2.2, the Company shall not be required to include any of the Investor's Registrable Securities in such underwriting unless the respective Investor accepts the terms of the underwriting as agreed upon between the Company and its underwriters, and then only in such quantity as the underwriters in their sole discretion determine will not jeopardize the success of the offering by the Company. If the total number of securities, including Registrable Securities, requested by stockholders to be included in such offering exceeds the number of securities to be sold (other than by the Company) that the underwriters in their reasonable discretion determine is compatible with the success of the offering, then the Company shall be required to include in the offering only that number of such securities, including Registrable Securities, which the underwriters and the Company in their sole discretion determine will not jeopardize the success of the offering. If the underwriters determined that less than all of the Registrable Securities requested to be registered can be included in such offering, then in no event shall (i) the number of Registrable Securities included in the offering be reduced unless all other securities (other than securities to be sold by the Company) are first entirely excluded from the offering, or (ii) the number of Registrable Securities included in the offering be reduced below twenty-five percent (25%) of the total number of securities included in such offering, unless such offering is the IPO, in which case the Investors may be excluded further if the underwriters make the determination described above and no other stockholder's securities are included in such offering. When more than one Investor asks to participate in the registration, the Registrable Securities will be excluded on a pro-rata basis in accordance with the provisions of Subsection 2.3(b) above.

(c) For purposes of Subsection 2.1, a registration shall not be counted as "effected" if, as a result of an exercise of the underwriter's cutback provisions in Subsection 2.3(a), fewer than fifty percent (50%) of the total number of Registrable Securities that the Investors requested to be included in such registration statement are actually included. For the purpose of Subsection 2.1, any request for registration provided to the Company by an Investor will be sent to the other Investors, and each such other Investor will have thirty (30) days from the receipt of Company's notice, to notify the Company whether it wishes to register any of its Registrable Securities and the number of Registrable Securities it asks to register.

2.4 Obligations of the Company. Whenever required under this Section 2 to effect the registration of any Registrable Securities, the Company shall, as expeditiously as reasonably possible:

(a) prepare and file with the SEC a registration statement with respect to such Registrable Securities and use its commercially reasonable efforts to cause such registration statement to become effective and, upon the request of an Investor, keep such registration statement effective for a period of up to one hundred twenty (120) days or, if earlier, until the distribution contemplated in the registration statement has been completed; provided, however, that (i) such one hundred twenty (120) day period shall be extended for a period of time equal to the period the respective Investor refrains, at the request of an underwriter of Shares (or other securities) of the Company, from selling any securities included in such registration, and (ii) in the case of any registration of Registrable Securities on Form S-3 that are intended to be offered on a continuous or delayed basis, subject to compliance with applicable SEC rules, such one hundred twenty (120) day period shall be extended for up to sixty (60) days, if necessary, to keep the registration statement effective until all such Registrable Securities are sold;

(b) prepare and file with the SEC such amendments and supplements to such registration statement, and the prospectus used in connection with such registration statement, as may be necessary to comply with the Securities Act or other Applicable Securities Law in order to enable the disposition of all securities covered by such registration statement;

(c) furnish to the Investors a prospectus, including a preliminary prospectus, as required by the Securities Act or other Applicable Securities Law, and such other documents as the Investors may reasonably request in order to facilitate the disposition of the Registrable Securities;

(d) use its commercially reasonable efforts to register and qualify the securities covered by such registration statement under such other securities or blue-sky laws of such jurisdictions as shall be reasonably requested by the Investor; provided that the Company shall not be required to qualify to do business or to file a general consent to service of process in any such states or jurisdictions, unless the Company is already subject to service in such jurisdiction and except as may be required by the Securities Act or other Applicable Securities Law;

(e) in the event of any underwritten public offering, enter into and perform its obligations under an underwriting agreement, in usual and customary form, with the underwriter(s) of such offering;

(f) use its commercially reasonable efforts to cause all such Registrable Securities covered by such registration statement to be listed on a national securities exchange or trading system and each securities exchange and trading system (if any) on which similar securities issued by the Company are then listed;

(g) provide a transfer agent and registrar for all Registrable Securities registered pursuant to this Agreement and provide a CUSIP number for all such Registrable Securities, in each case not later than the effective date of such registration;

(h) make available for inspection by the Investors, any managing underwriter participating in any disposition pursuant to such registration statement, and any attorney or accountant or other agent retained by any such underwriter or selected by the Investors, all financial and other records, pertinent corporate documents, and properties of the Company, and cause the Company's officers, directors, employees, and independent accountants to supply all information reasonably requested by the Investors or any such underwriter, attorney, accountant, or agent, in each case, as necessary or advisable to verify the accuracy of the information in such registration statement and to conduct appropriate due diligence in connection therewith;

(i) notify the Investors, promptly after the Company receives notice thereof, of the time when such registration statement has been declared effective or a supplement to any prospectus forming a part of such registration statement has been filed; and

(j) after such registration statement becomes effective, notify each of the Investors of any request by the SEC that the Company amend or supplement such registration statement or prospectus.

In addition, the Company shall ensure that, at all times after any registration statement covering a public offering of securities of the Company under the Securities Act or other Applicable Securities Law shall have become effective, its insider trading policy shall provide that the Company's directors may implement a trading program under Rule 10b5-1 of the Exchange Act or other Applicable Securities Law.

2.5 Furnish Information. It shall be a condition precedent to the obligations of the Company to take any action pursuant to this Section 2 with respect to the Registrable Securities of the Investors that each of the Investors shall furnish to the Company such information regarding itself, the Registrable Securities held by it, and the intended method of disposition of such securities as is reasonably required to effect the registration of the Investor's Registrable Securities.

2.6 Expenses of Registration. All expenses (other than Selling Expenses) incurred in connection with registrations, filings, or qualifications pursuant to Section 2, including all registration, filing, and qualification fees; printers' and accounting fees; fees and disbursements of counsel for the Company; and the reasonable fees and disbursements of one counsel for each of the Investors ("**Investor Counsel**"), shall be borne and paid by the Company. All Selling Expenses relating to Registrable Securities registered pursuant to this Section 2 shall be borne and paid by the relevant Investor.

2.7 Delay of Registration. The Investors shall not have any right to obtain or seek an injunction restraining or otherwise delaying any registration pursuant to this Agreement as the result of any controversy that might arise with respect to the interpretation or implementation of this Section 2.

2.8 Indemnification. If any Registrable Securities are included in a registration statement under this Section 2:

(a) To the extent permitted by law, the Company will indemnify and hold harmless the each Investor, and the partners, members, managers, officers, directors, and stockholders of such Investor; legal counsel and accountants for such Investor; any underwriter (as defined in the Securities Act) for such Investor; and each Person, if any, who controls such Investor or underwriter within the meaning of the Securities Act or the Exchange Act, against any Damages actually incurred by them which are as a result of default or omission of the Company in breach of any Applicable Securities Law, and the Company will pay to such Investor, underwriter, controlling Person, or other aforementioned Person any legal or other expenses reasonably incurred thereby in connection with investigating or defending any claim or proceeding from which Damages may result, as such expenses are incurred; provided, however, that the indemnity agreement contained in this Subsection 2.8(a) shall not apply to amounts paid in settlement of any such claim or proceeding if such settlement is effected without the consent of the Company, which consent shall not be unreasonably withheld, nor shall the Company be liable for any Damages to the extent that they arise out of or are based upon actions or omissions made in reliance upon and in conformity with written information furnished by or on behalf of the Investor, underwriter, controlling Person, or other aforementioned Person expressly for use in connection with such registration. For the avoidance of doubt, the Company shall not be liable for any Damages to an Investor that arise out of or are based upon actions or omissions made in reliance upon and in conformity with written information furnished by or on behalf of such Investor for use in connection with a registration.

(b) To the extent permitted by law, each Investor will indemnify and hold harmless the Company, and each of its directors, each of its officers who has signed the registration statement, each Person (if any), who controls the Company within the meaning of the Securities Act, legal counsel and accountants for the Company, any underwriter (as defined in the Securities Act), and any controlling Person of any such underwriter, against any Damages, in each case only to the extent that such Damages arise out of or are based upon actions or omissions made in reliance upon and in conformity with written information furnished by or on behalf of such Investor expressly for use in connection with such registration; and such Investor will pay to the Company and each other aforementioned Person any legal or other expenses reasonably incurred thereby in connection with investigating or defending any claim or proceeding from which Damages may result, as such expenses are incurred; provided, however, that the indemnity agreement contained in this Subsection 2.8(b) shall not apply to amounts paid in settlement of any such claim or proceeding if such settlement is effected without the consent of such Investor, which consent shall not be unreasonably withheld; and provided further that in no event shall the aggregate amounts payable by such Investor by way of indemnity under Subsections 2.8(b) and 2.8(d) exceed the proceeds from the offering received by such Investor (net of any Selling Expenses paid by such Investor), except in the case of fraud or willful misconduct by the Investor.

(c) Promptly after receipt by an indemnified party under this Subsection 2.8 of notice of the commencement of any action (including any governmental action) for which a party may be entitled to indemnification hereunder, such indemnified party will, if a claim in respect thereof is to be made against any indemnifying party under this Subsection 2.8, give the indemnifying party notice of the commencement thereof. The indemnifying party shall have the right to participate in such action and, to the extent the indemnifying party so desires, participate jointly with any other indemnifying party to which notice has been given, and to assume the defense thereof with counsel mutually satisfactory to the parties; provided, however, that an indemnified party (together with all other indemnified parties that may be represented without conflict by one counsel) shall have the right to retain one separate counsel, with the fees and expenses to be paid by the indemnifying party, if representation of such indemnified party by the counsel retained by the indemnifying party would be inappropriate due to actual or potential differing interests between such indemnified party and any other party represented by such counsel in such action. The failure to give notice to the indemnifying party within a reasonable time of the commencement of any such action shall relieve such indemnifying party of any liability to the indemnified party under this Subsection 2.8, to the extent that such failure materially prejudices the indemnifying party's ability to defend such action.

(d) To provide for just and equitable contribution to joint liability under the Securities Act or any Applicable Securities Law in any case in which either: (i) any party otherwise entitled to indemnification hereunder makes a claim for indemnification pursuant to this Subsection 2.8 but it is judicially determined (by the entry of a final judgment or decree by a court of competent jurisdiction and the expiration of time to appeal or the denial of the last right of appeal) that such indemnification may not be enforced in such case, notwithstanding the fact that this Subsection 2.8 provides for indemnification in such case, or (ii) contribution under the Securities Act or any Applicable Securities Law may be required on the part of any party hereto for which indemnification is provided under this Subsection 2.8, then, and in each such case, such parties will contribute to the aggregate losses, claims, damages, liabilities, or expenses to which they may be subject (after contribution from others) in such proportion as is appropriate to reflect the relative fault of each of the indemnifying party and the indemnified party in connection with the statements, omissions, or other actions that resulted in such loss, claim, damage, liability, or expense, as well as to reflect any other relevant equitable considerations. The relative fault of the indemnifying party and of the indemnified party shall be determined by reference to, among other things, whether the untrue or allegedly untrue statement of a material fact, or the omission or alleged omission of a material fact, relates to information supplied by the indemnifying party or by the indemnified party and the parties' relative intent, knowledge, access to information, and opportunity to correct or prevent such statement or omission; provided, however, that, in any such case (x) an Investor will not be required to contribute any amount in excess of the public offering price of all such Registrable Securities offered and sold by such Investor pursuant to such registration statement, and (y) no Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) will be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation; and provided further that in no event shall an Investor's liability pursuant to this Subsection 2.8(d), when combined with the amounts paid or payable by such Investor pursuant to Subsection 2.8(b), exceed the proceeds from the offering received by such Investor (net of any Selling Expenses paid by such Investor), except in the case of willful misconduct or fraud by the Investor.

(e) Notwithstanding the foregoing, to the extent that the provisions on indemnification and contribution contained in the underwriting agreement entered into in connection with the underwritten public offering are in conflict with the foregoing provisions, the provisions in the underwriting agreement shall control.

(f) Unless otherwise superseded by an underwriting agreement entered into in connection with the underwritten public offering, the obligations of the Company and the Investor under this Subsection 2.8 shall survive the completion of any offering of Registrable Securities in a registration under this Section 2, and otherwise shall survive the termination of this Agreement.

2.9 Reports Under Exchange Act. With a view to making available to the Investors the benefits of SEC Rule 144 and any other rule or regulation of the SEC or similar rules under an Applicable Securities Law that may at any time permit the Investors to sell securities of the Company to the public without registration or pursuant to a registration on Form S-3 or other similar form under an Applicable Securities Law, the Company shall:

(a) make and keep available adequate current public information, as those terms are understood and defined in SEC Rule 144 or Applicable Securities Law, at all times after the effective date of the registration statement filed by the Company for the IPO;

(b) use commercially reasonable efforts to file with the SEC in a timely manner all reports and other documents required of the Company under the Securities Act, the Exchange Act (at any time after the Company has become subject to such reporting requirements) or Applicable Securities Law; and

(c) furnish to the Investors, so long as any such Investor owns any Registrable Securities, forthwith upon request (i) to the extent accurate, a written statement by the Company that it has complied with the reporting requirements of SEC Rule 144 (at any time after ninety (90) days after the effective date of the registration statement filed by the Company for the IPO), the Securities Act, the Exchange Act (at any time after the Company has become subject to such reporting requirements), or that it qualifies as a registrant whose securities may be resold pursuant to Form S-3 (at any time after the Company so qualifies), and any other Applicable Securities Law and (ii) such other information as may be reasonably requested in availing the Investors of any rule or regulation of the SEC that permits the selling of any such securities without registration (at any time after the Company has become subject to the reporting requirements under the Exchange Act) or pursuant to Form S-3 (at any time after the Company so qualifies to use such form) or other similar form under an Applicable Securities Law.

2.10 Limitations on Subsequent Registration Rights. From and after the date of this Agreement, the Company shall not, without the prior written consent of L Catterton, enter into any agreement with any holder or prospective holder of any securities of the Company that would allow such holder or prospective holder to include such securities in any registration unless, under the terms of such agreement, such holder or prospective holder may include such securities in any such registration on a pro rata basis with the Registrable Securities of the Investors that are included, and not on a priority basis (such pro-rata basis to be calculated based on the respective holdings in the Company of the shareholders who are entitled to the registration rights).

2.11 "Market Stand-off" Agreement.

(a) Each of the Investors, if requested by the managing underwriter of a firmly underwritten IPO by the Company of its Shares, hereby agrees that, for a period of not more than one hundred eighty (180) days following the effective date of a registration statement for the Company's IPO, or not more than ninety (90) days for any other registration statement, it will not (i) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend, or otherwise transfer or dispose of, directly or indirectly, any Shares, or any securities convertible into or exercisable or exchangeable for Shares, or (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the Shares, whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of Shares or such other securities, in cash or otherwise, as long as all officers, directors and five percent (5%) shareholders of the Company are bound by similar provisions. In connection with this Section 2.11, the Investor shall execute the form of lock-up agreement as may be requested by the managing underwriters, as long as all officers, directors and five percent (5%) or greater shareholders of the Company are bound by similar provisions.

(b) The Company may impose stop-transfer instructions with respect to Shares or other securities subject to the foregoing restrictions until the end of the applicable lock-up period.

(c) If any of the Investor receives written notice from the Company regarding the Company's plans to file a registration statement, then such Investor shall treat such notice confidentially and shall not disclose such information to any Person other than as necessary to exercise its rights under this Agreement.

2.12 Termination of Registration Subsequent Registration Rights. The right of the Investors to request registration or inclusion of Registrable Securities in any registration pursuant to Subsections 2.1 or 2.2 shall terminate upon the third (3rd) anniversary of the IPO.

3. Miscellaneous.

3.1 Successors and Assigns. The rights under this Agreement may be assigned (but only with all related obligations) only together with the Shares pursuant to the relevant terms of the Shareholders' Agreement and the Company's Articles of Association. The terms and conditions of this Agreement inure to the benefit of and are binding upon the respective successors and permitted assignees of the Investors. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective successors and permitted assignees any rights, remedies, obligations or liabilities under or by reason of this Agreement, except as expressly provided herein.

3.2 Governing Law. This Agreement shall be governed by the laws of The State of Israel.

3.3 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

3.4 Titles and Subtitles. The titles and subtitles used in this Agreement are for convenience only and are not to be considered in construing or interpreting this Agreement.

3.5 Notices. All notices and other communications given or made pursuant to this Agreement shall be in writing and shall be deemed effectively given upon the earlier of actual receipt or (i) personal delivery to the party to be notified; (ii) when sent, if sent by electronic mail or facsimile during the recipient's normal business hours, and if not sent during normal business hours, then on the recipient's next business day; or (iii) one (1) business day after the business day of deposit with a nationally recognized overnight courier, freight prepaid, specifying next-day delivery, with written verification of receipt. All communications shall be sent to the respective parties at their addresses as set forth on the signature page hereto, or to the principal office of the Company and to the attention of the Chief Executive Officer, in the case of the Company, Oran Shilo or IM Investments, or to such email address, facsimile number, or address as subsequently modified by written notice given in accordance with this Subsection 3.5. If notice is given to the Company, a copy (which shall not constitute a notice) shall also be sent to Herzog Fox & Neeman, Asia House, 4 Weizmann St., Tel Aviv 6423904 Israel, Attn: Ran Hai or Itay Lavi, ranh@hfn.co.il, lavii@hfn.co.il, and if notice is given to L Catterton, a copy (which shall not constitute a notice) shall also be given to Barack Ferrazzano Kirschbaum & Nagelberg LLP, 200 West Madison Street, Suite 3900, Chicago, Illinois 60606, Attn: Andrew R. Grossmann, Esq., andrew.grossmann@bfkn.com.

3.6 Amendments and Waivers. Any term of this Agreement may be amended and the observance of any term of this Agreement may be waived (either generally or in a particular instance, and either retroactively or prospectively) only with the written consent of the Company and the Investors;. No waivers of or exceptions to any term, condition, or provision of this Agreement, in any one or more instances, shall be deemed to be or construed as a further or continuing waiver of any such term, condition, or provision.

3.7 Severability. In case any one or more of the provisions contained in this Agreement is for any reason held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Agreement, and such invalid, illegal, or unenforceable provision shall be reformed and construed so that it will be valid, legal, and enforceable to the maximum extent permitted by law.

3.8 Entire Agreement. This Agreement constitutes the full and entire understanding and agreement among the parties with respect to the subject matter hereof, and any other written or oral agreement relating to the subject matter hereof existing between the parties is expressly canceled.

3.9 Dispute Resolution. Any unresolved controversy or claim arising out of or relating to this Agreement shall be submitted to arbitration at the request of, and upon written notice by, any disputing Party and shall be finally determined by arbitration pursuant to the rules of the London Court of International Arbitration ("**LCIA**") which rules are deemed to be incorporated by reference into this clause. The seat or legal place of arbitration shall be London, England, and the arbitration proceedings shall take place in London, England, before a panel of by one arbitrator mutually agreed upon by the Parties. If no agreement can be reached within fourteen (14) days after names of potential arbitrators have been proposed by the LCIA, the dispute shall be submitted to one arbitrator having reasonable experience in corporate finance transactions of the type provided for in this Agreement and shall be chosen by the LCIA in accordance with its rules. The decision of the arbitrator shall be binding and final on all the parties and not be subject to any appeal under any Law governing such procedures in respect of such arbitration proceedings. If any witness required for such proceedings is located in a jurisdiction outside of London (a "**Remote Location**"), the relevant Parties will meet with the arbitrator at the time of the proceeding to agree on an acceptable process of obtaining such witness's testimony, which may include taking testimony in such Remote Location via a live hearing, video or other recording, video conference or affidavit. The prevailing party shall be entitled to reasonable attorney's fees, costs, and necessary disbursements in addition to any other relief to which such party may be entitled, provided however that: (i) the prevailing party's entitlement for reimbursement of attorney's fees, costs and disbursements shall be linked to the proportion of such party's success in the arbitration, such that such party's entitlement to reimbursement shall be equal to its reasonable attorney's fees, costs and disbursements multiplied by a fraction (expressed as a percentage), the numerator of which is equal to the actual monetary award determined pursuant to the arbitration, and the denominator of which is equal to the initiating party's monetary claim. For example, if L Catterton's claim is for a monetary damage of US$ 500,000 and the arbitration award is for US$ 100,000, then L Catterton's entitlement for reimbursement as aforementioned shall be 20% of its reasonable attorney's fees, costs and disbursements; and (ii) in any event any such reimbursement of attorney's fees, costs and disbursements shall be limited to a maximum amount of US$ 500,000. For the avoidance of doubt and notwithstanding the foregoing, this provision does not limit any party's right to seek enforcement of an arbitral award in any court having jurisdiction over the subject-matter and the parties.

3.10 Delays or Omissions. No delay or omission to exercise any right, power, or remedy accruing to any party under this Agreement, upon any breach or default of any other party under this Agreement, shall impair any such right, power, or remedy of such non-breaching or non-defaulting party, nor shall it be construed to be a waiver of or acquiescence to any such breach or default, or to any similar breach or default thereafter occurring, nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring. All remedies, whether under this Agreement or by law or otherwise afforded to any party, shall be cumulative and not alternative.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

IL MAKIAGE COSMETICS, (2013) LTD.

By: /s/ Oran Holtzman
Name: Oran Holtzman
Title: CEO

Address: 8 Haharash St., Tel Aviv, Israel
Fax: +972-8-9298000
Email: oran@ilmakiage.com

LCGP3 PRO MAKEUP, L.P.

By: CGP3 Managers, L.L.C., its general partner

Name:
Title:

Address: 599 West Putnam Avenue
Greenwich, CT 06830
Fax: +1-203-629-4903
Email: michaelf@catterton.com

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

IL MAKIAGE COSMETICS (2013) LTD.

By: _____
Name: _____
Title: _____

Address: _____
_____
_____

Fax: _____
Email: _____

LCGP3 PRO MAKEUP, L.P.
By: CGP3 Managers, L.L.C.
Its: General Partner

By: /s/ Michael Farello
Name: Michael Farello
Title: Authorized Person

Address: 599 West Putnam Avenue
Greenwich, CT 06830
Fax: 203-629-4903
Email: michaelf@catterton.com

IL MAKIAGE INVESTMENTS L.P.

By: /s/ Oran holtzman
Name: Oran Holtzman
Title: CEO

Address: 8 Haharash St., Tel Aviv, Israel
Fax: +972-8-9298000
Email: oran@ilmakiage.com

ORAN SHILO INVESTMENTS L.P.

By: /s/ Oran holtzman
Name: Oran Holtzman
Title: CEO

Address: 8 Haharash St., Tel Aviv, Israel
Fax: +972-8-9298000
Email: oran@ilmakiage.com

Exhibit 10.1

INDEMNIFICATION AGREEMENT

THIS INDEMNIFICATION AGREEMENT (the "**Agreement**"), dated as of _____, 20__, is entered into by and between ODDITY Tech Ltd., an Israeli company whose address is 8 Haharash St., Tel-Aviv-Jaffa, Israel (the "**Company**"), and the undersigned Director or Officer of the Company whose name appears on the signature page hereto officer (the "**Indemnitee**").

WHEREAS, Indemnitee is an Office Holder ("*Nosse Misra*"), as such term is defined in the Companies Law, 5759-1999, as amended (the "**Office Holder**" and the "**Companies Law**" respectively), of the Company;

WHEREAS, both the Company and Indemnitee recognize the increased risk of litigation and other claims being asserted against Office Holders of companies having their securities publicly traded;

WHEREAS, the Amended and Restated Articles of Association of the Company (the "**Articles of Association**") authorize the Company to indemnify and advance expenses to its Office Holders and provide for insurance and exculpation to its Office Holders, in each case, to the fullest extent permitted by applicable law and subject to the limitations set out in the Company's compensation policy as shall be approved from time to time;

WHEREAS, the Company has determined that it is reasonable, prudent and necessary for the Company contractually to obligate itself to indemnify, and to advance expenses on behalf of, such persons, so that they will serve or continue to serve the Company free from undue concern that they will not be so indemnified;

WHEREAS, the entry by this Company to this Agreement was approved by the competent organs of the Company; and

WHEREAS, in recognition of Indemnitee's need for substantial protection against personal liability in order to assure Indemnitee's continued service to the Company in an effective manner and, in part, in order to provide Indemnitee with specific contractual assurance that the indemnification, insurance and exculpation afforded by the Articles of Association will be available to Indemnitee, the Company wishes to undertake in this Agreement for the indemnification of and the advancing of expenses to Indemnitee and as set forth in this Agreement and provide for insurance and exculpation of Indemnitee as set forth in this Agreement.

NOW, THEREFORE, the parties hereto agree as follows:

1. **INDEMNIFICATION.**

1.1. The Company hereby undertakes to indemnify Indemnitee to the fullest extent permitted by applicable law for any liability and expense specified in Sections 1.1.1 through 1.1.4 below, imposed on Indemnitee due to or in connection with an act performed by such Indemnitee, either prior to or after the date hereof, in Indemnitee's capacity as an Office Holder, including, without limitation, as a director, officer, employee, agent or fiduciary of the Company, any subsidiary thereof or any other corporation, collaboration, partnership, joint venture, trust or other enterprise, in which Indemnitee serves at any time at the request of the Company (the "**Corporate Capacity**"). The term "act performed in Indemnitee's capacity as an Office Holder" shall include, without limitation, any act, omission or failure to act and any other circumstances relating to or arising from Indemnitee's service in a Corporate Capacity. Notwithstanding the foregoing, in the event that the Office Holder is the beneficiary of an indemnification undertaking provided by a subsidiary of the Company or any other entity with respect to his or her Corporate Capacity with such subsidiary or entity, then the indemnification obligations of the Company hereunder with respect to such Corporate Capacity shall only apply to the extent that the indemnification by such subsidiary or other entity does not actually fully cover the indemnifiable liabilities and expenses relating thereto. The following shall be hereinafter referred to as "**Indemnifiable Events**":

1.1.1. Financial liability imposed on Indemnitee in favor of any person pursuant to a judgment, including a judgment rendered in the context of a settlement or an arbitrator's award approved by a court. For purposes of Section 1 of this Agreement, the term "**person**" shall include, without limitation, a natural person, firm, partnership, joint venture, trust, company, corporation, limited liability entity, unincorporated organization, estate, government, municipality, or any political, governmental, regulatory or similar agency or body;

1.1.2. Reasonable Expenses (as defined below) expended by Indemnitee as a result of an investigation or any proceeding instituted against the Indemnitee by an authority that is authorized to conduct such investigation or proceeding, and that was concluded without filing an indictment against the Indemnitee and without imposing on the Indemnitee a financial liability in lieu of a criminal proceeding, or that was concluded without filing an indictment against the Indemnitee but imposing a financial liability in lieu of a criminal proceeding in an offence that does not require proof of *mens rea*, or in connection with a financial sanction. In this section "conclusion of a proceeding without filing an indictment in a matter in which a criminal investigation has been instigated" and "financial liability in lieu of a criminal proceeding" shall have the meaning assigned to such terms under the Companies Law, and the term "financial sanction" shall mean such term as referred to in Section 260(a)(1a) of the Companies Law;

1.1.3. Reasonable Expenses expended by or imposed on Indemnitee by a court, in a proceeding instituted against Indemnitee by the Company or on its behalf or by another person, or in a criminal charge from which Indemnitee was acquitted or in which Indemnitee convicted of an offence that does not require proof of *mens rea*; and

1.1.4. Any other event, occurrence, matter or circumstances under any law with respect to which the Company may, or will be able to, indemnify an Office Holder (including, without limitation, in accordance with Section 56h(b)(1) of the Israeli Securities Law 5728-1968 (the "**Israeli Securities Law**"), if applicable, and Section 50P(b)(2) of the Israeli Economic Competition Law, 5758-1988 (the "**Economic Competition Law**")).

For the purpose of this Agreement, "**Expenses**" shall include, without limitation, legal fees and all other costs, expenses and obligations paid or incurred by Indemnitee in connection with investigating, defending, being a witness in or participating in (including on appeal), or preparing to defend, be a witness in or participate in any claim, action, suit, proceeding, alternative dispute resolution mechanism, hearing, inquiry or investigation relating to any matter for which indemnification hereunder may be provided. Expenses shall be considered paid or incurred by Indemnitee at such time as Indemnitee is required to pay or incur such cost or expenses, including upon receipt of an invoice or payment demand. The Company shall pay the Expenses in accordance with the provisions of Section 1.3.

1.2. Notwithstanding anything herein to the contrary, the Company's undertaking to indemnify the Indemnitee under Section 1.1.1 shall only be with respect to events described in **Exhibit A** hereto. The Board of Directors of the Company (the "**Board**") has determined that the categories of events listed in Exhibit A are foreseeable in light of the operations of the Company. The maximum amount of indemnification payable by the Company under Section 1.1.1 with respect to the specific events described in Exhibit A during any period of five years, shall be as set forth in Exhibit A hereto (the "**Limit Amount**"). If the Company undertook to indemnify multiple persons under agreements similar to this Agreement (the "**Indemnifiable Persons**") the Limit Amount for the five year period commencing on the closing of the first issuance and sale of the Company's ordinary shares to the public, pursuant to an effective registration statement under the United States Securities Act 1933, as amended, or the securities law of any other jurisdiction, and for every subsequent five year period, shall apply to all Indemnifiable Persons, in the aggregate, and if the Limit Amount is insufficient to cover all the indemnity amounts payable with respect to all Indemnifiable Persons during the relevant five year period, then such amount shall be allocated to such Indemnifiable Persons pro rata according to the percentage of their culpability, as finally determined by a court in the relevant claim, or, absent such determination or in the event such persons are parties to different claims, based on an equal pro rata allocation among such Indemnifiable Persons. The Limit Amount payable by the Company as described in Exhibit A is deemed by the Company to be reasonable in light of the circumstances. The indemnification provided under Section 1.1.1 herein shall not be subject to the limitations imposed by this Section 1.2 and Exhibit A if and to the extent such limits do not or are no longer required by the Companies Law.

1.3. If so requested by Indemnitee in writing, and subject to the Company's repayment and reimbursements rights set forth in Sections 3 and 5 below, the Company shall pay amounts to cover Indemnitee's Expenses with respect to which Indemnitee is entitled to be indemnified under Section 1.1 above, as and when incurred. The payments of such amounts shall be made by the Company directly to the Indemnitee's legal and other advisors, as soon as practicable, but in any event no later than fifteen (15) days after written demand by such Indemnitee therefor to the Company, and any such payment shall be deemed to constitute indemnification hereunder. As part of the aforementioned undertaking, the Company will make available to Indemnitee any security or guarantee that Indemnitee may be required to post in accordance with an interim decision given by a court, governmental or administrative body, or an arbitrator, including for the purpose of substituting liens imposed on Indemnitee's assets.

1.4. The Company's obligation to indemnify Indemnitee and advance Expenses in accordance with this Agreement shall be for such period (the "**Indemnification Period**") as Indemnitee shall be subject to any actual, possible or threatened claim, action, suit, demand or proceeding or any inquiry or investigation, whether civil, criminal or investigative, arising out of the Indemnitee's service in the Corporate Capacity as described in Section 1.1 above, whether or not Indemnitee is still serving in such position.

1.5. The Company undertakes that, subject to the mandatory limitations under applicable law, as long as it may be obligated to provide indemnification and advance Expenses under this Agreement, the Company will purchase and maintain in effect directors and officers liability insurance, which will include coverage for the benefit of the Indemnitee, providing coverage in amounts as reasonably determined by the Board; provided that, the Company shall have no obligation to obtain or maintain directors and officers insurance policy if the Company determines in good faith that such insurance is not reasonably available, the premium costs for such insurance are disproportionate to the amount of coverage provided, or the coverage provided by such insurance is so limited by exclusions that it provides an insufficient benefit. The Company hereby undertakes to notify the Indemnitee 30 days prior to the expiration or termination of the directors and officers liability insurance.

1.6. The Company undertakes to give prompt written notice of the commencement of any claim hereunder to the insurers in accordance with the procedures set forth in each of the policies. The Company shall thereafter diligently take actions reasonably necessary under the circumstances to cause such insurers to pay, on behalf of Indemnitee, all amounts payable as a result of such action, suit, proceeding, inquiry or investigation in accordance with the terms of such policies. The above shall not derogate from Company's authority to freely negotiate or reach any compromise with the insurer which is reasonable at the Company's sole discretion provided that the Company shall act in good faith and in a diligent manner.

1.7. This agreement and the undertakings of the Company thereunder replace and come in lieu of any previous undertakings and agreements between the Company and the Office Holder relating to the indemnification of the Office Holder by the Company and such agreements and undertakings shall be terminated and shall have no force or effect starting from the date of this Agreement.

2. SPECIFIC LIMITATIONS ON INDEMNIFICATION.

Notwithstanding anything to the contrary in this Agreement, the Company shall not indemnify or advance Expenses to Indemnitee with respect to (i) any act, event or circumstance with respect to which it is prohibited to do so under applicable law, or (ii) a counter claim made by the Company or in its name in connection with a claim against the Company filed by the Indemnitee.

3. REPAYMENT OF EXPENSES.

3.1. In the event that the Company provides or is required to provide indemnification with respect to Expenses hereunder and at any time thereafter the Company determines, based on advice from its legal counsel, that the Indemnitee was not entitled to such payments, the amounts so indemnified by the Company will be promptly repaid by Indemnitee, unless the Indemnitee disputes the Company's determination, in which case the Indemnitee's obligation to repay to the Company shall be postponed until such dispute is resolved.

3.2. Indemnitee's obligation to repay to the Company for any Expenses or other sums paid hereunder shall be deemed as a loan given to Indemnitee by the Company subject to the minimum interest rate prescribed by Section 3(9) of the Income Tax Ordinance [New Version], 1961, or any other legislation replacing it, which is not considered a taxable benefit.

4. SUBROGATION.

In the event of payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee, who shall execute all documents required and shall do everything that may be necessary to secure such rights, including the execution of such documents necessary to enable the Company effectively to bring suit to enforce such rights.

5. REIMBURSEMENT.

The Company shall not be liable under this Agreement to make any payment in connection with any Indemnifiable Event to the extent Indemnitee has otherwise actually received payment under any insurance policy or otherwise (without any obligation of Indemnitee to repay any such amount) of the amounts otherwise indemnifiable hereunder. Any amounts paid to Indemnitee under such insurance policy or otherwise after the Company has indemnified Indemnitee for such liability or Expense shall be repaid to the Company promptly upon receipt by Indemnitee, in accordance with the terms set forth in Section 3.2.

The Company hereby acknowledges that the Indemnitee has now or may have in the future certain rights to indemnification, advancement of expenses and/or insurance provided by third parties (the "**Third Party Indemnitor**"), and the Company hereby agrees (i) that the Company is the indemnitor of first resort (i.e., its obligations to the Indemnitee are primary and any obligation of any Third Party Indemnitor to advance expenses or to provide indemnification for the same expenses or liabilities incurred by the Indemnitee are secondary), (ii) it shall be required to advance the full amount of expenses incurred by the Indemnitee and shall be liable for the full amount of all expenses, judgments, penalties, fines and amounts paid in settlement to the fullest extent legally permitted and as required by the terms of this Agreement and/or the Articles of Association (or any other agreement between the Company and the Indemnitee), without regard to any rights the Indemnitee may have against the Third Party Indemnitors, and (iii) that it irrevocably waives, relinquishes and releases any Third Party Indemnitor from any and all claims against any Third Party Indemnitor for contribution, subrogation or any other recovery of any kind of respect of the subject matters of this Agreement. Without altering or expanding any of the Company's indemnification obligations hereunder, the Company further agrees that no advancement or payment by any Third Party Indemnitor on the Indemnitee's behalf with respect to any claim for which Indemnitee has sought indemnification from the Company shall affect the foregoing and any Third Party Indemnitor shall have a right of contribution and/or be subrogated to the extent of such advancement or payment to all of the rights of recovery of the Indemnitee against the Company. The Company and the Indemnitee agree that the Third Party Indemnitors are express third party beneficiaries of the terms of this Section 5.

6. EFFECTIVENESS.

The Company represents and warrants that this Agreement is valid, binding and enforceable in accordance with its terms and was duly adopted and approved by the Company, and shall be in full force and effect immediately upon its execution.

7. NOTIFICATION AND DEFENSE OF CLAIM.

Indemnitee shall notify the Company of the commencement of any action, suit or proceeding, and of the receipt of any notice or threat that any such legal proceeding has been or shall or may be initiated against Indemnitee (including any proceedings by or against the Company and any subsidiary thereof), promptly upon Indemnitee first becoming so aware; but the omission so to notify the Company will not relieve the Company from any liability which it may have to Indemnitee under this Agreement unless and to the extent that such failure to provide notice prejudices the Company's ability to defend such action. Notice to the Company shall be directed to the Chief Executive Officer or Chief Financial Officer of the Company at the address shown in the preamble to this Agreement (or such other address as the Company shall designate in writing to Indemnitee). With respect to any such action, suit or proceeding as to which Indemnitee notifies the Company of the commencement thereof and without derogating from Sections 1.1 and 2:

7.1. The Company will be entitled to participate therein at its own expense.

7.2. Except as otherwise provided below, the Company, alone or jointly with any other indemnifying party similarly notified, will be entitled to assume the defense thereof, with counsel selected by the Company. Indemnitee shall have the right to employ his or her own counsel in such action, suit or proceeding, but the fees and expenses of such counsel incurred after notice from the Company of its assumption of the defense thereof shall be at the expense of Indemnitee, unless: (i) the employment of counsel by Indemnitee has been authorized in writing by the Company; (ii) the Company, in good faith, reasonably concluded that there may be a conflict of interest between the Company and Indemnitee in the conduct of the defense of such action; or (iii) the Company has not in fact employed counsel to assume the defense of such action within reasonable time, in which cases the reasonable fees and expenses of Indemnitee's counsel shall be at the expense of the Company. The Company shall not be entitled to assume the defense of any action, suit or proceeding brought by or on behalf of the Company or as to which Indemnitee and the Company shall have reached the conclusion specified in (ii) above.

7.3. The Company shall not be liable to indemnify Indemnitee under this Agreement for any amounts or expenses paid in connection with a settlement of any action, claim or otherwise, effected without the Company's prior written consent.

7.4. The Company shall have the right to conduct the defense as it sees fit in its sole discretion (provided that the Company shall conduct the defense in good faith and in a diligent manner), including the right to settle or compromise any claim or to consent to the entry of any judgment against Indemnitee without the consent of the Indemnitee, provided that, the amount of such settlement, compromise or judgment does not exceed the Limit Amount (if applicable) and is fully indemnifiable pursuant to this Agreement (subject to Section 1.2 of this Agreement) and/or applicable law, and any such settlement, compromise or judgment does not impose any penalty or limitation on Indemnitee without the Indemnitee's prior written consent. The Indemnitee's consent shall not be required if the settlement includes a complete release of Indemnitee, does not contain any admission of wrong-doing by Indemnitee, and includes monetary sanctions only as provided above. In the case of criminal proceedings the Company and/or its legal counsel will not have the right to plead guilty or agree to a plea-bargain in the Indemnitee's name without the Indemnitee's prior written consent. Neither the Company nor Indemnitee will unreasonably withhold or delay their consent to any proposed settlement.

7.5. Indemnitee shall fully cooperate with the Company and shall give the Company all information and access to documents, files and to his or her advisors and representatives as shall be within Indemnitee's power, in every reasonable way as may be required by the Company with respect to any claim which is the subject matter of this Agreement and in the defense of other claims asserted against the Company (other than claims asserted by Indemnitee), provided that the Company shall cover all expenses, costs and fees incidental thereto such that the Indemnitee will not be required to pay or bear such expenses, costs and fees.

8. EXCULPATION.

Subject to the provisions of the Companies Law, the Company hereby releases, in advance, the Office Holder from liability for any damage that arises from the breach of the Office Holder's duty of care (within the meaning of such terms under Sections 252 and 253 of the Companies Law), other than breach of the duty of care towards the Company in a distribution (as such term is defined in the Companies Law).

9. PARTIAL INDEMNIFICATION.

If Indemnitee is entitled under any provision of this Agreement to indemnification by the Company for some or a portion of the expenses, judgments, fines or penalties actually or reasonably incurred by Indemnitee in connection with any proceedings, but not, however, for the total amount thereof, the Company shall nevertheless indemnify Indemnitee for the portion of such expenses, judgments, fines or penalties to which Indemnitee is entitled under any provision of this Agreement. Subject to the provisions of Section 5 above any amount received by Indemnitee (under any insurance policy or otherwise) shall not reduce the Limit Amount hereunder and shall not derogate from the Company's obligation to indemnify the Indemnitee in accordance with the provisions of this Agreement up to the Limit Amount, as set forth in Section 1.2.

10. BINDING EFFECT.

This Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties hereto and their respective successors and permitted assigns. In the event of a merger or consolidation of the Company or a transfer or disposition of all or substantially all of the business or assets of the Company, the Indemnitee shall be entitled to the same indemnification and insurance provisions as the most favorable indemnification and insurance provisions afforded to the then-serving Office Holders of the Company. In the event that in connection with such transaction the Company purchases a directors and officers' "tail" or "run-off" policy for the benefit of its then serving Office Holders, then such policy shall cover Indemnitee and such coverage shall be deemed to be in satisfaction of the insurance requirements under this Agreement. This Agreement shall continue in effect during the Indemnification Period regardless of whether Indemnitee continues to serve in a Corporate Capacity.

Any amendment to the Companies Law, the Israeli Securities Law, the Economic Competition Law or other applicable law adversely affecting the right of the Indemnitee to be indemnified, insured or released pursuant hereto shall be prospective in effect, and shall not affect the Company's obligation or ability to indemnify or insure the Indemnitee for any act or omission occurring prior to such amendment, unless otherwise provided by applicable law.

11. SEVERABILITY.

The provisions of this Agreement shall be deemed severable and the invalidity or unenforceability of any provision shall not affect the validity or enforceability of the other provisions hereof. If any provision of this Agreement, or the application thereof or any circumstance, is invalid or unenforceable, (a) a suitable and equitable provision shall be substituted therefor in order to carry out, so far as may be valid and enforceable, the intent and purpose of such invalid or unenforceable provision and (b) the remainder of this Agreement and the application of such provision or circumstances shall not be affected by such invalidity or unenforceability, nor shall such invalidity or unenforceability affect the validity or enforceability of such provision, or the application thereof, in any other jurisdiction.

12. NOTICE.

All notices and other communications pursuant to this Agreement shall be in writing and shall be deemed provided if delivered personally, telecopied, sent by electronic facsimile, email, reputable overnight courier or mailed by registered or certified mail (return receipt requested), postage prepaid, to the parties at the addresses shown in the preamble to this Agreement, or to such other address as the party to whom notice is to be given may have furnished to the other party hereto in writing in accordance herewith. Any such notice or communication shall be deemed to have been delivered and received (i) in the case of personal delivery, on the date of such delivery, (ii) in the case of telecopier or an electronic facsimile or email, one business day after the date of transmission if confirmation of receipt is received, (iii) in the case of a reputable overnight courier, three business days after deposit with such reputable overnight courier service, and (iv) in the case of mailing, on the seventh business day following that on which the mail containing such communication is posted.

13. GOVERNING LAW; JURISDICTION.

This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Israel, without giving effect to the conflicts of law provisions of those laws. The Company and Indemnitee each hereby irrevocably consent to the exclusive jurisdiction and venue of the courts of Tel Aviv, Israel for all purposes in connection with any action or proceeding which arises out of or relates to this Agreement.

14. ENTIRE AGREEMENT.

This Agreement represents the entire agreement between the parties and supersedes any other agreements, contracts or understandings between the parties, whether written or oral, with respect to the subject matter of this Agreement.

15. NO MODIFICATION AND NO WAIVER.

No supplement, modification or amendment, termination or cancellation of this Agreement shall be binding unless executed in writing by both of the parties hereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions hereof (whether or not similar) nor shall such waiver constitute a continuing waiver. Any waiver shall be in writing. The Company hereby undertakes not to amend its Articles of Association in a manner which will adversely affect the provisions of this Agreement.

16. ASSIGNMENTS; NO THIRD PARTY RIGHTS

Neither party hereto may assign any of its rights or obligations hereunder except with the express prior written consent of the other party. Nothing herein shall be deemed to create or imply an obligation for the benefit of a third party, except as set forth in Section 5. Without limitation of the foregoing, nothing herein shall be deemed to create any right of any insurer that provides directors and officers' liability insurance, to claim, on behalf of Indemnitee, any rights hereunder.

17. INTERPRETATION; DEFINITIONS.

Unless the context shall otherwise require: words in the singular shall also include the plural, and vice versa; any pronoun shall include the corresponding masculine, feminine and neuter forms; the words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation"; the words "herein", "hereof" and "hereunder" and words of similar import refer to this Agreement in its entirety and not to any part hereof; all references herein to Sections or clauses shall be deemed references to Sections or clauses of this Agreement; any references to any agreement or other instrument or law, statute or regulation are to it as amended, supplemented or restated, from time to time (and, in the case of any law, to any successor provisions or re-enactment or modification thereof being in force at the time); any reference to "law" shall include any supranational, national, federal, state, local, or foreign statute or law and all rules and regulations promulgated thereunder; any reference to a "day" or a number of "days" (without any explicit reference otherwise, such as to business days) shall be interpreted as a reference to a calendar day or number of calendar days; reference to month or year means according to the Gregorian calendar; reference to a "company", "corporate body" or "entity" shall include a, partnership, firm, company, corporation, limited liability company, association, joint venture, trust, unincorporated organization, estate, or a government municipality or any political, governmental, regulatory or similar agency or body, and reference to a "person" shall mean any of the foregoing or a natural person.

18. COUNTERPARTS

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and enforceable against the parties actually executing such counterpart, and all of which together shall constitute one and the same instrument; it being understood that parties need not sign the same counterpart. The exchange of an executed Agreement (in counterparts or otherwise) by facsimile or by electronic delivery in pdf format shall be sufficient to bind the parties to the terms and conditions of this Agreement, as an original.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties, each acting under due and proper authority, have executed this Indemnification Agreement as of the date first mentioned above, in one or more counterparts.

ODDITY Tech Ltd.

By: _____

Name and title: _____

Indemnitee:

Name: _____

Signature: _____

Address: _____

EXHIBIT A*

CATEGORY OF INDEMNIFIABLE EVENT

1. Matters, events, occurrences or circumstances in connection or associated with employment relationships with employees or consultants or any employee union or similar or comparable organization.

2. Matters, events, occurrences or circumstances in connection or associated with business relations of any kind between the Company and its employees, independent contractors, customers, suppliers, partners, distributors, agents, resellers, representatives, licensors, licensees, service providers and other business associates.

3. Negotiations, execution, delivery and performance of agreements of any kind or nature and any decisions or deliberations relating to actions or omissions relating to the foregoing; any acts, omissions or circumstances that do or may constitute or are alleged to constitute anti-competitive acts, acts of commercial wrongdoing, or failure to meet any standard of conduct which is or may be applicable to such acts, omissions or circumstances.

4. Approval of and recommendation or information provided to shareholders with respect to any and all corporate actions, including the approval of the acts of the Company's management, their guidance and their supervision, matters relating to the approval of transactions with Office Holders (including, without limitation, all compensation related matters) or shareholders, including controlling persons and claims and allegations of failure to exercise business judgment, reasonable level of proficiency, expertise, care or any other applicable standard, with respect to the foregoing or otherwise with respect to the Company's business, strategy, operations and prospective outlook, and any discussions, deliberations, reviews or other preparatory or preliminary phases relating to any of the foregoing.

5. Violation, infringement, misappropriation, dilution and other misuse of copyrights, patents, designs, trade secrets, confidential information, proprietary information and any intellectual property rights, acts in connection with the registration, assertion or protection of rights to intellectual property and the defense of claims related to intellectual property, breach of confidentiality obligations, acts in regard of invasion of privacy or any violation of privacy or privacy related right or regulation, including with respect to databases or handling, collection or use of private information, acts in connection with slander and defamation, and claims in connection with publishing or providing any information, including any filings with any governmental authorities, whether or not required under any applicable laws.

6. Violations of or failure to comply with securities laws, and any regulations or other rules promulgated thereunder, of any jurisdiction, including without limitation, claims under the U.S. Securities Act of 1933 or the U.S. Exchange Act of 1934 or under the Israeli Securities Law, fraudulent disclosure claims, failure to comply with any securities authority or any stock exchange disclosure or other rules and any other claims relating to relationships with investors, debt holders, shareholders, optionholders, holders of any other equity or debt instrument of the Company, and otherwise with the investment community (including without limitation any such claims relating to a merger, acquisition, change in control transaction, issuance of securities, restructuring, spin out, spin off, divestiture, recapitalization or any other transaction relating to the corporate structure or organization of the Company); claims relating to or arising out of financing arrangements, any breach of financial covenants or other obligations towards investors, lenders or debt holders, class actions, violations of laws requiring the Company to obtain regulatory and governmental licenses, permits and authorizations in any jurisdiction, including in connection with disclosure, offering or other transaction related documents; actions taken in connection with the issuance, purchase, holding or disposition of any type of securities of Company, including, without limitation, the grant of options, warrants or other rights to purchase any of the same or any offering of the Company's securities (whether on behalf of the Company or on behalf of any holders of securities of the Company) to private investors, underwriters, resellers or to the public, and listing of such securities, or the offer by the Company to purchase securities from the public or from private investors or other holders, and any undertakings, representations, warranties and other obligations related to any of the foregoing or to the Company's status as a public company or as an issuer of securities.

7. Liabilities arising in connection with any products or services developed, distributed, rendered, sold, provided, licensed or marketed by the Company or any Affiliate thereof, and any actions or omissions in connection with the distribution, provision, sale, marketing, license or use of such products or services, including without limitation in connection with professional liability and product liability claims or regulatory or reputational matters.

8. The offering of securities by the Company (whether on behalf of itself or on behalf of any holder of securities and any other person) to the public and/or to offerees or the offer by the Company to purchase securities from the public and/or from private investors or other holders pursuant to a prospectus, offering documents, agreements, notices, reports, tenders and/or other processes.

9. Events, facts or circumstances in connection with change in ownership or in the structure of the Company, its reorganization, dissolution, winding up, any other arrangements concerning creditors rights, merger, change in control, issuances of securities, restructuring, spin out, spin off, divestiture, recapitalization or any other transaction relating to the corporate structure or organization of the Company, and the approval of failure to approve of any corporate actions and any matters relating to corporate governance, capital structure, articles of association or other charter or governance documents, appointment or dismissal of office holders or compensation thereof and appointment or dismissal of auditors, internal auditor or any other person performing any services for the Company.

10. Any claim or demand made in connection with any transaction not in the ordinary course of business of the Company, as well as the sale, lease, purchase or acquisition of, or the receipt or grant of any rights with respect to, any assets or business.

11. Any claim or demand made by any third party suffering any personal injury and/or bodily injury or damage to business or personal property or any other type of damage through any act or omission attributed to the Company, or its employees, agents or other persons acting or allegedly acting on its behalf, including, without limitation, failure to make proper safety arrangements for the Company or its employees and liabilities arising from any accidental or continuous damage or harm to the Company's employees, its contractors, its guests and visitors as a result of an accidental or continuous event, or employment conditions, permanent or temporary, in the Company's offices.

12. Any claim or demand made directly or indirectly in connection with complete or partial failure, by the Company or its directors, officers and employees, to pay, report, keep applicable records or otherwise, of any local or foreign federal, state, county, municipal or city taxes or other taxes or compulsory payments of any nature whatsoever, including, without limitation, income, sales, use, transfer, excise, value added, registration, severance, stamp, occupation, customs, duties, real property, personal property, capital stock, social security, unemployment, disability, payroll or employee withholding or other withholding, including any interest, penalty or addition thereto, whether disputed or not.

13. Any administrative, regulatory, judicial or civil actions orders, decrees, suits, demands, demand letters, directives, claims, liens, investigations, proceedings or notices of noncompliance or violation by any governmental entity or other person alleging potential responsibility or liability (including potential responsibility or liability for costs of enforcement investigation, cleanup, governmental response, removal or remediation, for natural resources damages, property damage, personal injuries or penalties or for contribution, indemnification, cost recovery, compensation or injunctive relief) arising out of, based on or related to (a) the presence of, release, spill, emission, leaning, dumping, pouring, deposit, disposal, discharge, leaching or migration into the environment (each a "**Release**") or threatened Release of, or exposure to, any hazardous, toxic, explosive or radioactive substances, wastes or other pollutants, including petroleum or petroleum distillates, asbestos or asbestos-containing material, polychlorinated biphenyls ("**PCBs**") or PCB-containing materials or equipment, radon gas, infectious or medical wastes and all other substances or wastes of any nature regulated pursuant to any environmental law, at any location, whether or not owned, operated, leased or managed by the Company or any of its subsidiaries, or (b) circumstances forming the basis of any violation of any environmental law or environmental permit, license, registration or other authorization required under applicable environmental law.

14. Any administrative, regulatory or judicial actions, orders, decrees, suits, demands, demand letters, directives, claims, liens, investigations, proceedings or notices of noncompliance or violation by any governmental or regulatory entity or authority or any other person alleging the failure to comply with any statute, law, ordinance, rule, regulation, order or decree of any governmental entity applicable to the Company or any of its businesses, assets or operations, or the terms and conditions of any operating certificate or licensing agreement.

15. Participation and/or non-participation at Company Board meetings, expression of opinion or view and/or voting and/or abstention from voting at Company Board meetings, including, in each case, any committee thereof, as well as expression of opinion publicly in connection with the service as an Office Holder.

16. Review and approval of the Company’s financial statements and any specific items or matters within, including any action, consent or approval related to or arising from the foregoing, including, without limitations, engagement of or execution of certificates for the benefit of third parties related to the financial statements.

17. Violation of laws, rules or regulations requiring the Company to obtain regulatory and governmental licenses, permits and authorizations (including without limitation relating to export, import, encryption, antitrust or competition authorities) or laws related to any governmental grants in any jurisdiction.

18. Resolutions and/or actions relating to investments in the Company and/or its subsidiaries and/or affiliated companies and/or investment in corporate or other entities and/or investments in other traded or non-traded securities and/or any other form of investment.

19. Liabilities arising out of advertising, including misrepresentations regarding the Company's products or services and unlawful distribution of emails.

20. Management of the Company’s bank accounts, including money management, foreign currency deposits, securities, loans and credit facilities, credit cards, bank guarantees, letters of credit, consultation agreements concerning investments including with portfolio managers, hedging transactions, options, futures, and the like.

21. All actions, consents and approvals, including any prior discussions, reviews and deliberations, relating to a distribution of dividends, in cash or otherwise, or to any other "distribution" as such term is defined under the Companies Law.

22. Any administrative, regulatory, judicial, civil or criminal, actions orders, decrees, suits, demands, demand letters, directives, claims, liens, investigations, proceedings or notices of noncompliance, violation or breaches alleging potential responsibility, liability, loss or damage (including potential responsibility or liability for costs of enforcement, investigation, cleanup, governmental response, removal or remediation, property damage or penalties, or for contribution, indemnification, cost recovery, compensation or injunctive relief), whether alleged or claimed by customers, consumers, regulators, shareholders or others, arising out of, based on or related to: (a) cyber security, cyberattacks, data loss or breaches, unauthorized access to information, data, or databases (including but not limited to any personally identifiable information or private health information) and use or disclosure of information contained therein, not preventing or detecting the breach or failing to otherwise disclose or respond to the breach; (b) circumstances forming the basis of any violation of any law, permit, license, registration or other authorization required under applicable law governing data security, data protection, network security, information systems, privacy or any cyber environment (including, users, networks, devices, software, processes, information systems, databases, information in storage or transit, applications, services, and systems that can be connected directly or indirectly to networks); (c) failure to implement a reporting system or control, or failure to monitor or oversee the operation of such a system; (d) data destruction, extortion, theft, hacking, and denial of service attacks; losses or liabilities to others caused by errors and omissions, failure to safeguard data or defamation; or (e) security-audit, post-incident public relations and investigative expenses, criminal reward funds, data breach/privacy crisis management (including, management of an incident, investigation, remediation, data subject notification, call management, credit checking for data subjects, legal costs, court attendance and regulatory fines), extortion liability (including, losses due to a threat of extortion, professional fees related to dealing with the extortion), or network security liability (including, losses as a result of denial of access, costs related to data on third-parties and costs related to the theft of data on third-party systems).

The Limit Amount for all Indemnifiable Persons during each relevant period referred to in Section 1.2 of the Indemnification Agreement for all events described in this Exhibit A (in Sections 1-22 (inclusive) above), shall be the greater of:

(a) twenty-five percent (25%) of the Company's total shareholders' equity according to the Company's most recent financial statements as of the occurrence of the indemnifiable event;

(b) USD 25 million;

* Any reference in this Exhibit A to the Company shall include the Company and any entity in which the Indemnitee serves in a Corporate Capacity.

Exhibit 10.2

Final

IL Makiage Cosmetics (2013) Ltd. - 2020 Equity Incentive Plan

1. Name. This plan, as adopted by the Board of Directors of IL Makiage Cosmetics (2013) Ltd., (the "Company") on April 1, 2020, and as amended from time to time, shall be known as the "IL Makiage Cosmetics (2013) Ltd. 2020 Equity Incentive Plan" (the "Plan").

2. Purpose of the Plan. The purposes of this Plan are to enable the Company to link the compensation and benefits of individuals and entities providing services to the Company and/or its Affiliates (including Directors) with the success of the Company and with long-term shareholder value and to attract such new individuals and entities to provide services to the Company and/or its Affiliates which the Company and/or its Affiliates shall decide their services are considered valuable.

3. Headings and Definitions

3.1. The section headings are intended solely for the reader's convenience and in no event shall they constitute a basis for the interpretation of the Plan.

3.2. In this Plan, the following terms shall have the meanings set forth beside them:

"*Affiliate*"	Corporate entities who are related to the Company by way of common ownership or control, as such term is defined in section 32(9) of the Ordinance, either directly or indirectly, either partially or entirely, including but not limited to any "employing company" and "employer" as defined in Section 102(a) of the Ordinance;
"*Applicable Law*"	The legal requirements applicable to the administration of equity incentive plans, any applicable laws, rules and regulations of any country or jurisdiction where Awards are granted under the Plan, as such laws, rules, regulations and requirements shall be in place from time to time including any Stock Exchange rules or regulations;
"*Approved Award*"	An Award granted under Section 102(b)(2) of the Ordinance, in accordance with the "capital gain tax route", and other rights granted or issued with respect to such Award;
"*Award*"	An Option or Share Award;
"*Award Agreement*"	A written agreement between the Company and a Participant or a notice provided by the Company setting forth the terms and conditions under which Awards are granted to a Participant;
"*Board*"	The Company's Board of Directors, or, subject to Applicable Law and the Company's incorporation documents, including the Articles of Association, any committee empowered by the Board for the purpose of implementation of this Plan (or any aspect thereof);

"*Cause*"	Irrespective of any definition included in any other document held by a Participant and unless otherwise determined by the Board in the Participant's Award Agreement, the term Cause shall include any of the following- (a) A breach of any material provision of the employment or engagement agreement between the Company or an Affiliate and a Participant and any restrictive covenant provision the Participant is obligated to comply with, including but not limited to, a breach of any confidentiality duty of a Participant (including in regards to the confidentiality of this Plan and any grant made thereunder), inappropriate use of confidential information of the Company or an Affiliate or an event of breach of trust or breach of any non-competition obligation of a Participant; (b) Any act which constitutes a breach of a Participant's fiduciary duty towards the Company or an Affiliate, including without limitation disclosure of confidential information of the Company or an Affiliate and acceptance or solicitation to receive unauthorized or undisclosed benefits, irrespective of their nature, or funds or promises to receive either, from individuals, Consultants or corporate entities that the Company or an Affiliate does business with; (c) Any act of fraud by a Participant or embezzlement of funds of the Company or an Affiliate; (d) Any conduct or omission by, or state of affairs related to, the Participant reasonably determined by the Board to be materially detrimental to, or against the interests of, the Company or an Affiliate; (e) Any conviction of any felony involving moral turpitude or affecting the Company or an Affiliate; (f) Circumstances justifying the revocation and/or reduction of a Participant's entitlement to severance pay under Applicable Law, including where relevant, pursuant to Sections 16 or 17 of the Severance Pay Law, 1963; or (g) Any other reason which is defined as Cause in the Participant's personal employment contract; For the avoidance of doubt it is clarified that the determination as to whether a Participant is being terminated for Cause shall be made in good faith by the Board and shall be final and binding on the Participant;
"*Company*"	IL Makiage Cosmetics (2013) Ltd., a company incorporated under the laws of the state of Israel, or any Successor Company resulting from the merger or consolidation of the Company in which the Company is not the surviving entity, or any company which assumes the Plan within any M&A Transaction or Structural Change;

"Consultant"	Shall mean any person or entity, except an Employee, engaged by the Company or an Affiliate, in order to render services to such company, including any individual engaged by an entity providing services to the Company or an Affiliate as aforementioned and any director of the Company or any Affiliate;
"Controlling Shareholder"	A controlling shareholder of the Company as defined in section 32(9) of the Ordinance, as amended from time to time;
"Director"	Shall mean anyone serving on the board of directors of the Company or any Affiliate;
"Employee"	Shall mean any person, who has signed an employment agreement and has commenced employment with the Company or any Affiliate, or anyone who is on the payroll of such company and specifically excluding anyone who may under Applicable Law be deemed an employee of the Company or an Affiliate if an employment agreement was not signed and he is not on the payroll of such company. Solely in respect of Approved Awards, this term shall include any officer or a Director of the Company or Israeli resident Affiliate all in accordance with Section 102;
"Exercise Price"	Shall mean the consideration required to be paid by a Participant in order to exercise an Option and to purchase one Share;
"Expiration Date"	With respect to an Option, and unless otherwise determined in the Option Agreement, the earlier of (i) the time such Option is fully exercised, or (ii) ten (10) years from the Grant Date of such Option, or (ii) the time on which such Option expires in accordance with Sections 11 and 14 below; with respect to a Share Award – (i) the time such Share Award is fully vested, or (ii) the time on which such Award expires in accordance with Sections 11 and 14 below;
"Fair Market Value"	Shall mean, as of any date, the value of an ordinary share of the Company determined as follows: (i) If the ordinary shares are listed on any recognized Stock Exchange, the Fair Market Value shall be the closing sales price for such ordinary shares (or the closing bid, if no sales were reported), as quoted on such Stock Exchange for the last market trading day prior to the time of determination; (ii) If the ordinary shares are regularly quoted by a recognized securities dealer but selling prices are not reported, the Fair Market Value shall be the mean between the high bid and low asked prices for the ordinary shares on the last market trading day prior to the day of determination, or;

(iii) In the absence of any of the above, the Fair Market Value thereof shall be as determined in good faith by the Board of Directors of the Company.

For the avoidance of doubt, and where applicable, the above definition of Fair Market Value shall not apply for the purpose of determining the tax liability pursuant to Section 102(b)(3) of the Ordinance;

"Grant Date"	The date of the Board resolution approving the grant of the Awards, unless otherwise determined by the Board or required under Applicable Law, provided that with respect to Approved Awards, the Grant Date shall be only after the lapse of the required 30 day period from the filing of the Plan for approval with the ITA and if employment shall have not commenced the Grant Date shall be upon commencement of employment;
"Holding Period"	The holding period provided under Section 102 in respect of the "capital gain tax route" or under a tax ruling by the Israeli Tax Authority;
"Israeli Employee"	An Employee of the Company or of an Israeli resident Affiliate, who is an Israeli tax resident and who is not a Controlling Shareholder at the time of grant, or as a consequence of the grant, as stated in Section 102;
"M&A *Transaction"*	Any of the following (yet excluding any Structural Change or Spin-off Transaction): (a) A sale of all or substantially all the assets of the Company and its subsidiaries taken as a whole, or the sale or disposition (whether by merger or otherwise) of one or more subsidiaries of the Company if substantially all of the assets of the Company and its subsidiaries taken as a whole are held by such subsidiary or subsidiaries; (b) A merger (including a reverse triangular merger), consolidation, amalgamation or like transaction of the Company with or into another entity or a scheme of arrangement for the purpose of effecting such following which all or substantially all of the shareholders of the Company immediately prior to the merger are no longer shareholders of the Company either directly or indirectly; or (c) A sale (including an exchange) of all or substantially all of the share capital of the Company to a third party unrelated to the then current shareholders of the Company, whether by a single transaction or a series of related transactions or within the scope of the same acquisition agreement; or (d) Any other transaction or set of circumstances that is determined by the Board, in its discretion, to be a transaction having a similar or comparable effect. Subject to specific confirmation of the Board the definition shall also include any purchase by a current shareholder of the Company (whether directly or indirectly) of all of the share capital of the Company not owned by such shareholder or its Affiliates immediately prior to the acquisition.

"*Ordinance*"	The Israeli Income Tax Ordinance [New Version], 1961, as amended from time to time;
"*Option*"	An option to purchase one Share, granted to a Participant,subject to the provisions of this Plan and the applicable Option Agreement;
"*Option Agreement*"	A written agreement between the Company and a Participant or a notice provided by the Company setting forth the terms and conditions under which Options are granted to a Participant;
"*Participant*"	Shall mean anyone to which an Award was granted in accordance with section 5 of the Plan;
"*Plan*"	Shall mean this IL Makiage Cosmetics (2013) Ltd. 2020 Equity Incentive Plan, including any amendments thereto;
"*Restricted Share*"	A grant of a Share subject to restrictions, to a Participant, subject to the provisions of this Plan and the applicable Award Agreement;
"*Restricted Share Unit*"	A contingent right to be issued one Share upon the applicable Vesting Date, subject to the provisions of this Plan and the applicable Award Agreement;
"*Section 102*"	Section 102 of the Ordinance and the Israeli Income Tax Rules(Tax Relief in Issuance of Shares to Employees) 2003, as amended from time to time;
"*Share*"	An ordinary share of the Company, nominal value NIS 0.001,which is issued or issuable to a Participant upon grant, vesting or exercise of an Award;
"*Share Award*"	Any Restricted Share or Restricted Share Unit;
"Spin-off Transaction"	Any transaction in which assets of the Company are transferred or sold to a company or corporate entity in which the shareholders of the Company hold the same respective ownership stakes they are then holding in the Company [i.e. –transfer of assets to a 'sister company' of the Company];
"*Stock Exchange*"	Any stock exchange, on which ordinary shares of the Company are listed, or such other market or a national market system, on which the Company's ordinary shares' prices are regularly quoted;

"Structural Change"	Any re-domestication of the Company, share flip, creation of a holding company for the Company which will hold substantially all of the shares of the Company or any other transaction involving the Company in which the shares of the Company outstanding immediately prior to such transaction continue to represent, or are converted into or exchanged for shares that represent, immediately following such transaction, at least a majority, by voting power, of the share capital of the surviving, acquiring or resulting corporation;
"Successor Company"	Shall mean any entity with or into which the Company was merged or consolidated, or to which certain operations or certain assets of the Company were transferred, or which purchased substantially all the Company's assets or shares, including any parent of such entity;
"Tax"	Any applicable tax and other compulsory payments such as social security and health tax contributions (including interest and/or fines of any type and/or linkage differentials) required to be paid under any applicable law in relation to the Awards or the rights deriving there-from;
"Termination"	For an Employee, the termination of employment, for a Director the termination of directorship and for a Consultant, the expiration, or termination of such person's consulting or advisory relationship with the Company or an Affiliate, or the occurrence of any termination event as set forth in such person's Award Agreement; For the purpose of this plan the following shall not be considered as Termination (i) for an Employee – paid vacation, sick leave, paid maternity leave, infant care leave, medical emergency leave, military reserve duty, or any other leave of absence authorized in writing by the Board; and (ii) for a Consultant- any temporary interruption in such person's availability to provide services to the Company and/or an Affiliate, which has been authorized in writing by Board; Termination shall not include any transfer of a Participant between the Company and any Affiliate or between Affiliates, nor shall it include any change in a Participant's engagement status between an "Employee", "Director" and "Consultant" and vice versa (without derogating the different tax implications that may result from such change of status);
"Termination Date"	With regard to any Employee, the first date following the Grant Date on which there are no longer employment relations between such Employee and the Company or an Affiliate, for any reason whatsoever; however for the purpose of Termination for Cause, the Termination Date is the date on which a notice regarding such termination was sent by the Company or an Affiliate to the Employee;

	With regard to any Consultant, the earlier of (i) the date of termination of the agreement between the Consultant and the Company or an Affiliate; or (ii) the date on which a notice regarding such termination of agreement was sent by the Company or an Affiliate, or by the Consultant, to the other party;
	With regards to a Director, the first date following the Grant Date on which the individual no longer serves as a member of the applicable board of directors;
"Transfer"	With respect of any Award or Share – the sale, assignment,transfer, pledge, mortgage or other disposition thereof or the grant of any right to a third party thereto;
"Trustee"	Any trustee appointed by the Company in accordance with Section 102 and approved by the Israeli Tax Authority;
"Non-Approved 102 Award"	An Award which is governed by Section 102(c) of the Ordinance;
"Vesting Date"	The date upon which the Award becomes vested, as determined in accordance with this Plan and set forth in the Award Agreement and for a Restricted Share the date upon which the underlying Shares are no longer subject to the Company's repurchase right;

4. Administration of the Plan

4.1. The Board shall have the power to administer the Plan.

4.2. Subject to the provisions of the Plan, Applicable Law and the Company's incorporation documents, the Board shall have the authority, at its discretion: (i) to grant Awards to Participants; (ii) to determine the terms and provisions of each Award granted (which need not be identical), including, but not limited to, the number of Awards to be granted to each Participant, provisions concerning the time and the extent to which the Awards may be vested and/or exercised (including the applicability of the Early Exercise Mechanism as detailed below, if at all), the underlying Shares sold and the nature and duration of restrictions as to the Transferability of Awards and/or Shares; (iii) to amend, modify or supplement (with the consent of the applicable Participant, if such amendments adversely affect the terms of his Awards) the terms of each outstanding Award, unless included otherwise under the terms of the Plan; (iv) to interpret the Plan; (v) to prescribe, amend, and rescind rules and regulations relating to the Plan, including the form of Award Agreements and rules governing the grant of Awards in jurisdictions in which the Company or any Affiliate operate; (vi) to authorize conversion or substitution under the Plan of any or all Awards or Shares and to cancel or suspend Awards, as necessary, provided that, if such action is not specifically allowed under the terms of this Plan, any material harm to the interests of the Participants shall be subject to consent from the Participants; (vii) to accelerate or defer (with the consent of the Participant) the right of a Participant to exercise in whole or in part, any previously granted Awards; (viii) to determine the effect of any increase or decrease of scope of engagement of a Participant on the vesting schedule of previously granted Awards; (ix) to authorize any person to execute on behalf of the Company any instrument required to effectuate the grant of an Award previously granted by the Board; and (x) to make all other determinations deemed necessary or advisable for the administration of the Plan.

4.3. This Plan shall apply to grants of Awards made following the adoption of this Plan by the Board.

4.4. All decisions, determinations, and interpretations of the Board shall be final and binding on all Participants unless otherwise determined by the Board.

5. Eligibility. Awards may be granted to Employees, Directors or Consultants, provided that if services have not commenced, the grant will be made subject to commencement of actual services; An Approved Award and a Non-Approved 102 Award may only be granted to Israeli Employees.

6. Shares Reserved for the Plan. The Company during the term of this Plan will at all times reserve and keep available such number of Shares as shall be sufficient to satisfy the vested portion of Awards granted under the Plan and any other share and Award plans which may be adopted by the Company in the future, subject to any adjustment made to the share capital of the Company by way of share split, reverse share split, distribution of share dividend or similar recapitalization events, at any time hereafter. The Shares may be authorized but unissued ordinary shares, or reacquired ordinary shares of the Company. If an Award should expire or become un-exercisable for any reason without having been exercised in full, or if any Share is repurchased by the Company prior to it becoming vested (due to the Early Exercise Mechanism), the Shares that were subject thereto shall, unless the Plan shall have been terminated, become available for future grant under the Plan. Shares issued under the Plan and later repurchased by the Company pursuant to any repurchase right which the Company may have, shall be available for future grant under the Plan, subject to Applicable Law.

7. Options

7.1. Grant

7.1.1. The Board may grant Options from time to time at their sole discretion. The Options granted pursuant to the Plan, shall be evidenced by a written Option Agreement. Each Option Agreement shall state, among other matters, the number of Options granted, the Vesting Dates, the Exercise Price, the tax route and such other terms and conditions as the Board at its discretion may prescribe, provided that they are consistent with this Plan.

7.1.2. Options which are Approved Awards, as determined in the Option Agreement, and any Shares issued in respect of such Approved Award shall be subject to the Trustee's trusteeship, as provided in Section 13 below. Any grant of an Approved Award shall be subject to compliance with the conditions of Section 102 and shall be considered for all purposes as granted only 30 days or more after the submission of the Plan for approval by the Israeli Tax Authority.

7.2. Vesting.

7.2.1 The Board shall set vesting criteria in its discretion, which, depending on the extent to which the criteria are met, will determine the number of Options that will vest. The Board may set vesting criteria based upon continued engagement with or service to the Company or any Affiliate or based upon both continued engagement or service and the achievement of Company-wide, business unit, or individual goals, or any other condition as determined by the Board in its discretion. The vesting conditions and schedule shall be set in the applicable Option Agreement. No Option shall be exercised after the Expiration Date. The vesting provisions of individual Options may vary.

7.2.2 Unless determined otherwise by the Board, the vesting of the Options shall be postponed during any un-paid leave of absence. Upon return to service, the vesting shall continue and each of the remaining Vesting Dates shall be postponed by the number of days of such period of un-paid leave (i.e. shifting the entire remaining vesting schedule and extending it by the number of unpaid leave days). Despite the aforementioned, the following shall not postpone the vesting of the Options: paid vacation, paid sick leave, paid maternity leave, infant care leave, medical emergency leave, military reserve duty.

7.2.3 Subject to specific approval of the Board, and the despite the above, an Option Agreement may, but need not, include a provision whereby a Participant may elect at any time before the Participant's Termination Date to exercise all or part of the un-vested portion of the Options, subject to the terms specified in the Option Agreement ("**Early Exercise Mechanism**"). Any unvested Shares so purchased will be subject to a repurchase right in favor of the Company and to all other restrictions as described in the Company's form of Early Exercise Share Purchase Agreement unless the Board determines otherwise. The terms of any repurchase right will be specified in the applicable Option Agreement and Early Exercise Share Purchase Agreement.

7.2.4 The vesting of the Options shall continue upon any transfer of a Participant between the Company and any Affiliate or between Affiliates.

7.3. An Option may be subject to such other terms and conditions, not inconsistent with the Plan, on the time or times when it may be exercised as the Board may deem appropriate.

7.4. Exercise of Options

7.4.1. An Option shall be exercised by submission to the Company of a notice of exercise, in a form set by the Company, accompanied by payment as hereinafter described. The exercise of an Option shall occur upon receipt of a notice of exercise by the Company accompanied by payment in full of the Exercise Price payable for each of the Shares being purchased pursuant to such exercise, and as soon as practicable thereafter, and subject to the provisions of section 8.3 below, the Company will issue the Share(s) underlying such exercised Option, provided that the Shares so issued shall not be delivered to the Participant or any third party (other than the Trustee, if applicable) unless and until all applicable Tax was paid to the Trustee's (if applicable) and the Company's full satisfaction and subject to compliance with Applicable Law.

7.4.2. Except as otherwise provided in the Plan or in an Option Agreement, an Option may be exercised in full or in part, subject to the Expiration Date, provided it is not exercised for a fraction of a Share, as further detailed in section 10.3 below.

7.4.3. Notices of exercise of Options, which are submitted after the Expiration Date, or which relate to Options that have not yet vested (unless the Participant is entitled to exercise the Options through the Early Exercise Mechanism), or which do not contain all of the details required by the exercise form, shall not be accepted and shall have no force whatsoever.

7.4.4. The Participant shall sign any document required under any Applicable Law or by the Company or the Trustee for the purposes of issuance of the Shares.

7.4.5. As a condition to the exercise of an Option, the Company may require the person exercising such Option to represent and warrant at the time of any such exercise that the Shares are being purchased only for investment and without any present intention to sell or distribute such Shares if, in the opinion of counsel for the Company, such a representation is required.

7.5. Consideration.

7.5.1. The Exercise Price of each Share subject to an Option shall be determined by the Board in its sole and absolute discretion in accordance with Applicable Law, subject to any guidelines as may be determined by the Board from time to time. Each Option Agreement will contain the Exercise Price determined for each Option covered thereby. The Exercise Price may or may not be equal to the Fair Market Value of the ordinary Shares of the Company, and any evaluation executed in relation to such shares shall not obligate the Company when determining the Exercise Price of any Option.

7.5.2. The Exercise Price shall be paid in cash or cheque at the time the Option is exercised, or by any other means as determined by the Board. Should the Company's ordinary shares be listed for trade on a Stock Exchange the Board may consider allowing a cashless exercise, or any other exercise method, subject to the provisions of Applicable Law. If, as of the date of exercise of an Option the Company is then permitting cashless exercises, the Participants will be able to engage in a "same-day sale" cashless brokered exercise program, involving one or more brokers, through such a program that complies with the Applicable Laws and that ensures prompt delivery to the Company of the amount required to pay the Exercise Price and any Tax.

7.5.3. The Exercise Price shall be denominated in the currency of the primary economic environment of, at the Board's discretion, either the Company or the Participant (that is the functional currency of the Company or the currency in which the Participant is paid).

8. Restricted Share Units

8.1. Grant

8.1.1. The Board may grant Restricted Share Units from time to time at their sole discretion. The Restricted Share Units granted pursuant to the Plan, shall be evidenced by a written Award Agreement. Each Award Agreement shall state, among other matters, the number of Restricted Share Units granted, the Vesting Dates, the tax route and such other terms and conditions as the Board at its discretion may prescribe, provided that they are consistent with this Plan.

8.1.2. Restricted Share Units which are Approved Awards, as determined in the Award Agreement, and any Shares issued in respect of such Approved Award shall be subject to the Trustee's trusteeship, as provided in Section 13 below. Any grant of an Approved Award shall be subject to compliance with the conditions of Section 102 and shall be considered for all purposes as granted only 30 days or more after the submission of the Plan for approval by the Israeli Tax Authority.

8.2. Vesting.

8.2.1 The Board shall set vesting criteria in its discretion, which, depending on the extent to which the criteria are met, will determine the number of Restricted Share Units that will vest and the timing of the issuance of the Shares. The Board may set vesting criteria based upon continued engagement with or service to the Company or any Affiliate or based upon both continued engagement or service and the achievement of Company-wide, business unit, or individual goals, or any other condition as determined by the Board in its discretion including conditions relating to the occurrence of an IPO or M&A Transaction within a certain period of time. The vesting conditions and schedule shall be set in the applicable Award Agreement.

8.2.2 Unless determined otherwise by the Board, the vesting of the Restricted Share Units shall be postponed during any un-paid leave of absence. Upon return to service, the vesting shall continue and each of the remaining Vesting Dates shall be postponed by the number of days of such period of un-paid leave (i.e. shifting the entire remaining vesting schedule and extending it by the number of unpaid leave days). Despite the aforementioned, the following shall not postpone the vesting of the Restricted Share Units: paid vacation, paid sick leave, paid maternity leave, infant care leave, medical emergency leave, military reserve duty.

8.2.3 The vesting of the Restricted Share Units shall continue upon any transfer of a Participant between the Company and any Affiliate or between Affiliates. Nevertheless vesting conditions may change to comply with local tax implications provided that any change to vesting shall be subject to the written consent of the Participant.

8.3. Settlement of Restricted Share Units. Following vesting of the Restricted Share Units, the Company shall issue Shares within reasonable time in the name of the Participant or the Trustee, subject to compliance with Applicable Law and payment of any tax liability associated with such issuance. The issuance of Shares upon vesting shall be subject to the payment of the nominal value of the Shares by the Participant.

8.4. Voting Rights. The holders of Restricted Share Units shall have no voting rights until Shares are issued upon settlement of the Restricted Share Units.

8.5. Creditors' Rights. A holder of Restricted Share Units shall have no rights other than those of a general creditor of the Company. Restricted Share Units represent an unfunded and unsecured obligation of the Company, subject to the terms and conditions of the applicable Award Agreement.

8.6. Assignment or Transfer of Restricted Share Units. Except as otherwise provided in the applicable Award Agreement and then only to the extent permitted by applicable law, Restricted Share Units shall not be anticipated, assigned, attached garnished, optioned, transferred or made subject to any creditor's process, whether voluntarily, involuntarily or by operation of law. Any act in violation of this Section shall be void. However, this Section shall not preclude a Participant from designating a beneficiary who will receive any outstanding vested Restricted Share Units in the event of the Participant's death, nor shall it preclude a transfer of vested Restricted Share Units by will or by the laws of descent and distribution.

8.7. Dividend Equivalent Payments. The Board may permit Participants holding Restricted Share Units to receive payments on outstanding Restricted Share Units equivalent to amounts paid by way of dividend if and when dividends are paid to holders on Shares. At the sole discretion of the Board, such dividend equivalent may either be paid at the same time as dividend payments are made to shareholders or delayed until when Shares are issued pursuant to the Restricted Share Units and may be subject to the same vesting requirements as the Restricted Share Units. If the Board permits dividend equivalent payments to be made on Restricted Share Units, the terms and conditions for such payments will be set forth in the Award Agreement.

9. Restricted Shares

9.1. The Board will determine to whom an offer will be made to purchase Restricted Shares and the terms of such offer including the number of Shares, the purchase price to be paid by the Participant, the restrictions to which the Shares will be subject, and all other terms and conditions of the Restricted Stock Award, subject to the following terms and conditions. The Restricted Shares shall be subject to a written Award Agreement between the Company and the Participant, in such form as the Board shall from time to time approve. The Restricted Share Award will be accepted by the Participant's execution and delivery of the Award Agreement and full payment for the Shares to the Company within thirty (30) days from the date the Award Agreement is delivered to the person in electronic or written form. If such person does not execute and deliver the Award Agreement along with full payment for the Shares to the Company within such thirty (30) days, then the offer will terminate, unless otherwise determined by the Board. Any certificates representing the Restricted Shares shall bear such legends as shall be determined by the Board.

9.2. Beginning on the Grant Date and subject to the execution of an Award Agreement and the payment of the applicable purchase price for the Shares, the Participant shall become a shareholder of the Company with respect to all Restricted Shares and shall have all of the rights of a shareholder, including the right to vote such Shares, and the right to receive distributions made with respect to such shares, including regular cash dividends (except as otherwise provided by the Board); provided, however, that in the absence of a Board action to the contrary, any Shares or any other property (other than regular cash distributions) distributed as a dividend or otherwise with respect to any Restricted Shares as to which the restrictions have not yet lapsed shall be subject to the same restrictions as the shares covered by such Restricted Shares, as further detailed in the applicable Award Agreement.

9.3. The Participant shall not be permitted to transfer or sell Restricted Shares granted under the Plan prior to the lapse of the restrictions as detailed in the Award Agreement (the "**Restriction Period**").

9.4. If and when the Restriction Period expires without a prior forfeiture of the Restricted Shares, certificates for Shares attributable to such Restricted Shares shall be delivered to the Participant (or, if certificates were previously issued, replacement certificates shall be delivered upon return of the previously issued certificates). All legends shall be removed from said certificates at the time of delivery to the Participant, except as otherwise required by applicable law, applicable agreements to which the Participant is bound or other limitations imposed by the Board. Notwithstanding the foregoing, actual certificates shall not be issued to the extent that book entry recordkeeping is used.

9.5. Unless determined otherwise by the Board, the Restriction Period shall be postponed during any un-paid leave of absence. Upon return to service, the Restriction Period shall continue and be extended by the number of days of such period of un-paid leave. Despite the aforementioned, the following shall not postpone the Restriction Period: paid vacation, paid sick leave, paid maternity leave, infant care leave, medical emergency leave, and military reserve duty.

9.6. Upon issuance of Restricted Shares, and as a condition to the issuance with no restrictions following the Restriction Period, the Participant shall consent to the terms of any agreement between the Company and its shareholders setting forth certain obligations of the Company's shareholders and certain restrictions and limitations on the transfer Shares in the Company including, without limitation, the terms of a "bring along" provision, by executing any document, including any joinder or adoption agreement, as shall be required by the Company.

10. Terms and Conditions of the Awards. Awards granted under the Plan shall be evidenced by the related Award Agreement and shall be subject to the following terms and conditions and to such other terms and conditions included in the Award Agreement not inconsistent therewith, as the Board shall determine:

10.1. Non Transferability of Awards. Unless otherwise determined by the Board, an Award shall not be Transferable by the Participant other than in accordance with section 11.2.1.2 below. Awards or rights arising therefrom shall not be subject to mortgage, attachment or other willful encumbrance, and no power of attorney shall be issued in respect thereof, whether such enter into force immediately or at a future date.

10.2. One Time Benefit. The Awards and underlying Shares are extraordinary, one-time benefits granted to the Participants, and are not and shall not be deemed a salary component for any purpose whatsoever, including in connection with calculating severance compensation under any Applicable Law.

10.3. Fractions. An Award may not be converted into a fraction of a Share. In lieu of issuing fractional Shares, on the vesting of a fraction of an Award, the Company shall convert any such fraction of an Award, which represents a right to receive 0.5 or more of a Share, to one Share and shall extinguish any such fraction of an Award, which represents a right to receive less than 0.5 of a Share without issuing any Shares.

10.4. Term. No full or partial exercise of an Award shall be carried out following the Expiration Date of such Award.

11. Termination of Employment or Engagement.

11.1. Unvested Awards. Unless otherwise determined by the Board, in the case of Termination, any Award or portion thereof that was not vested as of the Termination Date shall immediately expire on the Termination Date. Restricted Shares which have not yet completed the Restriction Period will be forfeited to the Company in accordance with section 9 above.

11.2. Vested Options

11.2.1. Termination other than for Cause.

11.2.1.1. Unless otherwise determined by the Board, in the case of Termination other than for Cause, any Option or portion thereof that is vested as of the Termination Date may be exercised but only within such period (subject, however, to the provisions of section 14 below concerning early expiration or other treatment upon certain events) of time ending on the earlier of (i) ninety (90) days following the Termination Date, or (ii) the Expiration Date, but only to the extent to which such Option was exercisable at the time of the Termination Date. If, after the Termination Date, the Participant does not exercise his or her Option within the time specified above or in the Option Agreement, the Option shall expire.

11.2.1.2. Unless otherwise determined by the Board, in the event of (i) Termination as a result of the Participant's death or resignation due to disability or (ii) the Participant dies within the period stated in section 11.2.1.1, then the Option may be exercised by the Participant's estate legal guardian, the Participant's estate, by a person who acquired the right to exercise the Option by bequest or inheritance or by a person designated to exercise the Option upon the Participant's death (the "**Assignees**"), but only within the period (subject, however, to the provisions of section 14 below concerning early expiration or other treatment upon certain events) ending on the earlier of (1) the date twelve (12) months following the date of death or the Termination Date due to disability (as the case may be) (or such longer or shorter period specified in the Option Agreement) or (2) the Expiration Date. If, after death or termination due to disability (as the case may be), the Option is not exercised within the time specified herein, the Option shall expire. The Transfer of Options to any Assignee shall be subject to the provision of a written notice to the Company and to the execution by the Assignee of any documents required by the Company. All of the terms of any Option, whether in this Plan, the Option Agreement and/or any other document in respect of such Option, shall be binding upon the Assignees.

11.2.1.3. If the exercise of an Option following the Termination Date or death would be prohibited at any time solely because the issuance of Shares would violate requirements of any Applicable Law, then the Option shall expire: (i) in the event of a Termination - at the end of a period of ninety (90) days in the aggregate, or (ii) in the event of death - at the end of a period of twelve (12) months in the aggregate, during which the exercise of the Option would not be in violation of such requirements.

11.2.1.4. During such periods following the Termination Date the Participant's entitlement to Options shall not continue to vest.

11.2.1.5. The Board shall have the sole authority to extend the exercise periods detailed in sections 11.2.1.1 – 11.2.1.3 above at its sole discretion.

11.2.2. Termination for Cause. If a Participant's employment or engagement with the Company is terminated for Cause, any Option or portion thereof that has not been exercised as of the Termination Date shall immediately expire on the Termination Date.

11.3. No Participant shall be entitled to claim against the Company that he or she was prevented from continuing to exercise or vest Options as of the Termination Date. Such Participant shall not be entitled to any compensation in respect of the Options which would have vested in his favor had such Participant's employment or engagement with the Company or Affiliate not been terminated.

12. No Right to Employment, Service, Awards or Shares. The grant of an Award, the vesting of any Award or the issuance of a Share under the Plan shall impose no obligation on the Company or an Affiliate to continue the employment of any Employee or the engagement with any Consultant or the service of a Director and shall not lessen or affect the Company's or an Affiliate's right to terminate the employment or service relationship of such Participant at any time and/or for any or no reason with or without Cause, even if such Termination is immediately prior to the vesting of any Award. No Participant or other person shall have any claim to be granted any Awards or to the vesting of any Awards, whether expired immediately following grant or prior to vesting. There is no obligation for uniformity of treatment of Participants, or holders or beneficiaries of Awards and the terms and conditions of Awards and the Board's determinations and interpretations with respect thereto need not be the same with respect to each Participant (whether or not such Participants are similarly situated).

Nothing contained in the Plan shall prevent the Company from adopting, adjusting or continuing in effect compensation arrangements, which may, but need not, provide for the grant of Awards or Shares.

13. Trust

13.1. Approved Awards and any Shares issued in connection with such Approved Awards shall be held by the Trustee for the benefit of the Participant, in accordance with the provisions of Section 102 in the "capital gain tax route". Any grant of an Award and any exercise of an Option or sale or transfer of a Share shall be notified to the Trustee.

13.2. The validity of any order given to the Trustee by a Participant shall be subject to approval of such order by the Company. The Company does not undertake to approve orders given by any Participant to the Trustee within any period of time.

13.3. Subject to the provisions of this Plan, the Approved Awards and any Shares issued in connection with such Approved Awards shall not be released from the control of the Trustee nor shall they be Transferred unless the Company and the Trustee are satisfied that the full amounts of Tax due by the applicable Participant have been paid or will be paid.

13.4. Subject to the provisions of Section 102, a Participant shall not Transfer or release from the control of the Trustee any Approved Award or any Share issued in connection with such Approved Awards, until the lapse of the Holding Period. Notwithstanding the above, if any such release or Transfer occurs during the Holding Period, the sanctions under Section 102 shall apply to and shall be borne by such Participant.

13.5. As long as the Approved Awards and any Shares issued in connection with such Approved Awards are held by the Trustee for the benefit of the Participant, all rights of the Participant over the Approved Awards and Shares cannot be Transferred other than by will or laws of descent and distribution.

13.6. Without derogating from the aforementioned, the Board shall have the authority to determine the specific procedures and conditions of the trusteeship with the Trustee in a separate agreement between the Company and the Trustee, all subject to Section 102.

13.7. Should the Approved Awards or any Shares issued in connection with such Approved Awards be transferred by power of a last will or under laws of decent, the provisions of Section 102 shall apply to the legal heirs or transferees by law of the deceased Participant.

13.8. Approved Awards that do not comply with the requirements of Section 102 shall be considered Non-Approved 102 Awards or Awards subject to tax under Section 3(i) of the Ordinance.

14. Adjustments to the Shares subject to the Plan

14.1. Adjustment Due to Change in Capital. If the ordinary shares of the Company shall at any time be changed or exchanged by distribution of a share dividend (bonus shares), share split, combination or exchange of shares, recapitalization, or any other like event by or of the Company, and as often as the same shall occur, then the number and class of the Shares underlying the Awards subject to the Plan and the Exercise Price of the Options shall be appropriately and equitably adjusted so as to maintain through such an event the proportionate equity portion represented by the Awards and the total Exercise Price of the Options, provided, however, that no adjustment shall be made by reason of the distribution of subscription rights (rights offering) on outstanding ordinary shares or other issuance of shares by the Company. Fractions of shares shall be dealt with in accordance with the provisions of section 9.3 above. Except as expressly provided herein, no issuance by the Company of shares of any class, or securities convertible into shares of any class, shall affect, and no adjustment by reason thereof shall be made with respect to, the number or Exercise Price of Shares underlying an Award.

14.2. Adjustment Due to a Structural Change. In the event of a Structural Change, the Shares underlying the Awards subject to the Plan shall be exchanged or converted into shares of the Company or Successor Company in accordance with the exchange effectuated in relation to the ordinary shares of the Company, and the Exercise Price and quantity of shares underlying the Awards shall be adjusted in accordance with the terms of the Structural Change. The adjustments required shall be determined in good faith solely by the Board and shall be subject to the receipt of any approval required, including any tax ruling, if necessary.

14.3. Adjustment Due to a Spin-Off Transaction. In the event of a Spin-Off Transaction, the Board may determine that the holders of Awards shall be entitled to receive equity in the new company formed as a result of the Spin-Off Transaction, in accordance with equity granted to the ordinary shareholders of the Company within the Spin-Off Transaction, taking into account the terms of the Awards, including the vesting schedule and Exercise Price. The determination regarding the Participant's entitlement within the scope of a Spin-Off Transaction shall be in the sole and absolute discretion of the Board.

14.4. M&A Transaction.

14.4.1 Without derogating from the Board's general power under the Plan, in the event of any M&A Transaction, the Board shall be entitled (but not obliged), at its sole discretion and without the Participant's consent and action and without any prior notice requirement, to determine any of the following: (i) provide for an assumption or exchange of Awards and/or Shares for Awards and/or shares and/or other securities or rights of the Successor Company or parent or Affiliate thereof; and/or (ii) provide for an exchange of Awards or Shares for a monetary compensation (including for avoidance of doubt a cash-out of the Awards for the net value); and/or (iii) determine that all unvested Awards and un-exercised vested Options shall expire on the date of such M&A Transaction without payment; and/or (iv) determine that the exchange, assumption, conversion or purchase detailed above will be made subject to any payment or escrow arrangement, or any other arrangement determined within the scope of the M&A Transaction in relation to the ordinary shares of the Company and/or (v) provide for the acceleration of vesting of such Awards, as to all or part of the Shares, under such terms and conditions as the Board shall determine. The Board may determine, in its sole discretion, that upon completion of an M&A Transaction, the terms of any Award be otherwise amended, modified or terminated, as the Board shall deem in good faith to be appropriate. In the case of assumption and/or substitution of Awards, and unless otherwise determined by the Board, appropriate adjustments shall be made so as to reflect such action and all other terms and conditions of the Award Agreements shall remain substantially unchanged, including but not limited to the vesting schedule, all subject to the determination of the Board, which determination shall be at its sole discretion and final. The grant of any substitutes for the Awards and/or Shares to Participants further to an M&A Transaction, as provided in this section, shall be considered as full compliance with the terms of this Plan. The value of the exchanged Awards and/or Shares pursuant to this section 13.4 shall be determined in good faith solely by the Board, based among others on the Fair Market Value, and its decision shall be final and binding on all the Participants.

Unless determined otherwise by the Board of Directors, and without derogating from the aforementioned, any Awards not assumed or exchanged for Awards and/or shares and/or other securities or rights or not cashed-out, shall expire immediately prior to the consummation of the M&A Transaction. Neither the authorities and powers of the Board under this Section 14.4, nor the exercise or implementation thereof, shall (i) be restricted or limited in any way by any adverse consequences (tax or otherwise) that may result to any holder of an Award, and (ii) as, *inter alia*, being a feature of the Award upon its grant, be deemed to constitute a change or an amendment of the rights of such holder under this Plan, nor shall any such adverse consequences (as well as any adverse tax consequences that may result from any tax ruling or other approval or determination of any relevant tax authority) be deemed to constitute a change or an amendment of the rights of such holder under this Plan.

14.4.2 For the purposes of this section 14.4, the mechanism for determining the assumption or exchange as aforementioned shall be as may be agreed upon between the Board and the Successor Company.

14.4.3 Without derogating from the above, in the event of an M&A Transaction the Board shall be entitled, at its sole discretion, to require the Participants to exercise all vested Awards within a set time period and sell all of their Shares on the same terms and conditions as applicable to the other shareholders selling their Company's ordinary shares as part of the M&A Transaction. Each Participant acknowledges and agrees that the Board shall be entitled to authorize any one of its members to sign any agreement required to affect the sale of Shares including any share transfer deeds in customary form in respect of the Shares held by such Participant and that such share transfer deed shall bind the Participant.

14.4.4 Despite the aforementioned, if and when the method of treatment of Awards within the scope of an M&A Transaction determined according to the above will in the sole opinion of the Board prevent the M&A Transaction from occurring, or materially risk the M&A Transaction, the Board may determine different treatment for different Awards held by Participants such that not all Awards will be treated equally within the scope of the M&A Transaction.

14.4.5 In the event in which the exercise price of the Options is higher than the per-share value of the shares of the Company in such an M&A Transaction ("out-of-the-money Options"), the Board shall be entitled to cancel and terminate such Options effective upon consummation of the M&A Transaction without consideration.

14.4.6 In the event in which the Awards shall be cancelled upon the M&A Transaction, the Company shall provide notice to such Participants in such manner as notice is provided regarding the M&A Transaction to any other shareholders of the Company not represented in the Board. Such notice shall be sent to the last known address of the Participants according to the records of the Company. The Company shall not be under any obligation to ensure that such notice was actually received by the Participants.

14.4.7 It is clarified that this section 14.4 shall apply inter alia in the event of partial transactions which in the aggregate constitute an M&A Transaction in accordance with sub-section (c) of the definition of M&A Transaction, and in each such transaction the Board shall have the full power and authority under this Section 14.4.

14.5. Liquidation. In the event of the proposed dissolution or liquidation of the Company, all Awards will expire immediately prior to the consummation of such proposed action, unless otherwise provided by the Board.

14.6. The Participants shall execute any documents required by the Company or any Successor Company or parent of affiliate thereof in order to affect any of the actions determined within the scope of this section 14. The failure to execute any such document may cause the expiration and cancellation of any Award held by such Participant, as determined by the Board in its sole and absolute discretion.

14.7. Any adjustment according to this section shall be subject to the receipt of a tax ruling or approval from the tax authorities, if and as necessary.

15. Taxes and Withholding Tax

15.1. Approved Awards and Non-Approved 102 Awards shall be taxed in accordance with Section 102. For the avoidance of doubt it is clarified that any Award granted to a Consultant or a Controlling Shareholder or any Award granted to a Participant who is not an Israeli tax resident, shall not be subject to the provisions of Section 102 and shall be taxed in accordance with Applicable Law.

15.2. Any Tax imposed in respect of the Awards and/or Shares, including, but not limited to, in respect of the grant of Awards, and/or the vesting or exercise of Awards, and/or the Transfer, waiver, or expiration of Awards and/or Shares, and/or the sale of Shares, shall be borne solely by the Participants, and in the event of death by their heirs or transferees. The Company, the Affiliates, the Trustee (if applicable) or anyone on their behalf shall not be required to bear the aforementioned Taxes, directly or indirectly, nor shall they be required to gross up such Tax in the Participants' salaries or remuneration. The applicable Tax shall be deducted from the proceeds of sale of Shares or shall be paid to the Company, an Affiliate or the Trustee (if applicable) by the Participants. Without derogating from the aforementioned, the Company, an Affiliate and the Trustee (if applicable) shall be entitled to withhold Taxes according to the requirements of any Applicable Laws, rules, and regulations, and to deduct any Taxes from payments otherwise due to the Participant from the Company or an Affiliate (if applicable).

15.3. The Company's or Trustee's (if applicable) obligation to deliver Shares upon grant, vesting or exercise of an Award or to sell or transfer Shares is subject to payment (or provision for payment satisfactory to the Board and the Trustee (if applicable)) by the Participant of all Taxes due by him under any Applicable Law.

15.4. The Participants shall indemnify the Company and/or the applicable Affiliate and/or the Trustee (if applicable), immediately upon request, for any Tax (including interest and/or fines of any type and/or linkage differentials in respect of Tax and/or withheld Tax) for which the Participant is liable under any Applicable Law or under the Plan, and which was paid by the Company, the Affiliate or the Trustee (if applicable), or which the Company, the Affiliate or the Trustee (if applicable) are required to pay. The Company, the Affiliate and the Trustee (if applicable) may exercise such indemnification by deducting the amount subject to indemnification from the Participants' salaries or remunerations.

15.5. In respect to Non-Approved 102 Awards, if there occurs a Termination of the Participant's service to or employment with the Company or an Affiliate, the Participant shall extend to the Company or the applicable Affiliate a security or guarantee for the payment of Tax due in respect of such Award as required under Section 102.

15.6. For avoidance of doubt it is clarified that the tax treatment of any Award granted under this Plan is not guaranteed and although Awards may be granted under a certain tax route, they may become subject to a different tax route in the future.

15.7. Any Award classified as a Capital Gain Award is meant to comply in full with the terms and conditions of Section 102 and the requirements of the ITA, therefore it is clarified that at all times the Plan is to be read such that it complies with the requirements of Section 102 and as a consequence, should any provision in the Plan disqualify the Plan and/or the Awards granted thereunder from beneficial tax treatment pursuant to the provisions of Section 102 of the Ordinance, such provision shall not apply to the Capital Gain Awards and underlying Shares unless the Israel Tax Authority provides approval of compliance with Section 102.

16. Registration of the Shares on a Stock Exchange

16.1. Should reorganization or certain other arrangements regarding the Company's share capital be necessary prior to the registration of the Company's ordinary shares or their respective depositary receipts on a Stock Exchange, such arrangements or reorganization may be also carried out in respect of the Participants and their Awards and/or Shares.

16.2. The Participant acknowledges that in the event that the Company's ordinary shares or their respective depositary receipts shall be registered for trading in any Stock Exchange, or in the event of a private offering of shares, the Participant's rights to exercise their Options or sell the Shares may be subject to certain limitations (including a lock-up period), as will be requested by the Company or its underwriters, and the Participant unconditionally agrees and accepts any such limitations.

16.3. The Company does not undertake to cause the ordinary shares or the Shares to be listed on a Stock Exchange, or that the registration of the ordinary shares or the Shares for trade, if at all, shall take place within a certain period of time.

17. The Rights Attached to the Shares

17.1. Equal Rights. The Shares constitute part of the ordinary shares of the Company, and they shall have equal rights for all intents and purposes as the rights attached to the ordinary shares of the Company, subject to the provisions of this Plan and any Award Agreement. The Shares, being part of the ordinary shares of the Company, shall not be protected against dilution in any manner whatsoever, unless otherwise determined by the Board. It is hereby clarified that the Shares shall not constitute a separate class of shares, but shall be an integral part of the Company's ordinary shares.

Any change of the Company's Articles of Association or any other incorporation document, which may change the rights attached to the Company's ordinary shares, shall also apply to the Shares, and the provisions hereof shall apply with the necessary modifications arising from any such change.

The grant of Awards and issuance of Shares under this Plan shall not restrict the Company in any way regarding future creation of additional and/or other classes of shares, including classes of shares, which may in any manner be preferred over the currently existing ordinary shares which are offered to Participants under this Plan. Subject to section 12.1 above, the grant of Awards and Shares under this Plan shall not entitle any Participant to receive any compensation in the event of any change of the Company's capital.

17.2. Dividend Rights. No Participant shall have any rights to receive dividends in respect of the Shares underlying any outstanding Awards, until such Awards are converted into Shares and these Shares are issued to the Participant or the Trustee. Following the issuance of such Shares by the Company, such Shares will entitle the Participant to receive any dividend, to which other holders of ordinary shares in the Company are entitled.

17.3. Transfer and Sale of Shares. Transfer of Shares shall be in accordance with the Company's incorporation documents.

17.4. Bring Along. For the avoidance of doubt it is clarified that as part of the ordinary shares of the Company, Shares issued pursuant to Awards or in connection thereto shall be subject to any bring-along provision included in the incorporation documents of the Company or any shareholders agreement or similar agreement(s) by which some or all holders of ordinary shares of the Company are bound.

17.5. Voting Rights. No Participant shall have any rights to vote in the Company's meetings in respect of underlying Shares, until such Shares are issued to the Participant or the Trustee. Following the issuance of such Shares by the Company, the Participant shall have the same voting rights as other holders of ordinary shares in the Company. Notwithstanding the aforesaid, and unless determined otherwise by the Board, as long as the Company's ordinary shares are not traded on a Stock Exchange, any Shares issued pursuant to an Award shall be voted by an irrevocable proxy, such proxy to be assigned to the person or persons designated by the Board. The Participants will be required, as a condition to the receipt of the Awards granted pursuant to this Plan and as a condition to the issuance of any Shares, to sign such a proxy. Unless otherwise determined by the Board, the proxy will be transferred upon any transfer of Shares unless such transfer occurs upon an M&A Transaction or upon or after an IPO of the Company.

17.6. Information Rights. Despite the Company's incorporation documents and the provisions of Applicable Law, no Participant shall have any right to receive financial information regarding the Company and any of its Affiliates, including financial reports, or any other reports which other shareholders of the Company are entitled to receive.

18. Repurchase Right:

The following shall be subject to the receipt of a tax ruling from the Israeli Tax Authority, if such ruling is required and if required shall be subject to the receipt of any approval required by applicable law and shall be in effect until the listing of the Company's ordinary shares on a Stock Exchange:

18.1. Repurchase in the case of Termination for Cause: In the event that the Participant's employment or engagement with or service to the Company or an Affiliate is terminated for Cause, or if following Termination it is found that the Participant committed an act constituting Cause, any Shares already issued to the Participant as a result of an Awards shall be forfeited and returned to the Company upon request of the latter for the original purchase price (the Exercise Price) of such Shares.

18.2. Repurchase in the case of working for a competitor: In the event that a Participant will commence working or providing services to a competitor of the Company or an Affiliate or to a subsidiary or affiliate of such competitor any Shares already issued to the Participant as a result of an Awards shall be forfeited and returned to the Company upon request of the latter for the original purchase price (the Exercise Price) of such Shares. For the purposes of this Section, a "competitor" shall mean any person or entity that operates, conducts, or manages a business in the field of the Company's business. This restriction is limited to a time period of 2 years after the termination of employment.

18.3. General repurchase: Following Termination, the Board shall be entitled, at its sole and absolute discretion, to instruct such Participant to sell his Shares to the Company for the then Fair Market Value of the Shares.

18.4. In the event that the Board has determined that a Participant's Shares shall be repurchased under any of the aforesaid sections 18.1-18.3, then the Participant shall be obliged to sell, any Shares that such Participant has received under the Plan, in accordance with the instructions issued by the Board. The determination of the Board in this regard shall be final.

18.5. If the Company is not permitted under Applicable Law to repurchase Shares under sections 18.1-18.3, the Company may assign such right under the Plan to the Company's existing shareholders (save, for avoidance of doubt, for other Participants who hold Shares resulting from the exercise of Awards granted under the Plan or any other employee benefit plan).

19. Clawback Policy. Any Award, amount, or benefit received under the Plan shall be subject to potential cancellation, recoupment, rescission, payback, or other similar action in accordance with any applicable Company clawback policy (the "**Policy**") or any applicable law, as may be in effect from time to time. A Participant's receipt of an Award shall be deemed to constitute the Participant's acknowledgment of and consent to the Company's application, implementation, and enforcement of (i) the Policy and any similar policy established by the Company that may apply to the Participant together with all other similarly situated Participants, whether adopted prior to or following the making of any Award and (ii) any provision of applicable law relating to cancellation, rescission, payback, or recoupment of compensation, as well as the Participant's express agreement that the Company may take such actions as are necessary to effectuate the Policy, any similar policy, and applicable law, without further consideration or action.

20. Breach of Restrictive Covenants. Except as otherwise provided by the Board, notwithstanding any provision of the Plan to the contrary, if the Participant breaches a confidentiality, non-competition, non-solicitation, non-disclosure, non-disparagement, or other similar restrictive covenant set forth in an Award Agreement or any other agreement between the Participant and the Company or any Affiliate, whether during or after the Participant's Termination, in addition to any other penalties or restrictions that may apply under any such agreement, state law, or otherwise, the Participant shall forfeit or pay to the Company:

20.1. Any and all outstanding Awards granted to the Participant, including Awards that have become vested or exercisable;

20.2. Any Shares held by the Participant in connection with the Plan that were acquired by the Participant after the Participant's Termination and within the twelve (12)-month period immediately preceding the Participant's Termination of Service (less any exercise price paid for such shares);

20.3. The profit realized by the Participant from the exercise and sale of any Award or Share and within the twelve (12) month period immediately preceding the Participant's Termination; and

21. Changes to the Plan. The Board shall be entitled, from time to time, to update and/or change the terms of this Plan, in whole or in part, at its sole discretion, provided that in the Board's opinion such a change shall not materially derogate from the rights attached to the Awards and/or Shares already granted under this Plan, unless mutually agreed otherwise between the Participant and the Company. The Board shall be entitled to terminate this Plan at any time, provided that such termination shall not materially affect the rights of Participants, to whom Awards have already been granted.

22. Effective Date and Duration of the Plan

22.1. The Plan shall be effective as of the day it was adopted by the Board and shall terminate at the end of ten (10) years from such day of adoption.

22.2. The Company shall obtain the approval of the Company's shareholders for the adoption of this Plan or for any amendment to this Plan, if shareholders' approval is necessary or desirable to comply with any Applicable Law, including without limitation the securities laws of jurisdictions applicable to Awards granted to Participants under this Plan, or if shareholders' approval is required by any authority or by any governmental agency or by any national securities exchange, including without limitation the US Securities and Exchange Commission.

22.3. Termination of the Plan shall not affect the Board's ability to exercise the powers granted to it hereunder with respect to Awards granted under the Plan prior to the date of such termination.

23. Successors and Assigns. The Plan and any Award granted thereafter shall be binding on all successors and assignees of the Company and a Participant, including, without limitation, the estate of such Participant and the executor, administrator or trustee of such estate, or any receiver or trustee in bankruptcy or representative of the Participant's creditors.

24. Miscellaneous

24.1. Notices. Notices and requests regarding this Plan shall be sent in writing by registered mail or by courier to the addresses of the Company and the Participant or by facsimile transmission (provided that written confirmation of receipt is provided) with a copy by mail, as follows: if to the Company: at its principal offices; if to the Participant - to the Participant's address, as registered in the Company's registries. Such notices shall be deemed received at the addressee as follows: if sent by registered mail - within three (3) business days following their deposit for mailing at a post office located in the country of addressee, or seven (7) business days following their deposit for mailing at a post office located outside the country of addressee, and if hand-delivered or sent by facsimile or email - on the day of delivery (or refusal to receive).

24.2. This Plan (together with the applicable Award Agreement(s) entered into with any Participant) constitutes the entire agreement and understanding between the Company and such Participant in connection with the grant of Awards to the Participant. Any representation and/or promise and/or undertaking made and/or given by the Company or by whosoever on its behalf, which has not been explicitly expressed herein or in an Award Agreement, shall have no force and effect.

25. Governing Law. The Plan shall be governed by, construed and enforced in accordance with the laws of the State of Israel, without giving effect to principles of conflicts of law. The competent courts of Tel Aviv-Jaffa shall have exclusive jurisdiction to hear all disputes arising in connection with this Plan.

* * * * *

Exhibit 10.3

FINAL

United States Sub-Plan to the
IL Makiage Cosmetics (2013) Ltd. 2020 Equity Incentive Plan
As approved by the Board of Directors on: April 1, 2020
As approved by the Shareholders on: April 1, 2020

1. PURPOSE

The Board of IL Makiage Cosmetics (2013) Ltd. (the "**Company**") established the IL Makiage Cosmetics (2013) Ltd. 2020 Equity Incentive Plan (the "**Plan**"). Through the Plan, the Company established a framework to aid the Company in attracting, retaining, motivating and rewarding employees and non-employee directors of, and consultants to, the Company or its subsidiaries or Affiliates, to provide for equitable and competitive compensation opportunities, to recognize individual contributions and reward achievement of Company goals, and promote the creation of long-term value for shareholders by closely aligning the interests of U.S. Participants with those of shareholders.

According to the authority granted to the Board of Directors of the Company under Section 4.2 of the Plan, the Board determined that it was necessary and desirable to establish a sub-plan of the Plan (the "***U.S. Sub-Plan***") for the purpose of granting Awards to Eligible Persons who are residents of the United States or who are or may become subject to U.S. tax (i.e., income tax, social security and/or withholding tax ("***U.S. Participants***")), including (i) stock options which qualify as Incentive Stock Options ("***ISOs***") within the meaning of Section 422 of the Code, (ii) stock options that are

Nonstatutory Stock Options ("***NSOs***"), and (iii) Share Awards, consisting of Restricted Shares or Restricted Share Units (which may be settled in Shares or cash, per the terms of applicable Award Agreement). It is the intent for all Awards to be exempt from or comply with Section 409A of the Code, and to comply with certain other provisions and exemptions under U.S. law. All Awards granted to U.S. Participants are subject to the terms and conditions of the Plan and this U.S. Sub-Plan; provided, that to the extent that the terms and conditions of the Plan differ from or conflict with, the terms or conditions of this U.S. Sub-Plan, the terms and conditions of this U.S. Sub-Plan shall prevail.

2. INTERPRETATION

For the purposes of the U.S. Sub-Plan, the definitions set out in the Plan shall apply to the U.S. Sub-Plan as such definitions apply to the Plan and in addition the following terms shall have the following meanings (unless the context requires otherwise):

2.1 *"**Code**"* means the Internal Revenue Code of 1986, as amended. Reference to a specific section of the Code or regulation thereunder shall include any valid regulation promulgated under such section, and any comparable provision of any future legislation or regulation amending, supplementing or superseding such section or regulation, and regulations thereto.

2.2 "***Director***" means a member of the Board, manager or comparable governing body of the Company or any subsidiary or Affiliate.

2.3 "***Disability***" means, with respect to a U.S. Participant, the inability of such U.S. Participant to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or that has lasted or can be expected to last for a continuous period of not less than twelve (12) months as provided in Sections 22(e)(3) and 409A(a)(2)(c)(i) of the Code, and will be determined by the Board on the basis of such medical evidence as the Board deems warranted under the circumstances.

2.4 *"**Eligible Person**"* has the meaning specified in Section 3.1.1.

2.5 "***Employee***" has the meaning specified in the Plan, except that for purposes of the U.S. Sub-Plan, an Employee shall also include any person whom the Company or an Affiliate classifies as an employee (including any officer who is an employee) for U.S. employment tax purposes regardless of whether such individual has signed an employment agreement with the Company or an Affiliate.

2.6 "***Exchange Act***" means the U.S. Securities Exchange Act of 1934, as amended.

2.7 *"**Incentive Stock Option**"* or "***ISO***" means an Option intended to be (as set forth in the Option Agreement) and which qualifies as an incentive stock option within the meaning of Section 422(b) of the Code.

2.8 "***M&A Transaction***" For purposes of the U.S. Sub-Plan only, the term "substantially all," as used in the definition of M&A Transaction in the Plan, shall mean "more than 50%."

2.9 *"**Nonstatutory Stock Option**"* or "***NSO***" means an Option not intended to be (as set forth in the Option Agreement) or which does not qualify as an Incentive Stock Option.

2.10 "***Securities Act***" means the U.S. Securities Act of 1933, as amended.

2.11 *"**Ten Percent Stockholder**"* means a person who, at the time an Option is granted to such person, owns (or is deemed to own pursuant to Section 424(d) of the Code) shares possessing more than ten percent (10%) of the total combined voting power (as defined under applicable U.S. law) of all classes of shares of the Company within the meaning of Section 422(b)(6) of the Code.

3. TERMS

3.1 **Eligibility and Certain Award Limitations**.

3.1.1 **Eligibility**.

3.1.1.1 **In General**. Awards may be granted under the U.S. Sub-Plan only to Eligible Persons. For purposes of the U.S. Sub-Plan, an "**Eligible Person**" means (i) an Employee, (ii) a non-employee executive officer or non-employee Director of the Company or an Affiliate, or (iii) a Consultant, subject to the limitations of Section 3.1.2 below.

3.1.1.2 **Incentive Stock Options**. Options intended to qualify as Incentive Stock Options may be granted only to an Employee of the Company or of a "parent corporation" or "subsidiary corporation" (as those terms are defined in Section 424 of the Code) with respect to the Company. Neither service as a Director nor payment of a director's fee by the Company shall be sufficient to constitute "employment" by the Company for purposes of the U.S. Sub-Plan.

3.1.1.3 **Nonstatutory Stock Options** (limitation of eligibility). Nonstatutory Stock Options may not be granted to Employees, Directors, or Consultants who are providing services to any "parent" of the Company, as such term is defined in Rule 405 of the Securities Act, unless the Company, in consultation with its legal counsel, has determined that such Options are exempt from, or alternatively comply with, the distribution requirements of Section 409A of the Code.

3.1.2 **Consultants.** A Consultant will not be eligible for the grant of an Option if, at the time of grant, either the offer or sale of the Company's securities to such Consultant is not exempt under Rule 701 of the Securities Act because of the nature of the services that the Consultant is providing to the Company, because the Consultant is not a natural person, or because of any other provision of Rule 701, unless the Company determines that such grant need not comply with the requirements of Rule 701 and will satisfy another exemption under the Securities Act as well as comply with the securities laws of all other relevant jurisdictions**.**

3.1.3 **Change in Time Commitment**. In the event a U.S. Participant's regular level of time commitment in the performance of his or her services for the Company and any Affiliates is reduced (for example, and without limitation, a U.S. Participant has a change in status from a full-time Employee to a part-time Employee) after the date of grant of any Award to the U.S. Participant, the Board has the right in its sole discretion to (x) make a corresponding reduction in the number of shares subject to any portion of such Award that is scheduled to vest or become payable after the date of such change in time commitment, and (y) in lieu of or in combination with such a reduction, extend the vesting or payment schedule applicable to such Award (as may be permitted by law at the time of such change in time commitment). In the event of any such reduction, the U.S. Participant will have no right with respect to any portion of the Award that is so reduced or extended.

3.1.4 **Requirement to Sign Shareholders' Agreements**. In connection with the grant, vesting and/or exercise of any Award under the Plan or U.S. Sub-Plan, the Board may require a Participant to execute and become a party to agreements entered with Shareholders of the Company (collectively referred to as "***Shareholders' Agreement***") as a condition of such grant, vesting and/or exercise. The Shareholders' Agreement may contain restrictions on the transferability of shares acquired under the Plan (such as a right of first refusal or a prohibition on transfer) and such shares may be subject to call rights and drag-along rights of the Company and certain of its investors. The Company shall also have any repurchase rights set forth in the Shareholders' Agreement or any Award Agreement.

3.2 **Incentive Stock Options.** The following provisions shall control any grants of Options that qualify as Incentive Stock Options:

3.2.1 **Grants of Incentive Stock Options**. Each Option that is intended to be an Incentive Stock Option must be designated by the Board at the date of grant, and in the Option Agreement, as an Incentive Stock Option, provided that any Option designated as an Incentive Stock Option will be a Nonstatutory Stock Option to the extent the Option fails to meet the requirements of Code Section 422. In the case of an Incentive Stock Option, the Board shall determine the acceptable methods of payment on the date of grant and it shall be included in the applicable Option Agreement.

3.2.2 **Additional Limits for Ten Percent Stockholders**. As provided by Section 422(c)(5) of the Code, a person who owns more than 10% of the total combined voting power of all classes of outstanding stock of the Company, its parent or any of its subsidiaries will not be eligible for the grant of an Incentive Stock Option *unless* (i) the Exercise Price is at least 110% of the Fair Market Value of a Share on the date of grant and (ii) such Incentive Stock Option by its terms is not exercisable after the expiration of five (5) years from the date of grant. The attribution rules of Section 424(d) of the Code will be applied in determining stock ownership.

3.2.3 **Maximum ISO Limit.** The maximum aggregate number of Shares that may be issued under the Plan pursuant to the exercise of Incentive Stock Options shall not exceed 93,651 Shares (the "***ISO Share Limit***") (subject to adjustment as provided in Section 14 of the Plan).

3.2.4 **No Transfer**. As provided by Section 422(b)(5) of the Code, an Incentive Stock Option will not be transferable except by will or by the laws of descent and distribution, and will be exercisable during the lifetime of the U.S. Participant only by the U.S. Participant. If the Board elects to allow the transfer of an Option by a U.S. Participant that is designated as an Incentive Stock Option, such transferred Option will automatically become a Nonstatutory Stock Option.

3.2.5 **Fair Market Value Limitation.** To the extent that options designated as Incentive Stock Options (granted under all Shares plans of the Company, including the Plan) become exercisable by a U.S. Participant for the first time during any calendar year for Shares having a Fair Market Value greater than One Hundred Thousand Dollars ($100,000 USD), the portions of such options which exceed such amount shall be treated as Nonstatutory Stock Options. For purposes of this Section 3.2.5, Options designated as Incentive Stock Options shall be taken into account in the order in which they were granted, and the Fair Market Value of Shares shall be determined as of the time the option with respect to such Shares was granted. If an Option is treated as an Incentive Stock Option in part and as a Nonstatutory Stock Option in part by reason of the limitation set forth in this Section, the U.S. Participant may designate which portion of such Option the U.S. Participant is exercising. In the absence of such designation, the Optionee shall be deemed to have exercised the Incentive Stock Option portion of the Option first. Upon exercise of the Option, Shares issued pursuant to each such portion shall be separately identified.

3.2.6 **Leave of Absence**. If a U.S. Participant goes on a leave of absence, and the period of leave exceeds ninety (90) days, then any Incentive Stock Options held by the U.S. Participant shall cease to be treated as an Incentive Stock Option on the 180th day following the first day of such leave and shall thereafter be treated for U.S. tax purposes as a Nonstatutory Stock Option, *unless* reemployment upon expiration of such leave is guaranteed by statute or contract.

3.2.7 **Modification**. If an Incentive Stock Option is modified (within the meaning of Code Section 424(h)), such Option will thereupon cease to be treated as an Incentive Stock Option to the extent required by the Code.

3.3 **Post-Termination Exercise Period; Extensions; Lapse of ISO Status**.

3.3.1 Section 11 of the Plan shall govern the post-Termination exercise periods of Options granted to U.S. Participants pursuant to the U.S. Sub-Plan.

3.3.2 Despite any other provision included in the Plan, no extension of the post-Termination Option exercise period shall be made with respect to any Option held by a U.S. Participant that would constitute an extension of the Option pursuant to Code Section 409A and subject the U.S. Participant to penalties under Section 4999 of the Code.

3.4 **Exercise Price**. The Exercise Price per share for an Option shall be determined by the Board; provided that such Exercise Price shall be not less than the Fair Market Value of a Share on the effective date of grant of the Option unless expressly determined in writing by the Board on the Option's date of grant, and subject to compliance with Section 409A of the Code. Notwithstanding the foregoing, an Option (whether an Incentive Stock Option or a Nonstatutory Stock Option) may be granted with an Exercise Price lower than the minimum exercise price set forth above if such Option is granted pursuant to an assumption or substitution for another option in a manner qualifying under the provisions of Section 424(a) of the Code.

3.5 **Term of Awards**. The Board shall determine the term of each Award, provided that in no event shall any Option be exercisable after the expiration of ten (10) years after the effective date of grant of such Option. Subject to the foregoing, unless otherwise specified by the Board in the Option Agreement, any Option granted hereunder shall terminate ten (10) years after the effective date of grant of the Option, unless earlier terminated in accordance with its provisions.

3.6 **Termination of Employment or Service**. If, on the date of Termination, the U.S. Participant is not vested as to his or her entire Award, the Shares covered by the unvested portion of the Award shall revert to the Plan. If, after Termination, the entire vested portion of his or her Option shall not be exercised within the applicable time period, the Option shall terminate and the Shares covered by the unexercised vested portion of such Option shall also revert to the Plan.

3.7 **Limits on Transferability; Beneficiaries**.

3.7.1 **In General**. No Award or other right or interest of a U.S. Participant under this U.S. Sub-Plan shall be pledged, hypothecated or otherwise encumbered or subject to any lien, obligation or liability of such U.S. Participant to any party (other than the Company or a subsidiary or Affiliate thereof), or assigned or transferred by such U.S. Participant otherwise than by will or the laws of descent and distribution, and such Awards or rights that may be exercisable shall be exercised during the lifetime of the U.S. Participant only by the U.S. Participant or his or her guardian or legal representative, except as permitted by the Board.

3.7.2 **Domestic Relations Orders**. Subject to the approval of the Board or a duly authorized officer of the Company, an Award may be transferred pursuant to the terms of a domestic relations order, official marital settlement agreement or other divorce or separation instrument as permitted by Treasury Regulations Section 1.421-1(b)(2). If an Option is an Incentive Stock Option, such Option will be deemed to be a Nonstatutory Stock Option as a result of such transfer.

3.7.3 **Beneficiary Designation**. Subject to the approval of the Board or a duly authorized officer of the Company, a U.S. Participant may, by delivering written notice to the Company, in a form approved by the Company (or the designated broker), designate a third party who, on the death of the U.S. Participant, will thereafter be entitled to exercise all rights and interests in the Award, held by the U.S. Participant at the time of death, including the right to exercise an Option, and to receive the Shares or other consideration resulting from the settlement or exercise of such Award. In the absence of such a designation, upon the death of the U.S. Participant, the executor or administrator of the U.S. Participant's estate will be entitled to exercise all rights and interests in the Award, held by the U.S. Participant at the time of death, including the right to exercise an Option, and to receive the Shares or other consideration resulting from the settlement or exercise of such Award. However, the Company may prohibit designation of a beneficiary at any time, including due to any conclusion by the Company that such designation would be inconsistent with the provisions of applicable laws.

4. ADMINISTRATION OF U.S. SUB-PLAN

4.1 **Manner of Exercise of Board Authority**. The express grant of any specific power to the Board, and the taking of any action by the Board, shall not be construed as limiting any power or authority of the Board. To the fullest extent authorized under applicable law, the Board may delegate to officers or managers of the Company or any subsidiary or Affiliate, or committees thereof, the authority, subject to such terms as the Board shall determine, to perform such functions, including administrative functions, as the Board may determine.

4.2 **Share Limit for Awards Issued to California Residents.** For purposes of compliance with Section 25102(o) of the California Corporations Code, the aggregate number of Shares that may be issued pursuant to Awards granted to residents of the state of California will not exceed 93,651 shares.

4.3 **Compliance with Legal and Other Requirements**. The Company may, to the extent deemed necessary or advisable by the Board, postpone the issuance or delivery of Shares until completion of such registration or qualification of such Shares or other required action under any federal or state law, rule or regulation or listing or other required action with respect to any stock exchange or automated quotation system upon which the Shares or other securities of the Company are listed or quoted, as the Board may consider appropriate, and may require any U.S. Participant to make such representations, furnish such information and comply with or be subject to such other conditions as it may consider appropriate in connection with the issuance or delivery of in compliance with applicable laws, rules, and regulations or listing requirements.

4.4 **Disclaimer; Non-Uniform Treatment**. Notwithstanding any provision in the U.S. Sub-Plan or Plan to the contrary, the Company shall have no liability to any Participant or any other person if an Option designated as an Incentive Stock Option fails to qualify as such at any time or if an Award is determined to constitute "nonqualified deferred compensation" within the meaning of Section 409A of the Code and the terms of such Award do not satisfy the requirements of Section 409A of the Code. The Board's determination under the Plan and U.S. Sub-Plan need not be uniform and may be made by it selectively among persons who are eligible to receive, or actually receive, Awards. Without limiting the generality of the foregoing, the Board shall be entitled to make non-uniform and selective determinations, amendments and adjustments, and enter into non-uniform and selective Award Agreements.

4.5 **Unfunded Plan**. The Plan and the U.S. Sub-Plan shall be unfunded. Neither the Company nor the Board shall be required to establish any special or separate fund or to segregate any assets to assure the performance of its obligations under the Plan or U.S. Sub-Plan.

5. TAX PROVISIONS

5.1 **Section 409A Compliance.** The Company intends that Awards granted pursuant to the Plan to U.S. Participants be exempt from or comply with Section 409A of the Code (including any amendments or replacements of such section), and the Plan shall be so construed. Notwithstanding other provisions of this U.S. Sub-Plan or any Award Agreements hereunder, unless otherwise determined by the Board in its sole and absolute discretion, no Award shall be granted, deferred, accelerated, extended, paid out or modified under this U.S. Sub-Plan in a manner that would result in the imposition of an additional tax under Section 409A of the Code upon a U.S. Participant. In the event that it is reasonably determined by the Board that, as a result of Section 409A of the Code, payments in respect of any Award under the Plan may not be made at the time contemplated by the terms of the Plan or the relevant Award Agreement, as the case may be, without causing the U.S. Participant holding such Award to be subject to taxation under Section 409A of the Code, including as a result of the fact that the U.S. Participant is a "specified employee" under Section 409A of the Code, the Company will attempt to make such payment on the first day that would not result in the U.S. Participant incurring any tax liability under Section 409A of the Code. The Company shall use commercially reasonable efforts to implement the provisions of this Section 5.1 in good faith; provided that neither the Company, the Board nor any of the Company's employees, directors or representatives shall have any liability to U.S. Participants with respect to this Section 5.1. Without limiting the foregoing, unless otherwise determined by the Board in its sole and absolute discretion, the terms of Section 4 and of the Plan as they relate to U.S. Participants shall be subject to the requirements and limitations of Section 409A of the Code. Notwithstanding any provision of the Plan to the contrary, in the event that following such effective date the Board determines that any Award may be subject to Section 409A of the Code and related Department of Treasury guidance (including such Department of Treasury guidance as may be issued after such effective date), the Board may adopt such amendments to the Plan and the applicable Award Agreement or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, that the Board determines are necessary or appropriate to (a) exempt the Award from Section 409A of the Code and/or preserve the intended tax treatment of the benefits provided with respect to the Award, or (b) comply with the requirements of Section 409A of the Code and related Department of Treasury guidance and thereby avoid the application of any penalty taxes under such Section. Notwithstanding any provision of the definition of M&A Transaction in the Plan to the contrary, in the event that any amount or benefit under the Plan or the U.S. Sub-Plan with respect to a U.S. Participant that constitutes deferred compensation under Section 409A of the Code and the settlement of or distribution of such amount or benefit is to be triggered by an M&A Transaction, then such settlement or distribution shall be subject to the event constituting the M&A Transaction also constituting a "change in control event" (as defined in Code Section 409A). The settlement of Restricted Share Units shall occur not later than 2½ months following the year in which they become vested, unless the terms of the Award Agreement specify a later settlement date in compliance with Section 409A of the Code.

5.2 **Share Withholding**. When, under applicable tax laws, a U.S. Participant incurs tax liability in connection with the exercise, vesting, or settlement of any Award that is subject to tax withholding and the U.S. Participant is obligated to pay the Company the amount required to be withheld, the Board may in its sole discretion allow the U.S. Participant to satisfy the tax withholding obligation by electing to have the Company withhold from the Shares to be issued up to the minimum number of Shares having a Fair Market Value on the date that the amount of tax to be withheld is to be determined that is not more than the amount to be withheld (except as otherwise specifically provided by the Committee, such Shares withheld may not be used to satisfy more than the maximum individual statutory tax rate for each applicable tax jurisdiction); or to arrange a mandatory "sell to cover" on U.S. Participant's behalf (without further authorization) but in no event will the Company withhold Shares or "sell to cover" if such withholding would result in adverse accounting consequences to the Company. Any elections to have Shares withheld or sold for this purpose will be made in accordance with the requirements established by the Board for such elections and be in writing in a form acceptable to the Board.

5.3 **No Obligation to Notify or Minimize Taxes**. The Company will have no duty or obligation to the U.S. Participant to advise such holder as to the time or manner of exercising an Option. Furthermore, the Company will have no duty or obligation to warn or otherwise advise such holder of a pending termination or expiration of an Award or a possible period in which an Option may not be exercised. The Company has no duty or obligation to minimize the tax consequences of an Award to the U.S. Participant.

6. LIMITATION ON RIGHTS CONFERRED UNDER U.S. SUB-PLAN

Neither this U.S. Sub-Plan nor any action taken hereunder shall be construed as (i) giving any Eligible Person or U.S. Participant the right to continue as an Eligible Person or U.S. Participant or in the employee or service of the Company or a subsidiary or Affiliate, (ii) interfering in any way with the right of the Company or a subsidiary or Affiliate to terminate any Eligible Person's or U.S. Participant's employment or service at any time, (iii) giving an Eligible Person or U.S. Participant any claim to be granted any Award under the Plan or to be treated uniformly with other U.S. Participants and employees, or (iv) conferring on a U.S. Participant any of the rights of a shareholder of the Company unless and until the U.S. Participant is duly issued or transferred Shares in accordance with the terms of an Award, an Option is duly exercised, or a Restricted Share Unit is settled. Except as expressly provided in this U.S. Sub-Plan and an Award Agreement, neither this U.S. Sub-Plan nor any Award Agreement shall confer on any person other than the Company and the U.S. Participant any rights or remedies thereunder.

7. AUTHORIZATION OF SUB-PLAN

7.1 **Effectiveness**. This U.S. Sub-Plan shall become effective upon its adoption by the Board (the "***Effective Date***"). It shall continue in effect for a term of ten (10) years from such date or from the date of its approval by the shareholders, whichever is earlier, unless sooner terminated under the terms of the Plan.

7.2 **Shareholder Approval**. The authority to grant ISOs pursuant to the Plan and this U.S. Sub-Plan to U.S. Participants shall be subject to approval by the shareholders of the Company within twelve (12) months before or after the date the Plan and this U.S. Sub-Plan are adopted. Any outstanding ISOs, and any Shares purchased pursuant to an ISO under this U.S. Sub-Plan before shareholder approval is obtained must be rescinded if shareholder approval is not obtained within twelve (12) months before or after the Plan and this U.S. Sub-Plan are adopted.

7.3 **Nonexclusivity of the Plan**. Neither the adoption of this U.S. Sub-Plan by the Board nor its submission to the Shareholders of the Company for approval shall be construed as creating any limitations on the power of the Board or a committee thereof to adopt such other incentive arrangements, apart from the Plan or this U.S. Sub-Plan, as it may deem desirable, and such other arrangements may be either applicable generally or only in specific cases.

8. GOVERNING LAW

This U.S. Sub-Plan shall in all respects be governed by and be construed in accordance with the laws of Israel to the maximum extent permissible, without giving effect to the principals of conflicts of laws of any state or jurisdiction, and applicable provisions of federal law. For the purpose of taxation of U.S. Participant, the provisions of the Code shall also apply.

Exhibit 10.5

ODDITY TECH LTD.

2023 INCENTIVE AWARD PLAN

SHARE OPTION GRANT NOTICE

Capitalized terms not specifically defined in this Share Option Grant Notice (the "Grant Notice") have the meanings given to them in the 2023 Incentive Award Plan (as amended from time to time, the "Plan") of Oddity Tech Ltd. (the "Company"). The Company hereby grants to the participant listed below ("Participant") the share option described in this Grant Notice (the "Option"), subject to the terms and conditions of the Plan and the Share Option Agreement attached hereto as Exhibit A (the "Agreement"), and the special terms and provisions, if any, for the Participant's country of residence in the appendix attached hereto as Exhibit B (the "International Appendix"), each of which are incorporated into this Grant Notice by reference.

Participant:	
Grant Date:	
Exercise Price per Share:	
Shares Subject to the Option:	
Final Expiration Date:	
Vesting Commencement Date:	
Vesting Schedule:	[To be specified in individual agreements]
Type of Option	☐ Incentive Stock Option ☐ Non-Qualified Option

By Participant's signature below or electronic acceptance or authentication in a form authorized by the Company, Participant agrees to be bound by the terms of this Grant Notice, the Plan, the Agreement and the International Appendix, as applicable. Participant has reviewed the Plan, this Grant Notice, the Agreement and the International Appendix, as applicable, in their entirety, has had an opportunity to obtain the advice of counsel prior to executing this Grant Notice and fully understands all provisions of the Plan, this Grant Notice, the Agreement and the International Appendix, as applicable. Participant hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Administrator upon any questions arising under the Plan or relating to the Option.

ODDITY TECH LTD.

By: _____
Print Name:
Title:

PARTICIPANT

By: _____
Print Name:

EXHIBIT A

SHARE OPTION AGREEMENT

ARTICLE I.
GENERAL

1.1 Incorporation of Terms of Plan. The Option is subject to the terms and conditions set forth in this Agreement, the International Appendix, as applicable, and the Plan, which is incorporated herein by reference. In the event of any inconsistency between the Plan and this Agreement, the terms of the Plan will control.

1.2 Defined Terms. Capitalized terms not specifically defined herein shall have the meanings specified in the Plan or the Grant Notice. For purposes of this Agreement,

(a) "Cessation Date" shall mean the date of Participant's Termination of Service (regardless of the reason for such termination).

(b) ["CIC Qualifying Termination" shall mean Participant's Termination of Service by any Participating Company without Cause upon or during the twelve-month period immediately following a Change in Control.][1]

(c) "Participating Company" shall mean the Company or any of its parents or Subsidiaries.

ARTICLE II.
GRANT OF OPTION

Section 2.1 Grant of Option. In consideration of Participant's past and/or continued employment with or service to a Participating Company and for other good and valuable consideration, effective as of the grant date set forth in the Grant Notice (the "Grant Date"), the Company has granted to the Participant the Option to purchase any part or all of an aggregate number of Shares set forth in the Grant Notice, upon the terms and conditions set forth in the Grant Notice, the Plan and this Agreement, subject to adjustment as provided in Article VIII of the Plan.

Section 2.2 Exercise Price. The exercise price per Share of the Shares subject to the Option (the "Exercise Price") shall be as set forth in the Grant Notice.

Section 2.3 Consideration to the Company. In consideration of the grant of the Option by the Company, Participant agrees to render faithful and efficient services to any Participating Company.

ARTICLE III.
PERIOD OF EXERCISABILITY

Section 3.1 Commencement of Exercisability.

(a) Subject to Participant's continued employment with or service to a Participating Company on each applicable vesting date and subject to Sections [3.1(b)], 3.2, 3.3, 5.9 and 5.14 hereof, the Option shall become vested and exercisable in such amounts and at such times as are set forth in the Grant Notice.

[1] **Note to Draft:** Include for participants receiving double trigger protection.

(b) [Notwithstanding the Grant Notice or the provisions of Section 3.1(a) and (c), in the event of a CIC Qualifying Termination, the Option shall become vested and exercisable in full on the date of such CIC Qualifying Termination.][2]

(c) Unless otherwise determined by the Administrator or as set forth in a written agreement between Participant and the Company, any portion of the Option that has not become vested and exercisable on or prior to the Cessation Date (including, without limitation, pursuant to any employment or similar agreement by and between Participant and the Company) shall be forfeited on the Cessation Date and shall not thereafter become vested or exercisable.

Section 3.2 Duration of Exercisability. The installments provided for in the vesting schedule set forth in the Grant Notice are cumulative. Each such installment that becomes vested and exercisable pursuant to the vesting schedule set forth in the Grant Notice shall remain vested and exercisable until it becomes unexercisable under Section 3.3 hereof. Once the Option becomes unexercisable, it shall be forfeited immediately.

Section 3.3 Expiration of Option. The Option may not be exercised to any extent by anyone after the first to occur of the following events:

(a) The expiration date set forth in the Grant Notice; *provided* that such expiration date shall not be later than the tenth (10th) anniversary of the Grant Date;

(b) Except as the Administrator may otherwise approve, the ninetieth (90th) day following the Cessation Date by reason of Participant's Termination of Service for any reason other than due to death, Disability or by a Participating Company for Cause;

(c) Except as the Administrator may otherwise approve, immediately upon the Cessation Date by reason of Participant's Termination of Service by a Participating Company for Cause; and

(d) The expiration of twelve (12) months from the Cessation Date by reason of Participant's Termination of Service due to death or Disability.

Section 3.4 Tax Withholding. Notwithstanding any other provision of this Agreement:

(a) The Participating Companies have the authority to deduct or withhold, or require Participant to remit to the applicable Participating Company, an amount sufficient to satisfy any applicable federal, state, local and foreign taxes (including the employee portion of any FICA obligation) required by Applicable Law to be withheld with respect to any taxable event arising pursuant to this Agreement. The Participating Companies may withhold or Participant may make such payment in one or more of the forms specified below:

(i) by cash or check made payable to the Participating Company with respect to which the withholding obligation arises;

[2] **Note to Draft:** Include for participants receiving double-trigger protection.

(ii) by the deduction of such amount from other compensation payable to Participant;

(iii) with respect to any withholding taxes arising in connection with the exercise of the Option, with the consent of the Administrator, by requesting that the Participating Companies withhold a net number of vested Shares otherwise issuable upon the exercise of the Option having a then current Fair Market Value not exceeding the amount necessary to satisfy the withholding obligation of the Participating Companies based on the maximum statutory withholding rates in Participant's applicable jurisdictions for federal, state, local and foreign income tax and payroll tax purposes that are applicable to such taxable income;

(iv) with respect to any withholding taxes arising in connection with the exercise of the Option, with the consent of the Administrator, by tendering to the Company vested Shares held for such period of time as may be required by the Administrator in order to avoid adverse accounting consequences and having a then current Fair Market Value not exceeding the amount necessary to satisfy the withholding obligation of the Participating Companies based on the maximum statutory withholding rates in Participant's applicable jurisdictions for federal, state, local and foreign income tax and payroll tax purposes that are applicable to such taxable income;

(v) with respect to any withholding taxes arising in connection with the exercise of the Option, through the delivery of a notice that Participant has placed a market sell order with a broker acceptable to the Company with respect to Shares then issuable to Participant pursuant to the Option, and that the broker has been directed to pay a sufficient portion of the net proceeds of the sale to the Participating Company with respect to which the withholding obligation arises in satisfaction of such withholding taxes; provided that payment of such proceeds is then made to the applicable Participating Company at such time as may be required by the Administrator, but in any event not later than the settlement of such sale; or

(vi) in any combination of the foregoing.

(b) With respect to any withholding taxes arising in connection with the Option, in the event Participant fails to provide timely payment of all sums required pursuant to Section 3.4(a), the Company shall have the right and option, but not the obligation, to treat such failure as an election by Participant to satisfy all or any portion of Participant's required payment obligation pursuant to Section 3.4(a)(ii) or Section 3.4(a)(iii) above, or any combination of the foregoing as the Company may determine to be appropriate. The Company shall not be obligated to deliver any certificate representing Shares issuable with respect to the exercise of the Option to, or to cause any such Shares to be held in book-entry form by, Participant or his or her legal representative unless and until Participant or his or her legal representative shall have paid or otherwise satisfied in full the amount of all federal, state, local and foreign taxes applicable with respect to the taxable income of Participant resulting from the exercise of the Option or any other taxable event related to the Option.

(c) In the event any tax withholding obligation arising in connection with the Option will be satisfied under Section 3.4(a)(iii), then the Company may elect to instruct any brokerage firm determined acceptable to the Company for such purpose to sell on Participant's behalf a whole number of Shares from those Shares then issuable upon the exercise of the Option as the Company determines to be appropriate to generate cash proceeds sufficient to satisfy the tax withholding obligation and to remit the proceeds of such sale to the Participating Company with respect to which the withholding obligation arises. Participant's acceptance of this Option constitutes Participant's instruction and authorization to the Company and such brokerage firm to complete the transactions described in this Section 3.4(c), including the transactions described in the previous sentence, as applicable. The Company may refuse to issue any Shares to Participant until the foregoing tax withholding obligations are satisfied, provided that no payment shall be delayed under this Section 3.4(c) if such delay will result in a violation of Section 409A.

(d) Participant is ultimately liable and responsible for all taxes owed in connection with the Option, regardless of any action any Participating Company takes with respect to any tax withholding obligations that arise in connection with the Option. No Participating Company makes any representation or undertaking regarding the treatment of any tax withholding in connection with the awarding, vesting or exercise of the Option or the subsequent sale of Shares. The Participating Companies do not commit and are under no obligation to structure the Option to reduce or eliminate Participant's tax liability.

ARTICLE IV.
EXERCISE OF OPTION

Section 4.1 Person Eligible to Exercise. During the lifetime of Participant, only Participant may exercise the Option or any portion thereof. After the death of Participant, any exercisable portion of the Option may, prior to the time when the Option becomes unexercisable under Section 3.3 hereof, be exercised by Participant's personal representative or by any Person empowered to do so under the deceased Participant's will or under the then Applicable Laws of descent and distribution.

Section 4.2 Partial Exercise. Subject to Section 5.2, any exercisable portion of the Option or the entire Option, if then wholly exercisable, may be exercised in whole or in part at any time prior to the time when the Option or portion thereof becomes unexercisable under Section 3.3 hereof.

Section 4.3 Manner of Exercise. The Option, or any exercisable portion thereof, may be exercised solely by delivery to the Secretary of the Company (or any third party administrator or other Person designated by the Company), during regular business hours, of all of the following prior to the time when the Option or such portion thereof becomes unexercisable under Section 3.3 hereof.

(a) An exercise notice in a form specified by the Administrator, stating that the Option or portion thereof is thereby exercised, such notice complying with all applicable rules established by the Administrator;

(b) The receipt by the Company of full payment for the Shares with respect to which the Option or portion thereof is exercised, in such form of consideration permitted under Section 4.4 that is acceptable to the Administrator;

(c) The payment of any applicable withholding tax in accordance with Section 3.4;

(d) Any other written representations or documents as may be required in the Administrator's sole discretion to effect compliance with Applicable Law; and

(e) In the event the Option or portion thereof shall be exercised pursuant to Section 4.1 by any Person or Persons other than Participant, appropriate proof of the right of such Person or Persons to exercise the Option.

Notwithstanding any of the foregoing, the Administrator shall have the right to specify all conditions of the manner of exercise, which conditions may vary by country and which may be subject to change from time to time.

Section 4.4 Method of Payment. Payment of the Exercise Price shall be by any of the following, or a combination thereof, at the election of Participant:

(a) Cash or check;

(b) With the consent of the Administrator, surrender of vested Shares (including, without limitation, Shares otherwise issuable upon exercise of the Option) held for such period of time as may be required by the Administrator in order to avoid adverse accounting consequences and having a Fair Market Value on the date of delivery equal to the aggregate Exercise Price of the Option or exercised portion thereof;

(c) Through the delivery of a notice that Participant has placed a market sell order with a broker acceptable to the Company with respect to Shares then issuable upon exercise of the Option, and that the broker has been directed to pay a sufficient portion of the net proceeds of the sale to the Company in satisfaction of the Exercise Price; *provided* that payment of such proceeds is then made to the Company at such time as may be required by the Administrator, but in any event not later than the settlement of such sale; or

(d) Any other form of legal consideration acceptable to the Administrator.

Section 4.5 Conditions to Issuance of Shares. The Company shall not be required to issue or deliver any certificate or certificates for any Shares or to cause any Shares to be held in book-entry form prior to the fulfillment of all of the following conditions: (a) the admission of the Shares to listing on all stock exchanges on which such Shares are then listed, (b) the completion of any registration or other qualification of the Shares under any state or federal law or under rulings or regulations of the Securities and Exchange Commission or other governmental regulatory body, which the Administrator shall, in its absolute discretion, deem necessary or advisable, (c) the obtaining of any approval or other clearance from any state or federal governmental agency that the Administrator shall, in its absolute discretion, determine to be necessary or advisable, (d) the receipt by the Company of full payment for such Shares, which may be in one or more of the forms of consideration permitted under Section 4.4, and (e) the receipt of full payment of any applicable withholding tax in accordance with Section 3.4 by the Participating Company with respect to which the applicable withholding obligation arises.

Section 4.6 Rights as Shareholder. Neither Participant nor any Person claiming under or through Participant will have any of the rights or privileges of a shareholder of the Company in respect of any Shares purchasable upon the exercise of any part of the Option unless and until certificates representing such Shares (which may be in book-entry form) will have been issued and recorded on the records of the Company or its transfer agents or registrars and delivered to Participant (including through electronic delivery to a brokerage account). No adjustment will be made for a dividend or other right for which the record date is prior to the date of such issuance, recordation and delivery, except as provided in Article VIII of the Plan. Except as otherwise provided herein, after such issuance, recordation and delivery, Participant will have all the rights of a shareholder of the Company with respect to such Shares, including, without limitation, the right to receipt of dividends and distributions on such Shares.

Section 4.7 Restrictive Covenants; Forfeiture. The Participant hereby acknowledges and agrees that the restrictive covenants set forth on Annex I hereto together with any restrictive covenants or similar written agreements (the "Restrictive Covenant Agreements") between such Participant and the Company or any other Participating Company are incorporated herein by reference, and that such agreements, as applicable, remain in full force and effect. In the event the Participant materially breaches the Restrictive Covenant Agreements or any other written covenants between such Participant and any Participating Company, the Participant shall immediately forfeit any and all Options granted under this Agreement (whether or not vested), and Participant's rights in any such Options shall lapse and expire. For the avoidance of doubt, such forfeiture, lapse and expiration shall not limit the Participating Companies' ability to seek other remedies for such breach.

ARTICLE V.
OTHER PROVISIONS

Section 5.1 Administration. The Administrator shall have the power to interpret the Plan, the Grant Notice, this Agreement and the International Appendix, as applicable, and to adopt such rules for the administration, interpretation and application of the Plan, the Grant Notice, this Agreement and the International Appendix, as applicable, as are consistent therewith and to interpret, amend or revoke any such rules. All actions taken and all interpretations and determinations made by the Administrator will be final and binding upon Participant, the Company and all other interested Persons. To the extent allowable pursuant to Applicable Law, no member of the Committee or the Board will be personally liable for any action, determination or interpretation made with respect to the Plan, the Grant Notice, this Agreement or the International Appendix, as applicable.

Section 5.2 Whole Shares. The Option may only be exercised for whole Shares.

Section 5.3 Option Not Transferable. Subject to Section 4.1 hereof, the Option may not be sold, pledged, assigned or transferred in any manner other than by will or the laws of descent and distribution, unless and until the Shares underlying the Option have been issued, and all restrictions applicable to such Shares have lapsed. Neither the Option nor any interest or right therein or part thereof shall be liable for the debts, contracts or engagements of Participant or his or her successors in interest or shall be subject to disposition by transfer, alienation, anticipation, pledge, encumbrance, assignment or any other means whether such disposition be voluntary or involuntary or by operation of law by judgment, levy, attachment, garnishment or any other legal or equitable proceedings (including bankruptcy), and any attempted disposition thereof shall be null and void and of no effect, except to the extent that such disposition is permitted by the preceding sentence. Notwithstanding the foregoing, with the consent of the Administrator, if the Option is a Non-Qualified Option, it may be transferred to permitted transferees in accordance with the Plan pursuant to any conditions and procedures the Administrator may require.

Section 5.4 Adjustments. The Administrator may accelerate the vesting of all or a portion of the Option in such circumstances as it, in its sole discretion, may determine. Participant acknowledges that the Option is subject to adjustment, modification and termination in certain events as provided in this Agreement and the Plan, including Article VIII of the Plan.

Section 5.5 Notices. Any notice to be given under the terms of this Agreement to the Company shall be addressed to the Company in care of the Secretary of the Company at the Company's principal office, and any notice to be given to Participant shall be addressed to Participant at Participant's last email or physical address reflected on the Company's records. By a notice given pursuant to this Section 5.5, either party may hereafter designate a different address for notices to be given to that party. Any notice shall be deemed duly given when sent via email (to Participant only) or when sent by certified mail (return receipt requested) and deposited (with postage prepaid) in a post office or branch post office regularly maintained by the United States Postal Service.

Section 5.6 Titles. Titles are provided herein for convenience only and are not to serve as a basis for interpretation or construction of this Agreement.

Section 5.7 Governing Law. The laws of the State of Israel shall govern the interpretation, validity, administration, enforcement and performance of the terms of this Agreement regardless of the law that might be applied under principles of conflicts of laws.

Section 5.8 Conformity to Securities Laws. Participant acknowledges that the Plan, the Grant Notice, this Agreement and the International Appendix, as applicable, are intended to conform to the extent necessary with all Applicable Laws, including, without limitation, the provisions of the Securities Act and the Exchange Act, and any and all regulations and rules promulgated thereunder by the Securities and Exchange Commission and state securities laws and regulations. Notwithstanding anything herein to the contrary, the Plan shall be administered, and the Option is granted and may be exercised, only in such a manner as to conform to Applicable Law. To the extent permitted by Applicable Law, the Plan, the Grant Notice, this Agreement and the International Appendix, as applicable, shall be deemed amended to the extent necessary to conform to Applicable Law.

Section 5.9 Amendment, Suspension and Termination. To the extent permitted by the Plan, this Agreement may be wholly or partially amended or otherwise modified, suspended or terminated at any time or from time to time by the Administrator or the Board, *provided* that, except as may otherwise be provided by the Plan, no amendment, modification, suspension or termination of this Agreement shall adversely affect the Option in any material respect without the prior written consent of Participant.

Section 5.10 Successors and Assigns. The Company may assign any of its rights under this Agreement to single or multiple assignees, and this Agreement shall inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth in Section 5.3 and the Plan, this Agreement shall be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

Section 5.11 Limitations Applicable to Section 16 Persons. Notwithstanding any other provision of the Plan or this Agreement, if Participant is subject to Section 16 of the Exchange Act, the Plan, the Option, the Grant Notice and this Agreement shall be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including any amendment to Rule 16b-3 of the Exchange Act) that are requirements for the application of such exemptive rule. To the extent permitted by Applicable Law, this Agreement shall be deemed amended to the extent necessary to conform to such applicable exemptive rule.

Section 5.12 Not a Contract of Employment. Nothing in this Agreement, the International Appendix, as applicable, or in the Plan shall confer upon Participant any right to continue to serve as an employee or other service provider of any Participating Company or shall interfere with or restrict in any way the rights of any Participating Company, which rights are hereby expressly reserved, to discharge or terminate the services of Participant at any time for any reason whatsoever, with or without cause, except to the extent (i) expressly provided otherwise in a written agreement between a Participating Company and Participant or (ii) where such provisions are not consistent with applicable foreign or local laws, in which case such applicable foreign or local laws shall control.

Section 5.13 Entire Agreement. The Plan, the Grant Notice and this Agreement (including any exhibit hereto) constitute the entire agreement of the parties and supersede in their entirety all prior undertakings and agreements of the Company and Participant with respect to the subject matter hereof.

Section 5.14 Section 409A. This Option is not intended to constitute "nonqualified deferred compensation" within the meaning of Section 409A. However, notwithstanding any other provision of the Plan, the Grant Notice or this Agreement, if at any time the Administrator determines that this Option (or any portion thereof) may be subject to Section 409A, the Administrator shall have the right in its sole discretion (without any obligation to do so or to indemnify Participant or any other Person for failure to do so) to adopt such amendments to the Plan, the Grant Notice or this Agreement, or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, as the Administrator determines are necessary or appropriate for this Option either to be exempt from the application of Section 409A or to comply with the requirements of Section 409A.

Section 5.15 Agreement Severable. In the event that any provision of the Grant Notice, this Agreement (including, for the avoidance of doubt, the Restrictive Covenant Agreement) or the International Appendix, as applicable, is held invalid or unenforceable, such provision will be severable from, and such invalidity or unenforceability will not be construed to have any effect on, the remaining provisions of the Grant Notice, this Agreement or the International Appendix, as applicable.

Section 5.16 Limitation on Participant's Rights. Participation in the Plan confers no rights or interests other than as herein provided. This Agreement creates only a contractual obligation on the part of the Company as to amounts payable and shall not be construed as creating a trust. Neither the Plan nor any underlying program, in and of itself, has any assets. Participant shall have only the right to receive Shares as a general unsecured creditor with respect to the Option, as and when exercised pursuant to the terms hereof.

Section 5.17 Counterparts. The Grant Notice may be executed in one or more counterparts, including by way of any electronic signature, subject to Applicable Law, each of which shall be deemed an original and all of which together shall constitute one instrument.

Section 5.18 Broker-Assisted Sales. In the event of any broker-assisted sale of Shares in connection with the payment of withholding taxes as provided in Section 3.4(c) or the payment of the Exercise Price as provided in Section 4.4(c): (a) any Shares to be sold through a broker-assisted sale will be sold on the day the tax withholding obligation or exercise of the Option, as applicable, occurs or arises, or as soon thereafter as practicable; (b) such Shares may be sold as part of a block trade with other participants in the Plan in which all participants receive an average price; (c) Participant will be responsible for all broker's fees and other costs of sale, and Participant agrees to indemnify and hold the Company harmless from any losses, costs, damages, or expenses relating to any such sale; (d) to the extent the proceeds of such sale exceed the applicable tax withholding obligation or Exercise Price, the Company agrees to pay such excess in cash to Participant as soon as reasonably practicable; (e) Participant acknowledges that the Company or its designee is under no obligation to arrange for such sale at any particular price, and that the proceeds of any such sale may not be sufficient to satisfy the applicable tax withholding obligation or Exercise Price; and (f) in the event the proceeds of such sale are insufficient to satisfy the applicable tax withholding obligation, Participant agrees to pay immediately upon demand to the Participating Company with respect to which the withholding obligation arises an amount in cash sufficient to satisfy any remaining portion of the applicable Participating Company's withholding obligation.

Section 5.19 Incentive Stock Options. Participant acknowledges that to the extent the aggregate Fair Market Value of Shares (determined as of the time the option with respect to the Shares is granted) with respect to which Incentive Stock Options, including this Option (if applicable), are exercisable for the first time by Participant during any calendar year exceeds $100,000 or if for any other reason such Incentive Stock Options do not qualify or cease to qualify for treatment as "incentive stock options" under Section 422 of the Code, such Incentive Stock Options shall be treated as Non-Qualified Options. Participant further acknowledges that the rule set forth in the preceding sentence shall be applied by taking the Option and other share options into account in the order in which they were granted, as determined under Section 422(d) of the Code and the Treasury Regulations thereunder. Participant also acknowledges that an Incentive Stock Option exercised more than three (3) months after Participant's Termination of Service, other than by reason of death or disability, will be taxed as a Non-Qualified Option.

Section 5.20 Notification of Disposition. If this Option is designated as an Incentive Stock Option, Participant shall give prompt written notice to the Company of any disposition or other transfer of any Shares acquired under this Agreement if such disposition or transfer is made (a) within two (2) years from the Grant Date or (b) within one (1) year after the transfer of such Shares to Participant. Such notice shall specify the date of such disposition or other transfer and the amount realized, in cash, other property, assumption of indebtedness or other consideration, by Participant in such disposition or other transfer.

Section 5.21 Clawback. The Option (including any proceeds, gains or other economic benefit actually or constructively received by the Participant upon any receipt or exercise of the Option or upon the receipt or resale of any Shares underlying the Option) will be subject to any Company clawback policy as in effect from time to time, including any clawback policy adopted to comply with Applicable Laws (including the Dodd-Frank Wall Street Reform and Consumer Protection Act and any rules or regulations promulgated thereunder).

Section 5.22 Special Provisions for Options Granted to Participants Outside the United States. If the Participant performs services for any Participating Company outside of the United States, this Agreement shall be subject to the special provisions, if any, for the Participant's country of residence, as set forth in the International Appendix. If the Participant relocates to one of the countries included in the International Appendix during the life of this Agreement, the special provisions for such country shall apply to the Participant, to the extent the Company determines that the application of such provisions is necessary or advisable in order to comply with applicable foreign and local law or facilitate the administration of the Plan. The Company reserves the right to impose other requirements on this Agreement, the Option and the Shares issued upon exercise of the Option, to the extent the Company determines it is necessary or advisable in order to comply with applicable foreign or local laws or facilitate the administration of the Plan, and to require the Participant to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

* * * * *

EXHIBIT B
TO SHARE OPTION AWARD AGREEMENT

SPECIAL PROVISIONS FOR SHARE OPTIONS

GRANTED TO PARTICIPANTS OUTSIDE THE U.S.

This Exhibit B includes additional terms applicable to Participants who reside or provide services to a Participating Company in the countries identified below. These terms and conditions are in addition to those set forth in the Agreement to which this Exhibit B is attached and the Plan and to the extent there are any inconsistencies between these terms and conditions and those set forth in the Agreement, these terms and conditions shall prevail. Any capitalized term used in this Exhibit B without definition shall have the meaning ascribed to such term in the Plan or the Agreement, as applicable.

This International Appendix also includes information relating to exchange control and other issues of which the Participant should be aware with respect to his or her participation in the Plan. The information is based on the exchange control, securities and other laws in effect in the respective countries as of June 2023. Such laws are often complex and change frequently. As a result, the Company strongly recommends that the Participant does not rely on the information herein as the only source of information relating to the consequences of participation in the Plan because the information may be out of date at the time the Option is exercised or Shares acquired under the Plan are sold.

In addition, the information is general in nature and may not apply to the particular situation of the Participant, and the Company is not in a position to assure the Participant of any particular result. Accordingly, the Participant is advised to seek appropriate professional advice as to how the relevant laws in his or her country may apply to his or her situation. Finally, if the Participant is a citizen or resident of a country other than the one in which he or she is currently working, the information contained herein may not be applicable to the Participant.

ISRAEL

The following provisions will apply if the Participant is an employee of an Israeli resident subsidiary of the Company on the Grant Date.

Israeli Sub-Plan: The Options and underlying Shares shall be subject to the provisions of the Plan and the Sub-Plan for Israeli Participants (the "***Israeli Sub-Plan***"). The terms used herein shall have the meaning ascribed to them in the Plan and the Israeli Sub-Plan.

Designation. The Options are intended to be subject to the trustee capital gain route of Section 102 of the Israeli Tax Ordinance [New Version] 1961 ("***Section 102***" and "***Capital Gains Route***"), subject to compliance with the requirements under Section 102 and any rules or regulations thereunder, including the execution of this Agreement and the required declarations. However, in the event the Options do not meet the requirements of Section 102, such Options and the underlying Shares shall not qualify for the favorable tax treatment under the Capital Gains Route. The Company makes no representations or guarantees that the Options will qualify for favorable tax treatment and will not be liable or responsible if favorable tax treatment is not available under Section 102.

The Trustee. The Options and the Shares issued upon exercise and/or any additional rights, including without limitation any right to receive any dividends or any Shares received as a result of an adjustment made under the Plan, that may be granted in connection with the Options (the "***Additional Rights***") shall be issued to or controlled by the Trustee for the Participant's benefit under the provisions of the Capital Gains Route for at least the period stated in Section 102 or any other period of time determined by the Israel Tax Authority ("***ITA***"). In accordance with the requirements of Section 102 and the Capital Gains Route, the Participant shall not sell nor transfer from the Trustee the Common Stock or Additional Rights until the end of the period required under Section 102 or any shorter period determined by the ITA (the "***Holding Period***"). Notwithstanding the above, if any such sale or transfer occurs before the end of the Holding Period, the sanctions under Section 102 shall apply and shall be borne by the Participant.

Taxes. Despite section 2.4 of the Agreement, Tax shall not generally be due upon exercise of the Options but upon sale or release of the Shares from the Trustee. Any and all taxes due in relation to the Options and Shares, shall be borne solely by the Participant and in the event of death, by the Participant's heirs. Each Participating Company and/or the Trustee shall withhold taxes according to the requirements under the applicable laws, the rules, and regulations, including withholding taxes at source. Furthermore, the Participant hereby agrees to indemnify the applicable Participating Company, and/or the Trustee and hold them harmless against and from any and all liability for any such tax or interest or penalty thereon, including without limitation, liabilities relating to the necessity to withhold, or to have withheld, any such tax from any payment made to the Participant. Each Participating Company and/or the Trustee, to the extent permitted by law, shall have the right to deduct from any payment otherwise due to the Participant, or from proceeds of the sale of any Shares, an amount equal to any Taxes required by law to be withheld with respect to such Shares. The Participant will pay to the applicable Participating Company or the Trustee any amount of taxes that the Participating Company or the Trustee may be required to withhold with respect to any Shares that cannot be satisfied by the means previously described. The Company may refuse to deliver any Shares if the Participant fails to comply with the Participant's obligations in connection with the taxes as described in this section. Any fees associated with any exercise, sale, transfer or any act in relation to the Options and the Shares, shall be borne by the Participant. The Trustee and/or the applicable Participating Company shall be entitled to withhold or deduct such fees from payments otherwise due to/from the Participating Company or the Trustee.

Acknowledgements. In addition to the acknowledgments included in the Agreement, by accepting the Option the Participant hereby understands, acknowledges, agrees as follows: (i) Participant is familiar with the provisions of Section 102 and the regulations and rules promulgated thereunder, including without limitations the provisions of the tax route applicable to the Participant's Options and agrees to comply with such provisions, as amended from time to time, provided that if such terms are not met, the specific tax route may not apply; (ii) the Participant accepts the provisions of the trust agreement signed between the Company and the Trustee, and agrees to be bound by its terms; (iii) the Participant acknowledge that selling the Shares or releasing the Shares from the control of the Trustee prior to the termination of the Holding Period constitutes a violation of the terms of Section 102 and agrees to bear the relevant sanctions; (iv) the Participant authorizes the Company to provide the electronic capitalization table system provider and the Trustee with any information required for the purpose of administering the Plan including executing their obligations according to Section 102, the trust deed and the trust agreement, including without limitation information about the Participant's Options, Shares, income tax rates, salary bank account, contact details and identification number and acknowledges that the information might be shared with an administrator who is located outside of Israel, where the level of protection of personal data is different than in Israel.

ANNEX I

Restrictive Covenant Agreement

Exhibit 10.6

ODDITY TECH LTD.

2023 INCENTIVE AWARD PLAN

RESTRICTED SHARE UNIT GRANT NOTICE

Capitalized terms not specifically defined in this Restricted Share Unit Grant Notice (the "Grant Notice") have the meanings given to them in the 2023 Incentive Award Plan (as amended from time to time, the "Plan") of Oddity Tech Ltd. (the "Company").

The Company hereby grants to the participant listed below ("Participant") the Restricted Share Units described in this Grant Notice (the "RSUs"), subject to the terms and conditions of the Plan and the Restricted Share Unit Agreement attached hereto as Exhibit A (the "Agreement"), and the special terms and provisions, if any, for the Participant's country of residence in the appendix attached hereto as Exhibit B (the "International Appendix"), each of which are incorporated into this Grant Notice by reference. [Each RSU is hereby granted in tandem with a corresponding dividend equivalent to the extent a portion of such RSU is vested, as further described in Article II of the Agreement (the "Dividend Equivalents").][1]

Participant:	*[Insert Participant Name]*
Grant Date:	*[Insert Grant Date]*
Number of RSUs:	*[Insert Number of RSUs]*
Vesting Commencement Date:	*[Insert Vesting Commencement Date]*
Vesting Schedule:	*[To be specified in individual agreements]*

[**Withholding Taxes – Sell to Cover:** Upon the issuance of the resulting Shares following the vesting of the restricted share units, the Company, on your behalf, will instruct the Agent (as defined in the Agreement) to (1) sell that number of Shares determined in accordance with Section 2.5 of the Agreement as may be necessary to satisfy all applicable withholding obligations with respect to any taxable event arising in connection with the RSUs, and (2) to allow the Agent (as defined in the Agreement) to remit the cash proceeds of such sale(s) to the Company. The Company shall then make a cash payment equal to the required tax withholding from the cash proceeds of such sale(s) directly to the appropriate taxing authorities (such actions, the "Sell to Cover Process").][2]

By accepting this Award electronically through the Plan service provider's online grant acceptance policy, Participant agrees to be bound by the terms and conditions of the Plan, the Agreement, the International Appendix, as applicable, and the Grant Notice. Participant has reviewed the Agreement, the International Appendix, as applicable, the Plan and the Grant Notice in their entirety, has had an opportunity to obtain the advice of counsel prior to executing the Grant Notice and fully understands all provisions of the Grant Notice, the Agreement, the International Appendix, as applicable, and the Plan. Participant hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Administrator upon any questions arising under the Plan, the Grant Notice, the Agreement and the International Appendix, as applicable.

[1] **Note to Draft:** To include if dividend equivalents will be granted in tandem.

[2] **Note to Draft:** Insert for mandatory sell to cover.

ODDITY TECH LTD.

By: _____

Print Name: _____

Title: _____

PARTICIPANT

By: _____

Print Name: _____

EXHIBIT A

TO RESTRICTED SHARE UNIT GRANT NOTICE

RESTRICTED SHARE UNIT AWARD AGREEMENT

Pursuant to the Grant Notice to which this Agreement is attached, the Company has granted to Participant the number of RSUs set forth in the Grant Notice.

ARTICLE I.
GENERAL

Section 1.1 Defined Terms. Capitalized terms not specifically defined herein shall have the meanings specified in the Plan or the Grant Notice. For purposes of this Agreement,

(a) "Cessation Date" shall mean the date of Participant's Termination of Service (regardless of the reason for such termination).

(e) ["CIC Qualifying Termination" shall mean Participant's Termination of Service by any Participating Company without Cause upon or during the twelve-month period immediately following a Change in Control.][3]

(f) "Participating Company" shall mean the Company or any of its parents or Subsidiaries.

Section 1.2 Incorporation of Terms of Plan. The RSUs and the Class A ordinary shares of the Company ("Shares") issued to Participant hereunder are subject to the terms and conditions set forth in this Agreement and the Plan (including, without limitation, Section 10.6 thereof), which is incorporated herein by reference. In the event of any inconsistency between the Plan and this Agreement, the terms of the Plan shall control.

ARTICLE II.
AWARD OF RESTRICTED SHARE UNITS

Section 2.1 Award of RSUs [and Dividend Equivalents]

(a) In consideration of Participant's past and/or continued employment with or service to a Participating Company and for other good and valuable consideration, effective as of the grant date set forth in the Grant Notice (the "Grant Date"), the Company has granted to Participant the number of RSUs set forth in the Grant Notice, upon the terms and conditions set forth in the Grant Notice, the Plan and this Agreement, subject to adjustment as provided in Article VIII of the Plan. Each RSU represents the right to receive one Share at the times and subject to the conditions set forth herein. However, unless and until the RSUs have vested, Participant will have no right to the payment of any Shares subject thereto. Prior to the actual delivery of any Shares, the RSUs will represent an unsecured obligation of the Company, payable only from the general assets of the Company.

(b) [The Company hereby grants to Participant an Award of Dividend Equivalents with respect to each RSU granted pursuant to the Grant Notice for all ordinary cash dividends that are paid to all or substantially all holders of the outstanding Shares between the Grant Date and the date when the applicable RSU is distributed or paid to Participant or is forfeited or expires. The Dividend Equivalents for each RSU shall be equal to the amount of cash that is paid as a dividend on one Share. All such Dividend Equivalents shall be credited to Participant and be deemed to be reinvested in additional RSUs as of the date of payment of any such dividend based on the Fair Market Value of a Share on such date. Each additional RSU that results from such deemed reinvestment of Dividend Equivalents granted hereunder shall be subject to the same vesting, distribution or payment, adjustment and other provisions that apply to the underlying RSU to which such additional RSU relates.][4]

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[3] **Note to Draft:** Include for participants receiving double trigger protection.

Section 2.2 Vesting of RSUs [and Dividend Equivalents].

(a) Subject to Participant's continued employment with or service to a Participating Company on each applicable vesting date and subject to the terms of this Agreement, the RSUs shall vest in such amounts and at such times as are set forth in the Grant Notice. [Each additional RSU that results from deemed reinvestments of Dividend Equivalents pursuant to Section 2.1(b) shall vest whenever the underlying RSU to which such additional RSU relates vests.]

(b) In the event Participant incurs a Termination of Service, except as may be otherwise provided by the Administrator or as set forth in a written agreement between Participant and the Company, Participant shall immediately forfeit any and all RSUs [and Dividend Equivalents] granted under this Agreement that have not vested or do not vest on or prior to the date on which such Termination of Service occurs, and Participant's rights in any such RSUs [and Dividend Equivalents] that are not so vested shall lapse and expire.

(c) [Notwithstanding the Grant Notice or the provisions of Section 2.2(a) and Section 2.2(b), in the event of a CIC Qualifying Termination, the RSUs shall become vested in full on the date of such CIC Qualifying Termination.][5]

Section 2.3

(a) Distribution or Payment of RSUs. Participant's RSUs shall be distributed in Shares (either in book-entry form or otherwise) within 60 days following the vesting of the applicable RSU pursuant to Section 2.2. Notwithstanding the foregoing, the Company may delay a distribution or payment in settlement of RSUs if it reasonably determines that such payment or distribution will violate federal securities laws or any other Applicable Law, *provided* that such distribution or payment shall be made at the earliest date at which the Company reasonably determines that the making of such distribution or payment will not cause such violation, as required by Treasury Regulation Section 1.409A-2(b)(7)(ii), and *provided further* that no payment or distribution shall be delayed under this Section 2.3(a) if such delay will result in a violation of Section 409A.

(b) All distributions shall be made by the Company in the form of whole Shares.

Section 2.4 Conditions to Issuance of Certificates. The Company shall not be required to issue or deliver any certificate or certificates for any Shares or to cause any Shares to be held in book-entry form prior to the fulfillment of all of the following conditions: (a) the admission of the Shares to listing on all stock exchanges on which such Shares are then listed, (b) the completion of any registration or other qualification of the Shares under any state or federal law or under rulings or regulations of the Securities and Exchange Commission or other governmental regulatory body, which the Administrator shall, in its absolute discretion, deem necessary or advisable, (c) the obtaining of any approval or other clearance from any state or federal governmental agency that the Administrator shall, in its absolute discretion, determine to be necessary or advisable, and (d) the receipt of full payment of any applicable withholding tax in accordance with Section 2.5 by the Participating Company with respect to which the applicable withholding obligation arises.

[4] **Note to Draft:** Insert for dividend equivalents.

[5] **Note to Draft:** Include for participants receiving double-trigger protection.

Section 2.5 Tax Withholding. Notwithstanding any other provision of this Agreement:

(a) [As set forth in Section 9.5 of the Plan, the Company shall have the authority and the right to deduct or withhold, or to require the Participant to remit to the Company, an amount sufficient to satisfy all applicable federal, state and local taxes required by law to be withheld with respect to any taxable event arising in connection with the RSUs. Such applicable taxes shall be satisfied using the Sell to Cover Process pursuant to the Grant Notice. Notwithstanding any other provision of this Agreement, the Company shall not be obligated to deliver any new certificate representing Shares to the Participant or the Participant's legal representative or enter such Shares in book entry form unless and until the Participant or the Participant's legal representative shall have paid or otherwise satisfied in full the amount of all federal, state and local taxes applicable to the taxable income of the Participant resulting from the grant or vesting of the RSUs or the issuance of Shares. By accepting this award of RSUs, the Participant hereby acknowledges and agrees:

(i) The Participant hereby appoints the Company's transfer agent (together with any other party the Company determines necessary to execute the Sell to Cover Process, the "Agent") as the Participant's agent and authorizes the Agent to (1) sell on the open market at the then prevailing market price(s), on the Participant's behalf, as soon as practicable on or after the Shares are issued upon the vesting of the RSUs, that number (rounded up to the next whole number) of the Shares so issued necessary to generate proceeds to cover (x) any tax withholding obligations incurred with respect to such vesting or issuance and (y) all applicable fees and commissions due to, or required to be collected by, the Agent with respect thereto and (2) apply any remaining funds to the Participant's federal tax withholding or remit such remaining funds to the Participant.

(ii) The Participant hereby authorizes the Company and the Agent to cooperate and communicate with one another to determine the number of Shares that must be sold pursuant to subsection (i) above.

(iii) The Participant understands that the Agent may effect sales as provided in subsection (i) above in one or more sales and that the average price for executions resulting from bunched orders will be assigned to the Participant's account, and the Participant has no control over the time of such sales. In addition, the Participant acknowledges that it may not be possible to sell Shares as provided by subsection (i) above due to (1) a legal or contractual restriction applicable to the Participant or the Agent, (2) a market disruption, or (3) rules governing order execution priority on the national exchange where the Shares may be traded. The Participant further agrees and acknowledges that in the event the sale of Shares would result in material adverse harm to the Company, as determined by the Company in its sole discretion, the Company may instruct the Agent not to sell Shares as provided by subsection (i) above. In the event of the Agent's inability to sell sufficient Shares, the Participant will continue to be responsible for the timely payment to the Company and/or its Affiliates of all federal, state, local and foreign taxes that are required by applicable laws and regulations to be withheld.

(iv) The Participant acknowledges that regardless of any other term or condition of this Section 2.5(a), the Agent will not be liable to the Participant for (1) special, indirect, punitive, exemplary, or consequential damages, or incidental losses or damages of any kind, or (2) any failure to perform or for any delay in performance that results from a cause or circumstance that is beyond its reasonable control.

(v) The Participant hereby agrees to execute and deliver to the Agent any other agreements or documents as the Agent reasonably deems necessary or appropriate to carry out the purposes and intent of this Section 2.5(a). The Agent is a third-party beneficiary of this Section 2.5(a).

(b) The Company shall not be obligated to deliver any certificate representing Shares issuable with respect to the RSUs to, or to cause any such Shares to be held in book-entry form by, Participant or his or her legal representative unless and until Participant or his or her legal representative shall have paid or otherwise satisfied in full the amount of all federal, state, local and foreign taxes applicable with respect to the taxable income of Participant resulting from the vesting or settlement of the RSUs or any other taxable event related to the RSUs.

(c) Participant is ultimately liable and responsible for all taxes owed in connection with the RSUs, regardless of any action the Company or any other Participating Company takes with respect to any tax withholding obligations that arise in connection with the RSUs. No Participating Company makes any representation or undertaking regarding the treatment of any tax withholding in connection with the awarding, vesting or settlement of the RSUs or the subsequent sale of Shares (including, without limitation, pursuant to the Sell to Cover Process). The Participating Companies do not commit and are under no obligation to structure the RSUs to reduce or eliminate Participant's tax, insider trading or other liability.][6]

(a) [The Participating Companies have the authority to deduct or withhold, or require Participant to remit to the applicable Participating Company, an amount sufficient to satisfy any applicable federal, state, local and foreign taxes (including the employee portion of any FICA obligation) required by Applicable Law to be withheld with respect to any taxable event arising pursuant to this Agreement. The Participating Companies may withhold or Participant may make such payment in one or more of the forms specified below:

(i) by cash or check made payable to the Participating Company with respect to which the withholding obligation arises;

(ii) by the deduction of such amount from other compensation payable to Participant;

(iii) with respect to any withholding taxes arising in connection with the vesting or settlement of the RSUs, with the consent of the Administrator, by requesting that the Company withhold a net number of vested Shares otherwise issuable pursuant to the RSUs having a then current Fair Market Value not exceeding the amount necessary to satisfy the withholding obligation of the Participating Companies based on the maximum statutory withholding rates in Participant's applicable jurisdictions for federal, state, local and foreign income tax and payroll tax purposes that are applicable to such taxable income;

[6] **Note to Draft:** To include for awards subject to mandatory sell to cover.

(iv) with respect to any withholding taxes arising in connection with the vesting or settlement of the RSUs, with the consent of the Administrator, by tendering to the Company vested Shares having a then current Fair Market Value not exceeding the amount necessary to satisfy the withholding obligation of the Participating Companies based on the maximum statutory withholding rates in Participant's applicable jurisdictions for federal, state, local and foreign income tax and payroll tax purposes that are applicable to such taxable income;

(v) with respect to any withholding taxes arising in connection with the vesting or settlement of the RSUs, through the delivery of a notice that Participant has placed a market sell order with a broker acceptable to the Company with respect to Shares then issuable to Participant pursuant to the RSUs, and that the broker has been directed to pay a sufficient portion of the net proceeds of the sale to the Participating Company with respect to which the withholding obligation arises in satisfaction of such withholding taxes; *provided* that payment of such proceeds is then made to the applicable Participating Company at such time as may be required by the Administrator, but in any event not later than the settlement of such sale; or

(vi) in any combination of the foregoing.

(b) With respect to any withholding taxes arising in connection with the RSUs, in the event Participant fails to provide timely payment of all sums required pursuant to Section 2.5(a), the Company shall have the right and option, but not the obligation, to treat such failure as an election by Participant to satisfy all or any portion of Participant's required payment obligation pursuant to Section 2.5(a)(ii) or Section 2.5(a)(iii) above, or any combination of the foregoing as the Company may determine to be appropriate. The Company shall not be obligated to deliver any certificate representing Shares issuable with respect to the RSUs to Participant or his or her legal representative unless and until Participant or his or her legal representative shall have paid or otherwise satisfied in full the amount of all federal, state, local and foreign taxes applicable with respect to the taxable income of Participant resulting from the vesting or settlement of the RSUs or any other taxable event related to the RSUs.

(c) In the event any tax withholding obligation arising in connection with the RSUs will be satisfied under Section 2.5(a)(iii), then the Company may elect to instruct any brokerage firm determined acceptable to the Company for such purpose to sell on Participant's behalf a whole number of shares from those Shares then issuable to Participant pursuant to the RSUs as the Company determines to be appropriate to generate cash proceeds sufficient to satisfy the tax withholding obligation and to remit the proceeds of such sale to the Participating Company with respect to which the withholding obligation arises. Participant's acceptance of this Award constitutes Participant's instruction and authorization to the Company and such brokerage firm to complete the transactions described in this Section 2.5(c), including the transactions described in the previous sentence, as applicable. The Company may refuse to issue any Shares in settlement of the RSUs to Participant until the foregoing tax withholding obligations are satisfied, provided that no payment shall be delayed under this Section 2.5(c) if such delay will result in a violation of Section 409A of the Code.

(d) Participant is ultimately liable and responsible for all taxes owed in connection with the RSUs, regardless of any action any Participating Company takes with respect to any tax withholding obligations that arise in connection with the RSUs. No Participating Company makes any representation or undertaking regarding the treatment of any tax withholding in connection with the awarding, vesting or payment of the RSUs or the subsequent sale of Shares. The Participating Companies do not commit and are under no obligation to structure the RSUs to reduce or eliminate Participant's tax, insider trading or other liability.][7]

Section 2.6 Rights as Shareholder. Neither Participant nor any Person claiming under or through Participant will have any of the rights or privileges of a shareholder of the Company in respect of any Shares deliverable hereunder unless and until certificates representing such Shares (which may be in book-entry form) will have been issued and recorded on the records of the Company or its transfer agents or registrars and delivered to Participant (including through electronic delivery to a brokerage account). Except as otherwise provided herein, after such issuance, recordation and delivery, Participant will have all the rights of a shareholder of the Company with respect to such Shares, including, without limitation, the right to receipt of dividends and distributions on such Shares.

Section 2.7 Restrictive Covenants; Forfeiture. The Participant hereby acknowledges and agrees that the restrictive covenants set forth on Appendix A hereto together with any restrictive covenants or similar written agreements (the "Restrictive Covenant Agreements") between such Participant and the Company or any other Participating Company are incorporated herein by reference, and that such agreements, as applicable, remain in full force and effect. In the event the Participant materially breaches any Restrictive Covenant Agreement or any other written covenants between such Participant and any Participating Company, the Participant shall immediately forfeit any and all RSUs [and Dividend Equivalents] granted under this Agreement (whether or not vested), and Participant's rights in any such RSUs [and Dividend Equivalents] shall lapse and expire. For the avoidance of doubt, such forfeiture, lapse and expiration shall not limit the Participating Companies' ability to seek other remedies for such breach.

ARTICLE III.
OTHER PROVISIONS

Section 3.1 Administration. The Administrator shall have the power to interpret the Plan, the Grant Notice and this Agreement and to adopt such rules for the administration, interpretation and application of the Plan, the Grant Notice and this Agreement as are consistent therewith and to interpret, amend or revoke any such rules. All actions taken and all interpretations and determinations made by the Administrator will be final and binding upon Participant, the Company and all other interested Persons. To the extent allowable pursuant to Applicable Law, no member of the Committee or the Board will be personally liable for any action, determination or interpretation made with respect to the Plan, the Grant Notice or this Agreement.

Section 3.2 RSUs Not Transferable. The RSUs may not be sold, pledged, assigned or transferred in any manner other than by will or the laws of descent and distribution, unless and until the Shares underlying the RSUs have been issued, and all restrictions applicable to such Shares have lapsed. No RSUs or any interest or right therein or part thereof shall be liable for the debts, contracts or engagements of Participant or his or her successors in interest or shall be subject to disposition by transfer, alienation, anticipation, pledge, encumbrance, assignment or any other means whether such disposition be voluntary or involuntary or by operation of law by judgment, levy, attachment, garnishment or any other legal or equitable proceedings (including bankruptcy), and any attempted disposition thereof shall be null and void and of no effect, except to the extent that such disposition is permitted by the preceding sentence. Notwithstanding the foregoing, with the consent of the Administrator, the RSUs may be transferred to permitted transferees in accordance with the Plan, pursuant to any such conditions and procedures the Administrator may require.

[7] **Note to Draft:** To include for awards if no mandatory sell to cover.

Section 3.3 Adjustments. The Administrator may accelerate the vesting of all or a portion of the RSUs in such circumstances as it, in its sole discretion, may determine. Participant acknowledges that the RSUs and the Shares subject to the RSUs are subject to adjustment, modification and termination in certain events as provided in this Agreement and the Plan, including Article VIII of the Plan.

Section 3.4 Notices. Any notice to be given under the terms of this Agreement to the Company shall be addressed to the Company in care of the Secretary of the Company at the Company's principal office, and any notice to be given to Participant shall be addressed to Participant at Participant's last email or physical address reflected on the Company's records. By a notice given pursuant to this Section 3.4, either party may hereafter designate a different address for notices to be given to that party. Any notice shall be deemed duly given when sent via email (to Participant only) or when sent by certified mail (return receipt requested) and deposited (with postage prepaid) in a post office or branch post office regularly maintained by the United States Postal Service.

Section 3.5 Titles. Titles are provided herein for convenience only and are not to serve as a basis for interpretation or construction of this Agreement.

Section 3.6 Governing Law. The laws of Israel shall govern the interpretation, validity, administration, enforcement and performance of the terms of this Agreement regardless of the law that might be applied under principles of conflicts of laws.

Section 3.7 Conformity to Securities Laws. Participant acknowledges that the Plan, the Grant Notice, this Agreement and the International Appendix, as applicable, are intended to conform to the extent necessary with all Applicable Laws, including, without limitation, the provisions of the Securities Act and the Exchange Act, and any and all regulations and rules promulgated thereunder by the Securities and Exchange Commission, and state securities laws and regulations. Notwithstanding anything herein to the contrary, the Plan shall be administered, and the RSUs are granted, only in such a manner as to conform to Applicable Law. To the extent permitted by Applicable Law, the Plan, the Grant Notice, this Agreement and the International Appendix, as applicable, shall be deemed amended to the extent necessary to conform to Applicable Law.

Section 3.8 Amendment, Suspension and Termination. To the extent permitted by the Plan, this Agreement may be wholly or partially amended or otherwise modified, suspended or terminated at any time or from time to time by the Administrator or the Board, *provided* that, except as may otherwise be provided by the Plan, no amendment, modification, suspension or termination of this Agreement shall adversely affect the RSUs in any material respect without the prior written consent of Participant.

Section 3.9 Successors and Assigns. The Company may assign any of its rights under this Agreement to single or multiple assignees, and this Agreement shall inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth in Section 3.2 and the Plan, this Agreement shall be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

Section 3.10 Limitations Applicable to Section 16 Persons. Notwithstanding any other provision of the Plan or this Agreement, if Participant is subject to Section 16 of the Exchange Act, the Plan, the RSUs [(including RSUs that result from the deemed reinvestment of Dividend Equivalents), the Dividend Equivalents], the Grant Notice and this Agreement shall be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including any amendment to Rule 16b-3 of the Exchange Act) that are requirements for the application of such exemptive rule. To the extent permitted by Applicable Law, this Agreement shall be deemed amended to the extent necessary to conform to such applicable exemptive rule.

Section 3.11 Not a Contract of Employment. Nothing in this Agreement, the International Appendix, as applicable, or in the Plan shall confer upon Participant any right to continue to serve as an employee or other service provider of any Participating Company or shall interfere with or restrict in any way the rights of any Participating Company, which rights are hereby expressly reserved, to discharge or terminate the services of Participant at any time for any reason whatsoever, with or without cause, except to the extent (a) expressly provided otherwise in a written agreement between a Participating Company and Participant or (b) where such provisions are not consistent with applicable foreign or local laws, in which case such applicable foreign or local laws shall control.

Section 3.12 Entire Agreement. The Plan, the Grant Notice and this Agreement (including any exhibit hereto) constitute the entire agreement of the parties and supersede in their entirety all prior undertakings and agreements of the Company and Participant with respect to the subject matter hereof.

Section 3.13 Section 409A. This Award is not intended to constitute "nonqualified deferred compensation" within the meaning of Section 409A and shall be interpreted consistent with such intent. However, notwithstanding any other provision of the Plan, the Grant Notice or this Agreement, if at any time the Administrator determines that this Award (or any portion thereof) may be subject to Section 409A, the Administrator shall have the right in its sole discretion (without any obligation to do so or to indemnify Participant or any other Person for failure to do so) to adopt such amendments to the Plan, the Grant Notice or this Agreement (or any exhibit thereto), or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, as the Administrator determines are necessary or appropriate for this Award either to be exempt from the application of Section 409A or to comply with the requirements of Section 409A.

Section 3.14 Agreement Severable. In the event that any provision of the Grant Notice, this Agreement (including, for the avoidance of doubt, the Restrictive Covenant Agreement) or the International Appendix, as applicable, is held invalid or unenforceable, such provision will be severable from, and such invalidity or unenforceability will not be construed to have any effect on, the remaining provisions of the Grant Notice, this Agreement or the International Appendix, as applicable.

Section 3.15 Limitation on Participant's Rights. Participation in the Plan confers no rights or interests other than as herein provided. This Agreement creates only a contractual obligation on the part of the Company as to amounts payable and shall not be construed as creating a trust. Neither the Plan nor any underlying program, in and of itself, has any assets. Participant shall have only the rights of a general unsecured creditor of the Company with respect to amounts credited and benefits payable, if any, with respect to the RSUs [and Dividend Equivalents].

Section 3.16 Clawback. The RSUs (including any proceeds, gains or other economic benefit the Participant actually or constructively receives upon receipt or settlement of the RSUs or the receipt or resale of any Shares underlying the RSUs) will be subject to any Company clawback policy as in effect from time to time, including any clawback policy adopted to comply with Applicable Laws (including the Dodd-Frank Wall Street Reform and Consumer Protection Act and any rules or regulations promulgated thereunder).

Section 3.17 Counterparts. The Grant Notice may be executed in one or more counterparts, including by way of any electronic signature, subject to Applicable Law, each of which shall be deemed an original and all of which together shall constitute one instrument.

Section 3.18 Special Provisions for RSUs Granted to Participants Outside the United States. If the Participant performs services for any Participating Company outside of the United States, this Agreement shall be subject to the special provisions, if any, for the Participant's country of residence, as set forth in the International Appendix. If the Participant relocates to one of the countries included in the International Appendix during the life of this Agreement, the special provisions for such country shall apply to the Participant, to the extent the Company determines that the application of such provisions is necessary or advisable in order to comply with applicable foreign and local law or facilitate the administration of the Plan. The Company reserves the right to impose other requirements on this Agreement, the RSUs and the Shares issued upon settlement of the RSUs, to the extent the Company determines it is necessary or advisable in order to comply with applicable foreign or local laws or facilitate the administration of the Plan, and to require the Participant to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

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EXHIBIT B
TO RESTRICTED SHARE UNIT AWARD AGREEMENT

SPECIAL PROVISIONS FOR RESTRICTED SHARE UNITS

GRANTED TO PARTICIPANTS OUTSIDE THE U.S.

This Exhibit B includes additional terms applicable to Participants who reside or provide services to a Participating Company in the countries identified below. These terms and conditions are in addition to those set forth in the Agreement to which this Exhibit B is attached and the Plan and to the extent there are any inconsistencies between these terms and conditions and those set forth in the Agreement, these terms and conditions shall prevail. Any capitalized term used in this Exhibit B without definition shall have the meaning ascribed to such term in the Plan or the Agreement, as applicable.

This International Appendix also includes information relating to exchange control and other issues of which the Participant should be aware with respect to his or her participation in the Plan. The information is based on the exchange control, securities and other laws in effect in the respective countries as of June 2023. Such laws are often complex and change frequently. As a result, the Company strongly recommends that the Participant does not rely on the information herein as the only source of information relating to the consequences of participation in the Plan because the information may be out of date at the time the RSUs are settled or Shares acquired under the Plan are sold.

In addition, the information is general in nature and may not apply to the particular situation of the Participant, and the Company is not in a position to assure the Participant of any particular result. Accordingly, the Participant is advised to seek appropriate professional advice as to how the relevant laws in his or her country may apply to his or her situation. Finally, if the Participant is a citizen or resident of a country other than the one in which he or she is currently working, the information contained herein may not be applicable to the Participant.

ISRAEL

The following provisions will apply if the Participant is an employee of the Company or an Israeli resident subsidiary of the Company on the Grant Date.

Terms and Conditions

The RSUs and shares issued thereunder shall be subject to the provisions of the Plan and the Sub-Plan for Israeli Participants (the "**Israeli Sub-Plan**"). The terms used herein shall have the meaning ascribed to them in the Plan and the Israeli Sub-Plan. In the event of any inconsistencies between the Israeli Sub-Plan, the Agreement or the Plan, the Israeli Sub-Plan will govern the RSUs.

The Withholding Tax Election language included in the Notice shall not apply to the Participants.

Designation. The RSUs are intended to be subject to the trustee capital gain route of Section 102 of the Israeli Tax Ordinance [New Version] 1961 (**"Section 102**" and "**Capital Gains Route**"), subject to compliance with the requirements under Section 102 and any rules or regulations thereunder, including the execution of this Agreement and the required declarations. However, in the event the RSUs do not meet the requirements of Section 102, such RSUs and the underlying Shares shall not qualify for the favorable tax treatment under the Capital Gains Route. The Company makes no representations or guarantees that the RSUs will qualify for favorable tax treatment and will not be liable or responsible if favorable tax treatment is not available under Section 102.

Trust Arrangement. The RSUs and the Shares issued upon vesting and/or any additional rights, including without limitation any right to receive any dividends or any shares received as a result of an adjustment made under the Plan, that may be granted in connection with the RSUs (the "**Additional Rights**") shall be issued to or controlled by the Trustee for the Participant's benefit under the provisions of the Capital Gains Route for at least the period stated in Section 102 or any other period of time determined by the Israel Tax Authority ("**ITA**"). In accordance with the requirements of Section 102 and the Capital Gains Route, the Participant shall not sell nor transfer from the Trustee the Shares or Additional Rights until the end of the period required under Section 102 or any shorter period determined by the ITA (the "**Holding Period**"). Notwithstanding the above, if any such sale or transfer occurs before the end of the Holding Period, the sanctions under Section 102 shall apply and shall be borne by the Participant.

Taxes. Despite section 2.5 of the Agreement, Tax shall not generally be due upon vesting but upon sale or release of the Shares from the Trustee. Any and all taxes due in relation to the RSUs and Shares, shall be borne solely by the Participant and in the event of death, by the Participant's heirs. Each Participating Company and/or the Trustee shall withhold taxes according to the requirements under the applicable laws, the rules, and regulations, including withholding taxes at source. Furthermore, the Participant hereby agrees to indemnify the applicable Participating Company, and/or the Trustee and hold them harmless against and from any and all liability for any such tax or interest or penalty thereon, including without limitation, liabilities relating to the necessity to withhold, or to have withheld, any such tax from any payment made to the Participant. Each Participating Company and/or the Trustee, to the extent permitted by law, shall have the right to deduct from any payment otherwise due to the Participant, or from proceeds of the sale of any Shares, an amount equal to any Taxes required by law to be withheld with respect to such Shares. The Participant will pay to the applicable Participating Company or the Trustee any amount of taxes that the Participating Company or the Trustee may be required to withhold with respect to any Shares that cannot be satisfied by the means previously described. The Company may refuse to deliver any Shares if the Participant fails to comply with the Participant's obligations in connection with the taxes as described in this section. Any fees associated with any vesting, sale, transfer or any act in relation to the RSUs and the Shares, shall be borne by the Participant. The Trustee and/or the applicable Participating Company shall be entitled to withhold or deduct such fees from payments otherwise due to/from the Participating Company or the Trustee.

Acknowledgements. In addition to the acknowledgements included in the Agreement above, by accepting the RSUs the Participant hereby understands, acknowledges, agrees as follows: (i) Participant is familiar with the provisions of Section 102 and the regulations and rules promulgated thereunder, including without limitations the provisions of the tax route applicable to the Participant's RSUs and agrees to comply with such provisions, as amended from time to time, provided that if such terms are not met, the specific tax route may not apply; (ii) the Participant accepts the provisions of the trust agreement signed between the Company and the Trustee, and agrees to be bound by its terms; (iii) the Participant acknowledge that selling the Shares or releasing the Shares from the control of the Trustee prior to the termination of the Holding Period constitutes a violation of the terms of Section 102 and agrees to bear the relevant sanctions; (iv) the Participant authorizes the Company to provide the third party share plan administrator nominated by the Company and the Trustee with any information required for the purpose of administering the Plan including executing their obligations according to Section 102, the trust deed and the trust agreement, including without limitation information about the Participant's RSUs, Shares, income tax rates, salary bank account, contact details and identification number and acknowledges that the information might be shared with an administrator who is located outside of Israel, where the level of protection of personal data is different than in Israel.

Notifications

Securities Law Information. If required, the Company shall approach the Israel Securities Authority in order to obtain an exemption from the requirement to file a prospectus in relation to the Plan. If such exemption is obtained, copies of the Plan and the Form S-8 registration statement for the Plan filed with the U.S. Securities and Exchange Commission will be available by contacting your local HR contact.

APPENDIX A

Restrictive Covenant Agreement

Exhibit 10.8

ODDITY TECH LTD.
NON-EMPLOYEE DIRECTOR COMPENSATION POLICY

Non-employee members of the board of directors (the "***Board***") of Oddity Tech Ltd. (the "***Company***") shall be eligible to receive cash and equity compensation as set forth in this Non-Employee Director Compensation Policy (this "***Policy***"). The cash and equity compensation described in this Policy shall be paid or be made, as applicable, automatically and without further action of the Board, to each member of the Board who is not an employee of the Company or any parent or subsidiary of the Company (each, a "***Non-Employee Director***") who may be eligible to receive such cash or equity compensation, unless such Non-Employee Director declines the receipt of such cash or equity compensation by written notice to the Company. This Policy shall become effective after the effectiveness of the Company's initial public offering (the "***IPO***") and shall remain in effect until it is revised or rescinded by further action of the Board. This Policy may be amended, modified or terminated by the Board at any time in its sole discretion and if such IPO does not occur on or prior to January 1, 2024 this Policy shall be void *ab initio*. The terms and conditions of this Policy shall supersede any prior cash and/or equity compensation arrangements for service as a member of the Board between the Company and any of its Non-Employee Directors and between any subsidiary of the Company and any of its non-employee directors.

1. Cash Compensation.

(a) Annual Retainers. Each Non-Employee Director shall receive an annual retainer of $50,000 for service on the Board.

(b) Additional Annual Retainers. In addition, a Non-Employee Director shall receive the following annual retainers:

(i) Audit Committee. A Non-Employee Director serving as Chairperson of the Audit Committee shall receive an additional annual retainer of $20,000 for such service. A Non-Employee Director serving as a member of the Audit Committee (other than the Chairperson) shall receive an additional annual retainer of $10,000 for such service.

(ii) Compensation Committee. A Non-Employee Director serving as Chairperson of the Compensation Committee shall receive an additional annual retainer of $15,000 for such service. A Non-Employee Director serving as a member of the Compensation Committee (other than the Chairperson) shall receive an additional annual retainer of $7,500 for such service.

(iii) Nominating and Corporate Governance Committee. A Non-Employee Director serving as Chairperson of the Nominating and Corporate Governance Committee shall receive an additional annual retainer of $10,000 for such service. A Non-Employee Director serving as a member of the Nominating and Corporate Governance Committee (other than the Chairperson) shall receive an additional annual retainer of $5,000 for such service.

(c) Payment of Retainers. The annual retainers described in Sections 1(a) and 1(b) shall be earned on a quarterly basis based on a calendar quarter and shall be paid by the Company in arrears not later than the fifteenth day following the end of each calendar quarter. In the event a Non-Employee Director does not serve as a Non-Employee Director, or in the applicable positions described in Section 1(b), for an entire calendar quarter, such Non-Employee Director shall receive a prorated portion of the retainer(s) otherwise payable to such Non-Employee Director for such calendar quarter pursuant to Sections 1(a) and 1(b), with such prorated portion determined by multiplying such otherwise payable retainer(s) by a fraction, the numerator of which is the number of days during which the Non-Employee Director serves as a Non-Employee Director or in the applicable positions described in Section 1(b) during the applicable calendar quarter and the denominator of which is the number of days in the applicable calendar quarter.

2. Equity Compensation. Non-Employee Directors shall be granted the equity awards described below. The awards described below shall be granted under and shall be subject to the terms and provisions of the Company's 2023 Incentive Award Plan or any other applicable Company equity incentive plan then-maintained by the Company (such plan, as may be amended from time to time, the "***Equity Plan***") and shall be granted subject to the execution and delivery of award agreements, including attached exhibits, in substantially the forms previously approved by the Board. All applicable terms of the Equity Plan apply to this Policy as if fully set forth herein, and all equity grants hereunder are subject in all respects to the terms of the Equity Plan.

(a) Annual Awards. Each Non-Employee Director who (i) serves on the Board as of the date of any annual meeting of the Company's stockholders (an "***Annual Meeting***") after the Pricing Date and (ii) will continue to serve as a Non-Employee Director immediately following such Annual Meeting shall be automatically granted, on the date of such Annual Meeting, an award of restricted stock units that has an aggregate fair value on the date of such Annual Meeting of $185,000 (as determined in accordance with ASC 718 and with the number of shares of common stock underlying such award subject to adjustment as provided in the Equity Plan). The awards described in this Section 2(a) shall be referred to as the "***Annual Awards***." For the avoidance of doubt, a Non-Employee Director elected for the first time to the Board at an Annual Meeting shall receive only an Annual Award in connection with such election, and shall not receive any Initial Award on the date of such Annual Meeting as well.

(b) Initial Awards. Except as otherwise determined by the Board, each Non-Employee Director who is initially elected or appointed to the Board after the Pricing Date on any date other than the date of an Annual Meeting shall be automatically granted, on the date of such Non-Employee Director's initial election or appointment (such Non-Employee Director's "***Start Date***"), an award of restricted stock units that has an aggregate fair value on such Non-Employee Director's Start Date equal to the product of (i) $185,000 (as determined in accordance with ASC 718) and (ii) a fraction, the numerator of which is (x) 365 minus (y) the number of days in the period beginning on the date of the Annual Meeting immediately preceding such Non-Employee Director's Start Date (or, if no such Annual Meeting has occurred, the effective date of the Company's IPO) and ending on such Non-Employee Director's Start Date and the denominator of which is 365 (with the number of shares of common stock underlying each such award subject to adjustment as provided in the Equity Plan). The awards described in this Section 2(b) shall be referred to as "***Initial Awards***." For the avoidance of doubt, no Non-Employee Director shall be granted more than one Initial Award.

(c) Termination of Employment of Employee Directors. Members of the Board who are employees of the Company or any parent or subsidiary of the Company who subsequently terminate their employment with the Company and any parent or subsidiary of the Company and remain on the Board will not receive an Initial Award pursuant to Section 2(b) above, but to the extent that they are otherwise eligible, will be eligible to receive, after termination from employment with the Company and any parent or subsidiary of the Company, Annual Awards as described in Section 2(a) above.

(d) Vesting of Awards Granted to Non-Employee Directors. Each Annual Award and Initial Award shall vest and become exercisable on the earlier of (i) the day immediately preceding the date of the first Annual Meeting following the date of grant and (ii) the first anniversary of the date of grant, subject to the Non-Employee Director continuing in service on the Board through the applicable vesting date. No portion of an Annual Award or Initial Award that is unvested or unexercisable at the time of a Non-Employee Director's termination of service on the Board shall become vested and exercisable thereafter. All of a Non-Employee Director's Annual Awards and Initial Awards shall vest in full immediately prior to the occurrence of a Change in Control (as defined in the Equity Plan), to the extent outstanding at such time.

* * * * *

Exhibit 10.9

Oddity Tech Ltd. Compensation Policy

A. Overview and Objectives

1. Introduction

This document sets forth the Compensation Policy for Executive Officers and Directors (this "**Compensation Policy**" or "**Policy**") of Oddity Tech Ltd. ("**Oddity**" or the "**Company**"), in accordance with the requirements of the Companies Law, 5759-1999 (the "**Companies Law**").

Compensation is a key component of Oddity's overall human capital strategy to attract, retain, reward, and motivate highly skilled individuals that will enhance Oddity's value and otherwise assist Oddity to reach its business and financial long-term goals. Accordingly, the structure of this Policy is established to tie the compensation of each officer to Oddity's goals and performance.

For purposes of this Policy, "Executive Officers" shall mean "Office Holders" as such term is defined in Section 1 of the Companies Law, excluding, unless otherwise expressly indicated herein, non-employee members of the Oddity's Board (and such committees formed by the Board).

This Policy is subject to applicable law and is not intended to, and should not be interpreted as, limiting, or derogating from provisions of applicable law to the extent not permitted.

Approval of compensation for an Executive Officer in accordance with this Policy shall be by the Company's competent organs. It shall be clarified that a deviation of up to 10% from the compensation limits specified in this Compensation Policy will not be considered as an exception or a deviation from the Compensation Policy. Immaterial changes in the terms of office of Executive Officers subordinate to the CEO within the limits established in this Policy will require only the approval of the CEO, subject to such terms being compatible with this Policy. For the purpose of this section, an immaterial change will be considered a change whose effect on the total annual cost of the Executive Officer's compensation does not exceed 10% in the aggregate concerning the terms of office set forth in the Executive Officer's employment agreement. This Policy shall apply to compensation agreements and arrangements which will be approved after the date on which this Policy is adopted and shall serve as Oddity's Compensation Policy for five (5) years, commencing as of its adoption, unless amended earlier. For the avoidance of any doubt, the Policy or any limitations thereunder shall not apply to any compensation paid or granted to Executive Officers prior to or immediately upon the effectiveness of the Company's initial public offering (the "**IPO**").

The Compensation Committee and the Board of Directors of Oddity (the "**Compensation Committee**" and the "**Board**", respectively) shall review and reassess the adequacy of this Policy from time to time, as required by the Companies Law.

In determining the terms of the compensation pursuant to this Policy, the Compensation Committee will take into consideration information prepared and presented by the Company's management, Company's management's recommendations, as well as information that may be provided by third party advisors who may be engaged by the Company from time to time.

2. **Objectives**

Oddity's objectives and goals in setting this Policy are to attract, motivate and retain highly experienced leaders who will contribute to Oddity's success and enhance shareholder value, while demonstrating professionalism in a highly achievement-oriented culture that is based on merit and rewards excellent performance in the long term. To that end, this Policy is designed, among others:

2.1. to closely align the interests of the Executive Officers with those of Oddity's shareholders in order to enhance shareholder value;

2.2. to align a significant portion of the Executive Officers' compensation with Oddity's short and long-term goals and performance;

2.3. to provide the Executive Officers with a structured compensation package, including competitive salaries, performance-motivating cash and equity incentive programs and benefits, and to be able to present to each Executive Officer an opportunity to advance in a growing organization;

2.4. to identify specific Executive Officers whose compensation will more closely align with the long-term performance of our Company's stock given their specific role and existing shareholding in the Company;

2.5. to strengthen the retention and the motivation of Executive Officers in the long-term;

2.6. to provide appropriate awards in order to incentivize superior individual excellency and corporate performance; and

3. **Compensation Instruments**

Compensation instruments under this Policy may include the following:

3.1. base salary;

3.2. benefits;

3.3. cash bonuses;

3.4. equity based compensation;

3.5. change of control terms; and

3.6. retirement and termination terms.

4. **Overall Compensation—Ratio Between Fixed and Variable Compensation**

4.1. This Policy aims to balance the mix of "Fixed Compensation" (comprised of base salary and benefits) and "Variable Compensation" (comprised of cash bonuses and equity-based compensation) in order to, among other things, appropriately incentivize Executive Officers to meet Oddity's short and long-term goals while taking into consideration the Company's need to manage a variety of business risks.

4.2. The total annual target bonus and equity-based compensation per vesting annum (based on the fair market value at the time of grant calculated on a linear basis) of each Executive Officer shall not exceed 95% of such Executive Officer's total compensation package for such year. For the avoidance of doubt, the above limitation shall not apply in connection with any equity-based compensation to be issued or approved by Oddity's Board of Directors prior to or immediately upon effectiveness of our IPO to Executive Officers who are Principal Shareholders (as defined in the Companies Law) in the Company or their relatives ("**Pre-IPO Equity Compensation Package**").

5. **Inter-Company Compensation Ratio**

5.1. In the process of drafting and updating this Policy, Oddity's Board has examined the ratio between employer cost associated with the engagement of the Executive Officers, including directors, and the average and median employer cost associated with the engagement of Oddity's other employees (including contractor employees as defined in the Companies Law) (the "**Ratio**").

5.2. The possible ramifications of the Ratio on the daily working environment in Oddity were examined and will continue to be examined by Oddity from time to time in order to ensure that levels of executive compensation, as compared to the overall workforce will not have a negative impact on work relations in Oddity.

B. <u>Base Salary and Benefits</u>

6. **Base Salary**

6.1. A base salary provides fixed compensation to Executive Officers and allows Oddity to attract and retain competent executive talent and maintain a stable management team. The base salary varies among Executive Officers, and is individually determined according to the educational background, prior vocational experience, qualifications, company's role, business responsibilities and the past performance of each Executive Officer.

6.2. Since a competitive base salary is essential to Oddity's ability to attract and retain highly skilled professionals, Oddity will seek to establish, to the extent practicable, a base salary that is competitive with base salaries paid to Executive Officers in a peer group of other companies operating in technology sectors which are similar in their characteristics to Oddity's, while considering, among others, such companies' size and characteristics including (as applicable) their revenues, profitability rate, growth rates, market capitalization, number of employees and operating arena (in Israel and globally). To that end, Oddity shall to the extent practicable and required under the circumstances, utilize as a reference, comparative market data and practices.

6.3. The Compensation Committee and the Board may periodically consider and approve base salary adjustments for Executive Officers. In addition, and subject to applicable law, the CEO of the Company may approve non-material changes to the base salary of Executive Officers who are subordinated to the CEO. The main considerations for approving salary adjustment are similar to those used in initially determining the base salary, but may also include change of role or responsibilities, recognition for professional achievements, regulatory or contractual requirements, budgetary constraints or market trends. When approving salary adjustments for the Executive Officers, the Compensation Committee and the Board will also consider the previous and existing compensation arrangements of the Executive Officer whose base salary is being considered for adjustment. Any limitation herein based on the annual base salary shall be calculated based on the monthly base salary applicable at the time of consideration of the respective grant or benefit

7. **Benefits**

7.1. The following benefits may be granted to the Executive Officers in order, among other things, to comply with legal requirements:

7.1.1. paid time off / vacation days in accordance with market practice (as relevant in the domicile of the applicable Executive Officer);

7.1.2. sick days in accordance with domicile market practice;

7.1.3. convalescence pay according to applicable law;

7.1.4. monthly remuneration for a study fund, per domicile market practice, and as allowed by applicable law and with reference to Oddity's practice and the practice in peer group companies;

7.1.5. Oddity shall contribute on behalf of the Executive Officer to an insurance policy or a pension fund, as allowed by applicable law and with reference to Oddity's policies and procedures and the practice in peer group companies (including contributions on bonus payments); and

7.1.6. Oddity shall contribute on behalf of the Executive Officer towards work disability insurance, per domicile market practice, and as allowed by applicable law and with reference to Oddity's policies and procedures and to the practice in peer group companies.

7.2. Executive Officers will receive domicile-applicable benefits, based on, and subject to, the principles of this Policy, as customary and as applicable in the relevant jurisdiction in which they are employed. Such customary benefits shall be determined based on the methods described in Section 6.2 of this Policy (with the necessary changes and adjustments).

7.3. In events of relocation or repatriation of an Executive Officer to another geography, such Executive Officer may receive other similar, comparable or customary benefits as applicable in the relevant jurisdiction in which he or she is employed or additional payments to reflect adjustments in cost of living. Such benefits may include reimbursement for out-of-pocket one-time payments and other ongoing expenses, such as housing allowance, car allowance, and home leave visit, etc.

7.4. Oddity may offer additional benefits to its Executive Officers, which will be comparable to customary market practices, such as, but not limited to: cellular and land line phone benefits, company car and travel benefits, reimbursement of business travel including a daily stipend when traveling and other business related expenses, insurances, other benefits (such as newspaper subscriptions, academic and professional studies), etc. Such additional benefits shall be determined in accordance with Oddity's policies and procedures, and shall be set on a domicile-basis.

C. Cash Bonuses

8. **Annual Cash Bonuses—The Objective**

8.1. Compensation in the form of an annual cash bonus is an important element in aligning the Executive Officers' compensation with Oddity's objectives and business goals. Therefore, annual cash bonuses will reflect a pay-for-performance element, with payout eligibility and levels determined based on actual financial and operational results, in addition to other factors the Compensation Committee may determine, including individual performance.

8.2. An annual cash bonus may be awarded to Executive Officers upon the attainment of pre-set periodical objectives and individual targets as may be approved by the Compensation Committee (and, if required by law, by the Board) for each fiscal year, or in connection with such Executive Officer's engagement, in case of newly hired Executive Officers, taking into account Oddity's short and long-term goals, as well as its compliance and risk management policies. The Compensation Committee (and, if required by law, the Board) may approve applicable minimum thresholds that must be met for entitlement to the annual cash bonus (all or any portion thereof) and the principle formula for calculating any annual cash bonus payout, with respect to each fiscal year. In special circumstances (e.g., regulatory changes, significant changes in Oddity's business environment, a significant organizational change, a significant merger and acquisition event etc.), the Compensation Committee and the Board may approve a modification of the objectives and/or their relative weights during the fiscal year, or of the payouts following the conclusion of the year.

8.3. Subject to applicable law, the Company may also grant annual cash bonuses to Oddity's Executive Officers on a discretionary basis.

8.4. In the event the employment of an Executive Officer is terminated prior to the end of a fiscal year, the Company may (but shall not be obligated to) pay such Executive Officer an annual cash bonus (which may or may not be pro-rated), taking into consideration any contractual commitments or obligations.

8.5. To the extent required under applicable law, the actual annual bonus paid to the Executive Officers shall be approved by the Compensation Committee and the Board (and, if required by law, the general meeting of shareholders of the Company).

9. **Annual Cash Bonuses—The Formula**

9.1. The performance objectives for the annual cash bonus of Oddity's Executive Officers, other than the CEO and other than to Executive Officers who are controlling shareholders in Oddity or their relatives, may, subject to applicable law, be determined and approved by the CEO (in lieu of the Compensation Committee) and may be based on company, division and individual objectives or on qualitative non measurable criteria. The performance measurable objectives, which include the objectives and the weight to be assigned to each achievement in the overall evaluation, may be based, among other things, on overall company performance measures, which are based on actual financial and operational results, such as (by way of example and not by way of limitation) revenues, operating income and cash flow and may further include, divisional or personal objectives which may include operational objectives, such as (by way of example and not by way of limitation) market share, initiation of new markets and operational efficiency, customer focused objectives, project milestone objectives and investment in human capital objectives, such as (by way of example and not by way of limitation) employee satisfaction, employee retention and employee training and leadership programs.

9.2. The CEO shall determine a target annual cash bonus for Executive Officers, other than the CEO, for any given fiscal year. The target annual bonus shall generally not exceed 125% of such Executive Officer's annual base salary (it being understood that the annual bonus shall not be limited to the target annual bonus and that the Company may elect to pay an annual bonus to an Executive Officer, other than the CEO, in an amount exceeding 125% of such Executive Officer's annual base salary).

CEO Annual Bonus

9.3. The annual cash bonus of the Company's CEO will be mainly based on measurable performance objectives and subject to minimum thresholds as provided in Section 8.2 above. Such measurable performance objectives will be determined annually by Oddity's Compensation Committee (and, if required by law, by Oddity's Board) and will be based on company and personal objectives. These performance measurable objectives, which include the objectives and the weight to be assigned to each achievement in the overall evaluation, will be based on overall company performance measures, which are based on actual financial and operational results, such as (by way of example and not by way of limitation) revenues, sales, operating income, cash flow or Company's annual operating plan and long-term plan.

9.4. Subject to applicable law, the less significant part of the annual cash bonus granted to Oddity's CEO, and in any event not more than 30% of the annual cash bonus, may be based on a discretionary evaluation of the CEO's overall performance by the Compensation Committee and the Board based on quantitative and qualitative criteria.

9.5. The Compensation Committee may determine a target annual cash bonus for the CEO, in any given fiscal year. The target annual bonus shall generally not exceed 125% of the CEO's annual base salary (it being understood that the annual bonus shall not be limited to the target annual bonus and that the Company may elect to pay an annual bonus to the CEO, in an amount exceeding 125% of such Executive Officer's annual base salary).

10. **Other Bonuses**

10.1. Special Bonus. Oddity may grant its Executive Officers a special bonus as an award for special achievements (such as in connection with mergers and acquisitions, offerings, achieving target budget or business plan under exceptional circumstances, or special recognition in case of retirement) or as a retention award (the "**Special Bonus**"). Any such Special Bonus will not exceed 300% of the Executive Officer's annual base salary. Special Bonus can be paid, in whole or in part, in equity in lieu of cash**.**

10.2. Signing Bonus. Oddity may grant a newly recruited Executive Officer a signing bonus (the "**Signing Bonus**"). Any such Signing Bonus will not exceed 900% of the Executive Officer's annual base salary.

10.3. Relocation/ Repatriation Bonus. Oddity may grant its Executive Officers a special bonus in the event of relocation or repatriation of an Executive Officer to another geography (the "**Relocation Bonus**"). Any such Relocation bonus will include customary benefits associated with such relocation and its monetary value will not exceed 100% of the Executive Officer's annual base salary.

11. **Compensation Recovery ("Clawback")**

11.1. Without derogating from any Clawback Policy from time to point approved by the Board of Directors of the Company (including as required under any applicable listing standards), in the event of an accounting restatement, Oddity shall be entitled to recover from its Executive Officers the bonus compensation or performance-based equity compensation in the amount in which such compensation exceeded what would have been paid based on the financial statements, as restated, provided that a claim is made by Oddity prior to the second anniversary following the filing of such restated financial statements.

11.2. Notwithstanding the aforesaid, the compensation recovery will not be triggered in the following events:

11.2.1. The financial restatement is required due to changes in the applicable financial reporting standards; or

11.2.2. The Compensation Committee has determined that Clawback proceedings in the specific case would be impossible, impractical, or not commercially or legally efficient.

11.3. Nothing in this Section 11 derogates from any other "Clawback" or similar provisions regarding disgorging of profits imposed on Executive Officers by virtue of applicable securities laws or a separate contractual obligation.

D. Equity Based Compensation

12. **The Objective**

12.1. The equity-based compensation for Oddity's Executive Officers will be designed in a manner consistent with the underlying objectives of the Company in determining the base salary and the annual cash bonus, with its main objectives being to enhance the alignment between the Executive Officers' interests with the long-term interests of Oddity and its shareholders, and to strengthen the retention and the motivation of Executive Officers in the long term. In addition, since equity-based awards are structured to vest over several years, their incentive value to recipients is aligned with longer-term strategic plans.

12.2. The equity-based compensation offered by Oddity is intended to be in a form of share options and/or other equity-based awards, such as Restricted Stock Units, Restricted Stock or performance stock units, in accordance with the Company's equity incentive plan in place as may be updated from time to time.

12.3. All equity-based incentives granted to Executive Officers (other than bonuses paid in equity in lieu of cash) shall normally be subject to vesting periods in order to promote long-term retention of the awarded Executive Officers. Unless determined otherwise in a specific award agreement or in a specific compensation plan approved by the Compensation Committee and the Board, (i) grants to Executive Officers other than non-employee directors shall vest based on time, gradually over a period of at least 1-4 years, and/or based on performance; and (ii) grants to non-employee directors shall vest based on time, gradually over a period as set out in Chapter G below. The exercise price of options shall be determined in accordance with Oddity's policies as may be adopted from time to time, the main terms of which shall be disclosed in the annual report of Oddity. The terms of the awards may provide for the acceleration of vesting upon a change of control.

12.4. All other terms of the equity awards shall be in accordance with Oddity's incentive plans and other related practices and policies. Accordingly, the Board may, following approval by the Compensation Committee, make modifications to such awards consistent with the terms of such incentive plans, subject to any additional approval as may be required by the Companies Law.

13. **General Guidelines for the Grant of Award**

13.1. The equity-based compensation shall be granted from time to time and be individually determined and awarded according to the performance, educational background, prior business experience, qualifications, role and the personal responsibilities of the Executive Officer.

13.2. Notwithstanding the aforementioned in Section 13.1 but subject to Section 13.6, the total fair market value of an annual equity-based compensation at the time of grant (not including bonuses paid in equity in lieu of cash) shall not exceed with respect to each Executive Officer (including the CEO) the higher of (y) 600% of his or her annual base salary or (z) 0.35% of the Company's fair market value.

13.3. The fair market value of the equity-based compensation shall be calculated according to acceptable valuation practices at the time of grant, in each case, as determined by the Compensation Committee and the Board.

Pre-IPO Equity Based Compensation

13.4. Prior to or immediately upon effectiveness of Oddity's IPO, our Board of Directors may adopt and issue an equity grant package to Executive Officers who are either Principal Shareholders in the Company or their relatives (including Oddity's CEO and his relatives).

13.5. The Pre-IPO Equity Based Compensation shall be subject to a double vesting trigger, whereby: (a) applicable portions of the Pre-IPO Equity Based Compensation shall vest upon the Company meeting certain pre-determined market capitalization criteria (the "**Market Capitalization Criteria**"); and (b) a time vesting period of up to 4 years. The vesting may be accelerated (subject to the Company meeting the Market Capitalization Criteria) upon certain change of control events as defined in the award plan.

13.6. **The Pre-IPO Equity Based Compensation shall not be subject to any of the other limitations set out in this Compensation Policy including those set out in Section 13.2 above.**

E. Retirement and Termination of Service Arrangements

14. **Advanced Notice Period**

Oddity may provide any Executive Officer (including the CEO) according to his/her seniority in the Company, his/her contribution to the Company's goals and achievements and the circumstances of retirement a prior notice of termination of up to twelve (12) months, during which the Executive Officer may be entitled to all of the compensation elements, and to the continuation of vesting of his/her equity-based compensation. Such advance notice may or may not be provided in addition to severance, provided, however, that the Compensation Committee shall take into consideration the Executive Officer's entitlement to advance notice in establishing any entitlement to severance and vice versa.

15. **Adjustment Period**

Oddity may provide an additional adjustment period of up to six (6) months to any Executive Officer according to his/her seniority in the Company, his/her contribution to the Company's goals and achievements and the circumstances of retirement, during which the Executive Officer may be entitled to all of the compensation elements, and to the continuation of vesting of his/her equity-based compensation.

16. **Additional Retirement and Termination Benefits**

Oddity may provide additional retirement and terminations benefits and payments as may be required by applicable law (e.g., mandatory severance pay under Israeli labor laws), or which will be comparable to customary market practices.

17. **Non-Compete Grant**

Upon termination of employment and subject to applicable law, Oddity may grant to its Executive Officers a non-compete grant as an incentive to refrain from competing with Oddity for a defined period of time. The terms and conditions of the non-compete grant shall be decided by the Board and shall not exceed such Executive Officer's monthly base salary multiplied by twelve (12). The Board shall consider the existing entitlements of the Executive Officer in connection with the consideration of any non-compete grant.

18. **Limitation on Retirement and Termination of Service Arrangements**

The total non-statutory payments under Section 14-17 above for a given Executive Officer shall not exceed the Executive Officer's monthly base salary multiplied by eighteen (18) months. The limitation under this Section 18 does not apply to benefits and payments provided under other chapters of this Policy.

F. Exculpation, Indemnification and Insurance

19. **Exculpation**

Oddity may exempt its directors and Executive Officers in advance for all or any of his/her liability for damage in consequence of a breach of the duty of care vis-a-vis Oddity, to the fullest extent permitted by applicable law.

20. **Insurance and Indemnification**

20.1. Oddity may indemnify its directors and Executive Officers to the fullest extent permitted by applicable law, for any liability and expense that may be imposed on the director or the Executive Officer, as provided in the indemnity agreement between such individuals and Oddity, all subject to applicable law and the Company's articles of association and provided that in no case shall the total amount covered under all indemnity letters issued to Executive Offices exceed.

20.2. Oddity will provide directors' and officers' liability insurance (the **"Insurance Policy")** for its directors and Executive Officers as follows:

20.2.1. The limit of liability of the insurer shall not exceed the greater of $500 million or 50% of the Company's shareholders equity based on the most recent financial statements of the Company at the time of approval by the Compensation Committee; and

20.2.2. The Insurance Policy, as well as the limit of liability and the premium for each extension or renewal shall be approved by the Compensation Committee (and, if required by law, by the Board) which shall determine that the sums are reasonable considering Oddity's exposures, the scope of coverage and the market conditions and that the Insurance Policy reflects the current market conditions, and it shall not materially affect the Company's profitability, assets or liabilities.

20.3. Upon circumstances to be approved by the Compensation Committee (and, if required by law, by the Board), Oddity shall be entitled to enter into a "run off" Insurance Policy of up to seven (7) years, with the same insurer or any other insurance, as follows:

20.3.1. The limit of liability of the insurer shall not exceed the greater of $500 million or 50% of the Company's shareholders equity based on the most recent financial statements of the Company at the time of approval by the Compensation Committee; and

20.3.2. The Insurance Policy, as well as the limit of liability and the premium for each extension or renewal shall be approved by the Compensation Committee (and, if required by law, by the Board) which shall determine that the sums are reasonable considering the Company's exposures covered under such policy, the scope of cover and the market conditions, and that the Insurance Policy reflects the current market conditions and that it shall not materially affect the Company's profitability, assets or liabilities.

20.4. Oddity may extend the Insurance Policy in place to include cover for liability pursuant to a future public offering of securities as follows:

20.4.1. The Insurance Policy, as well as the additional premium shall be approved by the Compensation Committee (and if required by law, by the Board) which shall determine that the sums are reasonable considering the exposures pursuant to such public offering of securities, the scope of cover and the market conditions and that the Insurance Policy reflects the current market conditions, and it does not materially affect the Company's profitability, assets or liabilities.

G. Arrangements upon Change of Control

21. The following benefits may be granted to any Executive Officers (in addition to, or in lieu of, the benefits applicable in the case of any retirement or termination of service) upon or in connection with a "Change of Control" or, where applicable, in the event of a Change of Control following which the employment of the Executive Officer is terminated or adversely adjusted in a material way:

    21.1. Vesting acceleration of outstanding equity-based awards;

    21.2. Extended exercising period of equity-based compensation for a period of up to two (2) years, following the date of employment termination; and

    21.3. Up to an additional six (6) months of continued base salary and benefits following the date of employment termination (the "**Additional Adjustment Period**"). For avoidance of doubt, such additional Adjustment Period may be in addition to the advance notice and adjustment periods pursuant to Sections 14 and 15 of this Policy, but subject to the limitation set forth in Section 18 of this Policy.

    21.4. A cash bonus not to exceed 400% of the Executive Officer's annual base salary.

H. Board of Directors Compensation

All Oddity's non-employee Board members may be entitled to an annual cash fee retainer of up to $50,000, and in addition may be entitled to an annual committee membership fee retainer of up to $10,000, or an annual committee chairperson cash fee retainer of up to $20,000 (it is being clarified that the payment for the chairpersons would be in lieu of (and not in addition) to the payments referenced above for committee membership).

The compensation of the Company's external directors shall be in accordance with the Companies Regulations (Rules Regarding the Compensation and Expenses of an External Director), 5760-2000, as amended by the Companies Regulations (Relief for Public Companies Traded in Stock Exchange Outside of Israel), 5760-2000, as such regulations may be amended from time to time.

Each non-employee member of Oddity's Board may be granted equity-based compensation. Subject to Section 13.6, the total fair market value of a "welcome" or an annual equity-based compensation at the time of grant shall not exceed the higher of (i) $350,000 or (x) 0.05% of the Company's fair market value. Such equity-based awards shall vest in accordance with a vesting schedule that may vary from a period of 1 to 3 years.

All other terms of the equity awards shall be in accordance with Oddity's incentive plans and other related practices and policies. Accordingly, the Board may, following approval by the Compensation Committee, make modifications to such awards consistent with the terms of such incentive plans, subject to any additional approval or limitations as may apply under the Companies Law and the limitations set out in the Compensation Policy.

In addition, subject to applicable law members of Oddity's Board may be entitled to reimbursement of expenses in connection with the performance of their duties.

It is hereby clarified that the compensation (and limitations) stated under Section H will not apply to directors who serve as Executive Officers.

I. Miscellaneous

Nothing in this Policy shall be deemed to grant to any of Oddity's Executive Officers, employees, directors, or any third party any right or privilege in connection with their employment by or service to the Company, nor deemed to require Oddity to provide any compensation or benefits to any person. Such rights and privileges shall be governed by applicable personal employment agreements or other separate compensation arrangements entered into between Oddity and the recipient of such compensation or benefits. The Board may determine that none or only part of the payments, benefits and perquisites detailed in this Policy shall be granted, and is authorized to cancel or suspend a compensation package or any part of it.

An Immaterial Change in the Terms of Employment of an Executive Officer other than the CEO may be approved by the CEO, provided that the amended terms of employment are in accordance with this Policy. An "Immaterial Change in the Terms of Employment" means a change in the terms of employment of an Executive Officer with an annual total cost to the Company not exceeding an amount equal to three (3) monthly base salaries of such employee.

In the event that new regulations or law amendment in connection with Executive Officers' and directors' compensation will be enacted following the adoption of this Policy, Oddity may follow such new regulations or law amendments, even if such new regulations are in contradiction to the compensation terms set forth herein.

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This Policy is designed solely for the benefit of Oddity and none of the provisions thereof are intended to provide any rights or remedies to any person other than Oddity.

Exhibit 10.10

EXECUTION VERSION
CONFIDENTIAL

HOLDBACK AGREEMENT

This HOLDBACK AGREEMENT (this "Agreement"), dated as of July 29, 2021, is made and entered into by and among Il Makiage Cosmetics (2013) Ltd., a limited liability company incorporated under the laws of the State of Israel ("Purchaser") and Niv Price ("Shareholder"). Capitalized terms used and not otherwise defined herein shall have the meanings ascribed to them in the Purchase Agreement (as defined below).

RECITALS

WHEREAS, Purchaser, Voyage81 Ltd., an Israeli company (the "Company"), Nathaniel Jaret, solely in his capacity as the representative of the selling shareholders of the Company, and the Executing Shareholders have entered into that certain Share Purchase Agreement dated July 9, 2021 (the "Purchase Agreement"), pursuant to which, among other things, the Shareholders of the Company will sell all of the Purchase Shares to Purchaser, and Purchaser will acquire all of the Purchase Shares from such Shareholders and the Company will become a wholly-owned subsidiary of Purchaser;

WHEREAS, as of the date hereof, the Shareholder owns beneficially and of record, all shares of Company and/or Company Options set forth under his name on the signature page hereto (the "Securities");

WHEREAS, as a condition and inducement to Purchaser entering into the Purchase Agreement and as a condition to the consummation of the purchase of the Purchase Shares and the other transactions contemplated by the Purchase Agreement, Shareholder is executing and delivering this Agreement and is agreeing to be bound hereby; and

WHEREAS, this Agreement and the obligations contained herein are subject to and contingent upon the Closing of the Purchase Agreement, and this Agreement is entered into in order to ensure that Purchaser receives the benefits under the Purchase Agreement.

NOW THEREFORE, in consideration of the premises, covenants and representations set forth herein, and for other good and valuable consideration payable in accordance with, and subject to the terms of the Purchase Agreement, the receipt and sufficiency of which is hereby acknowledged, the parties hereto hereby agree as follows:

ARTICLE I

COVENANTS OF SHAREHOLDER

1.1 Holdback.

(a) Holdback Amount. Notwithstanding anything set forth in the Purchase Agreement to the contrary, Shareholder hereby agrees and acknowledges that, in accordance with Section 2.3 of the Purchase Agreement Purchaser shall withhold from Shareholder his respective Retained Seller Holdback Amount (the "Holdback Amount"). The Holdback Amount shall be retained by Purchaser in accordance with this Agreement and the Purchase Agreement.

(b) Treatment of the Holdback Amount.

(i) The Holdback Amount shall be paid by Purchaser, or Purchaser shall cause to be paid, to the Paying Agent by wire transfer of immediately available funds to an account designated in the Paying Agent Agreement, as follows: (i) an amount equal to fifty percent (50%) of the Holdback Amount (being as of the Agreement date US$814,509.50, subject to adjustment, if any, pursuant to the Purchase Agreement) on the second (2^{ndt}) anniversary of the Closing Date; and (ii) an amount equal to the remaining fifty percent (50%) of the Holdback Amount (being as of the Agreement date US$814,509.50, subject to adjustment, if any, pursuant to the Purchase Agreement) on the third (3^{rd}) anniversary of the Closing Date (each such date in clauses (i) and (ii) to be referred to as the "Release Date"). Other than as explicitly set forth herein, in the Purchase Agreement or any other Transaction Document to which the Shareholder is a party, there shall be no requirements to receiving the Holdback Amount on the dates set forth above (and for the avoidance of any doubt, is NOT contingent upon continuation of employment or provision of services).

(c) Withholding. In accordance with the Purchase Agreement and the Paying Agent Agreement, there shall be no withholding of any Taxes on the payment by the Purchaser to the Paying Agent of the Holdback Amount.

(d) Interest. No interest shall be paid with respect to the Holdback Amount.

ARTICLE II

ESCROW

2.1 Notwithstanding anything to the herein, Shareholder's respective portion of the Heldback Escrow shall be treated and released also in accordance with the Escrow Agreement as if such amount was part of the Escrow Fund, for as long as the Escrow Fund has not been fully released by the Escrow Agent. Upon such time as the Escrow Fund, in whole or in part, is released from escrow, the Heldback Escrow (or applicable portion thereof) shall not be subject to the Escrow Agreement and only to the provisions set forth herein, in the Purchase Agreement or in any other Transaction Document to which the Shareholder is a party.

ARTICLE III

MISCELLANEOUS

3.1 Specific Performance. The parties hereto agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the parties hereto shall be entitled to seek an injunction or injunctions and specific performance to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement in any court of competent jurisdiction, without bond or other security being required, this being in addition to any other remedy to which they are entitled at Law.

3.2 Governing Law and Venue. This Agreement shall be governed by, and construed in accordance with, the Laws of the State of Israel, without giving effect to principles of conflicts of laws thereof. The courts located in Tel Aviv, Israel, shall have exclusive jurisdiction over any dispute between the Parties in relation thereto.

3.3 Entire Agreement; Amendments and Waivers. Except for the Purchase Agreement and the other Transaction Documents, this Agreement represents the entire understanding and agreement between the parties hereto with respect to the subject matter hereof and can be amended, supplemented or changed, and any provision hereof can be waived, only by written instrument making specific reference to this Agreement, signed by the party against whom enforcement of any such amendment, supplement, modification or waiver is sought. No action taken pursuant to this Agreement, including any investigation by or on behalf of any party, shall be deemed to constitute a waiver by the party taking such action of compliance with any representation, warranty, covenant or agreement contained herein. The waiver by any party hereto of a breach of any provision of this Agreement shall not operate or be construed as a further or continuing waiver of such breach or as a waiver of any other or subsequent breach. No failure on the part of any party to exercise, and no delay in exercising, any right, power or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of such right, power or remedy by such party preclude any other or further exercise thereof or the exercise of any other right, power or remedy.

3.4 No Third Party Beneficiaries. This Agreement is not intended to, and shall not, confer upon any other Person any rights or remedies hereunder.

3.5 Notices. All notices, requests and other communications to any party hereunder shall be in writing and shall be deemed given (a) when delivered or sent if delivered in person or by facsimile transmission (provided confirmation of facsimile transmission is obtained), (b) on the third (3rd) Business Day after dispatch by registered certified mail, (c) on the next Business Day if transmitted by national overnight courier or (d) on the date delivered if sent by email (provided confirmation of email receipt is obtained), in each case as follows:

(a) If to Purchaser, then as provided for in Section 11.1 of the Purchase Agreement; and

(b) If to Shareholder, then to the address set forth on Shareholder's signature page hereto.

3.6 Severability. If any term or other provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or incapable of being enforced by any applicable rule of Law or public policy, all other terms, provisions and conditions of this Agreement shall nevertheless remain in full force and effect and shall in no way be affected, impaired or invalidated so long as the economic or legal substance of the transactions contemplated hereby are not affected in any manner adverse to any party hereto. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible to the fullest extent permitted by applicable Law in an acceptable manner in order that the transactions contemplated hereby are fulfilled to the extent possible.

3.7 No Assignments; Binding Effect. Neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned, in whole or in part, by operation of Law or otherwise, by any of the parties hereto without the prior written consent of any other party hereto, except that Purchaser may assign, in its sole discretion, any of or all of its rights, interests and obligations under this Agreement to one (1) or more of its Affiliates, but no such assignment shall relieve Purchaser of any of its obligations hereunder. Subject to the preceding sentence, this Agreement shall be binding upon, inure to the benefit of, and be enforceable by, the parties hereto and their respective successors and permitted assigns. Any purported assignment not permitted under this Section 3.7 shall be null and void.

3.8 Acknowledgment. SHAREHOLDER HAS READ AND FULLY UNDERSTANDS THE TERMS AND CONDITIONS OF THIS AGREEMENT AND THE PURCHASE AGREEMENT AND AGREES TO ABIDE BY THE TERMS AND CONDITIONS HEREOF AND THEREOF. SHAREHOLDER HAD SUFFICIENT TIME TO CONSIDER THIS AGREEMENT AND PURCHASER AGREEMENT AND CONSULT WITH AN ATTORNEY, IF DESIRED, PRIOR TO SIGNING THIS AGREEMENT.

3.9 Effective Date; Termination. This Agreement shall become effective as of and contingent upon the Closing. This Agreement shall terminate upon the earlier of termination of the Purchase Agreement in accordance with its terms or at the lapse of thirty (30) days after the date on which the entire Holdback Amount shall be released pursuant to the terms of this Agreement; provided, however that the obligations of the parties under this ARTICLE II shall survive any such termination and shall be enforceable hereunder; provided, further, however, that nothing in this Section 3.9 shall relieve the parties hereto of any Liability for a breach of this Agreement prior to the effective date of such termination.

3.10 Counterparts. This Agreement may be executed in multiple counterparts, each of which will be deemed to be an original copy of this Agreement and all of which, when taken together, will be deemed to constitute one (1) and the same agreement. The exchange of a fully executed Agreement (in counterparts or otherwise) by electronic transmission in .PDF format or by facsimile shall be sufficient to bind the parties to the terms and conditions of this Agreement.

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IN WITNESS WHEREOF, the parties hereto have caused this Holdback Agreement to be duly executed as of the date first above written.

IL MAKIAGE COSMETICS (2013) LTD.

By: /s/ Oran Holtzman
Name: Oran Holtzman
Title: CEO

[SIGNATURE PAGE TO KEY EMPLOYEES HOLDBACK AGREEMENT]

SHAREHOLDER

/s/ Niv Price
Name: Niv Price

Address: 4 Shvil Hazahav Street, Ra'anana, Israel

[SIGNATURE PAGE TO KEY EMPLOYEES HOLDBACK AGREEMENT]

Exhibit 10.11

Certain information has been excluded from this agreement (indicated by "[***]") because ODDITY Tech Ltd. has determined such information (i) is not material and (ii) would be competitively harmful if publicly disclosed.

SHARE PURCHASE AGREEMENT

by and among

IL MAKIAGE COSMETICS (2013) LTD.

VOYAGE81 LTD.

THE SHAREHOLDERS OF VOYAGE81 LTD.

and

NATE JARET,

as the SHAREHOLDER REPRESENTATIVE

Dated JULY 9, 2021

THIS SHARE PURCHASE AGREEMENT ("**Agreement"**) is entered into on the 9th day of July, 2021, by and among:

IL MAKIAGE COSMETICS (2013) LTD., a company existing under the laws of the State of Israel, company registration no. 51-493626-9 (the **"Purchaser"**);

VOYAGE81 LTD., a company duly and validly organized under the laws of Israel, company registration no. 51-582883-8 (the **"Company"**);

THE SHAREHOLDERS OF THE COMPANY LISTED IN SCHEDULE A HERETO (each, an **"Executing Shareholder"** and collectively, the **"Executing Shareholders"**); and

NATE JARET, in his/its capacity as the representative of the Shareholders (the **"Shareholder Representative"**) (in addition to, but separate from, for the avoidance of doubt, his capacity as a Shareholder),

(collectively, the **"Parties"** and each of them, a **"Party"**).

WHEREAS:

(A) The Purchaser desires to acquire 100% of the issued and outstanding share capital of the Company on a Fully Diluted Basis, all being free and clear of any Security Interests, in consideration for payment of the Purchase Price (as adjusted pursuant hereto), all on the terms and subject to the conditions hereinafter set forth; and

(B) The Executing Shareholders are the owners on the date hereof of at least 90% of issued and outstanding share capital of the Company on an as converted basis and Fully Diluted Basis and of each class of shares of the Company on an as converted basis and Fully Diluted Basis, as are set out in **Schedule A-1** hereto, and have accepted the offer extended by the Purchaser and agreed to sell to the Purchaser all of their outstanding securities in the Company, free and clear of any Security Interests, on the terms and subject to the conditions hereinafter set forth.

NOW THEREFORE, the Parties agree as follows:

1. INTERPRETATION

1.1. Definitions. The following terms shall have the following meanings:

"102 Options"	Company Options subject to tax in accordance with Section 102(b)(2) of the ITO.
"102 Shares"	Ordinary Shares issued upon exercise of 102 Options and deposited with the 102 Trustee.
"102 Trustee"	ESOP Management & Trust Services Ltd., the trustee nominated by the Company as trustee for the Option Plan in accordance with Section 102.
"3(i) Options"	Company Options subject to tax in accordance with Section 3(i) of the ITO.

"341 Legal Proceeding"	A pending legal proceeding with respect to the compulsory sale of Purchase Shares pursuant to the Bring-Along Provisions that is filed by a Non-Executing Shareholder with a court of competent jurisdiction during the one-month period following the delivery of the Bring-Along Notice in accordance with Section 341(b) of the Companies Law.
"Accounting Arbitrator"	As defined in Section 2.7.5.
"Affiliate"	With respect to a Person: (i) any Person controlling, controlled by or under common control with such Person, (ii) if such Person is a natural person, then the immediate family of such natural person, and (iii) the ultimate controlling shareholder of such person and his immediate family members. For the purpose of this definition of Affiliate, "control" shall mean the ability, directly or indirectly, to direct the activities of the relevant entity and shall include the holding of 50% (fifty percent) or more of the issued and outstanding share capital, voting rights or other ownership interests of such entity or the right to appoint 50% (fifty percent) or more of the directors (or the equivalent thereof) in such entity.
"Aggregate Purchase Price Adjustment"	As defined in Section 2.7.6.
"Benefit Plans"	All plans, arrangements, agreements, programs, policies, practices or undertakings, whether oral or written, formal or informal, funded or unfunded, registered or unregistered, to which the Company is a party, by which the Company is bound, or under which the Company has, or will have, any liability or contingent liability, under or pursuant to which payments are made, or benefits may arise, including pension or other retirement plans, further education fund, insured or self-insured employee benefit plans, and compensation plans with respect to any of its Employees or former Employees (or any spouses, dependents, survivors or beneficiaries of any such Employees or former Employees), directors or officers, individuals working on contract with the Company or other individuals providing services to the Company of a kind normally provided by Employees, or eligible dependents of any such Persons.
"Board of Directors"	The board of directors of the Company.
"Books and Records"	Books and records of the Company, including financial, corporate, operations and sales books, records, books of account, sales and purchase records, lists of suppliers and customers, formulae, business reports, plans and projections, and legal documentation and all other documents, surveys, plans, files, records, assessments, correspondence, and other data and information, financial or otherwise, including all data and information stored on computer-related or other electronic media.

"Bring-Along Notice"	As defined in Section 8.14.2.
"Bring-Along Provisions"	As defined in Section 8.14.1.
"Business Day"	means a day, other than Friday, Saturday and Sunday and other than any other day on which commercial banks in Israel and New York are generally closed for business.
"Business Data"	All data and information in any medium collected, developed, created, generated, or used in the conduct of the business of the Company, including all proprietary information of or relating to the Company, and all Personal Information in the possession, custody, or control of the Company, or otherwise held or processed on the Company's behalf.
"Claims"	Claims, demands, complaints, actions, suits, causes of action, assessments or reassessments, charges, judgments, Debt Liabilities, expenses, costs, damages or losses, contingent or otherwise, including loss of value, professional fees, reasonable fees of legal counsel, and all costs incurred in investigating or pursuing any of the foregoing or any proceeding relating to any of the foregoing.
"Closing"	As defined in Section 3.1.
"Closing Balance Sheet"	As defined in Section 2.6.3.
"Closing Date"	As defined in Section 3.1.
"Closing Payment"	As defined in Section 3.2.6.
"Company Intellectual Property"	Both Company Owned Intellectual Property and Company Licensed Intellectual Property.
"Company Licensed Intellectual Property"	All Intellectual Property owned by third Persons and licensed to the Company, other than commercial "off the shelf" products available to the general public for licensing and other licenses governed by an Excluded License or other open source software.

"Company Options"	Options to purchase Ordinary Shares of the Company granted or promised under the Option Plan.
"Company Owned Intellectual Property"	All Intellectual Property owned or purported to be owned by the Company.
"Company Registered Intellectual Property"	As defined in Section 5.14.1.
"Companies Law"	The Israel Companies Law 5759-1999, as amended from time to time.
"Contract"	A contract, license, lease, instrument, promissory note, bond, debenture, mortgage, agreement, arrangement, commitment, obligation or understanding under which any Person is bound, has unfulfilled obligations, including maintenance or support obligations, or contingent liabilities or is owed unfulfilled obligations, whether asserted or not, expired or not, entered into, given, issued or agreed to.
"Contractors"	As defined in Section 5.12.2.
"Current Articles"	The articles of association of the Company, as in effect on the date of this Agreement and as of immediately prior to Closing.
"Damages"	As defined in Section 10.1.
"Data Protection Laws"	All applicable laws relating to data protection, privacy and security of or the processing of Personal Information (including the Israel Protection of Privacy Law, 1981, and the regulation promulgated pursuant thereto and the EU General Data Protection Regulation 2016/679, and any other national, state or other data protection and privacy laws), in each case, to the extent applicable to the Company.
"Debt"	As defined in Section 2.6.
"Debt Liabilities"	All indebtedness, determined without duplication, including indebtedness evidenced by notes, capitalized leases, bank term and revolving credit loans, obligations related to drawn letters of credit, bonds evidencing indebtedness, debentures, borrowings from lending institutions or other persons, subordinated loans and subordinated debt securities with or without stated maturity, bank bills, bank overdrafts, obligations with respect to the factoring or discounting of accounts receivable and other instruments, and accrued interest and expense and penalties on any of the foregoing (including prepayment penalties) all calculated in accordance with GAAP.

"Determination Materials"	As defined in Section 2.7.5.
"Disputed Adjustment"	As defined in Section 2.7.5.
"Employees"	Those Persons employed directly by the Company, whether such Persons are employed on a full-time, part-time or temporary basis, including those employees on secondment, disability leave, parental leave or other absence.
"Escrow Amount"	As defined in Section 2.8.
"Escrow Agent"	IBI Trust Management.
"Escrow Agreement"	As defined in Section 2.8.
"Escrow Fund"	As defined in Section 2.8.
"Estimated Aggregate Purchase Price Adjustment"	As defined in Section 2.7.2.
"Excluded License"	As defined in Section 5.14.18.
"Executing Shareholders"	Shareholders executing this Agreement, as detailed in **Schedule A-1**.
"Expense Fund"	As defined in Section 4.6.
"Financial Statements"	As defined in Section 5.4.1.
"Firm"	As defined in Section 11.12.
"Fraud Event"	As defined in Section 10.7.
"Founders"	Each of Niv Price and Boaz Arad.

"Fully Diluted Basis"	The total number of shares on an as-converted basis that would be outstanding if all convertible securities, including convertible loans, options (whether vested or unvested), warrants, and all other rights, in whatever form(whether written or verbal), to acquire shares or exchangeable for shares were exercised or converted and all anti-dilutions with respect thereto were effected.
"Fundamental Representations"	As defined in Section 10.9.
"GAAP"	US generally accepted accounting principles, consistently applied with past practice of the Company.
"Governmental Authority"	Any supranational body, national, federal, state, local, regional, municipal or any other government, or governmental subdivision thereof, or any authority, agency or commission entitled to exercise on the Company any administrative, executive, judicial, legislative, police, regulatory or taxing authority or power, any court or tribunal (or any department, bureau or division thereof), or, to the extent that a Person is subject to the jurisdiction thereof, any arbitrator or arbitral body.
"Governmental Grant"	Means any grant, funding, incentive, subsidy, award, participation, exemption, status, cost sharing arrangement, reimbursement arrangement or other benefit, relief, support or privilege (including approval to participate in a program or framework without receiving financial support), including any application therefor, whether pending, approved, provided or made available by or on behalf of or under the authority of the IIA or any related authorities or programs, the Israeli Investment Center, the State of Israel, and any bi-, multi-national, regional or similar program, framework or foundation (including, for example, BIRD), the European Union, the Fund for Encouragement of Marketing Activities of the Israeli Government or any other Governmental Authority.
"Governmental Obligations"	The aggregate amount of any royalties, fines, fees, repayments, or any other amount payable by the Company, at or following the Closing, to any Governmental Authority in connection with Governmental Grants, including the IIA as of the Closing; provided that with respect to the computation of the amount owed to the IIA it shall take into account the entire outstanding funding amount received from the IIA without penalties (other than penalties imposed in connection with acts or omissions performed prior to Closing), (such amount owed to the IIA as of the Closing is referred to as the **"IIA Amount"**).

"IIA"	Means the Israel Innovation Authority, formerly known as the Office of the Chief Scientist of the Israeli Ministry of Economy and Industry.
"Indemnified Party"	As defined in Section 10.1.
"Indemnifying Party"	As defined in Section 10.3.
"Intellectual Property"	All Israeli, United States, international, and foreign: (1) designs (whether registered or unregistered), patents, utility models and applications therefor, and all reissues, divisions, re-examinations, renewals, extensions, provisionals, continuations and continuations-in-part thereof, and equivalent or similar rights anywhere in the world in inventions and discoveries, including invention disclosures (**"Patent Rights"**); (2) trade secrets and other rights in know-how and confidential or proprietary information; (3) mask works, integrated circuits, designs and copyrights, registrations and applications therefor, and all other rights corresponding thereto (including moral rights), throughout the world; and (4) rights in World Wide Web addresses and domain names and applications and registrations therefor (**"Domain Names"**), all trade names, logos, common law trademarks and service marks, trade dress, trademark and service mark registrations and applications therefor, and all goodwill associated therewith throughout the world; and (5) any similar, corresponding, or equivalent rights to any of the foregoing in (1) through (4) above, anywhere in the world.
"Intellectual Property Rights"	Any and all rights in, arising out of, or associated with Intellectual Property.
"Interim Option Tax Ruling"	As defined in Section 2.5.2.
"Interim Period"	As defined in Section 8.1.
"ITA"	Israel Tax Authority.
"ITO"	Israeli Income Tax Ordinance [New Version] 1961 and all the regulations, rules and orders promulgated therein.
"Key Employees"	Each of the Founders and Omer Shwartz.
"Letter of Transmittal"	As defined in Section 2.9.
"Material Contracts"	As defined in Section 5.8.1.

"Money Laundering Laws"	As defined in Section 5.11.
"Notice of Dispute"	As defined in Section 2.7.3.
"Open Source"	means any Intellectual Property Rights that are distributed under an open source, public source, or freeware license, which includes (i) any license approved by the Open Source Initiative or any similar license, (ii) any license that meets the "Open Source Definition" of the Open Source Initiative or the "Free Software Definition" of the Free Software Foundation, (iii) any Creative Commons license and (iv) to the extent not included in the foregoing (i), (ii), and (iii), any Excluded License.
"Option Plan"	Voyage81 Ltd. 2019 Share Incentive Plan of the Company adopted by the Board of Directors on September 3, 2019, as amended from time to time.
"Option Tax Ruling"	As defined in Section 2.5.1.
"Optionholders Letter of Transmittal"	As defined in Section 3.2.5.
"Options"	As defined in Section 5.3.2.
"Ordinary Shares"	Ordinary shares of the Company with par value NIS0.01 each.
"Organizational Documents"	In respect of any entity, the memorandum of association, articles of association, certificate of incorporation, by-laws, certificate(s) of designation or other constitutional documents of any type.
"Paying Agent"	IBI Trust Management.
"Paying Agent Agreement"	As defined in Section 2.9.
"Payor"	As defined in Section .
"Person"	Includes any individual, sole proprietorship, partnership, firm, entity, limited partnership, limited liability company, unlimited liability company, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body, corporation, or governmental or national entity and any group that includes more than one Person, and where the context requires, any of the foregoing when they are acting as trustee, executor, administrator or legal representative.

"Personal Information"	Means, in addition to all information defined or described by the Company as "personal information," "personally identifiable information" or "PII" or using any similar term in any privacy policy or other public-facing statement of the Company, all information regarding or capable of being associated with an individual, including: (i) information that identifies, could be used to identify or is otherwise identifiable with an individual, including name, physical address, telephone number, email address, financial account number, government-issued identifier, medical, health or insurance information, gender, date of birth, educational or employment information, religious or political views or affiliations, marital or other status, photograph, face geometry, or biometric information, and any other data used or intended to be used to identify, contact or precisely locate an individual; (ii) any data regarding an individual's activities online or on a mobile or other application (e.g. searches conducted, web pages, video or other content visited or viewed); and (iii) Internet Protocol addresses or other persistent identifiers. Personal Information may relate to any individual, including a current, prospective or former customer, employee or vendor of any Person.
"Pre-Closing Taxes"	Taxes of or owed by the Company for any taxable period ending on or before the Closing Date and for the portion through the end of the Closing Date for any Straddle Period. In the case of a Straddle Period (i) the amount of any Taxes based on or measured by income, gains, payments (including withholding and value added tax) or receipts for the portion of such Straddle Period through the end of the Closing Date will be determined based on an interim closing of the books as of the close of business on the Closing Date; and (ii) the amount of any other Taxes of the Company for a Straddle Period that relate to the portion of such Straddle Period through the end of the Closing Date will be deemed to be the total amount of such Taxes for the Straddle Period multiplied by a fraction, (A) the numerator of which is the number of days in the Straddle Period up to and including the Closing Date, and (B) the denominator of which is the total number of days in such Straddle Period.
"Preferred Shares"	shall mean Series Seed Preferred Shares and Series A Preferred Shares.
"Price Per Share"	The Purchase Price, as adjusted at the Closing in accordance with the final Waterfall, increased by the exercise price of the Vested Options and divided by the share capital of the Company on an as converted basis and Fully Diluted Basis (excluding the Unvested Options terminating at Closing), and all as finally adjusted at Closing and following the Closing, in accordance with the terms of this Agreement.

"Privacy Contracts"	All Contracts between the Company and any Person that govern the processing of Personal Information.
"Privacy Policy"	As defined in Section 5.14.8.
"Privileged Communications"	As defined in Section 11.12.
"Proposal"	As defined in Section 8.4.
"Purchase Price"	As defined in Section 2.2.
"Purchase Price Adjustment'	As defined in Section 2.2.
"Purchase Shares"	As defined in Section 2.1.
"Released Person"	As defined in Section 9.1.
"Representative Losses"	As defined in Section 4.4.
"Restricted Transaction"	As defined in Section 8.4.
"Retained Sellers"	Means the Key Employees, and each a "Retained Seller".
"Retained Holdback Amount"	means 50% of the Purchase Price, as adjusted by the Purchase Price Adjustment, payable to the applicable Retained Seller.
"Section 102"	As defined in Section 2.5.1.
"Section 3(i)"	Section 3(i) of the ITO.
"Security Incident"	Means (i) any unauthorized access, acquisition, interruption, alteration or modification, loss, theft, corruption or other unauthorized Processing of Personal Information or other Business Data, (ii) inadvertent, unauthorized, and/or unlawful sale, or rental of Personal Information or other Business Data, or (iii) any breach of the security of or other unauthorized access to or use of or other compromise to the integrity or availability of the Systems.
"Security Interest"	Any interest or equity of any Person (including any right to acquire, option, or right of pre-emption or first refusal) or any mortgage, charge, pledge, lien, attachment, assignment or any other encumbrance or security interest or arrangement of whatsoever nature over or in the relevant property.

"Series A Preferred Shares"	Series A Preferred Shares of the Company, NIS 0.01 par value each.
"Series Seed Preferred Shares"	Series Seed Preferred Shares of the Company, NIS 0.01 par value each.
"Service Inventions"	As defined in Section 5.12.5.
"Shares"	Means the Ordinary Shares and the Preferred Shares.
"Shareholder Representative"	As defined in Section 4.1.
"Shareholders"	As defined in the recitals.
"Straddle Period"	Any Tax period that begins on or before the Closing Date and ends after the Closing Date.
"Systems"	Means the information technology assets, computer systems, devices, mobile devices, equipment, hardware, servers, software, networks, telecommunications systems and related infrastructure and facilities, used or held for use by the Company.
"Tax(es)"	Any Israeli or non-Israeli taxes, charges, fees, levies, imposts, assessments, deductions and withholdings in the nature of taxes whatsoever (including taxes concerning income, capital gains, sales, value added, franchise, withholding, payroll, employment, social security, national insurance, national health insurance, transfer, customs duties, tariffs, severance, stamp or property tax, unemployment, excise, severance, stamp, occupation, assessments) and all linkage differentials, interest thereon, penalties with respect thereto, fines, additions to tax or additional amounts imposed by any Taxing Authority in connection with any item described herein, if any, whether disputed or not.
"Tax Contest"	Any inquiry, audit, examination, assessment, hearing, trial, appeal, or other administrative or judicial proceeding with respect to any Taxes or Tax Returns.
"Tax Incentives"	As defined in Section 5.7.3.
"Taxing Authority"	The ITA and any other national, regional, federal, state, municipal, or other governmental or regulatory authority or administrative body responsible for the administration of any Taxes.

"Tax Return"	Any return, declaration, report, claim for refund, or information return or statement relating to Taxes, filed or required to be filed, including any schedule or attachment thereto, including any amendment thereof, and including, where permitted or required, combined, consolidated, affiliated or unitary returns for any group of entities that includes the Company.
"Technology"	Any and all of the following: computer software and code, including software and firmware listings, assemblers, applets, compilers, source code, object code, net lists, design tools, user interfaces, documentation, annotations, comments, data, data structures, diagrams, product specifications, know-how, show-how, techniques, algorithms, routines, works of authorship, processes, prototypes, test methodologies, trade secrets, materials that document design or design processes, or that document research or testing (including design, processes, and results), any media on which any of the foregoing is recorded, and any other tangible embodiments of any of the foregoing or of Intellectual Property Rights.
"Terminated Agreements"	As defined in Section 3.3.8
"Third Party Defense"	As defined in Section 10.3.
"Third Party Claim"	As defined in Section 10.3.
"Transaction"	The transactions contemplated under the Transaction Documents.
"Transaction Costs"	Any of the following fees, costs and expenses, to the extent outstanding on or following the Closing, incurred or subject to reimbursement or payment by the Company, in each case in connection with the transactions contemplated herein (whether incurred prior to, on or after the date of this Agreement or the Closing Date) plus any applicable non-refundable, Taxes, interest and penalties payable thereon: (i) any brokerage fees, commissions, finders' fees, costs and expenses or financial advisory fees; (ii) any fees, costs and expenses of legal counsel, accountants or other advisors or service providers; (iii) any fees, costs and expenses or payments of the Company related to any transaction bonus, discretionary bonus, change-of-control payment, phantom equity or transaction bonus payout, payments in lieu of options, "stay-put" or other compensatory payments made to any, director, officer, employee, Contractor or other service provider or supplier of any of the Company as a result of the execution of this Agreement or in connection with the transactions contemplated herein; and (iv) any other fees, costs and expenses or payments triggered or becoming due as a result of or in connection with the transactions contemplated herein or otherwise pursuant to such transactions (including in connection with the filing or receipt of any consent or approval pursuant the transactions contemplated herein from any Person and any immediate repayment obligations vis-a-vis lenders or other third parties, including any prepayment premiums to the extent triggered in connection with the transactions contemplated hereby) but excluding any fees to the Escrow Agent or Paying Agent.

"Transaction Documents"	This Agreement, the Paying Agent Agreement, the Escrow Agreement, Holdback Agreements, Founder Employment Agreements and all other agreements, documents and instruments ancillary to or contemplated by the foregoing.
"Unrestricted Cash"	As defined in Section 2.6.1.
"Unvested Options"	Company Options that are not Vested Options, if any.
"Valid Tax Certificate"	A valid certificate, ruling or any other written instructions regarding Tax withholding, issued by the ITA in customary form and substance reasonably satisfactory to the Paying Agent (which for the avoidance of doubt includes, with respect to Retained Sellers, Purchaser's opportunity to review comment on and approve the application to the ITA for issuance of such certificate (which approval shall not be unreasonably withheld, delayed, or conditioned)) that is applicable to the payments to be made to any Person pursuant to this Agreement stating that no withholding, or reduced withholding, of Israeli Tax is required with respect to such payment or providing any other instructions regarding Tax withholding. The Parties further agree that the Option Tax Ruling, the Interim Option Tax Ruling and, except with respect to the Retained Sellers, if applicable, a valid certification pursuant to the Israel Income Tax Regulations (Withholding from Payments for Services or Assets), 5737-1977 shall be deemed a Valid Tax Certificate, it being understood that such certificate shall not be valid for transfers outside Israel or for payments not made in cash.
"VAT"	As defined in Section 5.7.15.
"Vested Options"	Company Options that are vested upon Closing in accordance with their vesting schedule or any acceleration duly approved by the Company.

"Waterfall" The waterfall attached in **Schedule C**, which shall be updated as of the Closing solely with regard to the issuance of additional Ordinary Shares deriving from exercise of Vested Options included in **Schedule 5.3.2**, Purchase Price adjustments in accordance with Section 2.7 below, and elections by Shareholders to receive Consideration Shares, or as otherwise agreed between the Company and the Purchaser prior to the Closing. For the avoidance of doubt, the Waterfall: (i) includes a pro-rata share per each Shareholder (in total of 100%) for the purpose of indemnification obligations hereunder, (ii) includes the allocation of Consideration Shares (to the extent known on the date hereof, and updated prior to the Closing), and (iii) lists those Shareholders who, at or prior to the Closing have requested in writing to receive Consideration Shares (to the extent known on the date hereof, and updated prior to the Closing).

"Withholding Drop Date" As defined in Section 2.9.2.

1.2. Certain Rules of Interpretation

1.2.1. *Number and Gender* - Words and defined terms denoting the singular number include the plural and vice versa and the use of any gender shall be applicable to all genders.

1.2.2. *Headings* - The paragraph headings are for the sake of convenience only and shall not affect the interpretation of this Agreement.

1.2.3. *Agreement Integrity* - The recitals, schedules, appendices, annexes and exhibits hereto form an integral part of this Agreement.

1.2.4. *Including* - Where the word "including" or "includes" is used in this Agreement, it means "including (or includes) without limitation".

1.2.5. *No Strict Construction* - The language used in this Agreement is the language chosen by the Parties to express their mutual intent, and no rule of strict construction shall be applied against any Party.

1.2.6. *Time* - Time is of the essence in the performance of the Parties' respective obligations.

1.2.7. *Time Periods* - Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next Business Day following if the last day of the period is not a Business Day.

1.2.8. Where any statement in this Agreement is qualified by the expression **'so far as the Shareholders are aware', 'so far as the Company is aware', 'to the knowledge or to the best of the knowledge of the Shareholders',** or **'to the knowledge or to the best knowledge of the Company',** or any cognate expression, that expression shall mean the actual knowledge of the Persons such expression refers to, and when such expression refers to the Company, it shall mean (i) the actual knowledge of the Founders and Alon Hirsch, and (ii) a requirement that reasonable enquiry of the applicable employees, directors and officers within the Company be made to verify such statement.

1.2.9. The parties agree that certain schedules and exhibits referred to herein as attached to this Agreement have not been finalized as of the date hereof and the parties will negotiate in good faith all such forms in accordance with customary terms, consistent with past practice, and all such forms will be agreed upon as promptly as practicable after the date hereof.

2. PURCHASE AND SALE OF THE SHARES

2.1. Agreement to Purchase and Sell. Subject to and in accordance with the terms and conditions of this Agreement, at the Closing each of the Shareholders shall, severally and not jointly, sell to the Purchaser, and the Purchaser shall purchase from each of the Shareholders the Shares owned by such Shareholder as of the Closing, as set out in the Waterfall (the **"Purchase Shares"**), such that immediately following the Closing, the Purchaser shall be the owner of 100% of the issued and outstanding share capital of the Company on such date on Fully Diluted Basis, free and clear of Security Interests; and any and all outstanding stock options, warrants, convertible securities, convertible debt, equity equivalents and all other rights, in whatever written form or otherwise, to acquire shares or exchange for shares of the Company shall have been exercised, converted, repaid or cancelled prior to Closing as set forth in this Agreement.

2.2. Purchase Price. The aggregate purchase price for the Purchase Shares is Twenty Nine Million U.S. Dollars (US$ 29,000,000)(the **"Purchase Price"**), allocated as shall be set forth in the Waterfall and payable in up to 31,953 Redeemable Ordinary A Shares of the Purchaser, if Shareholders elected to be allocated with the maximum amount of such shares that is available pursuant to Section 2.7.2 below (**"Consideration Shares"**) to the Shareholders set out in the Waterfall, and in cash (**"Cash Consideration"**), which Purchase Price shall be adjusted as follows (**"Purchase Price Adjustments"**):

2.2.1. *increased by* the Unrestricted Cash as of the Closing, as set out in Section 2.6;

2.2.2. *reduced by* the amount of Unvested Options outstanding as of the Closing multiplied by the Price Per Share;

2.2.3. *reduced by* the Debt as of the Closing, as set out in Section 2.6; and

2.2.4. *reduced by* the Transaction Costs.

2.3. Retained Sellers Holdback.

2.3.1. Notwithstanding anything in this Agreement to the contrary, each Retained Seller agrees that his/her respective Retained Seller Holdback Amount will be held-back by the Purchaser for a period of thirty six (36) months from the Closing and released to the Retained Seller in 2 equal installments at the end of the second and third anniversary of Closing, subject to, and in accordance with, the terms of such Retained Seller's Holdback Agreement, in the form attached hereto as **Schedule 2.3** (**"Holdback Agreement"**). Each Retained Seller's Retained Seller Holdback Amount shall be deducted from the portion of the Purchase Price payable to such Retained Seller at Closing pursuant to Section 2.2.

2.3.2. The Company, Purchaser and/or Affiliate shall not deduct any portion of the consideration paid pursuant to the Holdback Agreement (including the Retained Seller Holdback Amount) (the **"Holdback Consideration"**) as an expense for tax purposes and shall treat such Holdback Consideration in any Tax Return as a consideration for the shares sold under this Agreement and not as a remuneration for employment.

2.3.3. The Purchaser hereby undertakes to prepare or cause to be prepared, and to provide to the ITA to the extent required, valuations (total number and not working papers) or any other documents required under the Options Ruling in order to maintain, to the maximum extent possible, in accordance with the provisions of the Options Ruling, the beneficial Tax treatment imposed on any holder of 102 Shares or 102 Options with respect to their portion of the Retained Holdback Amount.

2.4. Treatment of Stock Options

2.4.1. Company Options shall be treated as follows in connection with the Closing:

2.4.1.1. Upon Closing, all Company Options, whether vested or unvested, whose exercise price is equal or greater than the Price Per Share, if any, shall expire and be cancelled without payment;

2.4.1.2. Upon Closing (and conditional thereupon), each vested, outstanding and unexercised Option, whose exercise price is lower than the Price Per Share, shall be canceled in exchange for the right to receive, per Option, a portion of the Cash Consideration in an amount equal to the Price Per Share minus the exercise price applicable to such Option, (the **"Option Consideration"**), subject to the withholding for applicable Taxes required to be withheld with respect to such payment. From and after the Closing, all Options, including Company Options shall no longer be outstanding and shall cease to exist, and each holder of an Option shall cease to have any rights with respect thereto or arising therefrom, except the right to receive the Option Consideration payable in respect thereof hereunder.

2.4.1.3. all Unvested Options, if any, shall expire and be cancelled without payment.

2.4.2. Prior to Closing, the Company shall take all actions (including causing its Board of Directors, the compensation committee of its Board of Directors, or any other applicable committee to take all actions) and receiving consent from holders of Company Options (if and as required) that are necessary to approve and confirm the treatment of the Company Options in the manner set out in this Agreement.

2.5. Option Tax Ruling

2.5.1. The Company, in coordination with the Purchaser, shall promptly following the date hereof file, or cause to be filed, with the ITA an application for a ruling (the **"Option Tax Ruling"**) confirming, among others, that: (i) the Purchaser shall be exempt from withholding tax in relation to payments made under this Agreement in relation to 102 Options and 3(i) Options and 102 Shares; (ii) that the payment of cash consideration at Closing for 102 Options and 102 Shares shall not result in a violation of the requirements under Section 102 of the ITO (**"Section 102"**) so long as cash consideration is deposited with the 102 Trustee until the end of the requisite holding period under Section 102; (iii) that the taxation of any Escrow Amount, Estimated Aggregate Purchase Price Adjustment or Expense Fund paid on 102 Options, 102 Shares and 3(i) Options shall be subject to tax only upon actual payment to the 102 Trustee or Paying Agent for the benefit of the applicable payee; and (iv) the tax arrangement which will apply to the Retained Holdback Amount if paid on 102 Options or 102 Shares (which ruling may be subject to customary conditions regularly associated with such a ruling). The Company shall cause its Israeli counsel, accountants and other advisors, to coordinate all activities in relation to obtaining the Option Tax Ruling with the Purchaser and its Israeli counsel and to coordinate any activities with the Purchaser and its Israeli counsel, including any written or oral submissions, meetings with the tax authorities, as may be necessary proper and advisable. Subject to the terms and conditions hereof, the Parties (other than the Shareholder Representative, if not a Shareholder) shall cooperate to promptly take, or cause to be taken, all commercially reasonable actions and to do, or cause to be done, all commercially reasonable things necessary, proper or advisable under applicable law to obtain the Option Tax Ruling as promptly as practicable. The language of the Option Tax Ruling and, if applicable, the Interim Option Tax Ruling (as defined below) shall be subject to the prior written approval of the Purchaser or its counsel (which approval shall not be unreasonably withheld, delayed or conditioned). Should any meeting be held with the ITA at which the Purchaser's counsel does not attend, the Company's counsel shall provide the Purchaser and its counsel with an update of such meeting or discussion within two (2) Business Days of such meeting or discussion.

2.5.2. In the event that it becomes apparent that the Option Tax Ruling will not be received prior to Closing, the Company shall seek to receive prior to the Closing an interim tax ruling confirming among others that the Purchaser and anyone acting on its behalf (including the Paying Agent) shall be exempt from Israeli withholding Tax in relation to any payments made with respect to 102 Options, 3(i) Options (which ruling may be subject to customary conditions regularly associated with such a ruling) and 102 Shares (if any) (the **"Interim Option Tax Ruling"**). Notwithstanding anything herein to the contrary, any consideration payable to the holders of 102 Shares or 102 Options shall be transferred to the 102 Trustee to be further distributed to the applicable holder in accordance with the provision of Section 102, the Option Tax Ruling and the Interim Option Tax Ruling and subject to providing an executed Optionholder Letter of Transmittal.

2.6. Adjustments for Cash, and Debt. The Purchase Price shall be adjusted (by way of an increase or decrease, as applicable, of the Cash Consideration) as follows: (i) by increasing by an amount equal to Unrestricted Cash as of the Closing Date, and (ii) by decreasing by an amount equal to the Debt as of the Closing Date.

2.6.1. **"Unrestricted Cash"** means United States Dollars (US$) denominated cash of the Company, which shall expressly exclude deposits and sureties held (whether by the Company or any third party) for the benefit of a third party or as security for any obligation of the Company, excluding restricted deposits for the office lease and for Company credit cards in an aggregate amount of up to US$50,000.

2.6.2. **"Debt"** means the aggregate amount, as reflected on the Closing Balance Sheet, of all indebtedness, determined without duplication, including (without limitation): for borrowed money, indebtedness evidenced by notes, capitalized leases, bank term and revolving credit loans, obligations related to drawn letters of credit, bonds evidencing indebtedness, debentures, borrowings from lending institutions other than banks, subordinated loans and subordinated debt securities with or without stated maturity, bank bills, bank overdrafts, deferred purchase price of property goods or services (other than trade payables or accruals incurred in the ordinary course of business), Governmental Obligations (including only 50% of the IIA Amount), contractual obligations relating to interest rate protection, swap agreements, factoring, hedging and collar agreements, obligations with respect to the factoring or discounting of accounts receivable and other instruments, any declared but unpaid dividends, and accrued interest and expense and penalties on any of the foregoing (including prepayment penalties).

2.6.3. **"Closing Balance Sheet"** consolidated balance sheet of the Company as of the opening of business on the Closing Date.

2.6.4. Each of the foregoing terms will be determined in accordance with US GAAP applied on a consistent basis in accordance with the Company's past practice, including consistent with the year-end audited Financial Statements, other than the IIA Amount which will be included as the outstanding funding amount even if such is not required to be included pursuant to US GAAP.

2.7. Purchase Price Adjustment Mechanism. The adjustments to the Purchase Price set out in Section 2.2 and Section 2.6 shall be conducted as follows:

2.7.1. At least seven (7) days prior to the Closing, the Company shall prepare and deliver to the Purchaser: (A) its good faith estimate as of the Closing Date of the Closing Balance Sheet and a schedule of known Transaction Costs, together with a calculation based on such Closing Balance Sheet and such Transaction Costs schedule, of the estimated Purchase Price Adjustment, as of the Closing Date, and (B) the updated Waterfall. To the extent reasonably requested by the Purchaser, the Company shall also deliver any working papers and documentation supporting the foregoing calculations made by it.

The Purchaser and the Company shall consult with one another with respect to the determination of the amounts set forth in the Closing Balance Sheet and the Purchase Price Adjustment amount and the Waterfall, and the Company, having taken account of the Purchaser's comments in good faith, shall, not less than three (3) Business Days prior to the Closing Date, determine in good faith and notify the Purchaser of any changes in such amounts or in the Waterfall, if any, which absent fraud and manifest error shall be final for purposes of this 2.7.1 and Section 2.7.2 (but not for the purpose of the post-Closing adjustments pursuant to Section 2.7.3 through 2.7.7) and the Waterfall shall be final and binding for the purpose of this Agreement.

2.7.2. An amount equal to the aggregate of the estimated Purchase Price Adjustment required hereunder pursuant to Sections 2.2 and 2.7.1 (**"Estimated Aggregate Purchase Price Adjustment"**), (i) if requiring a reduction to the Purchase Price, shall be deducted by the Purchaser from the portion of the Cash Consideration and the Consideration Shares, to be paid at the Closing as set forth in Section 3.2.6; and (ii) if requiring an increase of the Cash Consideration and/or the Consideration Shares, shall be added to the Purchase Price to be paid at the Closing as set forth in Section 3.2.6, provided, however that the Consideration Shares value shall not, in any event, exceed US$ 12,000,000 in the aggregate. Any increase or reduction shall be made on a pro-rata bases among the Shareholders and the holders of Options who are entitled to receive the Option Consideration (the **"Entitled Optionees"**), on a pro-rata basis based on their entitlement to the Purchase Price, as adjusted, as set out in the Waterfall (and subject to the pro-rata basis among the Shareholders and Entitled Optionees, to the maximum extent feasible, on a pro-rata basis among each type of consideration (i.e., Cash Consideration or Consideration Shares, such that each such type of consideration shall increase or decrease, as applicable, ratably, based on their value, except if any increase will cause the Consideration Shares value to exceed US$12,000,000 in which case any further increase beyond that value shall be in Cash Consideration only).

2.7.3. Within ninety (90) days after the Closing Date, the Purchaser shall be entitled (at its discretion) to deliver in writing to the Shareholder Representative any good faith objections that the Purchaser may have with respect to the items set out in Section 2.7.1 (a **"Notice of Dispute"**), together with any supporting documentation in reasonable detail of any such objections and/or calculations. If the Purchaser does not provide a Notice of Dispute within the foregoing 90 day period, it shall be deemed to have no such objection and the Purchase Price Adjustments shall be deemed final.

2.7.4. Within thirty (30) days after delivery of any Notice of Dispute, the Purchaser and the Shareholder Representative shall attempt to resolve the underlying dispute in good faith. If the Purchaser and the Shareholder Representative agree in writing on the amount of any of the Purchase Price Adjustments, the amount they so agree upon will be final.

2.7.5. In the event that the Purchaser and the Shareholder Representative cannot agree within such thirty (30) day period with regard to any of the Purchase Price Adjustments (**"Disputed Adjustments"**), the Closing Balance Sheet, calculations and working papers referred to in Section 2.7.1, together with the Notice of Dispute and any supporting documentation referred to in Section 2.7.3 (collectively, the **"Determination Materials"**), will be submitted to the Accounting Arbitrator (as defined below). The Accounting Arbitrator will review the Determination Materials and will determine the amount of the Disputed Adjustments. The Accounting Arbitrator (i) will not review any matters not specifically relating to the Disputed Adjustments, and (ii) may not assign a value to any item greater than the greatest value for such items claimed by either party or less than the smallest value for such items claimed by either party, and its determination may not be outside the range comprised of the Purchaser's calculation of any Disputed Adjustment and the Shareholder Representative's calculation of such Disputed Adjustment (all as set out in the Determination Materials). The Accounting Arbitrator's decision as to each Disputed Adjustment will be final, conclusive, and binding. The parties shall instruct the Accounting Arbitrator to resolve the Disputed Adjustments in accordance with the terms hereof (including Section 2.6) and will cause the Accounting Arbitrator to notify the parties in writing of its determination within thirty (30) days following the receipt of the Determination Materials. The fees and expenses of the Accounting Arbitrator shall be allocated by the Accounting Arbitrator and borne by the Purchaser and the Shareholder Representative (on behalf of the Shareholders and the Entitled Optionees) in the same relative proportions as the differences between the amount of the Disputed Adjustments submitted by each such party to the Accounting Arbitrator and the amount of the Disputed Adjustments as actually determined by the Accounting Arbitrator.

"Accounting Arbitrator" means the Tel Aviv, Israel offices of such nationally recognized accounting firm which does not have ongoing commercial relationship with either the Purchaser or the Company or either of their pre-Closing Affiliates: (i) to which the Purchaser and the Shareholder Representative may mutually agree within 7 Business Days from a written request by one Party to the other for appointing an Accounting Arbitrator, or (ii) if the Purchaser and the Shareholder Representative are unable to so agree, as appointed by the Head of the Institute for Certified Public Accountants in Israel upon the application of either the Purchaser or the Shareholder Representative.

2.7.6. If the total Purchase Price after being adjusted by the Purchase Price Adjustment finally determined in accordance with Sections 2.7.3, 2.7.4 and 2.7.5 is greater than the Purchase Price by US$ 50,000 or more after being adjusted by the Estimated Aggregate Purchase Price Adjustment (i.e., the Purchase Price that was actually paid at Closing, **"Closing Purchase Price"**), then the Purchaser shall transfer the difference to the Paying Agent and 102 Trustee, as applicable, for distribution to the Shareholders and the Entitled Optionees in accordance with their pro rata share in accordance with the Waterfall, within five (5) days of such final determination of the Aggregate Purchase Price Adjustment. Any such payment shall be made only in cash and not in Consideration Shares. If the total Purchase Price after being adjusted by the Purchase Price Adjustment finally determined in accordance with Sections 2.7.3, 2.7.4 and 2.7.5 is lower by US$ 50,000 or more than the Closing Purchase Price but up to $100,000, then the Shareholder Representative shall instruct the Escrow Agent to transfer the difference, on a pro-rata basis from all Shareholders and Entitled Optionees based on their entitlement to the Escrow Amount, as set out in the Waterfall (and subject to the pro-rata basis among the Shareholders and Entitled Optionees, to the maximum extent feasible, on a pro-rata basis among each type of consideration (i.e., Cash Consideration or Consideration Shares, such that each such type of consideration shall increase or decrease, as applicable, ratably, based on their value), and if such difference is greater than $100,000, then the Purchaser shall have the choice either (or any combination of (i) and (ii)): (i) claim directly from the Shareholders and the Entitled Optionees such amount or any portion of it, in which event the Shareholders and the Entitled Optionees, on a pro-rata basis among them (in accordance with the Waterfall), shall transfer the difference in cash and Consideration Shares (on a pro-rata basis based on each such Shareholder or Entitled Optionees' total consideration) to the Purchaser within five (5) days of such final determination of the Aggregate Purchase Price Adjustment. Upon a failure by a Shareholder to pay its portion of such amount when due, the Purchaser may, at its sole discretion, forfeit up to such number of each Shareholder's portion in any Consideration Shares, if applicable, which have an aggregate value (which, for this purpose, shall be equal to the value at which they were issued pursuant to this Agreement) that equals the amount that such Shareholder so failed to pay pursuant to this sub-section (i), and/or (ii) claim such amount or any portion of it not claimed from the Shareholders and Entitled Optionees directly (or retrieved by way of forfeiting their Consideration Shares), from the Escrow Fund in which event the Shareholder Representative shall instruct the Escrow Agent to transfer the amount to the Purchaser within five (5) days of such final determination of the Aggregate Purchase Price Adjustment.

2.8. Escrow Fund;

The Purchaser shall deposit an amount of Three Million Three Hundred and Ten Thousand U.S. Dollars (US$ 3,310,000) of the Purchase Price in cash (the **"Escrowed Cash"**) and in Redeemable Ordinary A Shares of the Purchaser (out of the Consideration Shares) (the **"Escrowed Shares"** and together with the Escrowed Cash, the "Escrow Amount") at the Closing into an escrow account, based on the allocation between Escrowed Cash and Escrowed Shares as set forth in the Waterfall, provided that the portion of the Escrowed Shares shall not exceed the pro rata shares of the Consideration Shares out of the Purchase Price, where the cash portion thereof shall bear interest (the **"Escrow Fund"**) with the Escrow Agent, to be held by the Escrow Agent in accordance with and subject to the provisions of this Agreement and the escrow agreement in the form attached as **Schedule 2.8** hereto (the **"Escrow Agreement"**) to secure the Indemnified Parties' right to indemnification in accordance with Section 10 below and for payment to the Purchaser if the Aggregate Purchase Price Adjustment is lower than the Estimated Aggregate Purchase Price Adjustment, in accordance with Section 2.7. The allocation between Escrowed Cash and Escrowed Shares is determined with respect to each Executing Shareholder, as notified prior to the date hereof, and with respect to any Non-Executing Shareholder – to the extent that such shareholder signs a joinder to this Agreement prior to Closing, in accordance with the instructions set forth therein, and to the extent no such joinder was signed, or such Non-Executing Shareholder did not provide written request to receive Consideration Shares, then solely from cash. The Escrow Amount shall be contributed by each Indemnifying Party as set forth in the Waterfall (and, accordingly, if released to the Indemnifying Parties, released on a pro-rata basis in accordance with such Waterfall). The release of the remaining amounts in the Escrow Fund (except such amounts as are subject to pending Claims under the Escrow Agreement) to the Paying Agent or the 102 Trustee, as applicable for further distribution to the Indemnifying Parties will occur on the eighteen (18) month anniversary of the Closing subject to the terms of the Escrow Agreement; provided that in the event of any conflict between this Agreement and the Escrow Agreement, the terms of this Agreement will prevail. In addition, the Purchaser shall deposit the Expense Fund with the Escrow Agent in the accordance with Section 4.6 below and the terms of the Escrow Agreement. For the avoidance of doubt, the Expense Fund is addressed in the Escrow Agreement for convenience purposes and the Purchaser shall have no liability in connection therewith. The fees and expenses associated with the services of the Escrow Agent shall be borne solely and completely (100%) by the Purchaser. Notwithstanding the above, in lieu of depositing any amounts in respect of the Escrow Fund on account of the Retained Sellers' portion of the Purchase Price, it is agreed that such percentage out of the Retained Holdback Amount that corresponds to the retained Sellers' portion of the Escrow Amount (the **"Heldback Escrow"**) shall serve to secure the Indemnified Parties' right to indemnification in accordance with Section 10 below and for payment to the Purchaser if the Aggregate Purchase Price Adjustment is greater than the Estimated Aggregate Purchase Price Adjustment, in accordance with Section 2.7, and in case of any claims against the Escrow, the portion of the Heldback Escrow that is held by the Purchaser shall be deemed to have been claimed against as well on a pro-rata basis together with any amounts and Consideration Shares in the Escrow Fund, and it will be payable to the Retained Sellers subject to the terms of the Holdback Agreement, only when and if such amount is eligible for release pursuant to the terms of the Escrow Agreement. Such Heldback Escrow shall not be deposited with the Escrow Agent.

2.9. Withholding.

2.9.1. Each of the Company, Purchaser, Paying Agent, Escrow Agent and 102 Trustee (each, a **"Payor"**) shall be entitled to deduct and withhold from the Closing Payment and any payment made as an adjustment pursuant to Section 2.7.6 and any other consideration deliverable (whether in cash, shares or other equity securities) pursuant to this Agreement (including any portion of the Escrow Amount, Expense Fund and any payments relating to Options, and Consideration Shares) to any payment recipient such amounts as the Payor reasonably determines it is required to deduct and withhold with respect to the making of any such payment under the ITO at the applicable rate for such withholding. To the extent that such amounts are so deducted or withheld and timely remitted to the applicable Taxing Authority, (i) such withheld amounts shall be treated for all purposes of this Agreement as having been paid to the Person to whom or to which such amounts would otherwise have been paid, in respect of which such deduction or withholding was made by the Payor; and (ii) the relevant Payor shall promptly provide to the contemplated recipient from whom such amounts were deducted or withheld, written confirmation of the amount so withheld and remitted to the applicable Taxing Authority.

2.9.2. Notwithstanding the provisions of Section 2.9.1 above, with respect to Israeli Taxes, and in accordance with the Paying Agent undertaking provided by the Paying Agent to the Purchaser as required under Section 6.2.4.3 of the Income Tax Circular 19/2018 (Transaction for Sale of Rights in a Corporation that includes Consideration that will be transferred to the Seller at Future Dates) (the **"Paying Agent Undertaking"**), any payment payable or other consideration deliverable pursuant to this Agreement to any Shareholder, other than holders of 102 Shares, shall be paid to and retained by the Paying Agent, in each case for the benefit of such Shareholder for a period of one-hundred eighty (180) days from the Closing Date (or, with respect to the Escrow Amount, Expense Fund, or any payment that may be made by the Purchaser as adjustment pursuant to Section 2.7.6 above - ninety (90) days from the date on which such amount or other consideration, or any portion thereof, is released to the applicable Shareholder) or an earlier date required in writing by such Shareholder (the **"Withholding Drop Date"**) during which time unless requested otherwise by the ITA, in writing no payments shall be made by a Paying Agent to any payment recipient and no amounts for Israeli Taxes shall be withheld from the payments or other consideration deliverable pursuant to this Agreement, except as provided below and during which time each payment recipient may obtain a Valid Tax Certificate). If a payment recipient delivers, no later than three (3) Business Days prior to the Withholding Drop Date a Valid Tax Certificate to a Paying Agent, then the deduction and withholding of any Israeli Taxes shall be made only in accordance with the provisions of such Valid Tax Certificate and the balance of the payment that is not withheld shall be paid to such payment recipient. If any payment recipient (i) does not provide a Paying Agent with a Valid Tax Certificate by no later than three (3) Business Days before the Withholding Drop Date, or (ii) submits a written request to the Paying Agent to release his, her or its consideration payable or otherwise deliverable (together with any adjustment made subsequently pursuant to Section 2.7.6 above) prior to the Withholding Drop Date and fails to submit a Valid Tax Certificate no later than three (3) Business Days before such time, then the amount of Israeli Tax to be withheld from such payment recipient's portion of the consideration payable or otherwise deliverable (together with any adjustment made subsequently pursuant to Section 2.7.6 above) shall be calculated in NIS based on the U.S. Dollars to NIS exchange rate known on the date the payment is actually made to such recipient, which withholding shall be timely delivered or caused to be delivered to the ITA by the Paying Agent, and the balance of the payment that is not withheld shall be paid to such payment recipient. Any currency conversion commissions will be borne by the applicable payment recipient and deducted from payments to be made to such payment recipient. For the avoidance of doubt, and unless required otherwise by the ITA if the Paying Agent Undertaking is provided to Purchaser prior to the Closing Date, then a Shareholder shall not be required to provide a Valid Tax Certificate (and thus no withholding of Tax shall apply) with respect to the Escrow Amount, Expense Fund, the Retained Holdback Amount, the payment that may be made by the Purchaser as adjustment pursuant to Section 2.7.6 above or any other consideration paid after Closing, until the actual payment of such amount or any portions thereof to each such Shareholder is made, in which case any applicable withholding will be calculated (as provided above) and delivered to the ITA

2.9.3. Notwithstanding anything to the contrary in this Agreement, with respect to any Shareholder receiving Consideration Shares pursuant to this Agreement, until such recipient, or anyone on his/her/its behalf, presents to the Paying Agent, a Valid Tax Certificate exempting the Paying Agent from Israeli tax withholding on the transfer of such Consideration Shares, or the applicable Tax was withheld with respect to such Consideration Shares in accordance with Section 2.9.4, the Consideration Shares (other than those issued to the Escrow Agent pursuant to the terms of Section 2.8) shall be issued in the name of the Paying Agent to be held in trust for the relevant recipient and delivered to such recipient in compliance with the withholding requirements under this Section 2.9.

2.9.4. The applicable withholding Tax amount in relation to the Consideration Shares and the Cash Consideration, shall be determined based on the combined value of the Consideration Shares and the Cash Payment, based on the value of the Consideration Shares, as provided in **Schedule 2.11.1**. Any such withholding from such consideration to the Shareholders shall be deducted first through a reduction of the portion of the Cash Consideration payable to a Shareholder, and to the extent there is insufficient cash to permit such withholding, through the forfeiture or sale of the portion of the Consideration Shares otherwise deliverable to such recipient that is required to enable the Paying Agent to comply with applicable deduction or withholding requirements under this Section 2.9.

2.9.5. Notwithstanding anything to the contrary herein, any payments made to holders of Company Options and 102 Shares (if any) will be subject to deduction or withholding of Israeli Tax under the ITO on the fifteenth (15^{th}) day of the calendar month following the month during which the Closing occurs, unless prior to the fifteenth (15^{th}) day of the calendar month following the month during which the Closing occurs: the Option Tax Ruling (or the Interim Option Tax Ruling) shall have been obtained providing for no withholding, then the deduction and withholding of any Israeli Taxes shall be made only in accordance with the provisions of such Option Tax Ruling (or the Interim Option Tax Ruling).

2.10. Paying Agent

The Shareholder Representative, the Purchaser and the Paying Agent shall execute and deliver a paying agent agreement (the **"Paying Agent Agreement"**) no later than the Closing Date, substantially in the form of the paying agent agreement attached as **Schedule 2.9(A)** hereto. Under the Paying Agent Agreement the Paying Agent shall: (a) act as paying agent and withholding agent with respect to the payment to the Shareholders, other than Shareholders of 102 Shares, and the holders of 3(i) Options, of the Closing Payment upon receipt by the Paying Agent of an executed copy of a letter of transmittal in the form attached hereto as **Schedule 2.9(B)** (the **"Letter of Transmittal"**) and such Shareholder's certificate(s) representing such Shareholder's Purchase Shares (or Share Certificate Affidavit in lieu) in accordance with this Agreement, or for holders of 3(i) Options an executed Optionholder Letter of Transmittal; (b) act as paying agent and withholding agent with respect to the payment to each Shareholder (other than Shareholders of 102 Shares) and the holders of 3(i) Options of any Aggregate Purchase Price Adjustment in accordance with Section 2.7.6 resulting in a payment thereto, if any; (c) act as paying agent and withholding agent with respect to the payment to each Shareholder (other than Shareholders of 102 Shares) and the holders of 3(i) Options of such person's portion of any funds released from the Escrow Fund for the benefit of the Shareholders and the holders of 3(i) Options in accordance with this Agreement and the Escrow Agreement; (d) act as paying agent and withholding agent with respect to the payment to each Shareholder (other than Shareholders of 102 Shares) and the holders of 3(i) Options of such person's portion of any funds of the Expense Fund not ultimately required for payment of fees and expenses of the Shareholder Representative in accordance with Section 4.6; in each of (a) through (d), in accordance with the terms of this Agreement, the Paying Agent Agreement and the Waterfall, provided that in the event of conflict between this Agreement and the Paying Agent Agreement, the terms of this Agreement shall prevail. The fees and expenses associated with the services of the Paying Agent shall be borne in accordance with the terms of the Paying Agent Agreement.

2.11. Issuance of Consideration Shares

2.11.1. At Closing, subject to the terms and conditions of this Agreement, the Purchaser shall cause the Consideration Shares to be issued to, and held by the Paying Agent (other than the Escrowed Shares that will be issued to the Escrow Agent).

2.11.2. For the avoidance of doubt, no Person, other than a Shareholder who has requested in writing to receive Consideration Shares shall be issued Consideration Shares (through the Paying Agent and such Person (who is not so issued Consideration Shares) shall only be paid cash in lieu of his/her pro-rata share in the Consideration Shares in accordance with the Waterfall. At least 7 days prior to the Closing, each Shareholder (other than the Founders) shall notify the Company and the Purchaser in writing, of its election and allocation between Consideration Shares and Cash Consideration, as well as Escrowed Shares and Escrowed Cash (the **"Election Notice"**). Any Shareholder failing to provide the Election Notice by such date shall be deemed to have elected to receive only Cash Consideration. To the extent that Election Notices provide for up to $12,000,000 of Consideration Shares to be issued hereunder, the Purchaser shall, at the Closing, issue the Consideration Shares in accordance with such Election Notices and as further set forth in the Waterfall. To the extent that Election Notices provide for more than $12,000,000 of Consideration Shares to be issued hereunder, the Purchaser shall, at the Closing, issue Consideration Shares with a value of US$12,000,000 to be allocated on a pro-rata basis among the Shareholders electing such Consideration Shares, and as shall be set forth in the Waterfall. In the event of any conflict or contradiction between an Election Notice and the Waterfall, the Waterfall shall prevail.

2.11.3. The Consideration Shares shall have the rights, preferences and privileges set forth in **Schedule** 2.11.3**(a)** which rights, preferences and privileges will be included on the Purchaser's Articles of Association prior to Closing (the **"Purchaser Articles"**). The value of the Consideration Shares and the calculation thereof, has been provided to the Company and the Executing Shareholders.

2.12. Founder Employment Agreements. Promptly following the date hereof and prior to the Closing, the Founders shall enter into an amendment to their employment agreements in the forms attached hereto as **Schedule 2.12(i)-(ii)** (**"Founder Employment Agreements"**).

2.13. Employees Retention Allocation. Promptly following the date hereof, the Company shall provide to the Purchaser the allocation of the retention amount of US$ *** between the Company employees, as determined solely by the Company, provided that the Founders shall be entitled to an amount of US$ *** out of such amount, and which allocation will be attached hereto as **Schedule 2.13**. Each of the persons entitled to such retention will enter into, at or prior to, the Closing a retention agreement in respect of such amounts (**"Retention Agreements"**).

For the avoidance of doubt: (A) following the Closing, other than the relevant parties to each Retention Agreement, no other Person (including the Shareholders, unless in their capacity as employees) shall have any claim or demand against any Person (including the Purchaser or any Affiliate thereof) with respect to or in connection with Retention Agreements (including with respect to any cash or equity compensation that may have been promised or granted and not vested thereunder), and (B) without derogating from the conditions of Section 3.3 below, in the event that the employment of an employee who is a party to a Retention Agreement and whose employment is terminated prior to Closing for any reason, no Shareholder shall have any claim or demand in connection with the respective Retention Agreement (including no claim with respect to re-allocation of any bonus, equity grant or benefit that may have been contemplated thereunder).

2.14. New Grants. As soon as practicable following the Closing, and subject to compliance with applicable law, the Purchaser shall authorize and approve the grant of Restricted Stock Units or options of the Purchaser to such Company employees listed in **Schedule 2.14**, which Schedule also sets forth the vesting schedule and all other terms and conditions of such grants. It is agreed that Purchaser shall make its best commercial efforts that these grants will be issued under and qualify with the capital gains route of Section 102.

3. CLOSING

3.1. The closing of the purchase and sale of the Purchase Shares (the **"Closing"**) shall take place at the offices of Herzog, Fox & Neeman, 4 Yitzhak Sadeh St., Tel Aviv 6777504, Israel or remotely, via the digital exchange of documents and signatures, within three (3) Business Days after the satisfaction or waiver (by the Party entitled to waive) of all the conditions precedent to Closing as set out in Section 3.3 and Section 3.4 below (except for the conditions that by their nature shall be satisfied at the Closing Date, but subject to the satisfaction or waiver (by the Party entitled to waive) thereof at the Closing Date), or thereafter at such other time, date and place as may be agreed by the Company and the Purchaser in writing (the time and date of the Closing being herein referred to as the **"Closing Date"**).

3.2. At the Closing, the following actions and occurrences will take place, all of which shall be deemed to have occurred simultaneously and no action shall be deemed to have been completed and no document or certificate shall be deemed to have been delivered, until all actions are completed and all documents and certificates delivered (unless waived in writing by the relevant Party (being either the Purchaser or the Company (on behalf of the Shareholders), as applicable) for whose benefit such action should have been completed or such document or certificate should have been delivered):

3.2.1. The Company (on behalf of itself and the Executing Shareholders) will deliver to the Purchaser:

3.2.1.1. share transfer deeds for the Purchase Shares in the form attached hereto as **Schedule 3.2.1.1(A)**, duly executed by each Shareholder (personally or by proxy), in the case of 102 Shares, by the 102 Trustee and relevant beneficiary (personally or by proxy), in favor of the Purchaser (or as it shall otherwise direct in writing) accompanied by their respective share certificates or affidavit evidencing that such certificate was lost or never issued, in the form attached hereto as **Schedule 3.2.1.1(B)** (**"Share Certificate Affidavit"**);

3.2.1.2. the resignation of the existing directors of the Company with a written acknowledgment and waiver (excluding indemnity rights, subject however to the indemnity obligations under Section 10.1(v) below) from each such resigning director in the form attached hereto as **Schedule 3.2.1.2** (**"Resignation Letter"**), provided, that, if any of the directors appointed on the date of this Agreement resigns prior to Closing, a letter in the same form signed by such person shall have also been delivered;

3.2.1.3. the opinion of legal counsel to the Company – Meitar, Law Offices– dated as of the Closing Date, substantially in the form attached hereto as **Schedule 3.2.1.3**;

3.2.1.4. a certificate of the Company confirming the matters referred to in Sections 3.3.1, 3.3.2, 3.3.3 and 3.3.4 on behalf of itself and the Shareholders, in the form attached hereto as **Schedule 3.2.1.4**;

3.2.1.5. an executed copy of the updated shareholders register of the Company reflecting the Purchaser as the 100% shareholder of the Company, in form attached hereto as **Schedule 3.2.1.5**.

3.2.1.6. certified copies of minutes of the meetings of the board of directors of the Company and of the Company's shareholders, substantially in the form attached hereto as **Schedule 3.2.1.6(A)** and **Schedule 3.2.1.6(B)**, respectively, among other matters: (A) approving each of the Transaction Documents and other agreements contemplated hereby or thereby, to the extent the Company is a party thereto, including, the transfer and the registration of the transfer to the Purchaser of the Purchase Shares and issuing a new share certificate in the name of the Purchaser; and (B) approving the treatment of Company Options and 102 Shares as detailed in this Agreement,;

3.2.1.7. Executed copies, by the Company and each respective Retained Seller, of the agreements between each of the Retained Sellers, the Purchaser and the Company, in respect of the Retained Holdback Amount and the release thereof (**"Holdback Agreements"**).

3.2.1.8. Executed copies, by the Company and each of the Founders, of the Founder Employment Agreements.

3.2.2. New share certificates for the Purchased Shares shall be issued by the Company in favor of the Purchaser or its designee in the form attached hereto as **Schedule 3.2.2**.

3.2.3. The Purchaser, the Shareholder Representative and the Escrow Agent shall execute the Escrow Agreement.

3.2.4. The Purchaser, the Shareholder Representative and the Paying Agent shall execute the Paying Agent Agreement.

3.2.5. The Purchaser shall pay in immediately available U.S. Dollar funds to the account of the 102 Trustee (the Company shall notify the Purchaser in writing, printed on letterhead of the 102 Trustee, details of the account of the 102 Trustee at least five (5) Business Days prior to the Closing), the consideration payable under Section 2.4.1.2 above for any Vested Options which are 102 Options and the consideration payable in respect of 102 Shares held by the 102 Trustee in accordance with the Waterfall *minus* or *plus* (ii) the respective portion of the Estimated Aggregate Purchase Price Adjustment attributed to the Vested Options; and *minus* (iii), the portion of the Escrow Amount attributed to the Vested Options; and *minus*, (iv) the portion of the Expense Fund attributed to the Vested Options; and *minus* (v) the portion of the Retained Holdback Amount attributed to the respective Retained Sellers on account of the Vested Options, which amounts shall be released by the 102 Trustee to the respective holders of 102 Options and 102 Shares upon and subject to the terms of the Option Tax Ruling and subject to surrender by each such holder to the Purchaser and the 102 Trustee of an optionholders letter of transmittal in the form attached hereto as **Schedule 3.2.5(B)** (the **"Optionholders Letter of Transmittal"**) or a Letter of Transmittal, as applicable, together with such documents required to be surrendered thereunder.

3.2.6. The Purchaser shall pay in immediately available U.S. Dollar funds to the account of the Paying Agent (per the wire instructions set forth in the Paying Agent Agreement and of which the Company shall notify the Purchaser in writing, printed on letterhead of the Paying Agent at least five (5) Business Days prior to the Closing), an amount equal to the following (**"Closing Payment"**): (i) the Cash Consideration; *minus* or *plus* (ii) the cash portion of the Estimated Aggregate Purchase Price Adjustment pursuant to Section 2.7.2 which was not dealt with pursuant to 3.2.5; and *minus* (iii) the amount payable to the 102 Trustee pursuant to Section 3.2.5 above, and *minus*, (iv) the cash portion of the Escrow Amount which was not reduced pursuant to 3.2.5; and *minus*, (v) the Expense Fund that was not reduced pursuant to 3.2.5 and minus (vi) the Retained Holdback Amount that was not reduced pursuant to 3.2.5. At or immediately after the Closing, but in any event no later than five (5) Business Days following the surrender by (A) each Shareholder to the Paying Agent of the Letter of Transmittal and (B) by each holder of 3(i) Option to the Paying Agent of the Optionholder Letter of Transmittal, together with any documents required to be surrendered thereunder, the Paying Agent shall pay such Shareholder or holder of 3(i) Options its portion of the Closing Payment, all in accordance with the Waterfall and the Paying Agent Agreement.

3.2.7. The Purchaser shall pay in immediately available U.S. Dollar funds the cash portion of the Escrow Amount to the account of the Escrow Agent in accordance with the provisions of Section 2.8 of the Agreement and the Escrow Agreement (per the wire instructions set forth in the Escrow Agreement and of which the Company shall notify the Purchaser in writing, printed on letterhead of the Escrow Agent, at least five (5) Business Days prior to the Closing) and shall issue to the Escrow Agent the Escrowed Shares (in each case minus the Heldback Escrow).

3.2.8. The Purchaser shall pay in immediately available U.S. Dollar funds to the account of the Escrow Agent the Expense Fund for handling pursuant to the terms of the Escrow Agreement.

3.2.9. The Purchaser shall cause the issuance of the Consideration Shares in accordance with Section 2.11 above.

For the avoidance of doubt: (A) upon payment by the Purchaser to the Paying Agent, the 102 Trustee and the Escrow Agent of all amounts provided for in this Agreement, the Paying Agent Agreement and the Escrow Agreement to be paid to each of them by the Purchaser, the Purchaser shall be deemed to have discharged the respective payment obligations to Shareholders and the holders of Company Options, respectively, and they shall be barred from bringing any claim against the Purchaser solely as they relate to a default or breach by the Purchaser of its undertakings for payment obligations under this Agreement, the Paying Agent Agreement and the Escrow Agreement in accordance with the terms hereunder and thereunder (and not including in any event any claims in respect of a breach of any representations or warranties), and (B) upon issuance of all Consideration Shares to the Paying Agent and the Escrow Agent, as applicable, the Purchaser shall be deemed to have discharged its obligation for the issuance and payment thereof, and the Shareholders shall be barred from bringing any claim against the Purchaser on the grounds of a default or breach by the Purchaser of its undertakings solely as they relate to the payment obligations in respect of the Consideration Shares (or the value thereof) under this Agreement (and not including in any event any claims in respect of a breach of any representations or warranties).

3.3. Purchaser's Conditions to Closing. The Purchaser's obligations to consummate the purchase of the Purchase Shares and consummate the Transaction hereunder are subject to the fulfillment, prior to or at the Closing, of each of the following conditions (any or all of which may be waived by the Purchaser):

3.3.1. The representations and warranties of the Company and the Shareholders contained herein were true and correct when made and shall be true and correct in all material respects at the time of the Closing as though made again at the Closing Date (except that the Fundamental Representations shall be true and correct in all respects at the time of the Closing as though made again at the Closing Date).

3.3.2. The Shareholders and the Company shall have performed and complied with in all material respects all obligations and covenants required by this Agreement to be performed or complied with by them prior to or at the Closing.

3.3.3. No action, proceeding, investigation, regulation or legislation shall have been instituted, threatened or proposed before any court, Governmental Authority or legislative body to enjoin, restrain or prohibit this Agreement or the consummation of the Transaction, and no action, proceeding, investigation, regulation or legislation shall have been instituted before any court, Governmental Authority or legislative body to obtain substantial damages in respect of, or which is related to, or arises out of this Agreement or the consummation of the Transaction.

3.3.4. Between the date of this Agreement and the Closing Date, there shall have been no material adverse change in the business, operations, condition (financial or otherwise), assets or liabilities of the Company (regardless if such events or changes are inconsistent with the representations or warranties contained herein); provided, however, that none of the following shall be deemed in and of themselves, either alone or in combination, to constitute, and none of the following shall be taken into account in determining whether there has been or will be, a material adverse change: (i) any adverse effect to the extent attributable to the execution of this Agreement or the announcement or pendency of the acquisition or the other transactions contemplated hereby, including, but not limited to, any impact on revenues and/or on the Company's relationship with its suppliers, customers or prospective customers attributable thereto; (ii) any adverse effect that results from changes affecting the industries in which the Company participate (to the extent that such changes do not disproportionately adversely affect the Company as a whole compared to other firms in the industries in which the Company participate); (iii) changes in applicable legal requirements or US GAAP after the date hereof; or (iv) change in general economic conditions of or securities markets in Israel or the United States (to the extent that such changes do not disproportionately adversely affect the Company compared to other firms in the industries in which the Company participate). Any adverse effect that results from epidemic, pandemic or disease outbreak (including the COVID-19 virus) will not be considered a material adverse change in and of itself unless it results in an actual material adverse change as provided above (to the extent that such change does not disproportionately adversely affect the Company compared to other firms in the industries in which the Company participates).

3.3.5. All of the documents and actions to be provided or performed by the Company and/or the Shareholders pursuant to Section 3.2 above shall have been provided.

3.3.6. (A) all Key Employees are employed by the Company through the Closing Date and none of them has been given a notice of termination by the Company or given notice of intention to terminate his/her employment with the Company or otherwise raised claims with respect to the effect of his respective employment agreement, and (B) (i) Founders to confirm within 5 days of this Agreement, that all employees of the Company have been notified that the Transaction is scheduled to take place and the Key Employees and at least 80% of the other Company's Employees confirmed that they are supportive of the Transaction and did not indicate an intention to terminate their employment with the Company or the Purchaser, and (ii) at least 80% of Company's Employees (disregarding any Employee that the Purchaser has stated that he is not continuing post Closing) are employed in the ordinary course consistent with the practice in the period prior to the date of this Agreement, by the Company through the Closing Date and, in respect of none of them, the Company has been given a notice of termination or such employee has given notice of intention to terminate his/her employment with the Company following Closing, and (C) no Contractor of the Company (or any person providing services through the Company) has raised any claims or demand of any kind with respect any entitlement or right in connection with the Transaction.

3.3.7. The Option Tax Ruling or the Interim Option Tax Ruling shall have been received in a form reasonably satisfactory to the Purchaser.

3.3.8. The agreements and documents listed in **Schedule 3.3.8** (**"Terminated Agreements"**) shall have been terminated in form of termination or amendment (as applicable) being to the reasonable satisfaction of the Purchaser.

3.3.9. The earlier of the following shall have occurred: (i) all Shareholders shall have executed and delivered a Letter of Transmittal or a counter signature of this Agreement, or (ii) a period of one month from the date of delivery of the Bring- Along Notice shall have expired and at such time there shall have been no 341 Legal Proceeding initiated during the one month period from the date of delivery of the Bring-Along Notice (unless the court adjudicating the 341 Legal Proceeding approves the consummation of the purchase of all Purchase Shares).

3.4. Shareholders' Conditions to Closing. The Shareholders' obligations to consummate the sale of the Purchase Shares to the Purchaser at the Closing are subject to the fulfillment, prior to or at the Closing, of each of the following conditions (any or all of which may be waived by the Company on behalf of the Shareholders):

3.4.1. All representations and warranties of the Purchaser contained herein were true and correct when made and shall be true and correct in all material respects at the time of the Closing as though made again at the Closing Date.

3.4.2. The Purchaser shall have performed and complied with all obligations and covenants required by this Agreement to be performed or complied with in all material respects by them prior to or at the Closing.

3.4.3. The execution and the delivery of this Agreement and the consummation of the Transaction shall have been approved by all Governmental Authorities, as set forth in **Schedule 3.4.3**.

3.4.4. The Consideration Shares shall have been issued at Closing in accordance with Section 2.11 above.

3.5. Termination of Agreement. This Agreement may be terminated:

3.5.1. prior to Closing, at any time, by the written consent of the Company (acting on behalf of the Shareholders) and the Purchaser;

3.5.2. prior to Closing, by the Company (acting on behalf of the Shareholders) or the Purchaser, at any time after 90 days from the date of this Agreement; provided that the right to terminate this Agreement pursuant to this Section 3.5.2 shall not be available to any Party whose breach of any provision of this Agreement directly results in the failure of the transactions contemplated hereunder to be consummated by such time;

3.5.3. prior to Closing, by either the Purchaser or the Company (acting on behalf of the Shareholders), if any Governmental Authority has issued a final, non-appealable order, decree or ruling or taken any other action enjoining, restraining or otherwise prohibiting the transactions contemplated hereunder;

3.5.4. prior to the Closing, by the Purchaser, (A) if any Shareholder or the Company failed to perform any of its covenants or agreements set forth in this Agreement, or if any representation or warranty of a Shareholder or the Company shall have become untrue, in either case such that the conditions set forth in Sections 3.3.1 and 3.3.2 would not be satisfied and such breach is not capable of being cured or, if capable of being cured, shall not have been cured within thirty (30) days following receipt by the Company (acting on behalf of any or all Shareholders) of written notice of such breach from the Purchaser; provided, however, that the Purchaser shall not be entitled to terminate this Agreement pursuant to this Section 3.5.4 if at the time such termination is sought the Purchaser is then in material breach of this Agreement and has not used its reasonable commercial efforts to fulfill its conditions to Closing, or (B) at any time during which a 341 Legal Proceeding is outstanding and not removed within thirty (30) days from its initiation; and

3.5.5. prior to the Closing, by the Company (acting on behalf of the Shareholders), if the Purchaser shall have failed to perform any of the Purchaser's covenants or agreements set forth in this Agreement, or if any representation or warranty of the Purchaser shall have become untrue, in either case such that the conditions set forth in Sections 3.4.1 and 3.4.2 would not be satisfied and such breach is not capable of being cured or, if capable of being cured, shall not have been cured within thirty (30) days following receipt by the Purchaser of written notice of such breach from the Company; provided, however, that the Company shall not be entitled to terminate this Agreement pursuant to this Section 3.5.5 if at the time such termination is sought any Shareholder or the Company is then in material breach of this Agreement and has not used its reasonable commercial efforts to fulfill its conditions to Closing.

Any termination of this Agreement pursuant to this Section 0 shall become effective by the delivery of written notice by the terminating Party to the other Parties, i.e. by Purchaser to Company (acting for the benefit of the Shareholders) or by Company (acting for the benefit of the Shareholders) to the Purchaser.

Upon termination of this Agreement pursuant to Section 0, this Agreement and the rights and obligations of the Parties under this Agreement shall automatically end without any Liability against any Party or its Affiliates, except that (i) nothing in this Section 0 relieves any Party from Liability pursuant to the breach of any provisions of this Agreement prior to termination, and (ii) the provisions of this Section 0 (Termination of this Agreement), Section 4 (Shareholder Representative), Section 8.7 (Confidentiality; Public Announcement), Section 8.14.6 (Bring Along Indemnity), and Sections 11.1 (Communications), 11.2 (Successors and Assigns), 11.3 (Expenses), 11.4 (Delays or Omissions; Waiver; Amendments), 11.9 (Governing Law; Venue) and 11.11 (No Third- Party Beneficiaries) will remain in force and survive any termination of this Agreement in accordance with its terms.

For the avoidance of doubt, in the event that this Agreement is terminated other than due to a material breach of this Agreement by the Purchaser (which breach was the main reason for the termination of this Agreement), the Purchaser shall not be liable (whether in law, equity, contract, tort or any other legal theory) to any damages or losses that the Company, the Shareholders or any other Person may incur due to or in connection with complying with the pre-Closing covenants hereunder or with the steps taken to consummate this Agreement (including as required pursuant to this Section 3). It is clarified that the foregoing shall not, in and of itself, imply any liability in the event that this Agreement is terminated due to a material breach of this Agreement by the Purchaser.

4. SHAREHOLDER REPRESENTATIVE

4.1. By virtue of the execution or adoption of this Agreement, each Shareholder irrevocably approves the constitution and appointment of, and hereby irrevocably constitutes and appoints Nate Jaret (the **"Shareholder Representative")** with all the rights, powers and obligations contemplated by this Section 4, and any successor Shareholder Representative(s) designated under this Section 4 as the sole, exclusive, true and lawful agent, representative and attorney-in-fact for and on behalf of all Shareholders, and each of them, with respect to any and all matters arising out of or in connection with this Agreement (excluding pursuant to Section 10.2), the Paying Agent Agreement, the Escrow Agreement and the agreements ancillary hereto following the Closing and taking any action or omitting to take action on behalf of all Shareholders or each of them hereunder or under the Escrow Agreement or the Paying Agent Agreement. All actions, notices, communications and determinations by or on behalf of the Shareholders in accordance herewith shall be given or made by the Shareholder Representative and all such actions, notices, and determinations by the Shareholder Representative shall conclusively be deemed to have been authorized by, and shall be binding upon, any and all Shareholders.

4.2. Without limiting the generality of the foregoing, the Shareholder Representative shall have full power and authority to: from and after the Closing, direct the Paying Agent to disburse amounts paid to the Paying Agent in accordance with the Waterfall and this Agreement, and such portion of the Escrow Amount as is remaining at the end of the escrow period contemplated under Section 2.8, in accordance with the Waterfall and in accordance with the terms and conditions of this Agreement and the Escrow Agreement; to negotiate and sign all documents in connection with the Transaction and amendments thereto, whether before or after Closing (including, without limitation, Escrow Agreement, the Payment Agent Agreement, share transfer deeds and endorsements and termination instruments and including amendments that may require price reductions or holdbacks); and to grant, provide, negotiate and sign all waivers, consents, instructions and authorizations and to take all other actions called for under or contemplated by or that may otherwise be necessary or appropriate in connection with the Transaction Documents; and to prosecute, defend and settle in the Shareholder Representative's discretion all indemnification disputes (including hiring counsel and other litigation assistance and including in court of law or any other legal proceeding) and to receive all notices, requests and demands that may be made under and pursuant to this Agreement, the Paying Agent Agreement and the Escrow Agreement. From and after the Closing, the Purchaser shall be entitled to deal exclusively with the Shareholder Representative in respect of any matter arising under the Transaction Documents, and the Shareholders, in their relationship with the Purchaser, shall be bound by all actions taken by the Shareholder Representative in connection with such matters. By virtue of executing or adopting this Agreement, each Shareholder agrees to ratify and confirm, and hereby ratifies and confirms, any action taken by the Shareholder Representative in the exercise of the power of attorney granted to the Shareholder Representative pursuant to this Section 4.2, which power of attorney, being coupled with an interest, is irrevocable and shall survive the death, incapacity or incompetence of each such Shareholder.

4.3. The Shareholder Representative may resign at any time. Should the Shareholder Representative die, become legally incapacitated or bankrupt, dissolve, liquidate or otherwise similarly be unable or unwilling to serve or to appoint his or her successor to serve in his or her stead, the Shareholders who have held, immediately prior to the Closing, the majority of the voting power of the Company on an as converted basis shall designate in writing to Purchaser within five (5) Business Days a single Person to replace the deceased or legally incapacitated or otherwise similarly unable Shareholder Representative as the successor Shareholder Representative hereunder. If at any time there shall not be a Shareholder Representative and the Shareholders fail to designate in writing a successor Shareholder Representative within five (5) Business Days after receipt of a written request delivered by Purchaser to the Shareholders requesting that a successor Shareholder Representative be designated, then Purchaser may petition a court of competent jurisdiction to appoint a Shareholder to act as new Shareholder Representative hereunder. The Shareholder Representative's engagement shall terminate following the completion of all the Shareholder Representative's responsibilities under this Agreement (including with respect to potential or contingent liabilities of the Shareholders hereunder).

4.4. The Shareholder Representative shall not be liable to the Shareholders for any act done or omitted hereunder in its capacity as the Shareholder Representative, except to the extent caused by its willful misconduct, gross negligence or bad faith. In all questions arising in respect of any matter arising under this Agreement, the Shareholder Representative may rely on the advice of counsel and any action based upon such reliance shall relieve the Shareholder Representative of any liability hereunder. The Shareholders shall severally and not jointly (based on each Shareholder's pro rata share in accordance with the Waterfall compared to the pro rata shares of all Shareholders signing this Agreement or otherwise bound hereby; provided that, for the avoidance of doubt, in all cases the aggregate of the Shareholder Representative's indemnity coverage from the Shareholders signing this Agreement or otherwise bound hereby shall sum to 100%) indemnify and defend the Shareholder Representative and hold the Shareholder Representative harmless against any loss, liability, deficiency, damage, cost, claim, penalty, fine, forfeiture, or expense (including the fees and expenses of counsel and experts and their staffs and all expense of document location, duplication and shipment), or actions incurred by the Shareholder Representative and arising out of or in connection with the acceptance, performance or administration of the Shareholder Representative's duties hereunder and under the Transaction Documents (collectively, **"Representative Losses"**), in each case as such Representative Loss is suffered or incurred; provided, that in the event that any such Representative Loss is finally adjudicated to have been directly caused by the fraud, willful misconduct, gross negligence or bad faith on the part of the Shareholder Representative, the Shareholder Representative will reimburse the Shareholders the amount of such indemnified Representative Loss to the extent attributable to such fraud, willful misconduct, gross negligence or bad faith. If not paid directly to the Shareholder Representative by the Shareholders, any such Representative Losses may be recovered by the Shareholder Representative from (i) the funds in the Expense Fund, (ii) the funds in the Escrow Amount at such time as such amounts would otherwise be distributable to the Shareholders, and (iii) any other funds that become payable to the Shareholders under this Agreement at such time as such amounts would otherwise be distributable to the Shareholders; provided, that while this section allows the Shareholder Representative to be paid from the aforementioned sources of funds, this does not relieve the Shareholders from their obligation to promptly pay such Representative Losses as they are suffered or incurred, nor does it prevent the Shareholder Representative from seeking any remedies available to it at law or otherwise. In no event will the Shareholder Representative be required to advance its own funds on behalf of the Shareholders or otherwise. The Shareholders acknowledge and agree that the foregoing indemnities will survive the resignation or removal of the Shareholder Representative or the termination of this Agreement. For the avoidance of doubt and notwithstanding anything in this Agreement to the contrary, the limitations on liability or indemnification obligations of, or provisions limiting the recourse against non-recourse parties otherwise applicable to, the Shareholders set forth elsewhere in this Agreement (including in Section 10.8) are not intended to be applicable to the indemnities provided to the Shareholder Representative under this Section 4.4.

4.5. The Purchaser shall not be liable to any Shareholder for any act done or omitted hereunder by the Shareholder Representative.

4.6. A total of US$100,000 shall be withheld from amounts otherwise payable at Closing to the Shareholders contributed by the Purchaser on behalf of the Shareholders to the Escrow Agent for an account maintained by the Escrow Agent for the benefit of the Shareholder Representative, for the Escrow Agent to hold on behalf of the Shareholders as a fund for the fees and expenses of the Shareholder Representative incurred in connection with this Agreement and the agreements ancillary hereto (the **"Expense Fund"**). All amounts deposited to the Expense Fund shall be treated for all purposes as having been paid at Closing to the Shareholders and received and voluntarily set aside by the Shareholders at Closing. The Shareholders will not receive any interest or earnings on the Expense Fund and irrevocably transfer and assign to the Shareholder Representative any ownership right they may otherwise have had in any such interest or earnings. The Shareholder Representative will not be liable for any loss of principal of the Expense Fund other than as a result of its gross negligence or willful misconduct. The Shareholder Representative will hold these funds separate from its corporate funds, will not use these funds for its operating expenses or any other corporate purposes and will not voluntarily make these funds available to its creditors in the event of bankruptcy. The amounts deposited in the Expense Fund shall be available for the payment of all fees and expenses reasonably incurred by the Shareholder Representative in performing its duties under this Agreement and the agreements ancillary hereto; provided that any portion of the Expense Fund not ultimately required for the payment of such fees and expenses shall be delivered by the Escrow Agent to the Paying Agent for further distribution to the Shareholders based on the Waterfall following the completion of the Shareholder Representative's responsibilities. All amounts remaining in the Expense Fund upon termination of the Shareholder Representative's engagement (and following the completion of the Shareholder Representative's responsibilities) shall also be delivered by the Escrow Agent to the Paying Agent for further distribution to the Shareholders based on the Waterfall.

4.7. To the extent required in order for the Company to exercise rights on behalf of the Shareholders prior to Closing pursuant to this Agreement, including the exercise of the right to waive rights or termination this Agreement pursuant to Section 3 above, the provisions of this Section 4 shall apply, *mutatis mutandis*, to the Company (as if it was a Shareholder Representative).

5. REPRESENTATIONS AND WARRANTIES OF THE COMPANY

The Company hereby represents and warrants to the Purchaser, as of the date of this Agreement and as of the Closing Date as set forth in this Section 55 below, except (a) as set forth herein or in the disclosure schedule delivered to the Purchaser concurrently herewith (which shall comprise solely of the Schedules explicitly referred to in this Section 5, and such Schedules shall be applicable to other Sections of the disclosure schedule to the extent that are readily apparent from such Schedule to be relevant to such other Sections), and (b) with respect to the obligation on Purchaser to consummate the Transaction on the Closing Date Closing Date, that the representation not classified as Fundamental Representations are repeated as of the Closing Date in all material respect (as opposed to the date of the Agreement, in respect of such representations that are not qualified by such materiality), except for such representations that are already qualified by materiality herein below, in which case, the representations are given as of the Closing Date in all respects (and not qualified by another materiality qualifier).

5.1. Constitution and Compliance.

5.1.1. The Company is duly incorporated and validly existing under the laws of the State of Israel, with power and authority to carry on its business as now being conducted. The Company has at all times carried on its business and affairs in all material respects in accordance with its Organizational Documents and all applicable laws and regulations, and there is no violation or default with respect to any statute, regulation, order, decree, or judgment of any court or any Governmental Authority which could have a material adverse effect upon the assets or business of the Company. The Company is duly qualified to do business and is in good standing in each jurisdiction in which the Company currently conducts business, except in those jurisdictions where the failure to be so qualified would not have a material adverse effect upon the assets or business of the Company.

5.1.2. The Purchaser has received true and accurate copies of the Organizational Documents of the Company as of the date of this Agreement. The Company has complied with all provisions of its Organizational Documents.

5.1.3. The Company maintains all corporate, shareholder or other records and registries required by law. True and complete copies of all such documents have been delivered to the Purchaser.

5.1.4. The Company has made and filed all returns, particulars, resolutions and documents required by the Companies Law or any other legislation to be filed with the Israeli Registrar of Companies or any other Governmental Authority.

5.1.5. The Company has all requisite corporate power and authority to execute and deliver the Transaction Documents, and to carry out and perform its obligations thereunder. All corporate action on the part of the Company, its directors, and its shareholders necessary for the authorization and execution of this Agreement by the Company, and the performance of all of the Company's obligations hereunder have been taken. This Agreement constitutes the valid and legally binding obligation of the Company, enforceable in accordance with its terms, and each of the other Transaction Documents to which the Company is (or will be) a party, when executed by the Company, will be the valid and binding obligation of the Company, enforceable against the Company in accordance with its terms.

5.2. No Conflict. The execution and delivery by the Company of the Transaction Documents to which the Company is a party does not, and the consummation of the Transaction will not, (i) violate, conflict, or result in a breach of any provisions of the Company's Organizational Documents or any Contract, agreement, indenture, mortgage, instrument, lease, license, arrangement, or undertaking of any nature, written or oral, of the Company, (ii) result in the creation or enforcement of any Security Interest upon any of the properties or assets of the Company, (iii) result in a default (with or without the giving of notice or lapse of time, or both) under, or acceleration or termination of, or the creation in any Person of the right to accelerate, terminate, modify or cancel, any Security Interest, Contract, obligation or liability to which the Company is a party or by which it is bound or to which any assets of the Company are subject, (iv) cause the Company to lose any interest in or the benefit of any asset, right, license or privilege, it presently owns or enjoys, (v) require the notification, consent or agreement of any Governmental Authority, entity or any other third party, except as provided in, or disclosed in **Schedule 5.2**, (vi) constitute a violation (with or without the giving of notice or lapse of time, or both) of law or any judgment, decree, order, regulation or rule of any Governmental Authority applicable to the Company, or (vii) invalidate or adversely affect any permit, license or authorization used in the conduct of the Company's business. To the knowledge of the Company, no Shareholder has expressed its objection or discontent of the Transaction and there are no facts or circumstances that are reasonably expected to lead to a 341 Legal Proceeding

5.3. Capitalization.

5.3.1. **Schedule 5.3.1** sets out the authorized and issued share capital of the Company (together with the names and holdings of each of the shareholders of the Company) as of the date of this Agreement and immediately prior to the Closing and on a Fully Diluted Basis.

5.3.2. **Schedule 5.3.2** sets out, as of the date of this Agreement, a true, correct and complete list of any and all outstanding options or warrants or other rights (including contractual rights) to acquire shares of the Company which were issued by the Company (the **"Options"**) as well as of shares issued thereunder, including the following details: number of shares in the Company subject to each such Option, the number of such Options that are vested, the number of such Options that are unvested, the date of grant, the vesting commencement date, the exercise or vesting schedule (and the terms of any acceleration thereof), the exercise price per share, the expiration date, the plan under which such Option was granted, the residence of each holder of Options, and, with respect to Options granted to Israeli taxpayers, whether each such Option was granted and is subject to tax pursuant to Section 3(i) or Section 102 and specifying the subsection of Section 102 pursuant to which the Option was granted and is subject to tax and whether an election was made to treat such Option under the capital gains route or ordinary income route and, where relevant, the date on which the Option granted pursuant to Section 102(b)(2) of the ITO was deposited with the 102 Trustee (both with respect to the deposit of the board resolution and the deposit of the option agreement), and the employing entity of each holder of Options.

5.3.3. Other than as listed in **Schedules 5.3.1** and **5.3.2**, there are no outstanding or authorized subscriptions, options, warrants, calls, rights, commitments, or any other agreements of any character directly or indirectly obligating the Company to issue (i) any additional shares or other securities, or (ii) any securities or debt convertible into, or exchangeable for, or evidencing the right to subscribe for, any shares or other securities.

5.3.4. The Company has not adopted or authorized any plan for the benefit of its officers, Employees, consultants or directors which requires or permits the issuance, sale, purchase, or grant of any shares of the Company's share capital or other securities or any securities convertible into, or exercisable or exchangeable for, or evidencing the right to subscribe for any such shares or securities, other than as set forth in **Schedules 5.3.1** and **5.3.2**.

5.3.5. All securities of the Company have been issued in compliance with all laws, rules and regulations, including applicable securities laws and its Organizational Documents. The Company is not subject to any obligation (contingent or otherwise) to repurchase or otherwise acquire or retire any of its shares or any warrants, options or other rights to acquire its shares, and none of its shares are dormant (as such term is defined in the Companies Law). The Purchase Shares are duly authorized, validly issued, fully paid and non-assessable, and have the rights, preferences, privileges and restrictions set forth in the Company's Organizational Documents.

5.3.6. No dividends or other distributions of profits were declared, made or paid since the date of incorporation of the Company. The Company has no declared but unpaid dividends outstanding.

5.3.7. The unissued share capital of the Company is not subject to any Security Interest.

5.3.8. The Purchase Shares represent 100% of the total issued and outstanding share capital of the Company as of the Closing Date. Immediately following the Closing, the Purchaser shall own 100% of the total issued and outstanding share capital of the Company on a Fully Diluted Basis.

5.4. Financial Statements.

5.4.1. Prior to the date hereof, the Company made available to the Purchaser, in the Data Room, year-end audited financial statements of the Company, for the years ending December 31, 2019 and December 31, 2020 (the **"Financial Statements"**).

5.4.2. The Financial Statements are accurate, complete and consistent with the Books and Records in all material respects. The Financial Statements fairly and accurately present the assets, liabilities, financial position, results of operations, the profits and losses, and changes in financial position of the Company changes in shareholders**'** equity and cash flow as of the dates and for the periods indicated. The Financial Statements and each calculation or item has been prepared in accordance with US GAAP (except that the unaudited Financial Statements may not contain all footnotes required by US GAAP), consistently applied with the past practice of the Company, comply in all material respects with all accounting requirements applicable to the Company, and fairly present the financial position of the Company and the results of its operations and cash flows for the periods then ended (subject in the case of the unaudited Financial Statements to normal year-end audit adjustments that individually and in the aggregate are not material) and are consistently applied as of and for the periods indicated.

5.4.3. There are no off-balance sheet liabilities, Claims, or obligations of any nature, whether accrued, absolute, contingent, anticipated, or otherwise, whether due or to become due, that are not disclosed or provided for in the Financial Statements other than as set forth in **Schedule 5.4.3**. The liabilities of the Company were incurred in the ordinary course of the Company's business.

5.4.4. The Financial Statements:

5.4.4.1. make full provision for severance pay, vacation pay and all social benefits due to Employees as are necessary to be recorded in accordance with GAAP; and

5.4.4.2. set out correctly in all material respects all such reserves or provisions for Taxes as are necessary on the basis of the rates of such Taxes now in force to cover all Taxes (present and future) in respect of any transaction occurring prior to the date of the Financial Statements.

5.5. Business to Date

5.5.1. Since December 31, 2020, except as provided in **Schedule 5.5.1**:

5.5.1.1. the Company has not entered into any transaction pursuant to which the Company is required to pay an amount in excess of US$ 30,000 per transaction;

5.5.1.2. there has been no material adverse change in the business, operations, assets, liabilities, or condition (financial or otherwise) of the Company;

5.5.1.3. the Company has not declared or paid any cash dividend or made any distribution on its shares or effected any split of any of its outstanding securities or otherwise changed its capitalization or capital structure in any manner;

5.5.1.4. there has been no sale, assignment, or transfer of any tangible asset of the Company except in the ordinary course of business and no sale, assignment, or transfer of any patent, trademark, trade secret, or other intangible asset of the Company;

5.5.1.5. the Company has not issued any shares, stock options, warrants, appreciation rights or any other security;

5.5.1.6. the Company has not amended any provisions of the Organizational Documents;

5.5.1.7. the Company has not commenced or settled any civil or criminal litigation or arbitration or administrative proceedings or investigations;

5.5.1.8. the Company has not changed any method of accounting or accounting practice;

5.5.1.9. the Company has not, directly or indirectly, engaged in any transaction, or made any loan to any officer, director, partner, shareholder, Employee Contractor or agent of the Company;

5.5.1.10. the Company has not created or permitted to exist any Security Interest affecting the Company or any of its respective assets or rights, whether tangible or intangible;

5.5.1.11. the Company has not incurred or assumed any material obligation or liability (fixed or contingent) except unsecured current obligations and liabilities incurred in the ordinary course of business and in a manner consistent with past practice;

5.5.1.12. the Company has not discharged or satisfied any Security Interest or paid any obligation or liability (fixed or contingent) in relation to its business except in the ordinary course of business and in a manner consistent with past practice;

5.5.1.13. the Company has not made or changed any election, changed an annual accounting period, adopted or changed any accounting method, filed any material amended Tax Return, entered into any closing agreement, settled any Tax Contest or assessment, surrendered any right to claim a refund of Taxes, consented to any extension or waiver of the limitation period applicable to any Tax Contest or assessment, or taken any other similar action relating to the filing of any material Tax Return or the payment of any material Tax; and

5.5.1.14. the Company has not authorized, agreed or otherwise become committed to do any of the foregoing

5.5.1.15. there has been no material adverse effect with respect to the Company.

5.5.2. The Company has not incurred any material Debt Liabilities of any nature whatsoever, fixed or variable or contingent, which are outstanding on the date hereof, except in the ordinary course of business consistent with past practice or as shown on **Schedule 5.5.2**.

5.5.3. There are no outstanding Debt Liabilities owed to the Company.

5.5.4. There are no bad or doubtful Debt Liabilities on the Company's books at the date hereof.

5.5.5. Full and accurate details of all bank accounts, overdrafts, loans, guarantees or other financial facilities outstanding or available to the Company are contained in **Schedule 5.5.5**.

5.6. Properties

5.6.1. Full and accurate details of each of the Company's tangible properties and assets of at least $10,000 each and details of leased assets are contained in **Schedule 5.6.1** to this Agreement. The Company holds good title to, or valid leasehold interest in, all properties and assets used in its business or owned by it, free and clear of all Security Interests.

5.6.2. No asset of the Company has been acquired for any consideration in excess of its market value at the date of its acquisition or otherwise than by way of bargain at arm's length.

5.7. Taxation

5.7.1. (i) The Company have filed all material Tax Returns required to be filed by or on behalf of the Company and such Tax Returns have been duly and timely filed with the appropriate Taxing Authority in all jurisdictions in which such Tax Returns are required to be filed (after giving effect to any valid extensions of time in which to make such filings), and all such Tax Returns are true, complete and correct in all material respects and have been prepared in compliance with all applicable laws in all material respects, and (ii) all Taxes shown on such returns and all other amounts of Taxes (whether or not required to be shown on any Tax Return) due and payable by or on behalf of the Company have been fully and timely paid (after giving effect to any valid extensions of time to pay). With respect to any Taxes where payment is not yet due or owing, the Company have established in accordance with GAAP an adequate accrual for all such Taxes through the end of the last period for which the Company ordinarily records items on its respective Books and Records. Appropriate and sufficient accruals for Tax liabilities as of the Closing Date are included in the Closing Balance Sheet. All material required estimated Tax payments sufficient to avoid any underpayment penalties have been made by or on behalf of the Company.

5.7.2. The Company have complied in all material respects with all applicable laws relating to the payment and withholding of Taxes from payments made or deemed made to any Person and have duly withheld and timely paid over to the appropriate Taxing Authority all amounts required to be so withheld and paid under all applicable laws. For the avoidance of doubt, such payments include all payments and deemed payments for the exercise, conversion, repayment and cancelation of stock options, warrants, convertible securities, convertible debt and equity equivalents of the Company. The Company is in compliance in all material respects with, and its records contain all information and documents necessary to comply with, all applicable information reporting and withholding requirements under all applicable Tax laws.

5.7.3. The Company did not benefited or is benefiting from Tax exemptions, Tax holidays or other Tax reduction or incentives agreements, approvals or order of any Governmental Authority entered with or issued specifically for the Company.

5.7.4. The Company have not received any written notice of any claim by a Taxing Authority in a jurisdiction where the Company does not file Tax Returns that the Company is or may be, subject to taxation by, or required to file any Tax Return in, that jurisdiction and to the Company's knowledge there is no reasonable basis for any such Taxing Authority to assert such a claim against the Company. There are no matters under discussion between the Company and any Taxing Authority, or with respect to Taxes, that are likely to result in an additional liability for Taxes with respect to the Company. The Company has not been assessed by any Taxing Authority and written notices of assessment have not been issued to the Company by any Taxing Authority.

5.7.5. There is no open dispute with any Taxing Authority in relation to the affairs of the Company. Except as set forth in **Schedule 5.7.5**, to the Company's knowledge, there are no circumstances which will or are likely to, whether by lapse of time or the issue of any notice of assessment or otherwise, give rise to any dispute with any relevant Taxing Authority in relation to the liability of the Company or accountability for Taxes under currently enacted statutes and regulations, any Claim made by it, any relief, deduction, or allowance afforded to it, or in relation to the status or character of the Company under or for the purpose of any provision of any legislation relating to Taxes. The Company has not waived any statute of limitations with respect to Taxes or agreed to or sought any extension of time with respect to a Tax assessment or deficiency.

5.7.6. The Company will not be required to include any item of income in, or exclude any item of deduction from, taxable income for any taxable period (or portion thereof) ending after the Closing Date, including by virtue of (i) any change in method of accounting for a taxable period or a portion thereof ending on or prior to the Closing Date, (ii) any Tax related agreement or settlement concluded with any Taxing Authority, or (iii) any prepaid amount received on or prior to the Closing Date.

5.7.7. The Company has not made, prepared or filed any elections, designations or similar filings relating to Taxes or entered into any agreement or other arrangement in respect of Taxes or Tax Returns that has effect for any period ending after the Closing Date.

5.7.8. There are no proceedings, investigations, audits or Claims now pending or to the Company's knowledge, threatened against the Company in respect of any Taxes and there are no matters under discussion, audit or appeal with any Governmental Authority relating to Taxes, nor has the Company received any written notice from any Taxing Authority that it intends to conduct such an audit or investigation. No issue has been raised in writing by a Taxing Authority in any prior examination of the Company which, by application of the same or similar principles, could reasonably be expected to result in a proposed deficiency for any subsequent taxable period.

5.7.9. The Company is not or has not been a party to any Tax sharing, allocation, indemnity or similar agreement or arrangement (whether or not written) pursuant to which it will have any obligation to make any payments after the Closing.

5.7.10. The prices and terms for the provision of any related party transaction as defined in the relevant transfer pricing laws entered into by the Company are at arms' length for purposes of such laws and all related documentation if required by such laws has been timely prepared or obtained and, if necessary, retained. The Company complies, and has always been compliant in all material respects with the requirements of Section 85A of the ITO and the regulations promulgated thereunder in all material respects.

5.7.11. The Company is not subject to any restrictions or limitations pursuant to Part E2 of the ITO or pursuant to any Tax ruling made with reference to the provisions of Part E2.

5.7.12. The Company does not participate, has not participated in or engaged in any transaction listed in Section 131(g) of the ITO and the Income Tax Regulations (Reportable Tax Planning), 5767-2006 promulgated thereunder. The Company is not subject to any reporting obligations under Sections 131D and 131E of the ITO or any similar provision under any other local or foreign Tax law.

5.7.13. The Company does not have and has never had a "permanent establishment" (as defined in any applicable income tax treaty) or a fixed place of business in any country other than Israel.

5.7.14. The Company is not entitled to Tax benefits under a status of a "Preferred Enterprise" (*Mifaal Muadaf*) or a "Technology Enterprise" (*Mifaal Technology*) or "Preferred Technological Enterprise" or been previously entitled to benefits as a "Benefited Enterprise" or an "Approved Enterprise" as defined in the Law for the Encouragement of Capital Investment, 1959. The Company has not received any cash Governmental Grants with respect to its classification as a Preferred Enterprise, Benefited Enterprise or an Approved Enterprise.

5.7.15. The Company is duly registered for the purposes of Israeli value added tax and has complied in all material respects with all requirements concerning value added Taxes (**"VAT"**). Except as set forth in **Schedule 5.7.15**, the Company (i) has not made any exempt transactions (as defined in the Israel Value Added Tax Law of 1975) and there are no circumstances by reason of which there might not be an entitlement to full credit of all VAT chargeable or paid on inputs, supplies, and other transactions and imports made by it, (ii) has collected and timely remitted to the relevant Taxing Authority all output VAT which it is required to collect and remit under any applicable law; and (iii) has not received a refund or credit for input VAT for which it is not entitled under any applicable law.

5.7.16. All records which the Company is required under Israeli law to keep for Tax purposes have been duly kept in accordance with all applicable requirements and are available for inspection at the premises of the Company.

5.7.17. Since its incorporation, other than the Options Ruling and the Interim Options Ruling contemplated under this Agreement the Company has not received any "taxation ruling or decision" (*Hachlatat Misui*) from, or entered into any agreements with, the ITA.

5.7.18. The Company has made available to Purchaser complete copies of (i) all Tax Returns of the Company (ii) any audit report issued with respect to or relating to any Taxes due from or with respect to the Company (iii) any closing or settlement agreements entered into by or with respect to the Company with any Governmental Authority, (iv) all Tax opinions, memoranda and similar documents addressing Tax matters or positions of the Company, and (v) all material written communications to, or received by the Company from any Governmental Authority including Tax rulings and Tax decisions, in each case under subsection (i) to (v) for all taxable periods for which the applicable statute of limitation has not yet expire.

5.7.19. The Option Plan that was intended to qualify as a capital gains route plan under Section 102 has received a favorable determination or approval letter from, or is otherwise approved by, or deemed approved by, the ITA and the 102 Options and 102 Shares have been granted and/or issued, as applicable, in compliance with the applicable requirements of Section 102 and the written requirements and guidance of the ITA, including, without limitation, the filing of the necessary documents with the ITA, the appointment of an authorized trustee to hold the 102 Options and 102 Shares, the receipt of all required tax rulings and the due deposit of such Options and Shares with the 102 Trustee pursuant to the terms of Section 102 and any regulation or publication issued by the ITA including the guidance published by the ITA on July 24, 2012 and the clarification dated November 6, 2012.

5.7.20. There are no outstanding Security Interests for Taxes upon the assets of the Company.

5.8. Material Contracts

5.8.1. **Schedule 5.8.1** contains a true and complete list of all Contracts, arrangements, or undertakings of any nature, written or oral, of the Company which are material to the Company (**"Material Contracts"**), including but not limited to the following:

5.8.1.1. Any Contract with customers or suppliers of the Company;

5.8.1.2. Any Contract relating to investment in or issuance of shares or other securities convertible into shares of the Company (including Company Options).

5.8.1.3. any Security Interest on, over or reflecting any asset of the Company (including the issued or unissued share capital of the Company), and any agreement or commitment to give or create any such Security Interest;

5.8.1.4. any guarantee, indemnity, security or other agreement pursuant to which the Company agrees to become directly or contingently liable for any obligation of any other Person except for indemnity provisions of distribution, agent, representative, finder, reseller, partner supplier, license, data processing and service agreements in the ordinary course of business;

5.8.1.5. any guarantee, indemnity, security or other agreement pursuant to which any third party agrees to become directly or contingently liable for any obligation of the Company except for indemnity provisions in the ordinary course of business;

5.8.1.6. any agreement, instrument or other arrangement creating any Debt Liabilities of the Company;

5.8.1.7. any agreement, instrument or deed pursuant to which a third party is entitled or authorized to bind or commit the Company to any obligation;

5.8.1.8. any application or award of any grant or allowance which is now liable or may in the future become liable to be repaid or which imposes any other obligations on the Company;

5.8.1.9. any contract with any director, Employee (including officers), shareholder of the Company or any Affiliate of any of the foregoing, except for employment agreements or options grant agreements listed in **Schedule 5.12.1**;

5.8.1.10. any agreement or arrangement that limits the Company's freedom to compete in any line of business or any geographic area, acquire goods or services from any supplier, establish the prices at which it may sell any goods or services, sell goods or services to any customer or potential customer, or transfer or move any of its assets or operations;

5.8.1.11. any long-term, unusual or onerous contract, arrangement or undertaking or any contract, arrangement or undertaking not made in the ordinary course of business;

5.8.1.12. all leases of real property or any assets used by the Company to perform its business;

5.8.1.13. any joint venture, consortium or other partnership arrangement or agreement;

5.8.1.14. any contract or other arrangement which will, according to its terms, be terminated as a result of the consummation of the Transaction;

5.8.1.15. any Contract or arrangement which provides "most favored nation" or similar provisions relating to pricing or other terms and conditions;

5.8.1.16. any Contract that grants rights to the Company's Intellectual Property, other than non-exclusive rights to customers in the ordinary course of business;

5.8.1.17. any Contract or other arrangement with a distributor, OEM or agent, representative, finder or supplier for the sale of services or products of the Company; and

5.8.2. The Company has made available to the Purchaser true, correct, and complete copies (or where oral, written descriptions) of all Material Contracts.

5.8.3. All Material Contracts are in full force and effect. The Company performed all of its material obligations under each Material Contract, and, to the Company's knowledge, all third parties with whom the Company transacted business have performed all of their material obligations thereunder which were due to have been performed. No party to a Material Contract has made a Claim to the effect that the Company failed to perform an obligation thereunder, nor has any such party notified the Company of an intention to terminate or not renew any such contracts. Except as required under, or might be caused by this Agreement, there are no circumstances known to the Company which is likely to cause (i) any Material Contract to be terminated or rescinded by any other party or (ii) their terms to be worsened or the Company prejudiced as a result of anything done or omitted or permitted to be done by the Company prior to Closing. The foregoing representations in this Section 5.8.3 shall apply to the Material Contracts listed in Schedule 5.8.1 as well as Contracts of the same type or kind listed therein that are not so listed because of thresholds or other caveats such as ordinary course of business.

5.9. Litigation

5.9.1. There were no and there are no civil, criminal, arbitration or administrative proceedings involving the Company or its directors or officers (in their capacity as such), including Claims for which the Company may be vicariously liable. No such proceedings and no Claims of any nature are pending or to the knowledge of the Company, threatened by or against the Company or the directors of the Company (in their capacity as such), as applicable, or any such Person or in respect whereof the Company is liable to indemnify any party concerned. To the best knowledge of the Company, no event has occurred, and no claim, dispute or other condition or circumstance exists, that are likely to give rise to the commencement of any such proceedings.

5.9.2. The Company is not, and to the Company's knowledge, none of its directors or any Employees are, the subject of any investigation, enquiry, process or request for information in respect of any of the activities of the Company by any competent authority and no such procedures are pending or, to the Company's knowledge threatened and the Company knows of no facts which are likely to give rise to any such proceedings.

5.10. Compliance.

5.10.1. Other than as listed in **Schedule 5.10**, the Company has complied, in all material respects, with any laws which are applicable to the respective business, operations and assets of the Company as currently being conducted. The Company has not received, nor any of its officers or directors, nor, to the Company's Knowledge, is there any basis for, any notice, order, complaints or other communication from any Governmental Authority that the Company is not in compliance in any material respect with any applicable laws.

5.10.2. The Company holds all licenses, permits and authorizations from all Governmental Authorities necessary for the lawful conduct of the Company's business pursuant to all applicable statutes, laws, ordinances, rules and regulations of all such Governmental Authorities having jurisdiction over the Company or any part of its operations, excepting, however, when such failure to hold would not reasonably be expected to be material to the Company. The Company is and has been in compliance in all material respects with all such licenses, permits and authorizations. No suspension, cancellation, modification, revocation or nonrenewal of any such license, permit or authorization is pending or, to the Company's Knowledge, threatened.

5.11. Foreign Corrupt Practices Act and Money Laundering

5.11.1. The Company, any of its respective officers or directors, or, to Company's Knowledge, any employee, consultant, supplier, distributor or agent of the foregoing, in acting on behalf of the Company, directly or indirectly, has not (a) made or offered to make or received any direct or indirect payments in violation of anticorruption laws (including the United States Foreign Corrupt Practices Act and the United Kingdom Bribery Act, if and where applicable), including any contribution, payment, commission, rebate, promotional allowance or gift of funds or property or any other economic benefit or thing of value to or from any employee, official or agent of any Governmental Authority where either the contribution, loan, payment, payoff, bribe, commission, rebate, influence payment, kickback, promotional allowance, gift or other economic benefit or thing of value, or the promise thereof, was illegal under such laws, or (b) provided or received any product or services in violation of applicable anticorruption laws (including the United States Foreign Corrupt Practices Act, the Israeli Penal Code and the United Kingdom Bribery Act). There are no governmental or other regulatory proceedings or to the Knowledge of the Company, investigations, involving the Company and, to Company's Knowledge, there are no threatened governmental or other regulatory investigations or proceedings involving the Company, in each case, regarding any action or any allegation of any action described above in this Section 5.11. The operations of the Company are and have been conducted in compliance in all material respects with applicable financial recordkeeping, reporting and internal control requirements, the money laundering statutes of all jurisdictions applicable to the Company's operations and any related or similar rules, regulations or guidelines, issued, administered or enforced by any applicable Governmental Authority (collectively, the **"Money Laundering Laws"**). No proceeding by or before any Governmental Authority involving the Company with respect to the Money Laundering Laws is pending or, to the Company's Knowledge, threatened, nor is any investigation by or before any Governmental Authority involving the Company with respect to the Money Laundering Laws pending or, to the Company's Knowledge, threatened.

5.12. Employees

5.12.1. **Schedule 5.12.1** contains a list of all current Employees as of the date of this Agreement, as well as a list of Company's material agreements therewith (all of which have been disclosed to the Purchaser prior to the date of this Agreement), and correctly reflects: (i) their dates of hire and employing entity; (ii) their position, full-time or part-time status, including each Employee's classification as either exempt or non-exempt from the overtime requirements under applicable law; (iii) their monthly base salary or hourly salary rate, as applicable; (iv) any other material compensation payable to them including deferred compensation, commission and bonus arrangements, overtime payment/global overtime payment, vacation entitlement and accrued vacation or paid time-off balance, travel pay or car maintenance or car entitlement, sick leave entitlement and accrual, recuperation pay entitlement and accrual, entitlement to pension arrangement and/or any other provident fund (including manager's insurance, pension fund and education fund), their respective contribution rates and the salary basis for such contributions, whether such Employee is subject to the arrangement set out in Section 14 of the Israeli Severance Pay Law 1963 (**"Section 14 Arrangement"**) (and, to the extent such Employee is subject to Section 14 Arrangement, an indication of whether such arrangement has been applied to such Employee from the commencement date of their employment and on the basis of their entire salary) and notice period entitlement; (v) any material written promises or commitments made to the Employees, whether in writing or not, with respect to any future changes or additions to their compensation or benefits as described in **Schedule 5.12.1** and last compensation increase since January 1, 2021 to date, including the amount thereof; and (vi) whether the employee is on leave (and if so, the category of leave and the date of expected return to work). Other than their salary, the Employees are not entitled to any material payment or benefit that should be reclassified as part of their determining salary for all intents and purposes, including for social contributions and severance pay. Except as set forth in **Schedule 5.12.1**, no Employee of the Company is entitled by virtue of any legal requirement, Contract or otherwise to any material benefits, entitlement or compensation that is not listed in **Schedule 5.12.1**. Except as indicated in Section 5.12.1, there are no other Employees employed by the Company or other person who has accepted an offer of employment made by the Company but whose employment has not yet started.

5.12.2. **Schedule 5.12.2** sets forth a true and complete list of all present service providers who are employed by third parties who provide services to the Company (**"Service Providers"**), as well as independent contractors and consultants who provide services to the Company as self-employed or through their wholly owned companies (such Service Providers and contractors, **"Contractors"**), if applicable, and includes each Contractor's date of commencement, engaging entity, scope of services, and rate of all material regular compensation and benefits, bonus or any other compensation payable, provided however that with respect Service Providers, such details relate only to the Contractor through which they are engaged. All Contractors are rightly classified as independent contractors and would not reasonably be expected to be re-classified by the courts or any other Governmental Authority as employees of the Company. No Contractor was or is entitled to receive from the Company any rights under applicable labor laws. All the current Contractors have received all their rights to which they are and were entitled according to any applicable law, Contract or otherwise with the Company, other than routine payments to be made in the ordinary course of business for services to be rendered until to the date of this Agreement. Except as set forth in **Schedule 5.12.2**, no Contractor is entitled by virtue of any Contract to any benefits, entitlement or compensation that is not listed in **Schedule 5.12.2**. The Company does not engage any personnel through manpower agencies.

The Company is not and has never been a party to or is bound by any collective bargaining agreement, or other Contract or arrangement with a labor union, trade union or other organization or body representing any of its Employees, or is otherwise required (under any legal requirement, under any Contract or otherwise) to provide benefits or working conditions under any of the foregoing. The Company is not and has never been a member of any employers' association or organization, and no employers' association or organization has made any demand for payment of any kind (including professional organizational handling charges) from the Company. The Company is not subject to, and no Employee benefits from, any extension order (*tzavei harchava*), except for extension orders which generally apply to all employees in Israel, and there are no labor organizations representing, and to the knowledge of the Company there are no labor organizations purporting to represent or seeking to represent, any Employees. The Company has never had any strike, slowdown, work stoppage, lockout, job action or threat thereof, or question concerning representation, by or with respect to any of the Employees of the Company.

5.12.3. Except as detailed in **Schedule 5.12.3**, no Employee or Contractor has given notice of termination of his or her engagement with the Company. The Company has no unsatisfied obligations to any of its former Employees or Contractors, and their termination complied with all applicable legal requirements and Contracts.

5.12.4. To the knowledge of the Company, no current Employee and/or Contractor: (i) has received an offer to join a business that may be competitive with the Company's business; or (ii) is a party to or is bound by any confidentiality agreement, non-competition agreement or other Contract which conflicts with his/her undertaking towards the Company.

5.12.5. Except as set out in **Schedule 5.12.5**, all current Employees and Contractors have executed an employment or services agreement (respectively) with the Company, which includes a confidentiality, non-competition, non-solicitation, and assignment of inventions undertaking and a waiver of the right to claim royalties in Service Inventions as defined in Section 132 of the Israel Patents Law, 1967 (**"Service Inventions"** and the **"Patents Law"**). The Company has made available to Purchaser: (i) accurate and complete copies of all the employment agreements with all current Employees and all services agreements with Contractors; (ii) accurate and complete copies of all material employee manuals and handbooks, disclosure materials, policy statements and guidelines with regard to engagement terms and procedures and other material documents relating to the engagement of the Company's Employees and Contractors; and (iii) a written summary of all current material unwritten policies, practices and customs in the Company.

5.12.6. Since the inception of the Company, the Company has been in compliance in all material respects with all Legal Requirements relating to employees and employment issues, including but not limited to termination of employment, discrimination, terms and conditions of employment, wages, hours, record of hours, vacation, overtime and overtime payment, pay slips, working during rest days, severance pay, pension and further education fund contributions, pay slips, sick leave, annual leave, prior notice, collective bargaining agreements and extension orders, terms of the Wage Protection Law-1958, occupational safety and health, notification of employment terms, immigration (including compliance with work permit and visa authorizations), privacy issues, discrimination, classification of a worker as an employee, engagement of service providers in accordance with the Law for Increased Enforcement of Labor Laws – 2011, fringe benefits and employment practices, and have not engaged in any unfair labor practices.

5.12.7. Neither the execution, delivery or performance of this Agreement, nor the consummation of the transactions contemplated hereunder, will or may (either alone or upon the occurrence of any additional or subsequent events): (i) result (either alone or in connection with any other circumstance or event) in any payment (whether of severance pay, bonus, retention payment or otherwise), acceleration, forgiveness of indebtedness, vesting, distribution, material in benefits or obligation to fund benefits with respect to any current Employee and/or Contractor; and (ii) create or otherwise result in any material liability with respect to any Benefit Plan..

5.12.8. Without derogating from any of the above representations, the Company's liability towards the Employees regarding severance pay and accrued vacation is fully funded or, if not required by any source to be fully funded, is accrued on the Company's Financial Statements as of the date of such Financial Statements. Section 14 Arrangement was properly applied in accordance with all Legal Requirements and Contracts (including, in accordance with the terms of the general permits issued by the Israeli Labor Minster) regarding all current Employees of the Company based on their full salaries from their commencement date of employment. All amounts that the Company is legally or contractually required to either (A) deduct from Employees' salaries and any other compensation or benefit or to transfer to such Employees' Benefit Plan, or (B) withhold from Employees' salaries and any other compensation, social security, or other benefit and to pay to any Governmental Authority as required by any applicable Legal Requirement have been duly deducted, transferred, withheld and paid, and the Company has: (i) no outstanding obligations to make any such deduction, transfer, withholding or payment (other than routine payments, deductions or withholdings to be timely made in the ordinary course of business and consistent with past practice); (ii) any liability for any arrears of wages or any taxes or any penalty for failure to comply with any of the foregoing.

5.13. Insurance

5.13.1. Full and accurate copies of the insurance policies of the Company have been delivered to the Purchaser. A list of such policies is contained in **Schedule 5.13.1**. To the Knowledge of the Company, the scope and coverage of such policies are sufficient and customary for the Company's respective size and activities.

5.13.2. There is no Claim outstanding under any of such insurance policies nor are there any circumstances likely to give rise to a Claim.

5.14. Intellectual Property, Technology, Privacy and Data Protection

5.14.1. **Schedule 5.14.1** lists:

5.14.1.1. All United States, international, and foreign patents and patent applications (including provisional applications); design and design applications; registered trademarks and service marks, applications to register trademarks and service marks, intent-to-use applications, or other registrations or applications related to trademarks and service marks, and any Domain Names registrations; registered copyrights and applications for copyright registration; registered mask works and applications to register mask works; and any other Company Owned Intellectual Property that is the subject of an application, certification, filing, registration, or other document issued by, filed with, or recorded by, any state, government or other public legal authority at any time (together, the **"Company Registered Intellectual Property"**);

5.14.1.2. All licenses, sublicenses, distribution, customer and other agreements or arrangements to which the Company is a party and pursuant to which any other Person is authorized to have access to, resell, distribute, use, exploit or exercise any Company Owned Intellectual Property or to exercise any other right with regard thereto;

5.14.1.3. All agreements and licenses pursuant to which the Company has been granted a license to any Company Licensed Intellectual Property (other than license agreements for standard "shrink wrapped, off-the-shelf' third party Intellectual Property) where such Company Licensed Intellectual Property is part of or offered in conjunction with the Company's products or service offerings;

5.14.1.4. Any obligations of exclusivity, covenants not to sue, right of first refusal, parity of treatment or most favored nation status, or right of first negotiation or other material restriction on the operation of the Company's business to which the Company is subject and that relate to or restrict any Company Intellectual Property, Company services that are provided using Company Intellectual Property, or any third party Intellectual Property; and

5.14.1.5. All current Company products and service offerings made commercially available by the Company.

5.14.2. Except as set out in **Schedule 5.14.2**, the Company owns or has, free and clear of conditions, or other restrictions or any requirement of any past, present or future royalty payments, all rights necessary and sufficient to carry out, or that otherwise are material to, the current business of the Company, without need for any additional development tools, services and utilities and had during the relevant period all rights reasonably necessary and sufficient to carry out, or that otherwise were material to, the business of the Company, without need for any additional development tools, services and utilities.

5.14.3. The Company is not, or as a direct result of the execution or delivery of this Agreement, or performance of the Company's obligations hereunder, will not be, in violation of any license, sublicense, or other agreement relating to the Company Intellectual Property, including any Company Licensed Intellectual Property.

5.14.4. Neither the (i) use, reproduction, modification, manufacturing, distribution, licensing, sublicensing, sale, offering for sale, or any other exercise of rights in the Company Owned Intellectual Property or the Company Licensed Intellectual Property by the Company, (ii) operation of the Company's business, including the Company's provision of services, nor (iii) the use, reproduction, modification, manufacture, distribution, licensing, sublicensing, sale, offering for sale, or other exploitation of the Company products and services, infringes any Intellectual Property Rights or any other intellectual property, proprietary, or personal right of any Person, or constitutes unfair competition or unfair trade practice under the laws of any jurisdiction which applies to the Company (except that, solely with respect to Patent Rights or the Company Licensed Intellectual Property, the foregoing is to the knowledge of the Company). To the knowledge of the Company, there is no unauthorized use, infringement, or misappropriation of any of the Company Owned Intellectual Property by any third party, Employee, or former Employee.

5.14.5. The Company has not received written notice of any Claims:

5.14.5.1. challenging the validity, or ownership by the Company of any of the Company Owned Intellectual Property, or

5.14.5.2. that any of (i), (ii), or (iii) in Section 5.14.4 above infringes, or will infringe, on any third party Intellectual Property Right or constitutes unfair trade practices under the laws of the applicable jurisdiction, nor, to the knowledge of the Company, are there any valid grounds for any bona fide Claim of any such kind.

5.14.6. There are no Persons who have created any or otherwise have any rights in or to, Company Owned Intellectual Property other than past and current Employees, consultants and service providers of the Company whose work product in the Company Owned Intellectual Property was created by them entirely within the scope of their employment or engagement by the Company. In addition, no Employee that was involved in the development of the Company Owned Intellectual Property used any Intellectual Property of a former employer or breached any of its confidentiality obligations to such former employer while developing any of the Company Owned Intellectual Property.

5.14.7. The Company has taken commercially reasonable steps to protect rights in confidential information (both of the Company and that of third Persons that the Company has received under an obligation of confidentiality) and, except as set out in **Schedule 5.14.7**, has obtained legally binding written agreements from all Employees and third parties with whom the Company have shared confidential proprietary information (i) of the Company or (ii) received from others that the Company is obligated to treat as confidential and that require employees and third parties to keep such information as confidential.

5.14.8. The Company has appropriate policies and procedures in place (**"Privacy Policy"**) informing relevant third parties (including Employees and customers) regarding the collection, process and use of their personally identifiable information including any and all information which it uses and is protected under Data Protection Laws, including the Israeli Protection of Privacy Law, 1981 and any laws and regulations applicable to the Company thereunder, a true, correct and complete copy of which has been provided to the Purchaser prior to the date of this Agreement.

5.14.9. The Company is in compliance, in all material respects, with all Data Protection Laws, with all contractual obligations relating to the processing of Personal Information by Company in all binding Privacy Contracts, and with the Privacy Policy, except as set forth in **Schedule 5.14.9**, including in connection with the receipt, collection, use, storage, registration, sharing, data security disposal, disclosure, or transfer (including cross-border) of Personal Information collected from the Company's Employees, CCTV footages, Contractors, suppliers, vendors and clients, including any Personal Information collected on the clients' behalf.

5.14.10. With respect to all Personal Information collected and processed by the Company, the Company has at all times implemented and maintained reasonable and appropriate administrative, technical, and physical measures required under Data Protection Laws to protect Personal Information and other Business Data against loss, damage, and unauthorized access, use, modification, disclosure or other misuse. The Company has commercially reasonable safeguards in place to protect Personal Information in its possession or control from unauthorized access, including by their employees, independent contractors and consultants.

5.14.11. There have not been any actual, suspected, or alleged Security Incidents or actual or alleged claims related to Security Incidents, and, to the knowledge of the Company, there are no facts or circumstances which could reasonably serve as the basis for any such allegations or claims. The Company is not aware of any data security, information security, or other technological vulnerabilities with respect to the Company's products or services or with respect to the Systems that could adversely impact their operations or cause a Security Incident.

5.14.12. The Company imposed reasonably appropriate binding contractual terms in respect of each Contractor who has access to Company's Personal Information in respect of Personal Information, including requiring each such Contractor to protect and secure Company's Personal Information from unauthorized disclosure, complying with the Data Protection laws with respect to Personal Information and restricting use of Personal Information to those authorized or required under the servicing, outsourcing or similar arrangement.

5.14.13. The Company complied with all data subject requests, including any requests for access to or deletion of Personal Information, as required by Data Protection Laws and there are no such outstanding requests at the date of this Agreement.

5.14.14. The Company has not received any (i) notice, request, demand, correspondence or other communication from any Governmental Authority pursuant to any Data Protection Laws, or been subject to any enforcement action (including any fines or other sanctions), in each case relating to a breach or alleged breach of their obligations under the Data Protection Laws, (ii) claim, complaint, correspondence, demand or other communication from a data subject or any other person claiming a right to compensation under the Data Protection Laws, or alleging any breach of the Data Protection Laws, (iii) and there is no fact or circumstance known to the Company that may lead to any such notice, request, correspondence, communication, claim, complaint or enforcement action.

5.14.15. Subject to Purchaser's compliance with the confidentiality obligations under this Agreement, the execution, delivery and performance of the Transaction Documents, and the transfer of Personal Information and the consummation of the Transaction do not violate any applicable law, including Data Protection Laws or the Company's privacy policies or practices as they currently exist or as they existed at any time during which any of the Personal Data was collected or obtained, and any Personal Information that was collected, obtained or processed by the Company.

5.14.16. **Schedule 5.14.16(A)** identifies any and all licenses entered into by the Company with regard to any third party source code (other than Excluded Licenses, which are disclosed under **Schedule 5.14.18**). **Schedule 5.14.16(B)** identifies all such material licenses that may not be assigned to the Purchaser, otherwise requires consent of the licensor to the transfer of the licenses, or in any other way restricts the transfer of such licenses excluding off the shelf software and open source software.

5.14.17. **Schedule 5.14.17(A)** identifies any and all third party license agreements (except regarding source code, which are disclosed under Section 5.14.16). **Schedule 5.14.17(B)** identifies all such licenses that may not be assigned to the Purchaser, otherwise requires consent of the licensor to the transfer of the licenses, or in any other way restricts the transfer of such licenses.

5.14.18. **Schedule 5.14.18** contains a complete and accurate list of all Open Source that has been incorporated into or used in the Company Intellectual Property in any way and describes the manner in which such Open Source was incorporated or used with respect to the Company Intellectual Property (such description shall include, without limitation, whether (and, if so, how) the Open Source was modified or distributed by the Company and whether (and if so, how) such Open Source was incorporated into and linked in any Company Intellectual Property). No Company software or software used in any Company service is, in whole or in part, governed by an Excluded License. For purposes of this Agreement, an **"Excluded License"** is any license that requires, as a condition of modification or distribution of software subject to the Excluded License, that (i) such software or other software combined or distributed with such software be disclosed or distributed in source code form, or (ii) such software or other software combined or distributed with such software and any associated intellectual property be licensed on a royalty free basis (including for the purpose of making additional copies or derivative works). Components subject to Excluded Licenses incorporated into the Company's products or used as part of the Company's services are disclosed under **Schedule 5.14.18**.

5.14.19. The Company has not incorporated into any Company software or software used in any Company service any code, modules, utilities, or libraries that are covered in whole or in part by a license that triggers the discontinuance of some or all license rights if certain patent enforcement suits are brought by the Company.

5.14.20. This Agreement will not give rise to or cause under any agreements relating to Company Intellectual Property (i) a right of termination under, or a breach of, or any loss or change in the rights or obligations of the Company, (ii) any obligation to pay any royalties or other amounts to any third Person in excess of those that the Company are otherwise obligated to pay, or (iii) the Company's granting to any third party any right to or with respect to any of Company Intellectual Property.

5.14.21. The Company is not under any contractual obligation (i) to include any Company Licensed Intellectual Property in any Company products or service, or (ii) to obtain a third party's approval of any Company products or service prior or subsequent to the marketing or distribution of that products or service.

5.14.22. **Schedule 5.14.22** contains a complete and accurate list of all royalties, fees, commissions and other amounts payable by the Company to any other Person pursuant to any license granted to the Company by any third party.

5.14.23. The Technology owned by, or licensed to, the Company, used in the Company's products or otherwise incorporated into the Company's products does not contain any known disabling mechanisms or protection features which are designed to maliciously disrupt or prevent the use of the Company's products, including time locks, back doors, Trojan horse or any code, instruction or device that may be used without authority to access, modify, delete or damage any of the Technology or any system or equipment on which any of the Technology is installed or in connection with which it may operate, other than features designed to allow the Company to control and manage its products deployed at its customers (**"Malicious Code"**), and the Company employs reasonable measures, as customary in the industry to scan the Company's products listed for Malicious Code.

5.14.24. Except as set forth in **Schedule 5.14.23**, no source code for any Company Owned Intellectual Property has been delivered, licensed, or made available to any escrow agent or other Person who is not or was not an employee of the Company; and the Company has no duty or obligation (whether present, contingent, or otherwise) to deliver, license, or make available the source code or similar confidential information for any Company Owned Intellectual Property to any escrow agent or other Person who is not, as of the date of this Agreement, an employee of the Company.

5.14.25. All granted or issued patents, designs, mask works and registered trademarks listed in **Schedule 5.14.1**, and copyright and Domain Names registrations held by the Company, are valid, enforceable, and subsisting. **Schedule 5.14.25** accurately identifies and describes each filing, payment, and action that should be made or taken on or before the date that is one hundred and twenty (120) days after the date of this Agreement in order to maintain each such item of Company Owned Intellectual Property in full force and effect.

5.14.26. Except as set forth **Schedule 5.14.26**, all necessary and due registration, maintenance and renewal fees in connection with the Company Registered Intellectual Property have been paid and all necessary documents and certificates in connection with such Company Registered Intellectual Property have been filed with the relevant Governmental Authorities in the United States, Israel and other applicable jurisdictions, as the case may be, for the purposes of prosecuting and maintaining such Company Registered Intellectual Property. The Company has not willfully misrepresented, or intentionally failed to disclose, any facts or circumstances in any application for any Company Registered Intellectual Property that would constitute fraud or a misrepresentation with respect to such application or that would otherwise affect the enforceability of any Company Registered Intellectual Property.

5.14.27. Other than as set forth in **Schedule 5.14.27**, no funding from any Governmental Authority, including the Israel Defense Force, nor any facilities or resources of a university, college, other educational institution or research center or funding from third parties was used in the development of the Company Intellectual Property and no Persons involved in the development of Company Intellectual Property owed or owes any duty or rights to any Governmental Authority, including the Israel Defense Force, a university, college, other educational institution or research center or any third parties in accordance with any applicable law or any Contract. No Governmental Authority, including the Israel Defense Force, university, college, hospital, other educational institution or research center or other third party has any right in or to any Company Intellectual Property.

5.14.28. With respect to Company's Technology, product and services, the Company is in full possession of all: (1) production, deployment, operational, and automation relating to, source code, scripting, libraries, art and media assets source; (2) design, analysis, and planning documents and all existing versions of each of those; and (3) any security keys, passwords, or other log-in details and information that are required or will be required to access and operate all the items detailed under (1) and (2) above, and all such items are ready or will be ready at Closing to be made available to the Purchaser immediately following the Closing.

5.15. Governmental Grants.

5.15.1. Except as set forth in **Schedule 5.15.1**, the Company has not accepted, received or applied for any Governmental Grant (including, without limitation, Tax benefits) from any Israeli or foreign Governmental Authority.

5.15.2. The Company has delivered to Purchaser accurate and complete information and all the material documentation in connection with the Governmental Grants of the Company, including the applications therefor, the approvals, and any undertakings binding upon the Company in connection with any Governmental Grant. Except for undertakings set forth in letters of approvals that were provided by the Company to Purchaser, there are no undertakings that the Company has given or is subject to in connection with any Governmental Grant.

5.15.3. Except as set forth in **Schedule 5.15.3**, the Company has complied and is in compliance with all the terms and conditions of all Governmental Grants (including any reporting requirements) and any applicable Laws in connection thereto, including the Law for Encouragement of Research, Development and Technological Innovation in the Industry, 5744–1984 ("**R&D Law**"), and has dully fulfilled all undertakings and other obligations relating thereto. In any application submitted for any Governmental Grant by or on behalf of the Company, the Company has disclosed and provided all information required by such application in an accurate and complete manner. No claim or challenge has been submitted to the Company by any Governmental Authority with respect to any entitlement of the Company to any Governmental Grant or the compliance by the Company in connection with any Governmental Grant.

5.15.4. The consummation of the transactions under the Transaction Documents will not adversely affect the continued qualification for any Governmental Grant or the terms or duration thereof or require any recapture of any previously claimed Governmental Grant, and will not result in the failure of the Company to comply with any Governmental Grant or related Law. No consent or approval of any Governmental Authority is required for the consummation and the execution of the transactions under the Transaction Documents.

5.15.5. **Schedule 5.15.5** set forth (i) the amount of each Governmental Grant, both amounts already received and amounts that the Company is entitled to receive; (ii) any interest accrued in respect of any Governmental Grant; (iii) the outstanding obligations of the Company under each Governmental Grant with respect to royalties or other payments; (iv) the type of revenues from which royalty or other payments are required to be made under such Governmental Grant; (v) the total amount of any payments made by the Company prior to the date of this Agreement with respect to such Governmental Grant; and (vi) any Company Intellectual Property (including any knowhow) which is not subject to the R&D Law.

5.16. Brokers and Finders. Neither the Company nor any of its Employees have employed or made any agreement with any broker, finder or similar agent or any Person, which will result in the obligation of the Company or the Purchaser to pay any finder's fee, brokerage fees or commission or similar payment in connection with the Transaction.

5.17. Insolvency. No insolvency proceedings of any kind have been filed against the Company and the Company has not stopped payment or is insolvent or unable to pay its Debt Liabilities as and when they fall due.

5.18. Condition of Assets. The assets (excluding Company Intellectual Property covered under Section 5.14) that are used by the Company and which are leased, subleased, licensed to, owned or otherwise occupied by the Company, are in good condition, repair and (where applicable) proper working order, having regard to their use and age and such assets have been properly and regularly maintained, subject to normal wear and tear.

5.19. Sufficiency of Assets. Each of the Company's tangible assets, (not including in this Section - the Company Intellectual Property and the Technology), constitute all of the tangible assets, of any nature whatsoever, necessary and sufficient for the continued conduct of its business immediately after the Closing in substantially the same manner as conducted in the preceding twenty-four (24) months. The Company do not own any real estate property or an interest therein.

5.20. Full Disclosure

5.20.1. Neither this Agreement, nor any certificates made or delivered by the Company hereunder contains any untrue statement of a material fact or omits to state a material fact known to Company necessary to make the statements herein or therein not misleading, in view of the circumstances in which they were made.

5.20.2. All material Books and Records have been delivered or made available to the Purchaser. Such Books and Records fairly and correctly set forth and disclose in all material respects the financial position of the Acquired Companies and all material financial and other transactions relating to the Acquired Companies have been accurately recorded, in all material respects, in such Books and Records.

6. REPRESENTATIONS AND WARRANTIES OF EACH SHAREHOLDER

Each Shareholder, severally and not jointly and solely, represents and warrants to the Purchaser solely with respect to itself or himself, as of the date of this Agreement and as of the Closing Date, as follows:

6.1. Incorporation. Such Shareholder (if not an individual) is duly incorporated and validly existing under the laws of its jurisdiction of incorporation, with power and authority to carry on its business as now being conducted.

6.2. Authority to Transact. Such Shareholder has the capacity and authority to execute and deliver this Agreement, to perform hereunder and to consummate the Transaction. All corporate actions, if applicable, on the part of such Shareholder, its directors, and its shareholders necessary for the authorization and execution of this Agreement, the authorization, sale and delivery of the Purchase Shares and the performance of all of such Shareholder's obligations hereunder, have been taken. This Agreement constitutes and, when signed by its duly authorized representatives, all other documents contemplated hereby will constitute, valid and legally binding obligations of such Shareholder, enforceable in accordance with their terms.

6.3. Execution of Agreement

6.3.1. The execution and delivery of this Agreement (and the other documents contemplated hereby) by such Shareholder does not, and the consummation of the transactions contemplated hereby and thereby will not:

6.3.1.1. constitute a breach of any law, rule or regulation of any government applicable to such Shareholder;

6.3.1.2. require the consent or agreement of any Governmental Authority or with otherwise breach any judgment, order or decree applicable to such Shareholder;

6.3.1.3. violate any provisions of such Shareholder's Organizational Documents, if applicable, or any Contract to which such Shareholder is a party or by which such Shareholder is otherwise bound; or

6.3.1.4. result in any violation of, or conflict with or constitute a default under any term of, or result in the creation or enforcement of any Security Interest upon any of the properties or assets of the Shareholder; or

6.3.1.5. constitute a breach of any other contractual relationship of such Shareholder.

6.3.2. The execution, delivery and performance of and compliance with this Agreement and the other documents contemplated hereby by such Shareholder will not cause any option or right of pre-emption to become exercisable, other than rights triggered by the Company's Organizational Documents, all of which will be waived prior to the Closing.

6.4. Purchase Shares

6.4.1. Such Shareholder is the sole and exclusive owner of such number of the Purchase Shares as is set out next to the name of such Shareholder in **Schedule A**, which are fully paid and non-assessable, and free and clear of Security Interests.

6.4.2. Such Shareholder is entitled to sell the full legal and beneficial interest in the Purchase Shares owned by such Shareholder (as set out next to the name of such Shareholder in **Schedule A**), or, in the case of Purchase Shares held by a trustee on behalf of such Shareholder, such Shareholder is entitled to sell the full beneficial interest in such Purchase Shares and has directed the trustee to transfer, and there is no legal or other impediment to the trustee transferring, such Purchase Shares, to the Purchaser on the terms set out in this Agreement.

6.4.3. The Purchase Shares owned by such Shareholder (as set out next to the name of such Shareholder in **Schedule A**) are free of any proxies, voting trusts and other voting agreements, calls or commitments of any kind, other than proxies under the option agreements under the Option Plan or as explicitly contemplated by the Organizational Documents of the Company or by agreements to be terminated prior to the Closing.

6.5. Brokers and Finders. Such Shareholder has not employed or made any agreement with any broker, finder or similar agent or any Person, which will result in the obligation of the Company or the Purchaser to pay any finder's fee, brokerage fees or commission or similar payment in connection with the Transaction.

6.6. No Proceedings. There is no legal proceeding pending or, to each Shareholder's knowledge, threatened against such Seller or of which such Shareholder is subject that in any manner challenges or seeks the rescission of, or seeks to prevent, enjoin, alter or delay the consummation of, or otherwise relates to, any Transaction Document to which such Shareholder is a party (whether directly or through the Shareholder Representative) or the transactions contemplated hereby and thereby.

6.7. Financial Position; Solvency. Such Shareholder is not bankrupt or insolvent and has not proposed a voluntary arrangement or made or proposed any arrangement or composition with such Shareholder's creditors or any class of such creditors, and no petition in respect of any such arrangement or composition has been presented, and in each case, that would adversely affect the power or authority of such Shareholder to execute, deliver or perform the Transaction. The consummation of the Transaction shall not constitute a fraudulent transfer by such Shareholder under applicable bankruptcy and other similar laws relating to bankruptcy and insolvency of such Shareholder.

6.8. Shareholder Information. All information provided, or to be provided, to the Purchaser, the Paying Agent, the 102 Trustee, and to any Taxing Authority, by or on behalf of a Shareholder (i) for purposes of enabling the Purchaser and the Taxing Authority, the Paying Agent or the 102 Trustee, to determine the amount of Tax to be deducted and withheld, if any, from the consideration payable to such Shareholder pursuant to this Agreement, and (ii) for the ITA to issue a Valid Tax Certificate, is and will be in true and correct and in compliance with all applicable law.

7. REPRESENTATIONS AND WARRANTIES OF THE PURCHASER

The Purchaser hereby represent and warrant to the Shareholders, as of the date of this Agreement and as of the Closing Date, as follows:

7.1. Incorporation. The Purchaser is a corporation duly organized, validly existing and in good standing under the laws of the State of Israel. The Purchaser has all necessary corporate or legal power, authority and capacity to enter into this Agreement and to carry out its respective obligations under this Agreement.

7.2. Authority to Transact. The Purchaser has the capacity and authority to execute and deliver this Agreement, to perform hereunder and to consummate the Transaction. All corporate actions on the part of the Purchaser necessary for the authorization and execution of this Agreement, the purchase of the Purchase Shares and the performance of all of the Purchaser's obligations hereunder have been taken. This Agreement constitutes and, when signed by its duly authorized representatives, all other documents contemplated hereby will constitute, valid and legally binding obligations of the Purchaser, enforceable in accordance with their terms.

7.3. Execution of Agreement. The execution and delivery of this Agreement by the Purchaser does not, and the consummation of the transactions contemplated hereby will not, violate any provisions of the Organizational Documents of the Purchaser, as applicable, constitute a breach of any law, rule or regulation of any government applicable to the Purchaser, as applicable or require the consent or agreement of any Governmental Authority.

7.4. Consideration Shares. All Consideration Shares issued hereunder will be, when issued in accordance with the terms thereof: (A) duly authorized, validly issued, fully paid and non-assessable, and free from a Security Interest (other than as contemplated in Purchaser's Organizational Documents and as may be generally applicable under law), ranking pari passu with all other shares of Purchaser's ordinary shares and with the right to receive all dividends, returns of capital and other benefits declared to the holders of ordinary shares of Purchaser, paid or made by Purchaser on or after the issuance thereof, and (B) issued in compliance with applicable securities laws and not subject to any preemptive rights created by statute, the articles of association of Purchaser, or any Contract to which Purchaser, is a party or by which it is bound. The calculations and numbers set forth in **Schedule 2.11.3** are true correct and complete.

7.5. Financing. Purchaser has, or has available to it, sufficient funds to consummate the transactions contemplated by this Agreement.

7.6. No Other Representations. Except for the representations and warranties set forth in Sections 5 and 6, the Purchaser acknowledges and agrees that neither the Company nor any Shareholder, nor any of their respective Affiliates, shareholders, directors, officers, employees, agents, representatives or advisors, nor any other Person on their behalf, has made or is making any other express or implied representation or warranty with respect to the Company, including with respect to any projections, forecasts or any forward looking information provided by or on behalf of the Company.

8. COVENANTS

8.1. From after the signing of this Agreement and until the Closing (the "**Interim Period'**), the Company shall:

8.1.1. conduct its business solely in the usual, regular and ordinary course in substantially the same manner as heretofore conducted (except to the extent expressly provided otherwise in this Agreement or as consented to in writing by Purchaser) and in compliance with all applicable law;

8.1.2. pay and perform all of its debts and other obligations (including Taxes) when due;

8.1.3. use its commercially reasonable efforts consistent with past practice and policies to preserve intact its present business organizations, keep available the services of its present officers and key employees and preserve its relationships with customers, suppliers, distributors, licensors, licensees, and others having business dealings with it;

8.1.4. promptly notify the Purchaser of any change, occurrence or event not in the ordinary course of its business or of any change, occurrence or event which, individually or in the aggregate with any other changes, occurrences and events, would reasonably be expected to be materially adverse to the Company;

8.1.5. promptly notify the Purchaser, upon it becoming known to the Company, of any material breach of the representations and warranties contained in Section 5 or in Section 6 or of any material breach or failure to perform any covenant of the Company or a Shareholder hereunder; and

8.1.6. promptly notify the Purchaser upon entering into an employment agreement or an amendment to an employment agreement.

For the avoidance of doubt, the above in this Section 8.1 is without derogating from the obligation to obtain prior consent pursuant to Section 8.2 below.

8.2. During the Interim Period, the Company agrees not to, without the prior written consent of the Purchaser not to be unreasonably withheld or delayed, carry out or cause or permit to be carried out any of the following:

8.2.1. issue or sell any shares, stock, warrants, options or other securities (other than issuances upon exercise of outstanding options) or seek, negotiate or agree to any investment, direct or indirect, in the equity of the Company;

8.2.2. incur any capital expenditure in excess of US$ 20,000 and in the aggregate in excess of US$ 200,000 or enter into any commitments to do so;

8.2.3. dispose of or agree to dispose of (or grant any option in respect of) any part of the assets of the Company or create any Security Interest on any part of the assets of the Company;

8.2.4. enter into any financing agreement or incur any Debt Liabilities;

8.2.5. fail to notify any material insurance claim in accordance with the provisions of the relevant policy;

8.2.6. enter into any transaction except in the normal and ordinary course of business, consistent with prior practices or enter into any transaction in the ordinary course of business requiring payment by the Company in excess of US$ 20,000 and in the aggregate in excess of US$ 60,000.

8.2.7. enter into or be a party to any transaction with any Shareholder or any Person related thereto;

8.2.8. enter into any agreement or take any action (other than any agreements or actions permitted by other sub-sections of this Section 8.2) that is likely to cause any of the representations and warranties of the Company or the Shareholders under this Agreement not to be true and correct as of the Closing without change, or that is likely to adversely affect the Closing;

8.2.9. enter into any unusual or abnormal contract or commitment or grant or agree to grant any lease or third party right in respect of any properties, make any loan or enter into any leasing or other agreement or arrangements or payment on deferred terms other than in the ordinary course of business;

8.2.10. initiate entering into any source code escrow agreement, or if required by a party to any contract – enter into such agreement without prior notification and consultation with the Purchaser;

8.2.11. commence a lawsuit or settle a Claim for an amount in excess of US$ 50,000;

8.2.12. transfer to any third Person ownership of any Company Intellectual Property;

8.2.13. license to any third Person any Company Intellectual Property, except for licenses to customers in the ordinary course of business consistent with past practice, provided that such license agreement contains a right of the Company to terminate the agreement for convenience by giving an advance notice of no more than 30 days to the customer;

8.2.14. consent to the engagement with, or to license Company Intellectual Property to, operators through customers or resellers of the Company, except for licenses in the ordinary course of business consistent with past practice, provided that such terms applying to the license or engagement with such operator contain a right of the Company to terminate such license or engagement for convenience by giving an advance notice of no more than 30 days to the customer/reseller through which such operator is engaged;

8.2.15. breach, modify, amend, or terminate any of the Company's Material Contracts, or waive, release, or assign any rights or Claims under any of the Company's Material Contracts, except as expressly required by this Agreement or except in the ordinary course of business;

8.2.16. take any actions that materially impact the composition, or amend the compensation or benefits of the Company's workforce; and without derogating from the foregoing:

8.2.16.1. Breach, modify, amend, or terminate any of the Company's employment agreements or agreements with Contractors;

8.2.16.2. extend an offer of employment to a candidate for any position with annual compensation equal to or greater than NIS 350,000 per position, or NIS1,750,000 in the aggregate;

8.2.16.3. enter into, adopt, amend, pay, accelerate, accrue salary or other payments or benefits, make discretionary employer contributions, or promise to do any of the foregoing, to, under, or with respect to any pension, profit-sharing, bonus, special remuneration, extra compensation, incentive, deferred compensation, group insurance, severance pay, retirement, employee stock purchase, employee stock option or other employee benefit plan, agreement (including any grant agreement, employment agreement or consulting agreement), or arrangement, or increase salaries or wage rates or fringe benefits (including rights to severance or indemnification), extend loans, with or for the benefit of any Company director, officer, Employee, agent, or Contractor, whether past or present; in each case other than in the ordinary course of business or as required by law or by existing agreements;

8.2.16.4. pay or make any accrual or arrangement for payment of any pension, retirement allowance, material bonus, severance, termination pay, or other employee benefit, to any officer, director, or employee or pay or agree to pay or make any accrual or arrangement for payment of any amount relating to unused vacation days, to any Company director, officer, Employee, agent, or Contractor, whether past or present; in each case other than in the ordinary course of business consistent with past practice, in accordance with any agreement disclosed to Purchaser to which the Company is bound on the date hereof, or as required by law; or

8.2.16.5. accelerate the vesting of any share capital, securities convertible into share capital of the Company, restricted stock, restricted stock units, stock appreciation rights, stock options, warrants, or other equity rights, except for acceleration under existing option plans or option agreements in accordance with their existing terms, or in connection with the Transaction, as determined by the Board of Directors;

8.2.17. Enter into any agreement with outsourcing companies, Contractors or otherwise employ any person or entity for providing Intellectual Property related services who is not an employee of the Company;

8.2.18. declare make or pay any dividend or other distribution to the Shareholders;

8.2.19. make or change any Tax election, change any Tax accounting method or annual accounting period, amend any Tax Return, surrender any right to claim a Tax refund, enter into any agreement in respect of Taxes, in each case other than in the ordinary course of business, accelerate, settle or compromise any claim, notice, refund, liability, audit report or any Tax Contest assessment in respect of Taxes, or consent to any extension or waiver of the statutory period of limitations applicable to any Tax claim or assessment; or

8.2.20. agree or undertake to do any of the above.

For the avoidance of doubt, entering into a binding agreement, followed by an existing non-binding agreement, shall require the consent pursuant to this Section 8.2 (if required in accordance with its terms) as if such agreement is a new agreement.

8.3. During the Interim Period, each Executing Shareholder covenants with the Purchaser that: (A) none of the Executing Shareholders shall dispose of any interest in the Purchase Shares or any of them or grant any option over or create or allow to exist any Security Interest over the Purchase Shares or any of them, (B) it shall promptly notify the Purchaser, upon becoming aware of any material breach of the representations and warranties of such Executing Shareholder contained in Section 6 or of any material breach or failure to perform any covenant of such Shareholder hereunder.

8.4. During the Interim Period, the Shareholders and the Company shall not, directly or indirectly through their officers, directors, Employees, agents or other representatives, solicit, initiate discussions, engage in or encourage discussions or negotiations with, or enter into any agreement, including any non-disclosure agreement, with, any party relating to or in connection with: (A) the possible acquisition of the Company (by way of merger, amalgamation, arrangement, reorganization, share purchase, asset purchase, license, lease or otherwise), or (B) the possible acquisition of any material portion of the Company's share capital (including the issuance of new shares) or assets, or (C) any other transaction outside the ordinary course of business that could prevent, impede or materially delay the consummation of the Transaction or materially impair the value of the Company"s assets (collectively, a **"Restricted Transaction"**), and the Company shall not disclose any non-public information relating to the Company or afford access to the properties, books or records of the Company (including by providing or continuing to provide access to a virtual or other data room) to, any Person (other than the Purchaser or its representatives) concerning a Restricted Transaction. In the event that a Shareholder or the Company receives any written or oral bona fide offer, proposal, indication of interest, request or inquiry with respect to a Restricted Transaction (any of the foregoing, a **"Proposal"**), it must within one (1) Business Day: (i) notify the Purchaser of its receipt of such Proposal, (ii) communicate to the Purchaser in reasonable detail the terms of any such Proposal (including providing the Purchaser with a written statement with respect to any non-written Proposal received), which statement must include the identity of the parties making the Proposal and the terms thereof, unless not permitted by the third party under a nondisclosure agreement existing on the date hereof, and (iii) provide the Purchaser with a copy of any written Proposal and any written communications relating to any Proposal, redacted to omit the identity if required by the third party under a nondisclosure agreement existing on the date hereof. In addition, the Company will within one (1) Business Day advise the Purchaser of any material modification or proposed modification, and any other information necessary to keep the Purchaser informed in all material respects regarding the status and details of the Proposal. The Company will immediately cease and terminate any existing discussions or negotiations with any party other than the Purchaser with respect to any Restricted Transaction or Proposal. Notwithstanding anything to the contrary herein, including the provision of Section 10, the Company agrees that in the event of an actual or threatened breach of the provisions under this Section 8.4, monetary remedies would be an inadequate remedy and, accordingly, without prejudice to any rights and remedies of the Purchaser, the Purchaser shall be entitled to an award of injunctive relief and/or specific performance.

8.5. Immediately following the execution of this Agreement, the board of directors of the Company shall circulate, in accordance with the provisions of the Current Articles, an invitation to an extraordinary general meeting of the of shareholders, in the form attached hereto as **Schedule 8.5(A)**, and, all Executing Shareholders shall have signed and provided, concurrently with the execution of this Agreement (or, in the case of Executing Shareholders adopting this Agreement prior to the date of such meeting, upon such adoption), the irrevocable proxy in respect thereof, attached hereto as **Schedule 8.5(B)**. Without derogating from the foregoing, during the Interim Period, each of the parties hereto, severally and not jointly, shall not vote in favor of any shareholders' resolution in the Company with respect to matters specifically contradicting the covenants specified in this Section 8, without the prior written consent of the Purchaser.

8.6. During the Interim Period, the Company agrees that the Purchaser, its agents and representatives are given full and complete access to the Books and Records, and to the premises of the Company and the Company shall, upon request, furnish such information regarding the business and affairs of the Company as the Purchaser may require, subject to applicable confidentiality undertakings, so that the Purchaser can perform a full investigation of the Company's technology, business, and legal conditions.

8.7. Confidentiality.

8.7.1. The Shareholders acknowledge that the Confidential Information is of importance to the business of the Company and, following the Closing, the Purchaser, affects the value of the Company, and will continue to be confidential subsequent to the Closing Date, and disclosure of such Confidential Information to others or the unauthorized use of such Confidential Information by others would cause substantial loss and harm to the Purchaser (or its Affiliates) as acquirer of the Company. Accordingly, each Shareholder (a) agrees not to reveal, disclose, communicate, or divulge to any person or entity in any manner whatsoever any Confidential Information that has come to his knowledge or has been designed, developed, prepared or in any other way been gathered or received by the Shareholder; (b) will refrain from publication, communication, or disclosure of any Confidential Information; and (c) agrees not to, directly or indirectly, either on his own behalf or on behalf of any legal person, utilize any Confidential Information for any business purposes or other purposes other than Company's business (if and so long as such Shareholder remains engaged with the Company). For purposes of the foregoing, **"Confidential Information"** means any and all information in whatever form, tangible or intangible, that is not generally known to the public that relates in any way to the Company, including concepts, techniques, processes, methods, systems, designs, programs, code, formulas, research, technologies, processes, methods, systems, designs, programs, code, formulas, business procedures, marketing plans and customers list. **"Confidential Information"** also includes information in whatever form, tangible or intangible, that is not generally known to the public and that was provided to the Company by the Purchaser in connection with negotiations and other discussions leading up to the Acquisition and/or that Microsoft designates as being confidential. **"Confidential Information"** does not include any information that becomes publicly known through no wrongful act of the Shareholder. For the avoidance of doubt, the provisions of this Section 8.7.1 are in addition to and shall not derogate from any other undertaking that may exist by a Shareholder towards the Company but are subject to the provisions of Section 8.7.2 below. Notwithstanding anything herein to the contrary, (x) if a Shareholder is an investment fund, then the Shareholder may disclose Confidential Information relating to this Agreement and the Transaction to its current or prospective investors and, as applicable, to its general and limited partners to the extent required pursuant to the terms of its limited partnership agreement (or comparable governing fund document, provided that any such investors or partners are subject to a confidentiality obligation with such Shareholder); and (y) for the avoidance of doubt, any information that is publicly disclosed by Purchaser or the Company, including, without limitation, in the press release or other public communications about the Transaction, shall not be deemed to be Confidential Information.

8.7.2. No announcement or other disclosure concerning the sale and purchase of the Purchase Shares, the Transaction or any ancillary matter shall be made by the Company or the Shareholders before Closing save in a form agreed between the Company and the Purchaser or otherwise as required by law or as required for the Company or any Shareholder to secure any required consent or approval to the transactions contemplated hereby or by them to their representatives, management, professional advisors, or to other shareholders or option holders of the Company, in each case subject to strict confidentiality undertakings and to the extent necessary for purposes of the Transaction.

8.8. All of the Parties (excluding the Shareholder Representative) to this Agreement will after, as well as before and upon, the Closing Date do all acts and things and sign and execute all documents and deeds requisite for the purpose of implementing the terms of this Agreement.

8.9. During the Interim Period, the Company will not incorporate any software that is subject to an Excluded License into any part of any Company software or service or use any software that is subject to an Excluded License in whole or in part in the development of any Company software or services in a manner that may subject the software, services, or content available therefrom, in whole or in part, to an Excluded License; or combine or distribute Company software or services (including any content available therefrom) with any software that is subject to an Excluded License or otherwise subject Company software or services (or content available therefrom) to an Excluded License in a manner that may subject the software, services, or content available therefrom, in whole or in part, to an Excluded License.

8.10. The Shareholders and the Company shall not make any communications to the Employees and Contractors regarding the Transaction, except with the prior written agreement of the Purchaser to the content and timing of any such communication.

8.11. During the Interim Period, the Company shall (i) notify the Purchaser promptly if it receives written notice of any Tax audit, the assessment of any Tax, the assertion of any Tax-related Security Interest, or any request, notice, or demand for Taxes by any Taxing Authority and any communication in respect of outstanding Tax ruling applications, (ii) provide Purchaser a description of any such matter in reasonable detail (including a copy of any written materials received from the Taxing Authority) and (iii) take no action with respect to such matter without the consent of Purchaser, which shall not be unreasonably withheld or delayed.

8.12. The Company will (i) timely file all Tax Returns required to be filed by or with respect to the Company with a due date (including any applicable extensions) on or prior to the Closing Date and (ii) timely pay all Taxes shown as due on such Tax Returns. All such Tax Returns will be prepared by the Company in a manner consistent with past custom and practice of the Company, except as otherwise required by applicable law. The Company will provide all material Tax Returns to the Purchaser for review and comments (which comments shall be considered in good faith) at least thirty (30) days prior to the due date for such Tax Returns (including any applicable extensions). All contracts, agreements, or other arrangements regarding the sharing or allocation of either liability for Taxes or payment of Taxes to which Company is a party or by which Company is bound will be terminated as of the Closing Date (and will have no further effect for any Tax period). Purchaser shall prepare or cause to be prepared and file or cause to be filed all other Tax Returns of the Company that are due (taking into account any validly obtained extensions) after the Closing Date, whether such Tax Returns are for taxable periods ending before, on or after the Closing Date. Any income or other material Tax Return with respect to any Tax period ending on or before the Closing Date (**"Pre-Closing Tax Period"**) shall (i) be prepared in a manner consistent with past custom and practice of the Company, except as otherwise required by applicable law, (ii) shall be provided to Shareholders Representative not less than thirty (30) days prior to the due date for such Tax Return (taking into account any validly obtained extensions of time to file) for it review and comments (which comments shall be considered in good faith). Following the Closing, unless otherwise required under law or by the ITA, the Purchaser shall not, and shall cause the Company not to, amend any previously filed Tax returns with respect to Pre Closing Tax Period without the prior written consent of the Shareholders Representative (not to be unreasonably withheld, conditioned or delayed) if such amendment would result in an incremental obligation of the Indemnifying Parties to indemnify the Indemnified Persons with respect to Taxes (net of any Tax benefits) hereunder. The parties shall make their best efforts to resolve in good faith any dispute arising in connection with the submission of Tax Returns following the Closing with any such dispute which was not resolved to be brought before the Accounting Arbitrator.

8.13. Upon the terms and subject to the conditions set forth in this Agreement, each Party agrees to use its reasonable best efforts to take, or cause to be taken, all actions, and to do, or cause to be done, and to assist and cooperate with the other parties in doing, all things necessary, proper or advisable to consummate and make effective, in the most expeditious manner practicable, the Transactions, subject to the express provisions of this Agreement, including using reasonable best efforts to accomplish the following: (i) the taking of all acts necessary to cause the conditions to Closing to be satisfied as promptly as practicable, (ii) the obtaining of all necessary actions or nonactions, waivers, consents and approvals from Governmental Authorities and the making of all necessary registrations, filings and notifications (including filings or notifications with Governmental Authorities) and the taking of all steps as may be necessary to obtain an approval or waiver from, or to avoid an adverse action or proceeding by, any Governmental Authority, (iii) the obtaining of all necessary consents, approvals or waivers from third parties, and (iv) the execution and delivery of any additional instruments necessary to consummate the Transactions and to fully carry out the purposes of this Agreement. In furtherance of the foregoing, the Party subject to the applicable requirement of a Governmental Authority or party to the applicable agreement requiring a consent or waiver shall be primarily responsible for communications with the applicable Governmental Authority or other third party while keeping the other Parties informed and the other Parties hereto shall reasonably cooperate in such efforts.

With regard to any communication with any Governmental Authority regarding such filings, each Party shall promptly inform the other Party hereto before delivering any material communication to a Governmental Authority, and promptly after receiving any material communication from a Governmental Authority. Subject to all applicable laws, each of the Parties shall have the right to review any submission made to any Governmental Authority in connection with the Transaction. The Purchaser and the Company shall not independently participate in any formal meeting with any Governmental Authority in respect of any such filings, investigation, or other inquiry without giving the other Party prior notice of the meeting and, to the extent permitted by such Governmental Authority, the opportunity to attend and/or participate; provided however that nothing herein will preclude the Purchaser from participating in discussions with a Governmental Authority without participation by the Company where the discussions are initiated by the Governmental Authority, or where the subject matter in the reasonable judgment of the Purchaser cannot be effectively discussed in the presence of the Company, provided however the Purchaser shall update the Company on such discussions. Subject to applicable law, the Purchaser and the Company will consult and cooperate with one another in connection with any analyses, appearances, presentations, memoranda, briefs, arguments, opinions and proposals made or submitted by or on behalf of any Party hereto relating to proceedings before a Governmental Authority in connection with the Transaction. For the avoidance of doubt, the Purchaser shall control and lead all negotiations and strategy on behalf of the Parties relating to approvals by any Governmental Authority in connection with the Transaction, subject to prior discussion with and taking into account in good faith the views of the Company and the notification to Governmental Authorities. Each of the Purchaser and the Company may, as they deem necessary, designate sensitive materials to be exchanged in connection with this Section 8.13 as "counsel only." Any such materials, as well as the information contained therein, shall be provided only to a receiving Party's outside (and mutually-acknowledged outside consultants) and not disclosed by such counsel (or consultants) to any employees, officers, or directors of the receiving Party without the advance written consent of the Party supplying such materials or information. For the avoidance of doubt, the Purchaser shall not be required, either pursuant to this Section 8.13 or otherwise, to litigate, defend, or otherwise contest any legal proceeding challenging the Transaction; offer, negotiate, commit to, effect or otherwise take any action with respect to the Purchaser, the Company, or their respective Affiliates or subsidiaries or respective businesses, product lines, assets, permits, operations, rights, or interests therein if taking such action would reasonably be expected to have any adverse effect on any business or product line of the Purchaser, the Company, or their respective Affiliates or subsidiaries.

8.14. Bring-Along.

8.14.1. By executing this Agreement, the Executing Shareholders, who, on the date of this Agreement collectively hold at least 90% of the issued and outstanding share capital of the Company on an as converted basis and Fully Diluted Basis and of each class of shares of the Company on an as converted basis and Fully Diluted Basis, have accepted an offer by the Purchaser to purchase their Shares in accordance with the terms set forth in this Agreement, in accordance with Section 341 of the Companies Law and Article 19 of the Company's articles of association (the **"Bring-Along Provisions"**). This Agreement constitutes, for the purpose of the Bring-Along Provisions, an acceptance by all Executing Shareholders who have duly executed this Agreement initially or pursuant to Section 8.14.4 below of the Purchaser's offer to purchase of all of the issued and outstanding share capital of the Company which is conditioned upon the sale of all of the issued and outstanding share capital of the Company.

8.14.2. On the date hereof, the Purchaser instructs the Company, in accordance with the Bring-Along Provisions, to deliver on its behalf a written notice in the form attached as **Schedule 8.14.2** (the **"Bring-Along Notice"**) to each Non-Executing Shareholder and the Company shall further provide the Bring-Along Notice to any Person exercising Options after the date hereof, promptly upon receipt of its notice of exercise. The Purchaser (at the expense of the Company) and the Company shall take such other actions as may be reasonable in order to complete the transfer of all of the outstanding Shares pursuant to the Bring-Along Provisions and under the terms and conditions of this Agreement.

8.14.3. At the Closing, the Company shall register the Purchaser as owner of all the Shares held by all Executing Shareholders and Non-Executing Shareholders as of the Closing, representing 100% of the issued and outstanding share capital of the Company on a Fully Diluted Basis, against delivery at the Closing by the Purchaser to the Paying Agent (or the Escrow Agent or the 102 Trustee, as applicable), as agent of the Company, such Non-Executing Shareholders' consideration payable at the Closing, as set out in the Waterfall and in accordance with Section 3.2.6 (if any) (or the portion of the Escrow Fund, as set out in the Waterfall, as applicable, to be held by the Escrow Agent as agent for the Company), to be held in escrow for such Non-Executing Shareholders, and all share certificates representing such shares held by Non-Executing Shareholders shall be deemed cancelled without any further action by any party. The Paying Agent, the 102 Trustee or the Escrow Agent, as applicable, shall release each such Non-Executing Shareholder's consideration, in accordance with the Waterfall and the terms of this Agreement, only upon and subject to such Non-Executing Shareholder's delivery to the Purchaser of either a counter signature to this Agreement or a fully executed Letter of Transmittal, pursuant to which by executing such Letter of Transmittal such Non-Executing Shareholder shall become bound by and subject to the provisions of this Agreement as an Executing Shareholder.

8.14.4. Promptly after the date of this Agreement and until the Closing, the Company shall use best commercial efforts and take all actions reasonably required to obtain from all Non-Executing Shareholders their agreement to sell their shares on the terms hereof (which may be obtained by a signature to the joinder agreement in the form attached as **Schedule 8.14.4**). The Company shall communicate promptly to the Purchaser any update to the Company's efforts to obtain such agreements and **Schedule A-1** shall automatically be amended to include such Non-Executing Shareholders as Executing Shareholders.

8.14.5. In the event that a Non-Executing Shareholder is found entitled to additional consideration, the Executing Shareholders hereby agree that an adjustment shall be made to the Waterfall such that the Non-Executing Shareholder shall receive such additional consideration at their account (pro-rata, in accordance with their respective share in the Escrow Fund), without the Purchaser being required to increase the Purchaser Price or change its composition.

8.14.6. The Company hereby agrees to protect, defend, indemnify, and hold the Purchaser, and its Affiliates, together with the directors, employees and advisors of the foregoing from any and all Damages incurred by them in connection with a 341 Legal Proceeding or otherwise in enforcing the Bring-Along Provisions, or otherwise in respect of any claim, demand, proceeding or any other act initiated against the Company, the Purchaser or their respective Affiliates or shareholders by any Non-Executing Shareholders related to this Agreement or the other Transaction Documents, the implementation of this Agreement or the other Transaction Document any transaction contemplated hereunder or thereunder, on an as an when incurred basis (**"Purchaser 341 Costs"**). Following the Closing, any unpaid Purchaser 341 Costs shall be deemed Transaction Costs.

8.14.7. Nothing herein shall be construed or interpreted so as to derogate from the provisions of Section 341 of the Companies Law and the Company's articles of association requiring each Non-Executing Shareholder to sell its shares of the Company pursuant to this Agreement.

8.15. Directors' and Officers' Indemnification.

8.15.1. At the discretion of the Company, Company may acquire, as part of the Transaction Costs, insurance for directors and officers to cover such Persons" engagement with the Company up until the Closing Date.

8.15.2. The Purchaser shall, and shall cause the Company and any successor and assigns, to the extent permitted by law, to, fulfill and honor in all material respects all the obligations of the Company, pursuant to indemnification and exculpation provisions under tits charter documents with respect to the current directors of the Company (**"Covered Persons"**), as in effect as of the date hereof, and pursuant to any indemnification agreements between the Company and Covered Person existing as of the date hereof that are set forth in the disclosure schedules**,** to the extent relating to claims arising from or related to facts or events that occurred at or before the Closing Date including with respect to matters, acts or omissions occurring in connection with the approval of or entering into this Agreement or the consummation of the Transaction. Without limiting the foregoing, from and after the Closing Date until seven (7) years from the Closing Date, the Purchaser shall, and shall cause the Company and any successor and assigns, to the extent permitted by law, to maintain the charter documents of the Acquired Companies to contain provisions no less favorable to the Covered Persons with respect to exculpation and limitation of liabilities of directors and officers, and indemnification than are set forth as of the date of this Agreement, which provisions shall not be amended, repealed or otherwise modified in a manner that would adversely affect the rights thereunder of the Covered Person with respect to exculpation and limitation of liabilities or indemnification, all of the foregoing subject to applicable law. The foregoing obligations shall be subject and following the actual indemnification of the Company or the Purchaser by the Indemnifying Parties with respect to any of the foregoing, as provided for in Article 10 (as set forth in the Resignation Letters).

8.15.3. The provisions of this Section 8.14: (i) shall survive the consummation of the Closing; (ii) are intended to be for the benefit of, and shall be enforceable by, the Covered Persons (including his, her or its respective heirs); (iii) shall be binding on all successors and assigns of Purchaser and the Company, as applicable; and (iv) shall not be terminated or modified in such a manner as to adversely affect the rights of any Covered Persons under this Section 8.14 without the prior written consent of such affected Covered Person.

8.16. Non-Solicitation. Each Shareholder hereby undertakes that neither it, nor any of its Affiliates and its and their respective directors and officers, directly or indirectly, for a period of two (2) years following the Closing, in any way employ or engage any person who is or was employed or engaged either as an employee or Contractor (including a person who provided services on full time or almost full time basis through a third party), at any time during the period beginning 12 month prior to the Closing Date, whether directly or indirectly, by the Company. For the purpose of this Section "Affiliates" shall not include any portfolio companies of which any Shareholder which is an investment fund, is invested in, provided however that such Shareholder (including its employees or representatives) did not provide information with respect to the relevant Person (including the identity) and/or were not involved in the relevant actions, which otherwise were prohibited pursuant to this Section 8.16.

For the avoidance of doubt, the provisions of this Section 8.16 are in addition to and shall not derogate from any other undertaking that may exist by a Shareholder towards the Company.

9. RELEASES; TERMINATION OF RELATED PARTY TRANSACTIONS

9.1. By signing this Agreement or by accepting payment of the applicable part of the Closing Payment, as of the Closing each of the Shareholders hereby waives, releases and absolutely and forever discharges the Company and any and all of its former and current shareholders, successors, assigns, Affiliates, directors, Employees (including officers), agents, advisors, consultants, auditors and attorneys (each, a **"Released Person"**), from and against any and all Claims of every kind and nature whatsoever, whether now known or unknown, suspected or unsuspected, that have arisen or will arise due to actions or events that have occurred prior to or at the Closing, provided, however, without derogating from the representations and warranties and indemnities pursuant to this Agreement, that the release and waiver set forth herein shall specifically not include: (i) any Claims against the Purchaser arising under the express terms of this Agreement or the Transaction, including such Shareholder's right to receive amounts payable to such Shareholder under this Agreement, (ii) to the extent the Shareholder is an employee, officer, advisor, consultant or director of the Company: (a) any entitlement to their current salary, or other current employment benefits earned or accrued by or for the benefit of any such Shareholder prior to the Closing in respect of services performed by any such Shareholder prior to the Closing and in accordance with the terms of a written agreement with the Company, (b) reimbursement for expenses incurred by any such Shareholder in the ordinary course of his or her employment up to a maximum aggregate amount of US$ 1,000 per employee, (c) accrued vacation, (d) any obligations of the Company to indemnify or exculpate from liability under any indemnification agreements if such liability does not arise in connection with a breach of a representation and warranty under this Agreement by such Person (subject however to Section 10.1(v) below), and (iii) any amounts recoverable under the Company's directors and officers professional liability policy except for any claims known to such person as of the date hereof and not disclosed herein. Notwithstanding the foregoing, for the avoidance of doubt, as of the Closing, the provisions of this Section 9.1 also waive, release and absolutely and forever discharge the Released Persons from and against any and all Claims relating the exercise of rights thereby pursuant to the terms of this Agreement at any time prior to and including the Closing (including, without limitation, against the Company in connection with an amendment to this Agreement or the waiver of conditions on behalf of the Shareholders).

9.2. On the Closing Date, all contracts between the Shareholders and/or any of their Affiliates (and each Shareholder undertakes the same on behalf of its Affiliate) on the one hand, and the Company on the other hand, shall terminate with immediate effect and without any liability to the Purchaser or the Company, all other than employment agreements and Covered Persons' indemnity agreements.

9.3. The Shareholders hereby waive any and all first refusal, first offer, notification, veto or other rights under the Organizational Documents of the Company or any agreement to which any of them are a party with respect to the execution of this Agreement and the consummation of the Transaction. In addition, each Shareholder who is a party to any Terminated Agreement, irrevocably agrees that as of and subject to the Closing, such Terminated Agreement(s) is/are terminated with no further force or effect.

10. INDEMNIFICATION AND REMEDIES

10.1. The Shareholders and the holders of Vested Options (**"Indemnifying Parties"**) agree severally and not jointly to protect, defend, indemnify, and hold the Purchaser, the Company and their Affiliates, together with the directors, employees and advisors of the foregoing (the **"Indemnified Parties"**), harmless against and in respect of any and all loss, liability, deficiency, damage, decrease in value (excluding reduction in Tax losses or loss of NOLs), any damages paid to third parties, cost, expense, fines, interest or actions in respect thereof (including reasonable legal fees and expenses) but excluding consequential (except that a claim by a third party shall not be deemed consequential), incidental, multiple of revenue or earnings (but not including loss of value), loss of profits, punitive or exemplary damages (all of the foregoing, **"Damages"**), as and when incurred, occasioned by: (i) any non-fulfillment, non-performance, violation or breach of this Agreement or any Transaction Document by the Company; or (ii) any inaccuracy, breach or falsity of any of the representations and warranties of the Company contained in Section 5 above or any certificate or other instrument furnished or to be furnished by the Company hereunder; (iii) any Claim by a third party (regardless of whether the claimant is ultimately successful) which, if true, would constitute any of the above; and (iv) disregarding any disclosure in a disclosure schedule, any Pre-Closing Taxes and (disregarding any disclosure in a disclosure schedule) any breach or falsity contained in Sections 5.7, 6.8, 8.2.19, 8.11 or 8.12, any Tax liability of the Company in connection with any payment made or deemed made by the Company at or prior to the Closing in connection with the Transaction or any Tax liability in connection with any payment pursuant to this Agreement made without sufficient withholding under applicable law provided however, that the Shareholders shall not be jointly liable for a Claim in connection to Tax withholding against a breaching Shareholder for submission of incorrect or false information (in which case, such breaching Shareholder shall be severally liable as set forth in Section 10.2); (v) disregarding any disclosure in a disclosure schedule), any Transaction Costs, (vi) disregarding any disclosure in a disclosure schedule), any liability pursuant to indemnification undertakings granted by the Company to directors and/or officers thereof in connection with the period prior to the Closing Date; (vii) disregarding any disclosure in a disclosure schedule), the matters set out in **Schedule 10.1** attached hereto; (viii) disregarding any disclosure in a disclosure schedule), any Claim by a Shareholder, or former shareholder (or holder of Company Options, including indemnity for Damages of such holder in respect of the rate of taxes paid by such holder in excess of the 102 benefit (25% plus excess tax, if applicable) in cases where the ITA disqualifies the grant under a trustee capital gains route, or any other equity securities) of the Company, or any other Person, seeking to assert, or based upon: (a) ownership or rights to ownership of any shares or other equity securities of the Company; (b) any rights of a Shareholder or other equity holder (other than the rights of the Shareholders to receive the payments set out in this Agreement, as and to the extent set forth herein), including any option, preemptive rights or rights to notice or to vote; (c) any Claim that his, her or its shares or other equity securities of the Company were wrongfully repurchased, cancelled, terminated or transferred by the Company or any Person; or (d) any Claim regarding any errors or failures in the allocation or calculation of the applicable Purchase Price payable to such Person or its pro rata share of the Escrow Amount, as set forth in the Waterfall (items (iv) to (viii), together the **"Special Indemnities"**).

10.2. In addition, each Shareholder, severally and not jointly, agrees to protect, defend, indemnify, and hold the Indemnified Parties, harmless against and in respect of any Damages, as and when incurred, occasioned by: (i) any non-fulfillment, non-performance, violation or breach of this Agreement or any Transaction Document by such Shareholder; or (ii) any inaccuracy, breach or falsity of any of the representations and warranties of such Shareholder contained in Section 6 above or any certificate or other instrument furnished or to be furnished by such Shareholder hereunder; and (iii) any Claim by a third party (regardless of whether the claimant is ultimately successful) which, if true, would constitute the above.

10.3. Promptly, but not later than thirty (30) days after (i) receipt by the Purchaser (or any of its directors, employees or advisors) of notice of the commencement of any Claim, proceeding, or investigation (**"Third Party Claim"**); or (ii) the Purchaser (or any of its directors, employees or advisors) becoming aware of any breach of this Agreement or falsity of representation or other event or circumstance, in each case, in respect of which indemnity may be sought as provided above, shall notify the Shareholder Representative on behalf of the Indemnifying Party of the Claim, proceeding or investigation and, when known, the facts constituting the basis of such Claim, proceeding or investigation, in reasonable detail, provided that any failure to provide such notice to the Shareholder Representative within such period will not relieve the Indemnifying Parties of any obligation or liability, except and only to the extent that the Shareholder Representative demonstrates that the Indemnifying Parties have been materially prejudiced by such failure to provide such notice to the Shareholder Representative within such period. In the event of any such claim for indemnification hereunder resulting from or in connection with any Third Party Claim, the notice to the Shareholder Representative shall specify, if known, the amount of damages asserted by such third party. In the event of any Third Party Claim, the Purchaser shall assume the defense or prosecution of such Third Party Claim and any litigation resulting therefrom (a **"Third Party Defense"**). Upon the Purchaser's assumption of the Third Party Defense (i) the Purchaser shall inform the Shareholder Representative of such Third Party Defense (as set forth herein); (ii) the Shareholder Representative may retain separate counsel, at the expense of the Shareholders; (iii) the Purchaser will not consent to the entry of any judgment or enter into any settlement with respect to the Third Party Claim without the prior written consent of the Shareholder Representative which shall not be unreasonably withheld, conditioned or delayed; (iv) the Purchaser shall conduct the Third Party Defense actively and diligently in consultation with the Shareholder Representative and provide copies of all correspondence and related documentation in connection with the Third Party Defense to the Indemnifying Party; and (v) the Indemnifying Party will provide reasonable cooperation in the Third Party Defense to protect the interests of the Indemnified Party.

If the Purchaser elects not to assume the Third Party Defense it shall notify the Shareholder Representative of its decision not to assume such defense, and the Shareholder Representative shall have the right to assume the Third Party Defense with counsel of its choice at the expense of the applicable Indemnifying Parties; provided, however, that the Purchaser shall have the right, at its expense, to participate in such Third Party Defense but the Shareholder Representative shall control the investigation and defense thereof in consultation with the Purchaser; provided, however, that any settlement or compromise by the Shareholder Representative shall be subject to the consent of the Purchaser not to be unreasonably withheld, delayed or conditioned. The Shareholder Representative shall conduct the Third Party Defense actively and diligently, and the Purchaser will provide reasonable cooperation in the Third Party Defense.

The Parties will in any event co-operate with each other in dealing with any Claim other than in the event of a conflict of interest, and, other than in the event of a conflict of interest, will allow their respective representatives and advisers reasonable access to all books and records which might be useful for such purpose during normal business hours and at the place where they are normally kept, with full right to make copies thereof or take extracts therefrom. Such books and records shall be subject to a duty of confidentiality except for disclosure necessary for resolving such Claim or otherwise required by applicable law. The Indemnifying Party shall not be authorized to settle or compromise any Claim without the written consent of the Indemnified Party, which shall not be unreasonably withheld.

10.4. Notwithstanding anything to the contrary in this Agreement (including Section 10.3), following the Closing Date, the Purchaser will have the right, in the Purchaser's sole and absolute discretion, to conduct and control, through counsel of the Purchaser's choosing, the defense of any Tax Contest; provided, however, that to the extent that any Tax Contest could reasonably give rise to an indemnification claim by the Purchaser under this Section 10, the Purchaser will (i) provide notice of such Tax Contest to the Shareholder Representative within thirty (30) days after receiving the first written notice of the commencement of such Tax Contest or from the relevant Governmental Authority, provided that any failure to provide such notice to the Shareholder Representative within such period will not relieve the Shareholders of any obligation or liability, except to the extent that the Shareholders have been materially prejudiced by such failure to provide such notice to the Shareholder Representative within such period, (ii) provide to the Shareholder Representative all information reasonably requested by the Shareholder Representative regarding such Tax Contest, (iii) permit the Shareholder Representative to evaluate and comment on such Tax Contest, and (iv) reasonably and in good faith consider any such comments of the Shareholder Representative. The Purchaser may settle, adjust, or compromise any Tax Contest, in the Purchaser's sole and absolute discretion, without the consent of the Shareholder Representative. However, without the prior written consent of the Shareholder Representative – which consent (i) will not be unreasonably withheld, delayed, or conditioned and (ii) will be deemed to have been given unless the Shareholder Representative objects in writing within thirty (30) days after receipt of a written request for such consent from the Purchaser – no settlement, adjustment, or compromise of any Tax Contest will be determinative of the existence of a claim for indemnification under this Section 10 or the amount of indemnifiable amounts relating to such claim. In the event that the Shareholder Representative consents in writing to (or is deemed to have consented to) any settlement, adjustment, or compromise of any Tax Contest, neither the Shareholder Representative nor any Shareholder will have any power or authority to object under any provision of this Section 10 to the amount of any claim by the Purchaser for indemnification under this Section 10 with respect to such settlement, adjustment, or compromise.

10.5. Other than with respect to a specific Shareholder for such Shareholder's Shareholder Fraud Event, the remedies provided in this Section 10 shall be the sole and exclusive remedy of the Purchaser, or any of their Affiliates for any Claims or Damages resulting from the Transaction, except that each Party shall be entitled to injunctive relief to enjoin the breach or threatened breach of any provisions of this Agreement and the specific performance by the other of its obligations hereunder.

10.6. The representation and warranties of the Company and the Shareholders (read together with the disclosure schedules) and the rights of the Purchaser (and its directors, employees and advisors) to indemnification under this Section 10 shall not be affected by any examination made for or on behalf of the Purchaser or the knowledge of any of the Purchaser's officers, directors, employees or agents. It is understood and agreed that if the Company suffers, incurs or otherwise becomes subject to any Damages as a result of or in connection with any inaccuracy in or breach of any representation, warranty, covenant or obligation (read together with the disclosure schedules) herein, then (without limiting any of the rights of the Purchaser as an Indemnified Party but without double counting and without providing for diminution in value) the Purchaser shall also be deemed, by virtue of its ownership of the shares of the Company, to have incurred Damages as a result of and in connection with such inaccuracy or breach.

10.7. Threshold. The Purchaser shall only be entitled to claim Damages if and insofar the aggregate amount of all Claims payable by the Indemnifying Parties under this Agreement exceeds two hundred and fifty thousand U.S. Dollars (US$ 250,000), in which event the Indemnifying Parties shall be liable to indemnify the Purchaser from the first dollar. Notwithstanding, the foregoing threshold shall not apply in the event of (i) fraud, willful misconduct, or willful misrepresentation of the Company (each, a **"Company Fraud Event"**) or fraud, willful misconduct, or willful misrepresentation of a Shareholder (a **"Shareholder Fraud Event"**), (ii) a Special Indemnity, (iii) breach or inaccuracy of a Fundamental Representation, or (iv) a breach of covenant, in which the Shareholders shall be liable to indemnify the Purchaser from the first dollar.

10.8. Cap.

10.8.1. All Shareholders' aggregate liability for any Claims or Damages under or pursuant to this Agreement shall not exceed the Escrow Amount plus the Heldback Escrow, provided however that with respect to any Claims for: (i) a Company Fraud Event or Shareholder Fraud Event or a breach of a covenant the aggregate liability for such Claims shall be unlimited (in respect of breach of covenant or Shareholder Fraud Event solely with respect to the respective Shareholder who committed such Shareholder Fraud Event or breach of covenant); and (ii) Special Indemnities or Fundamental Representations and a breach of covenant by the Company (other than a breach of covenant by a Shareholder which is referenced in above in subsection (i)), the aggregate liability for all such Claims shall not exceed each Shareholder's pro rata share of the Purchase Price to be paid to such Shareholder, in accordance with the Waterfall, and (iii) the representations under Section 5.14 [Intellectual Property and Technology], the aggregate liability for all such Claims shall not exceed each Indemnifying Party's pro rata share of 40% (forty percent) of the Purchase Price (inclusive of the Escrow Amount) to be paid to such Indemnifying Party, in accordance with the Waterfall. For the avoidance of doubt, all limitations above are not cumulative one on top of the other but each take into account any other Claims paid to any Indemnified Party by an Indemnifying Party. Each Indemnifying Party's indemnification obligations shall be on a pro-rata basis of the Damages claimed in each Claim, subject to the treatment of the Escrow Amounts in accordance with Section 10.8.2.

10.8.2. Without prejudice to any of the foregoing and to Section 2.8, any payment made by the Shareholders in respect of any Claim relating to any inaccuracy, breach or falsity of any of the representations and warranties of the Company contained in Section 5 above, other than the Fundamental Representation, shall be first in the form of a reduction of the Escrow Amount and Heldback Escrow pursuant to Section 2.8, above. For the avoidance of doubt, for any other payment obligation of Shareholders hereunder, the Purchaser and the other Indemnified Parties may seek recourse directly against the liable Shareholder (whether personally or through the Shareholder Representative) and/or against the Escrow Fund and Heldback Escrow (at their sole and absolute discretion).

For the avoidance of doubt, notwithstanding the partial payment of the Purchase Price in Consideration Shares, the Purchase Price for the purpose of this Section 10.8 shall be deemed equal to US$ 29 million, as adjusted by the Aggregate Purchase Price Adjustment and each Consideration Share shall be valued for purposes of indemnification and this Article 10 as the value of such share at the Closing, as calculated hereunder, disregarding any change in the valuation thereof at any time following the Closing.

10.9. All Claims pursuant to this Agreement shall become time-barred on the eighteen (18) month anniversary of the Closing Date, other than Claims with respect to: (i) a Shareholder Fraud Event, which shall survive indefinitely in relation to such Shareholder; (ii) a Company Fraud Event which shall survive indefinitely; (iii) breach of covenants by a Shareholder or the Company, (iv) a Special Indemnity; or (v) breach of a Shareholder's representation set out in Sections 6.1 [Incorporation], 6.2 [Authority to Transact], 6.3 [Execution of Agreement], 6.4 [Purchase Shares], 6.5 [Brokers and Finders] 6.6 [No Proceedings], 6.7 [Solvency], 6.8 [Tax Withholding Information] or of a Company representation set out in Sections 5.1 [Constitution and Compliance], 5.2 [No Conflict], 5.3 [Capitalization], 5.7 [Taxation], 5.15 [Brokers and Finders] and 5.17 [Insolvency] (the **"Fundamental Representations"**); all of (iii) through (v) shall survive until sixty (60) days following the expiration of the statute of limitations under applicable law (and with respect to any Tax matter, until sixty (60) days following the expiration of the statute of limitations relating to such Tax matter). The representations under Section 5.14 [Intellectual Property and Technology] shall survive until the forty eight (48) month anniversary of the Closing.

10.10. All amounts received as indemnification pursuant to this Agreement shall be treated for all Tax purposes as adjustments to the aggregate Purchase Price to the maximum extent permitted by applicable law.

10.11. In no event shall any Party be indemnified under different provisions of this Agreement more than once for the same dollar of Damages; provided that if an Indemnified Party's claim under this Section 10 may be properly characterized in multiple ways in accordance with this Section 10 such that such claim may or may not be subject to different limitations depending on such characterization, then such Indemnified Person shall have the right to characterize such claim in a manner that maximizes the recovery and time to assert such claim permitted in accordance with this Section 10.

10.12. It is clarified that other than an Indemnifying Party required to provide indemnification under Section 10.2 above, no other Indemnifying Party shall be liable or have any obligation to indemnify the Indemnified Persons on account of any breach of representations, warranties or covenants or any other action or inaction of any other Indemnifying Party (without derogating from any liability, if any, with respect to an action or omission an Indemnifying Party in the context of this Agreement, in his capacity as an employee or officer or director of the Company, if giving rise to indemnification pursuant to the terms hereof), other than in relation to the Escrow Amount and Heldback Escrow as set out in Section 10.8.2.

10.13. For the purpose of calculating Damages, the amount of all losses or damages (including, but not limited to, Damages) incurred by an Indemnified Party in connection with a Claim in respect of which it is entitled to indemnification under this Section 10 shall be reduced by the amount of insurance proceeds, indemnification payments and other third-party recoveries (excluding any recoveries related to Tax) actually received by such Indemnified Party in respect of any such losses or damages (net of the cost and expense of recovery and any increase in insurance premiums, including retro-premium adjustments) and provided there is no obligation on the Indemnified Party to obtain or maintain any such insurance.

10.14. Notwithstanding anything to the contrary contained in this Agreement, no Indemnified Party will be entitled to indemnification under this Section 10 for any Damages to the extent that it has been explicitly taken into account as a reduction in the final determination of Purchase Price.

10.15. Each Indemnified Party shall take commercially reasonable steps to mitigate its Damages upon and after becoming aware of any such Damages.

10.16. Notwithstanding anything to the contrary herein or elsewhere, Purchaser will have the right to set off, dollar for dollar, and retain any amount to which any Retained Seller may be entitled to receive: (i) hereunder or pursuant to any Holdback Agreement from any payment such person may be liable to pay to the Purchaser or the Company or any of their respective Affiliates (following Closing) for any reason whatsoever (whether pursuant to this Agreement or any of the other Transaction Documents or any other agreement or matter), other than, from such person's base salary; and (ii) pursuant to any agreement (including this Agreement or any of the other Transaction Documents or any other agreement or matter) from any payment such person or its Affiliates may be liable to pay to the Purchaser or the Company or any of their respective Affiliates (following Closing) pursuant to this Agreement.

10.17.

11. MISCELLANEOUS

11.1. Communications. All notices or other communications hereunder shall be in writing and shall be given in person, by registered mail (registered international air mail if mailed internationally), by an overnight courier service which obtains a receipt to evidence delivery, or by facsimile transmission (provided that written confirmation of receipt is provided) with a copy by mail, or by electronic mail, addressed as set forth below:

If to the Company (prior to Closing):	Voyage81 Ltd. Hakfar Hayarok, 4780000, Israel Email: niv@voyage81.com Attn: Niv Price
With a copy to (which shall not constitute a notice):	Meitar, Law Offices, 16 Abba Hillel Rd. Ramat Gan 5250608, Israel Attention: Asaf Harel, Adv. Facsimile: +972-3-6103656 Email: aharel@meitar.com
If to the Shareholders:	As stated in **Schedule A** hereto.
If to the Purchaser and, following the Closing, also the Company:	Il Makiage Cosmetics (2013) Ltd. 8 Haharash St., Tel Aviv Attn: Oran Holtzman E-mail: oran@ilmakiage.com
with a copy to (which shall not constitute a notice):	Herzog, Fox & Neeman 4 Yitzhak Sadeh Street, Tel Aviv 6777504, Israel Fax: +972-3-696-6464 Attn: Itay Lavi, Adv. Email: lavii@herzoglaw.co.il
If to the Shareholder Representative	Nate Jaret C/o: Maniv Address: 4 Osvaldo Arnia St. Tel Aviv, 6473307 Israel Email: nate@maniv.com

or such other address as any Party may designate to the other in accordance with the aforesaid procedure. All communications delivered in person or by courier service shall be deemed to have been given upon delivery, those given by facsimile transmission shall be deemed given on the Business Day following transmission with confirmed answer back, and all notices and other communications sent by registered mail (or air mail if the posting is international) shall be deemed given ten (10) days after posting , and any notice given by electronic mail (i) will be deemed to have been given when sent, provided that receipt of the email is confirmed by the recipient or (ii) will be deemed to have been given one Business Day after it was sent, provided such notice is also sent within one Business Day by reliable overnight delivery service (with proof of service), hand delivery, facsimile (with confirmation of transmission) or certified or registered mail (return receipt requested and first-class postage prepaid).

11.2. Successors and Assignees

11.2.1. If the Purchase Shares shall at any time be sold or transferred, the benefit of each of the obligations, undertakings, indemnities, representations or warranties undertaken or given by the Shareholders under or pursuant to this Agreement shall be assignable to the purchaser or transferee of the Purchase Shares and such purchaser or transferee shall be entitled to enforce the same against the Shareholders as if it were named in this Agreement as the Purchaser.

11.2.2. Save as set out herein, none of the rights or obligations under or pursuant to this Agreement may be assigned or transferred to any other Person without the written consent of all the Purchaser and the Shareholder Representative. Notwithstanding the foregoing, with respect to any Shareholder that is a venture capital fund or similar entity, such Shareholder may assign all of its rights and obligations hereunder in connection with such Shareholder's transfer of assets to its partners in connection with the liquidation of such Shareholder.

11.2.3. This Agreement shall be binding upon and inure to the benefit of and be enforceable by the Parties and their respective successors and permitted assigns.

11.3. Expenses. Without derogating from any provision herein, all costs and expenses incurred in connection with this Agreement, including all third-party legal, accounting, financial advisory, consulting or other fees and expenses, shall be paid by the party incurring such cost or expense, provided that the Shareholders shall bear, either directly (or in accordance with the purchase price adjustment mechanism set out in Section 2 above), all Transaction Costs in accordance with the terms of this Agreement.

11.4. Delays or Omissions; Waiver

11.4.1. The rights of a Party may be waived by such Party only in writing and specifically; the conduct of any one of the Parties shall not be deemed a waiver of any of its rights pursuant to this Agreement or as a waiver or consent on its part as to any breach or failure to meet any of the terms of this Agreement or as an amendment hereto. A waiver by a Party in respect of a breach by the other Party of its obligations shall not be construed as a justification or excuse for a further breach of its obligations.

11.4.2. No delay or omission to exercise any right, power, or remedy accruing to any Party upon any breach or default by the other under this Agreement shall impair any such right or remedy nor shall it be construed to be a waiver of any such breach or default, or any acquiescence therein or in any similar breach or default thereafter occurring.

11.5. Amendment. This Agreement may be amended or modified only by a written document signed by the Purchaser, the Company (only if prior to Closing), and the Shareholder Representative. For the avoidance of doubt, the Shareholders hereby confirm that no member of the board shall be deemed as having a personal interest when approving such an amendment on behalf of the Company, provided however that such is not disproportionally benefiting such board member in comparison to other Shareholders hereunder.

11.6. Entire Agreement. This Agreement (together with the recitals, schedules, appendices, annexes and exhibits attached hereto) contains the entire understanding of the Parties with respect to its subject matter and all prior negotiations, discussions, agreements, commitments and understandings between them with respect thereto not expressly contained herein shall be null and void in their entirety, effective immediately with no further action required.

11.7. Severability

11.7.1. If a provision of this Agreement is or becomes illegal, invalid or unenforceable in any jurisdiction, that shall not affect the validity or enforceability in that jurisdiction of any other provision hereof or the validity or enforceability in other jurisdictions of that or any other provision hereof.

11.7.2. Where provisions of any applicable law resulting in such illegality, invalidity or unenforceability may be waived, they are hereby waived by each Party to the full extent permitted so that this Agreement shall be deemed valid and binding, in each case enforceable in accordance with its terms.

11.8. Counterparts, Facsimile Signatures. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument. A signed Agreement received by a Party via facsimile or electronic mail will be deemed an original, and binding upon the Party who signed it.

11.9. Governing Law and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Israel, without giving effect to principles of conflicts of laws thereof and the courts located in Tel Aviv, Israel shall have exclusive jurisdiction over any disputes between the Parties in relation thereto.

11.10. Further Actions. At any time and from time to time, each Party agrees, without further consideration, to take such actions and to execute and deliver such documents as may be reasonably necessary to effectuate the purposes of this Agreement.

11.11. No Third-Party Beneficiaries. Except as set forth in Section 8.14, nothing in this Agreement shall create or confer upon any Person, other than the Parties, the Non-Executing Shareholders and the Indemnified Parties or their respective successors and permitted assigns, any rights, remedies, obligations or liabilities, except as expressly provided herein *provided, however,* that this Section 11.11 shall not apply to Section 4, which shall be enforceable by the Shareholder Representative in its entirety against any Shareholders that are not a Party. For the avoidance of doubt, the foregoing shall not be deemed to derogate from the authority to amend such provisions benefiting third parties in accordance with Section 11.5 above.

11.12. Conflict Waiver. Notwithstanding that the Company and Shareholders have been represented by Meitar, Law Offices (the **"Firm"**) in the preparation, negotiation and execution of this Agreement and the Transaction, the Company agrees that after the Closing Date the Firm may represent the Shareholder Representative, the Shareholders and/or their Affiliates in matters related to this Agreement and the ancillary agreements hereto, including without limitation in respect of any indemnification claims in connection with this Transaction. The Company hereby acknowledges, on behalf of itself and its Affiliates, that it has had an opportunity to ask for and has obtained information relevant to such representation, including disclosure of the reasonably foreseeable adverse consequences of such representation, and it hereby waives any conflict arising out of such future representation. All communications between the Shareholders or the Company, on the one hand, and the Firm, on the other hand, relating to the negotiation, preparation, execution and delivery of this Agreement, the Transaction Documents, and the consummation of the Transaction but excluding: (i) any communications or information that is related to the business of the Company and used by the Company or the Purchaser for business reasons after the Closing; or (ii) any communication or information evidencing knowledge of any Shareholder or the Company of a breach of this Agreement or the Transaction Documents (the **"Privileged Communications"**) shall be deemed to be attorney-client privileged and the expectation of client confidence relating thereto shall belong solely to the Shareholders and shall not pass to or be claimed by the Purchaser or the Company, and neither the Company nor the Shareholders may waive attorney-client privilege with respect to such Privileged Communications without Shareholder Representative written consent. Accordingly, the Purchaser and the Company shall not have access to any Privileged Communications or to the files of the Firms relating to such engagement from and after the Closing. Without limiting the generality of the foregoing, from and after the Closing, (i) the Shareholders (and not the Purchaser or the Company) shall be the sole holders of the attorney-client privilege with respect to such engagement, and none of the Purchaser or the Company shall be a holder thereof, (ii) to the extent that files of the Firm in respect of such engagement constitute property of the client, only the Shareholders (and not the Purchaser or the Company) shall hold such property rights and (iii) the Firm shall have no duty whatsoever to reveal or disclose any such attorney-client communications or files to the Purchaser or the Company by reason of any attorney-client relationship between the Firm and the Company or otherwise. Notwithstanding the foregoing, in the event that a dispute arises between the Purchaser or its Affiliates (including the Company), on the one hand, and a third party other than any of the Shareholders, on the other hand, the Purchaser or its Affiliates (including the Company) may assert the attorney-client privilege to prevent disclosure of confidential communications to such third party; provided, however, that neither the Purchaser nor its Affiliates (including the Company) may waive such privilege without the prior written consent of the Shareholders, which consent shall not be unreasonably withheld, conditioned or delayed. In the event that the Purchaser or its Affiliates (including the Company) is legally required by an order from a Governmental Authority or otherwise legally required to access or obtain a copy of all or a portion of the Privileged Communications, to the extent (x) permitted by applicable law, and (y) advisable in the opinion of the Purchaser's counsel, then the Purchaser shall immediately (and, in any event, within five (5) Business Days) notify the Shareholder Representative in writing so that the Shareholder Representative can seek a protective order.

[Signature Page to Follow]

[Signature Page of Share Purchase Agreement]

IN WITNESS WHEREOF, this Share Purchase Agreement has been duly executed on the date herein above set forth.

IL MAKIAGE COSMETICS (2013) LTD.

By: /s/ ORAN HOLTZMAN
Name: ORAN HOLTZMAN
Title: CFO

[Signature Page of Share Purchase Agreement]

IN WITNESS WHEREOF, this Share Purchase Agreement has been duly executed on the date herein above set forth.

VOYAGE81 LTD.

By: /s/ Niv Price
Name: Niv Price
Title: CEO

[Signature Page of Share Purchase Agreement]

IN WITNESS WHEREOF, this Share Purchase Agreement has been duly executed on the date herein above set forth.

IANGELS INGENUITY FUND L.P

Name : Shelly Hod Moyal
Title: Director

IANGELS TECHNOLOGIES LP

Name : Shelly Hod Moyal
Title: Director

/s/ Michael Granoff
MANIV MOBILITY II, L.P.

Name : Michael Granoff
Title: Managing Partner

/s/ Michael Granoff
MANIV MOBILITY II A, L.P.

Name : Michael Granoff
Title: Managing Partner

TRUE VENTURES VI, L.P., for itself
and as nominee for True Ventures VI-A, L.P.

By: True Venture Partners VI, LLC

Its: General Partner

Name: James G. Stewart
Title: COO

/s/ Omer Shachar
NEXT GEAR VENTURE PARTNERS L.P.

Name: Omer Shachar
Title: Partner

/s/ Niv Price
NIV PRICE

/s/ Boaz Arad
BOAZ ARAD

/s/ Alon Hirsch
ALON HIRSCH

/s/ Rafi Gidron
RAFI GIDRON

[Signature Page of Share Purchase Agreement]

IN WITNESS WHEREOF, this Share Purchase Agreement has been duly executed on the date herein above set forth.

/s/ Shelly Hod Moyal
IANGELS INGENUITY FUND L.P

Name : Shelly Hod Moyal
Title: Director

/s/ Shelly Hod Moyal
IANGELS TECHNOLOGIES LP

Name : Shelly Hod Moyal
Title: Director

MANIV MOBILITY II, L.P.

Name : Michael Granoff
Title: Managing Partner

MANIV MOBILITY II A, L.P.

Name : Michael Granoff
Title: Managing Partner

TRUE VENTURES VI, L.P., for itself
and as nominee for True Ventures VI-A, L.P.

By: True Venture Partners VI, LLC

Its: General Partner

Name: James G. Stewart
Title: COO

NEXT GEAR VENTURE PARTNERS L.P.

Name: Omer Shachar
Title:

NIV PRICE

BOAZ ARAD

ALON HIRSCH

RAFI GIDRON

[Signature Page of Share Purchase Agreement]

IN WITNESS WHEREOF, this Share Purchase Agreement has been duly executed on the date herein above set forth.

IANGELS INGENUITY FUND L.P

Name : Shelly Hod Moyal
Title: Director

IANGELS TECHNOLOGIES LP

Name : Shelly Hod Moyal
Title: Director

MANIV MOBILITY II, L.P.

Name : Michael Granoff
Title: Managing Partner

MANIV MOBILITY II A, L.P.

Name : Michael Granoff
Title: Managing Partner

/s/ James G. Stewart

TRUE VENTURES VI, L.P., for itself
and as nominee for True Ventures VI-A, L.P.

By: True Venture Partners VI, LLC

Its: General Partner

Name: James G. Stewart
Title: COO

NEXT GEAR VENTURE PARTNERS L.P.

Name: Omer Shachar
Title:

NIV PRICE

BOAZ ARAD

ALON HIRSCH

RAFI GIDRON

IN WITNESS WHEREOF, this Share Purchase Agreement has been duly executed on the date herein above set forth.

Shareholder Representative

Nate Jaret
solely in its capacity as the Shareholder Representative

By: /s/ Nate Jaret

AGREEMENT AND PLAN OF MERGERS

dated as of April 4, 2023

BY AND AMONG

IM PRO MAKEUP NY L.P.,

IM PRO MAKEUP NY MERGER SUB, INC.,

ODDITY LABS, LLC,

Revela Inc.

and

Evan Zhao

AS THE REPRESENTATIVE

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Exhibits

AGREEMENT AND PLAN OF MERGERS

THIS AGREEMENT AND PLAN OF MERGERS (this "Agreement") is made and entered into as of April 4, 2023 (the "Agreement Date") by and among, IM PRO MAKEUP NY L.P., a limited partnership incorporated under the laws of the state of New York ("Parent"), IM PRO MAKEUP NY Merger Sub, Inc., a Delaware corporation and wholly-owned subsidiary of Parent ("Merger Sub I"), ODDITY LABS, LLC, a Delaware limited liability company and wholly-owned subsidiary of Parent ("Merger Sub II" and, together with Merger Sub I, "Merger Subs"), Revela, Inc., a Delaware corporation (the "Company") and Evan Zhao, solely in his capacity as representative of the Equityholders ("Representative").

RECITALS

WHEREAS, the parties intend that Merger Sub I be merged with and into the Company, with the Company surviving the merger (the "First Surviving Corporation"), on the terms and subject to the conditions set forth in this Agreement (the "First Merger"), immediately followed by the First Surviving Corporation merging with and into Merger Sub II, with Merger Sub II surviving the merger (the "Surviving Company"), on the terms and subject to the conditions set forth in this Agreement (the "Second Merger" and, together with the First Merger, the "Mergers");

WHEREAS, the board of directors of the Company has (a) determined that the Mergers are in the best interests of the Company and the holders of Company Capital Stock ("Stockholders"), and declared it advisable, to enter into this Agreement, (b) approved the execution, delivery and performance by the Company of this Agreement and the consummation of the transactions contemplated hereby, including the Mergers and (c) resolved to recommend adoption of this Agreement and approval of the Mergers by the Stockholders;

WHEREAS, the boards of directors of Parent and Merger Subs have approved and declared advisable the execution, delivery and performance by Parent and Merger Subs of this Agreement and the consummation of the transactions contemplated hereby, including the Mergers, and Parent, as the sole stockholder of Merger Subs, has approved and adopted the execution, delivery and performance by Merger Subs of this Agreement and the consummation of the transactions contemplated hereby, including the Mergers;

WHEREAS, pursuant to the First Merger, at the First Effective Time, the Company Capital Stock shall be converted into the right to receive cash and Securities of Oddity Tech Ltd. ("Oddity"), the indirect holder of all equity interests in Parent, holding all such interests through disregarded entities for United States federal income Tax purposes, or through entities that will be treated as entities that are disregarded as separate from Oddity, effective prior to the Closing for United States federal income Tax purposes, in the amounts and on the terms and subject to the conditions set forth herein;

WHEREAS, as a condition and inducement to Parent and Merger Subs entering into this Agreement, each of the Identified Persons, concurrently with the execution and delivery of this Agreement, is entering into (i) a non-competition agreement in the form attached hereto as Exhibit B (each, a "Non-Competition Agreement") and (ii) offer letter with Parent or its Affiliates,

as applicable, in the form attached hereto as Exhibit C, in each case dated as of the Agreement Date, each of which shall become effective at, and conditional upon the occurrence of, the First Effective Time;

WHEREAS, for U.S. federal income Tax purposes, it is intended that (i) the Mergers, stepped together, shall (A) be a single integrated transaction, consistent with the principles set forth in Rev. Rul. 2001-46, 2001-2 C.B. 321, that qualifies as a "reorganization" within the meaning of Section 368(a) of the Code, and (B) for an exception to the general rule of Section 367(a)(1) of the Code, and (ii) this Agreement be, and is hereby adopted as, a "plan of reorganization" for purposes of Sections 354, 361 and 368 of the Code and the Treasury Regulations thereunder; and

NOW, THEREFORE, in consideration of the premises, covenants and representations set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto hereby agree as follows:

DEFINITIONS; INTERPRETATION

1.1 Certain Definitions. The following terms shall have the following meanings:

"Acquisition Transaction" means, other than the transactions contemplated by this Agreement: (a) any acquisition or purchase of Company Capital Stock by any person or "group" (as defined under Section 13(d) of the Exchange Act and the rules and regulations thereunder) representing more than a ten percent (10%) voting interest in any class or series of Company Capital Stock, or any tender offer or exchange offer that if consummated would result in any person or "group" (as defined under Section 13(d) of the Exchange Act and the rules and regulations thereunder) beneficially owning Company Capital Stock representing ten percent (10%) or more of the voting interest in any class or series of Company Capital Stock, or any merger, consolidation, business combination or similar transaction involving the Company pursuant to which the stockholders of the Company immediately preceding such transaction hold less than ninety percent (90%) of the equity interests in any class or series of capital stock of the surviving or resulting entity of such transaction; (b) any direct or indirect sale, license, acquisition or disposition of all or a material portion of the assets of any of the Company other than the sale of inventory or obsolete assets or non-exclusive licenses in the Ordinary Course of Business; or (c) any initial public offering of capital stock or other securities of the Company pursuant to a registration statement filed under the Securities Act or any similar offering or filing in any foreign jurisdiction.

"Affiliate" means, with respect to any Person, any other Person that, directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, such Person, and the term "control" (including the terms "controlled by" and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through ownership of voting securities, by contract or otherwise.

"Aggregate Merger Consideration" means (i) an amount equal to $32,236,901.42,

as may be adjusted pursuant to the Allocation Schedule prior to Closing; *plus* (ii) the positive difference between the Closing Cash and the Minimum Cash Amount, if any (the aggregate amount of (i) and (ii) may be referred hereto as the "Net Cash Aggregate Merger Consideration"); and *plus* (iii) the Consideration Shares, which for the purpose of this Agreement are deemed to be purchased based on a per share price of $430.31.

"Antitrust Laws" means the Sherman Act, as amended, the Clayton Act, as amended, the HSR Act, the Federal Trade Commission Act, as amended, and all other applicable Laws issued by any Governmental Authority that are designed or intended to prohibit, restrict or regulate actions having the purpose or effect of monopolization or restraint of trade or lessening of competition through merger or acquisition.

"Assets" means, with respect to any Person, all businesses, properties, assets, machinery, equipment, furniture, fixtures, licenses, permits, franchises, goodwill, Technology, Intellectual Property Rights and rights of such Person, of every nature, kind and description, tangible and intangible, owned or leased, wherever located (whether in the United States or otherwise) and whether or not carried or reflected on the books or records of such Person, used, held for use or useful in connection with the operation of the businesses of such Person.

"Assignment Deeds" means those certain deeds to be attached hereto as Schedule 3.14(a)(iv) required to the assignment of the Company Assets to the Surviving Company.

"Business" means the business of the Company as was conducted prior to the First Effective Time.

"Business Day" means a day except a Saturday, a Sunday or other day on which the banks in the State of Israel or the State of New York are authorized or required by Law to be closed.

"Cash" means the cash and cash equivalents of the Company. For the avoidance of doubt, Cash shall not include any short-term and long-term investments or restricted cash.

"Capitalization Representations" means the representations and warranties contained in Section 4.3(b) (Capitalization).

"Certificate" means a certificate or certificates, if any, which immediately prior to the First Effective Time represented outstanding shares of Company Capital Stock.

"Change of Control Payments" means, without duplication with the Transaction Expenses items already counted, the aggregate amount of all change of control, bonus, termination, severance or other similar payments, whether accrued or incurred prior to or at the First Effective Time, that are payable by the Company, to any Person as a direct result of or in connection with the Mergers or any of the other transactions contemplated by this Agreement pursuant to Contracts in effect as of the First Effective Time, including (a) to the extent attributed to the acceleration or early vesting of any right or benefit or lapse of any restriction as a result of or in connection with the Mergers (but specifically excluding any such acceleration or related benefits, such as severance, triggered solely by events incurred following, and not related to, the consummation of the Mergers, such as an involuntary termination following the First Effective Time), (b) any payment, cost, expense or Liability, of the Company arising out of, in connection with or pursuant to Section

280G of the Code resulting from the transactions hereunder and (c) any applicable value added Tax, employer-paid portion of any employment and payroll Taxes related thereto actually paid or payable (including any employment or payroll Taxes attributable to the cash-out of Company Stock Options pursuant to this Agreement, but excluding employer-related payroll Taxes related to any post-First Effective Time exercise of options or any such Taxes due in respect of any compensatory payments offered by Parent); in each case, excluding, for the avoidance of doubt, any severance payments to be made to any employees or Contractors who were either not extended offers by Parent or its Affiliates.

"Closing Cash" means the Cash as of the close of business on the First Effective Time. For the avoidance of doubt, Closing Cash shall be calculated after payment of Outstanding Indebtedness and shall include the Minimum Cash Amount.

"Closing Indebtedness" means the amount of Indebtedness of the Company, on a consolidated basis, as of the First Effective Time based on the same methodologies and accounting practices and principles applied on a consistent basis by the Company prior to Closing. For the avoidance of doubt, Closing Indebtedness shall not include Outstanding Indebtedness or other Indebtedness that is paid off by the Company prior to Closing.

"Code" means the Internal Revenue Code of 1986, as amended.

"Company Capital Stock" means the shares of the Company Common Stock and Company Preferred Stock (including those shares of Company Common Stock and Preferred Stock that will be issued upon conversion of the Company SAFEs).

"Company Common Stock" means the shares of the Company's common stock, par value $0.00001 per share.

"Company Intellectual Property Registrations" means all applications, issuances and registrations with any Registration Office or Internet domain name registrar for Intellectual Property Rights (a) owned or purported to be owned by, or (b) for which an application is filed in the name of, in each case, the Company.

"Company Preferred Stock" means, collectively, the shares of the Series Seed-1 Preferred Stock, Series Seed-2 Preferred Stock, and the Series Seed-3 Preferred Stock.

"Company Products" means all products and services that are currently offered, distributed, or under development by the Company.

"Company Technology" means any and all Technology that is, or was in the past three (3) years prior to the date hereof, owned, purported to be owned, or used by the Company.

"Company Stock Option Plan" means the Company's 2021 Equity Incentive Plan, and any appendix thereto, as amended.

"Confidential Information" means all non-public information pertaining to the Company and/or its Business and/or the Company Products, Company Technology or Company Intellectual Property, including without limitation all Trade Secrets, any and all information

constituting or relating to product development, price, customer and supplier lists, pricing and marketing plans, policies and strategies, details of client and consultant contracts, operations methods, product development techniques, business acquisition plans or new personnel acquisition plans and all other confidential or proprietary information with respect to a party and their customers and vendors; provided, however, that "Confidential Information" shall not include (a) issued Patents and published Patent applications or (b) information that is or becomes generally available to the public or general industry knowledge through no action or inaction by the Company or Parent.

"Consideration Shares" means 45,601 Class A Ordinary A Shares of Oddity, par value NIS 0.001 each (the "Ordinary Consideration Shares") and 40,285 Restricted Class A Ordinary Shares of Oddity (the "Restricted Consideration Shares"), terms (including vesting terms, if applicable) of which are set forth on Schedule 5.3. Number of the aggregate Consideration Shares at Closing may be adjusted based on the Allocation Schedule to be provided at Closing.

"Contract" means any legally binding contract, agreement, indenture, note, purchase order, sales order, bond, loan or credit agreement, instrument, lease, commitment, mortgage, deed of trust, license or other arrangement, understanding or obligation, whether written or oral and all amendments, restatements, supplements or other modifications thereto or waivers thereunder.

"Copyleft License" means any license that requires, as a condition of use, modification and/or distribution of Software or other Technology subject to such license, that such Software or other Technology subject to such license, or other Software or other Technology incorporated with, derived from, used, or distributed with such Software or other Technology subject to such license (a) in the case of Software, be made available or distributed in a form other than binary (e.g., source code form), (b) be licensed for the purpose of allowing the making of derivative works, (c) be licensed under terms that allow the Company Products or portions thereof or interfaces therefor to be reverse engineered, reverse assembled or disassembled (other than to the extent permitted by Law), or (d) be redistributable at no license fee. Copyleft Licenses include, without limitation, all versions of the GNU General Public License, the GNU Lesser General Public License, the Affero General Public License, the Mozilla Public License, the Common Development and Distribution License, the Eclipse Public License and all Creative Commons "sharealike" licenses.

"Copyrights" means copyrights and all other rights, throughout the world, with respect to Works of Authorship and all registrations thereof and applications therefor (including moral and economic rights, however denominated).

"Credit Lines" means any credit facility extended to the Company (but excluding credit cards held by employees of the Company), if any.

"Critical Employees" means Key Employees and Key Contractors of the Company.

"Databases" means databases and other compilations and collections of data or information.

"Environmental Law" means any applicable federal, state or local Laws relating to

the protection of the environment, or that classify, regulate, call for the remediation of, require reporting with respect to, or list or define air, water, groundwater, solid waste, hazardous or toxic substances, materials, wastes, pollutants or contaminants, or which regulate the manufacture, handling, transport, use, treatment, storage or disposal of Hazardous Materials or materials containing Hazardous Materials.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended.

"Escrow Agent" means an escrow agent to be mutually appointed by Parent and Company prior to Closing.

"Escrow Amount" means an amount equal to the lesser of (a) $10,500,000 or (b) fifteen percent (15%) of the Aggregate Merger Consideration, which amount may be, at the sole discretion of each Equityholder, deposited by the Equityholders or on behalf of the Equityholders either in cash ("Cash Escrow Amount") or in Consideration Shares ("Equity Escrow Amount"), as set forth in the Allocation Schedule.

"Escrow Period" means the date that is eighteen (18) months from the First Effective Time.

"Escrowed Shares" means the Consideration Shares included in the Escrow Amount.

"Equityholder" means holder of (a) shares of Company Capital Stock or (b) Company Stock Options.

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"Facilities" means all buildings and improvements on any real property leased or owned by the Company either currently or in the past, to the extent that the Company has or had control over such buildings and improvements.

"fraud" means common law fraud (as opposed to any fraud claim based on constructive knowledge, negligent or reckless misrepresentation) under Delaware law, in connection with a representation or warranty contained in this Agreement or in any certificate delivered pursuant to this Agreement or in any of the other Transaction Documents.

"Fundamental Documents" means the documents, as amended and in effect as of any applicable date, by which any Person (other than an individual) establishes its legal existence and which govern its internal affairs. For example, the "Fundamental Documents" of a corporation would be its articles of association or certificate of incorporation and bylaws, the "Fundamental Documents" of a limited liability company would be its certificate of formation or organization and operating agreement and the "Fundamental Documents" of a limited partnership would be its limited partnership certificate and its limited partnership agreement.

"GAAP" means generally accepted accounting principles in the United States as in effect on the applicable date.

"Governmental Authority" means any government or governmental or regulatory body thereof, or political subdivision thereof, whether federal, state, local or foreign, or any agency, instrumentality or authority thereof, or any court or arbitral body, exercising executive, legislative, judicial, regulatory or administrative functions.

"Grants" means, grants, funding, incentives or subsidies, or applications therefor.

"Hazardous Material" means any substance, material or waste that is regulated, classified, or otherwise characterized under or pursuant to any Environmental Law as "hazardous," "toxic," "pollutant," "contaminant," "radioactive," or words of similar meaning or effect, including petroleum and its by-products, asbestos, polychlorinated biphenyls, radon, mold, urea formaldehyde insulation.

"HSR Act" means the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the regulations promulgated thereunder.

"Identified Persons" means certain employees and certain Contractors of the Company as set forth on Schedule 1.1(a).

"Indebtedness" means, with respect to the Company and without duplication, the unpaid principal, accreted value, accrued and unpaid interest, prepayment and redemption premiums or penalties (including breakage costs, penalties and fees, if any, unpaid fees or expenses and other monetary obligations in respect of (a) all indebtedness for borrowed money or for the deferred or unpaid purchase price of property or services, (b) any other indebtedness which is evidenced by a note, bond, debenture or similar instrument or commercial paper (including a purchase money obligation), (c) all deferred obligations to reimburse any bank or other Person in respect of amounts paid or advanced under a letter of credit, surety bond, bank guarantee, performance bond or other instrument, (d) all Indebtedness of others guaranteed, directly or indirectly, by the Company or as to which the Company has an obligation (contingent or otherwise) that is substantially the economic equivalent of a guarantee, (e) all obligations under capital leases, (f) all Indebtedness of others secured by (or for which the holder of such obligation has an existing right, contingent or otherwise, to be secured by) any Lien on any property or assets of the Company (whether or not such obligation is assumed by the Company), (g) the aggregate net Liability pursuant to any derivative instruments, including any interest rate or currency swaps, caps, collars, options, futures or purchase or repurchase obligations, or other similar derivative instruments, (h) amounts related to R&D Tax Credit Advance, and (i) amounts related to unpaid marketing expenses. Notwithstanding the foregoing, "Indebtedness" shall not include Transaction Expenses or Change of Control Payments.

"Indemnity Pro Rata Share" means with respect to each Escrowed Holder the quotient obtained by dividing: (a) the aggregate portion of the Net Aggregate Consideration payable to such Escrowed Holder under this Agreement with respect to shares of Company Capital Stock and Company Stock Options held by such Escrowed Holder as of the First Effective Time, by (b) the Net Aggregate Consideration payable to all of the Escrowed Holders with respect to all shares of Company Capital Stock and Company Stock Options held by such Escrowed Holders as of the First Effective Time (in each case giving no effect to any withholdings pursuant to Section 3.9 and any indemnification obligation pursuant to Article X).

"Intellectual Property Rights" means any and all of the following rights (anywhere in the world, whether statutory, common law or otherwise): (a) Patents, (b) Copyrights, (c) design rights and registrations thereof and applications therefor, (d) integrated circuit layouts and mask works including registrations thereof and application therefor, (e) rights with respect to Trademarks, (f) rights with respect to domain names, (g) rights with respect to Trade Secrets or Confidential Information, including rights to limit the use or disclosure thereof by any Person, (h) rights with respect to Databases, (i) publicity and privacy rights, including all rights with respect to use of a Person's name, signature, likeness, image, photograph, voice, identity, personality, and biographical and personal information and materials, (j) any other intellectual property or proprietary rights equivalent or similar to any of the foregoing now known or hereafter recognized in any jurisdiction, (k) all rights to derivatives, improvements, modifications, enhancements, revisions and releases to any of the foregoing, and (l) all benefits, privileges, claims, causes of action and remedies arising out of or related to any of the foregoing, including the exclusive rights to apply for and maintain all registrations, renewals and extensions, to sue for past, present and future infringement, misappropriation, unauthorized uses or disclosures, or other violations, and to settle and retain proceeds from any such action, and all contractual and other entitlements to royalties and other payments for the use or practice thereof.

"intentional misrepresentation" shall mean a misrepresentation of a representation or warranty contained in this Agreement that is made by a Person with the actual knowledge at the time of making such representation or warranty that such representation or warranty is inaccurate with the intent to deceive.

"IRS" means the United States Internal Revenue Service.

"IT Systems" means all computer systems, servers, network equipment and other computer hardware and information technology systems and services owned, leased or licensed by the Company or otherwise used in the operation of the Business.

"Key Contractors" means the contractors of the Company set forth in Schedule 1.1(b).

"Key Employees" means the employees of the Company set forth in Schedule 1.1(b).

"Knowledge" means, (a) with respect to the Company, the actual knowledge of each of Evan Zhao, Avinash Boppana, and David Zhang, and any facts that such persons would have reasonably be expected to have discovered or become aware after reasonable inquiry in the course of reasonably performing such person's duties, and (b) with respect to any other Person, the actual knowledge of the specified Person.

"Law" means any applicable federal, state, foreign, local, municipal or other law, statute, constitution, principle of common law, resolution, ordinance, edict, decree, statute, code, ordinance, rule, regulation, ruling or other legal requirement issued, enacted, adopted, promulgated, implemented or otherwise put into effect by or under the authority of any Governmental Authority, including all Environmental Laws and Anti-Corruption Laws.

"Legal Proceeding" means any suit, claim, action, litigation, arbitration, proceeding

(including any civil, criminal, administrative, investigative or appellate proceeding), hearing, audit, investigation or examination commenced, brought, conducted or heard by or before, or otherwise involving, any court, tribunal, other Governmental Authority, any arbitrator or arbitration panel.

"Liability" means any Indebtedness, debt, loss, damage, liability or obligation (whether direct or indirect, known or unknown, asserted or unasserted, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, secured or unsecured, joint or several, vested or unvested, executory, due or to become due, whether in contract, tort, strict liability or otherwise and whether required to be reflected in financial statements under GAAP or not), and including all costs and expenses relating thereto.

"Licensed Company Intellectual Property" means any Intellectual Property Rights licensed to the Company by any Person (or subject to a covenant not to sue granted to or in favor of the Company by any Person) that has been used, is used or is held for use by the Company.

"Licensed Company Technology" means any Technology licensed to the Company by any Person (or subject to a covenant not to sue granted in favor of the Company by any Person) that has been used, is used or is held for use by the Company.

"Lien" means, with respect to any property or asset, any lien, pledge, mortgage, deed of trust, security interest, hypothecation, charge or other adverse claim of any kind in respect of such property or asset, other than Liens arising under the COI or Bylaws, that do not impede the transferability of such Company Capital Stock in connection with the consummation of the transactions contemplated hereby.

"Losses" means any and all deficiencies, judgments, losses, settlements, damages, interest, fines, penalties, Taxes, costs, expenses (including reasonable and documented legal, accounting and other costs and expenses of professionals) and other liabilities and expenses incurred or actually paid in connection with investigating, defending, or satisfying any and all demands, claims, actions, causes of action, suits, proceedings, assessments, judgments or appeals, and in seeking indemnification therefor, in each case, whether or not arising out of a Third Party Claim; provided, however, that "Losses" shall not include punitive or exemplary damages except actually awarded to a third party.

"Material Adverse Effect" means any change, effect, event, occurrence or development that (a) has had, or would reasonably be expected to have, individually or in the aggregate, a material adverse effect on the business, assets, properties, operations or financial condition of the Company or (b) prevents or delays beyond the Termination Date the Company from consummating the transactions contemplated by this Agreement; provided, however, that no change, effect, event, occurrence or development (by itself or when aggregated with any other changes, effects, events, occurrences or developments) resulting from, arising out or relating to, any of the following shall be deemed to constitute a Material Adverse Effect or otherwise be taken into account when determining whether a "Material Adverse Effect" has occurred or may, would or could occur: (i) any circumstance, change, or effect resulting from or arising out of the announcement, existence or pendency of the transactions contemplated by this Agreement including the identity of the Parent and the impact thereof on relationships, contractual or otherwise, with customers, suppliers, distributors or partners; (ii) changes in GAAP or other

applicable accounting standards, requirements or principles or Law after the Agreement Date or the interpretation of the foregoing; (iii) failure to meet any estimates, internal projections or forecasts; (iv) any action taken by the Company that is required to be taken by this Agreement or the failure to take action by the Company that is expressly prohibited under this Agreement; (v) any breach by Parent, Merger Sub I, or Merger Sub II of this Agreement, (vi) general economic or political conditions or changes in such conditions, (vii) changes affecting the industries in which the Company participates; and (viii) any act of God, any act of terrorism, war or other hostilities, any regional, national or international calamity, natural disasters, or any other similar event, provided that in each case of (vi), (vii) and (viii), such matters do not have a material disproportionate effect on the Company (relative to the other participants in the industries in which the Company operates).

"Minimum Cash Amount" means an amount equal to $10,000,000 of Cash.

"Net Aggregate Consideration" means the Aggregate Merger Consideration *less* (a) Closing Indebtedness, *less* (b) all Transaction Expenses, and *less* (c) the amount, if any, by which the Minimum Cash Amount exceeds the Closing Cash. Notwithstanding anything to the contrary in this Agreement, any deductions to be made to the Aggregate Merger Consideration pursuant to clauses (a), (b), and (c) of this definition of Net Aggregate Consideration shall at all times be made without duplication and in no event shall there be any double counting of any such item.

"Open Source License" means any license meeting the Open Source Definition (as promulgated by the Open Source Initiative) or the Free Software Definition (as promulgated by the Free Software Foundation), or any substantially similar license, including any license approved by the Open Source Initiative or any Creative Commons License. For the avoidance of doubt, Open Source Licenses include all Copyleft Licenses.

"Open Source Materials" means any Software or Technology subject to an Open Source License.

"Order" means any order, injunction, judgment, decree, ruling, writ, assessment or other similar requirement or agreement enacted, adopted, promulgated or applied by any Governmental Authority.

"Ordinary Course of Business" means the ordinary course of operations of the business of the Company through the Agreement Date consistent with past practice.

"Owned Company Intellectual Property" means any and all Intellectual Property Rights owned or purported to be owned by the Company.

"Owned Company Technology" means any Company Technology owned or purported to be owned by the Company.

"Patents" means any domestic, international, regional or foreign patents, utility models, and applications, invention disclosures and drafts of patent applications (and any patents or utility models that issue as a result of such applications) and any reissues, divisions, divisionals, continuations, continuation-in-parts, provisional applications, renewals, extensions, substitutions, reexaminations, or invention registrations related to such patents, utility models and applications.

"Payment Card Industry Data Security Standard" means those standards set forth in https://www.pcisecuritystandards.org/security_standards/.

"Permits" means any approvals, authorizations, consents, licenses, permits or certificates of a Governmental Authority .

"Permitted Liens" means (a) statutory liens for current Taxes that are not yet due and payable or Taxes that are being contested in good faith by appropriate proceedings and for which adequate reserves have been established as would be required by GAAP, (b) suppliers', contractors', workers' and similar Liens arising or incurred in the ordinary course of business with respect to amounts not yet due and payable, (c) statutory liens to secure obligations to landlords, lessors, or renters under leases or rental agreements, and (d) liens disclosed on the Balance Sheet.

"Person" means any individual, corporation, partnership, limited liability company, firm, joint venture, association, joint-stock company, trust, unincorporated organization, Governmental Authority or other entity.

"Personal Information" means, in addition to any definition provided by the Company for any similar term (e.g., "personally identifiable information" or "PII") in any privacy policy or other public-facing statement, all information that is defined as such under applicable Privacy Law including information which states is associated with an identified or identifiable individual person or an individual person's device (or, in the case of compliance with the CCPA (hereinafter defined) and where applicable, a household), which may include, but not be limited to, (a) information that identifies, could be used to identify or is otherwise identifiable with an individual, including name, physical address, telephone number, email address, financial account number or government-issued identifier (including Social Security number and driver's license number), medical, health or insurance information, including protected health information ("PHI") and electronic protected health information ("ePHI") as these terms are defined under HIPAA, gender, date of birth, educational or employment information, religious or political views or affiliations, marital or other status, and any other data used or intended to be used to identify, contact or precisely locate an individual (e.g., geolocation data), (b) information that is created, maintained, or accessed by an individual (e.g., videos, audio or individual contact information), (c) any data regarding an individual's activities online or on a mobile device or other application (e.g., searches conducted, web pages or content visited or viewed) and (d) Internet Protocol addresses, unique device identifiers or other persistent identifiers. Personal Information may relate to any individual, including a current, prospective or former customer or employee of any Person. Personal Information includes information in any form, including paper, electronic and other forms.

"Post-Closing Tax Period" means any Tax period beginning after the Closing Date and the portion of any Straddle Tax Period beginning after the Closing Date.

"Pre-Closing Tax Period" means any Tax period ending on or before the Closing Date, and the portion of any Straddle Period ending on and including the Closing Date.

"Price Per Share" means with respect to each share of Company, an amount equal to (a) the Net Aggregate Consideration, *divided by* (b) the Total Share Number.

"Privacy Law" means all applicable Laws currently in effect, governing the receipt,

collection, compilation, use, storage, registration of databases, processing, sharing, sale, safeguarding, security, disclosure or transfer of Personal Information, including but not limited to the California Consumer Privacy Act 2018 ("CCPA"), the California Privacy Rights Act of 2020 ("CPRA"), Privacy and Electronic Communications Directive 2002/58/EC concerning the processing of personal data and the protection of privacy in the electronic communications sector (Directive on privacy and electronic communications), the Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data and any amendments and local implementations thereto, and including all Laws governing practices associated with advertising, marketing and promoting online, the sending of solicited or unsolicited electronic mail messages, text messages, calls, faxes or any commercial or promotional communications of other kinds using Personal Information, including without limitation, the Communications Decency Act, the Telephone Consumer Protection Act, the CAN-SPAM Act, and all Laws governing breach notification.

"Property Taxes" means all real property Taxes, personal property Taxes and similar ad valorem Taxes.

"Registration Office" means, collectively, the United States Patent and Trademark Office, the United States Copyright Office, the World Intellectual Property Office and all equivalent foreign patent, trademark, copyright offices or other Governmental Authority.

"Representative Expense Amount" means US$100,000.

"Retention Bonus Amount" means US$6,000,000.

"SEC" means the United States Securities and Exchange Commission, together with its staff.

"Securities" means, with respect to any Person, such Person's "securities" as defined in Section 2(1) of the Securities Act and shall include such Person's capital stock, membership interests, partnership interests or other equity interests or any options, warrants or other securities or rights that are directly or indirectly convertible into, or exercisable or exchangeable for, such Person's capital stock, membership interests, partnership interests or other equity interests.

"Security Right" means any option, warrant, subscription right, preemptive right, other right, proxy, put, call, demand, plan, commitment, agreement, understanding or arrangement of any kind relating to any equity security of the Company, whether issued or unissued, or any other security convertible into or exchangeable for any such security. "Security Right" includes any right relating to issuance, sale, assignment, transfer, purchase, redemption, conversion, exchange, registration or voting, and includes rights conferred by any Law, the Company's Fundamental Documents or by Contract relating to any equity security of the Company.

"Series Seed-1 Preferred Stock" means shares of Series Seed-1 preferred stock of the Company, par value $0.00001 per share.

"Series Seed-2 Preferred Stock" means shares of Series Seed-2 preferred stock of

the Company, par value $0.00001 per share.

"Series Seed-3 Preferred Stock" means shares of Series Seed-3 preferred stock of the Company, par value $0.00001 per share.

"Social Media Accounts" means any and all accounts, profiles, pages, feeds, registrations and other presences on or in connection with any (a) social media or social networking website or online service, (b) blog or microblog, (c) mobile application, (d) photo, video or other content-sharing website, (e) virtual game world or virtual social world, (f) rating and review website, (g) wiki or similar collaborative content website or (h) message board, bulletin board, or similar forum.

"Software" means all (a) computer programs and other software and code, including firmware and microcode, and including software implementations of algorithms, models, and methodologies, whether in source code, object code or other form, including libraries, frameworks, software development kits, application programming interfaces, subroutines and other components thereof; (b) computerized Databases and other computerized compilations and collections of data or information, including all data and information included in such Databases, compilations or collections; (c) screens, user interfaces, command structures, report formats, templates, menus, buttons and icons related to any of the foregoing; (d) descriptions, flow-charts, architectures, development tools, and other materials used to design, plan, organize and develop any of the foregoing; and (e) documentation, including development, diagnostic, support, user and training documentation related to any of the foregoing.

"Straddle Period" means any Tax period beginning before or on and ending after the Closing Date.

"Tax" (and with correlative meaning, "Taxes") means (a) all U.S. federal, state, local or non-U.S. taxes, charges, fees, imposts, levies or other assessments, including all net income, gross receipts, capital, sales, use, ad valorem, value added, transfer, franchise, profits, inventory, capital stock, license, withholding, payroll, escheat, unclaimed property, employment, social security, Medicare, unemployment, excise, severance, stamp, occupation, property and estimated taxes, customs duties, fees, assessments and charges in the nature of tax, (b) all interest, indexation differentials, penalties, fines, additions to tax or additional amounts imposed by any Taxing Authority in connection with any item described in clause (a), (c) any transferee or successor liability in respect of any items described in clauses (a) or (b) payable by reason of contract, assumption, transferee liability, successor liability, operation of Law, or as a result of any express or implied obligation to assume Taxes or to indemnify any other Person, and (d) any liability for the payment of any amounts of the type described in clause (a) or (b) payable as a result of being a member of an affiliated, consolidated, combined, unitary or aggregate group for any Taxable period, including under Treasury Regulations Section 1.1502-6(a) (or any predecessor or successor thereof of any analogous or similar provision under Law) or otherwise.

"Taxing Authority" means the IRS and any other Governmental Authority responsible for the administration of any Tax.

"Tax Return" means any return, report, declaration, or statement filed or required

to be filed with respect to any Tax (including any attachments and schedules thereto, and any amendment thereof) including any information return, claim for refund, amended return, declaration of estimated Tax, withholding tax return, amended withholding tax return and including, where permitted or required, combined, consolidated, affiliated or unitary returns for any group of entities that includes the Company.

"Technology" means any and all (a) technology, formulae, algorithms, procedures, processes, methods, techniques, know-how, creations, inventions, discoveries, and improvements (whether patentable or unpatentable), (b) technical, engineering, manufacturing, product, marketing, servicing, financial, supplier, personnel, and other information and materials, (c) specifications, designs, models, devices, prototypes, schematics, and development tools, (d) Software, content, and other Works of Authorship, (e) Databases, (f) Trademarks, (g) domain names, and (h) Trade Secrets.

"Total Share Number" means the sum of (a) the total number of shares of Company Common Stock issued and outstanding immediately prior to the First Effective Time (including shares of Company Common Stock that would be issued on account of shares of Company Preferred Stock that are deemed to convert into Company Common Stock in connection with the Mergers), *plus* (b) the total number of shares of Company Common Stock that are issuable upon the exercise of all outstanding Company Stock Options, *plus* (c) the total number of shares of Company Common Stock that are issuable upon the exercise of all outstanding instruments convertible into Company Common or Preferred Stock (including the Company SAFEs) which are not covered in any of the above sub-sections.

"Trademarks" means unregistered and registered trademarks and service marks, trademark and service mark applications, trade dress and logos, brand names, trade names, d/b/a names, business names, corporate names, product names, slogans and other source or business identifiers and any renewals and extensions of any of the foregoing.

"Trade Secrets" means confidential and proprietary information, whether oral or written, including designs, concepts, compilations of information, methods, techniques, procedures, processes, know-how, whether or not patentable, of any nature in any form, including all writings, memoranda, copies, reports, papers, surveys, analyses, drawings, letters, computer printouts, computer programs, computer applications, specifications, business methods, business processes, business techniques, business plans, data (including customer data), graphs, charts, sound recordings and/or pictorial reproductions, that (a) derive independent economic value, actual or potential, from not being generally known to the public or to other Persons who can obtain economic value from its disclosure or use and (b) are the subject of efforts that are reasonable under the circumstances to maintain their secrecy.

"Transaction Documents" means this Agreement and each document, certificate and instrument executed in connection herewith.

"Transaction Expenses" means, without duplication, any and all (whether or not disclosed) (a) unpaid costs, fees and expenses of outside professionals incurred by the Company in connection with the negotiation, execution and consummation of the transactions contemplated hereby, including all legal fees, Tax, consulting, accounting, management, dataroom provider,

finder or other similar fees and investment banking fees and expenses and the Representative's engagement fee, to the extent unpaid prior to Closing (but not the Representative Expense Amount), (b) unpaid fees, costs premiums and other expenses relating to the D&O Tail Policy, (c) Change of Control Payments (excluding the acceleration of any unvested Common Stock Options and restricted shares of Common Stock and the conversion of any Company SAFEs) and (d) any applicable unpaid Taxes due in connection with any item described in clauses (a) and (b). Transaction Expenses shall exclude Indebtedness.

"Treasury Regulations" means the United States Treasury Regulations promulgated under the Code.

"WARN" means the Worker Adjustment and Retraining Notification Act of 1988, as amended, and any similar foreign, state or local Laws.

"Works of Authorship" means Software, register-transfer level and gate-level descriptions, netlists, documentation, scripts, verification components, test suites, websites, content, images, graphics, text, literary works, photographs, artwork, artistic works, audiovisual works, dramatic works, sound recordings, musical works, graphs, drawings, reports, analyses, designs, compilations, writings, and other works of authorship and copyrightable subject matter.

1.2 Cross Reference Table. The following terms defined elsewhere in this Agreement in the Sections set forth below shall have the respective meaning therein defined:

Term	Definition
280G Approval *90*	Closing Date *23*
280G Waiver *87*	COI *32*
Accrued Interest *34*	Company *6*
Adjustment Dispute Notice *35*	Company 401(k) Plans *85*
Affidavit of Loss *30*	Company Closing Certificate *89*
Agreed Adjustments *35*	Company Disclosure Schedule *37*
Agreed Amount *97*	Company Plans *59*
Agreement *6*	Company Properties *46*
Agreement Date *6*	Company Property *46*
Allocation Schedule *28*	Company Requisite Vote *78*
Anti-Corruption Laws *66*	Company Software *52*
Balance Sheet *42*	Company Stock Option *26*
Balance Sheet Date *42*	Company Warrants *27*
Basket *94*	Consent *79*
BIS *66*	Contested Amount *97*
Cap *95*	Contractors *62*
Certificate of Merger *23*	Covered Person *86*
Claim Notice *97*	Covered Persons *86*
Closing *23*	D&O Tail Policy *86*
Closing Balance Sheet *34*	Datasite *23*

1.3 Interpretive Matters. Unless otherwise expressly provided, for purposes of this Agreement, the following rules of interpretation shall apply:

(a) Calculation of Time Period. When calculating the period of time before which, within which or following which any act is to be done or step taken pursuant to this Agreement, the date that is the reference date in calculating such period shall be excluded. If the last day of such period is a non-Business Day, the period in question shall end on the next succeeding Business Day.

(b) Dollars. Any reference in this Agreement to $ or "dollars" means United States dollars.

(c) Gender and Number. Any reference in this Agreement to gender shall include all genders, and words imparting the singular number only shall include the plural and vice versa.

(d) Headings. The provision of a Table of Contents, the division of this Agreement into Articles, Sections and other subdivisions and the insertion of headings are for convenience of reference only and shall not affect or be utilized in construing or interpreting this Agreement. All references in this Agreement to any "Section" are to the corresponding Section of this Agreement unless otherwise specified.

(e) Herein. The words such as "herein," "hereinafter," "hereof," and "hereunder" refer to this Agreement as a whole and not merely to a subdivision in which such words appear unless the context otherwise requires.

(f) Including. The word "including" or any variation thereof means "including, without limitation" and shall not be construed to limit any general statement that it follows to the specific or similar items or matters immediately following it.

(g) Negotiation and Drafting. The parties hereto have participated jointly in the negotiation and drafting of this Agreement and, in the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as jointly drafted by the parties hereto and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provision of this Agreement.

(h) Updates. Except as otherwise set forth herein, any Law defined or referred to herein or in any agreement or instrument that is referred to herein means such Law as in effect on the applicable date.

(i) Foreign. The term "foreign" when used with respect to applicable Law or a Governmental Authority shall refer to all jurisdictions other than the United States.

(j) Made Available. The term "made available" means a document was uploaded to the "Revela – Strategic Transaction" datasite at "box.com" (the"Datasite") and made available for review by Parent and its counsels on or prior to the Agreement Date.

THE MERGERS

2.1 The Mergers. At the Closing, upon the terms and subject to the conditions set forth in this Agreement and the applicable provisions of the General Corporation Law of the State of Delaware (the "DGCL") and the Limited Liability Company Act of the State of Delaware (the "DLLCA"), (a) Merger Sub I shall be merged with and into the Company in the First Merger, whereupon the separate corporate existence of Merger Sub I shall cease and the Company shall continue as the First Surviving Corporation and as a wholly-owned subsidiary of Parent, and (b) immediately following the First Merger, and as part of the same plan, the First Surviving Corporation shall be merged with and into Merger Sub II in the Second Merger, whereupon the separate corporate existence of the First Surviving Corporation shall cease and Merger Sub II shall continue as the Surviving Company and as a wholly-owned subsidiary of Parent.

2.2 Closing. Unless this Agreement is earlier terminated pursuant to Article IX, the closing of the Mergers (the "Closing") shall take place on a date to be specified by the parties, which shall be no later than the third (3rd) Business Day after the satisfaction or waiver of each of the conditions set forth in Article VIII (other than those conditions that by their nature are to be satisfied at the Closing, but subject to the satisfaction or waiver of those conditions at such time) or at such other time as the parties hereto agree (the "Closing Date"). The Closing shall take place remotely (through electronic exchange).

2.3 Effective Times. At the Closing, the parties hereto shall file (i) a Certificate of Merger in substantially the form attached hereto as Exhibit D-1 (the "First Certificate of Merger") with the Secretary of State of the State of Delaware, in accordance with the relevant provisions of the DGCL, and make all other filings or recordings required by the DGCL in connection with the First Merger, and (ii) immediately following the filing of the First Certificate of Merger, the parties hereto shall file a Certificate of Merger in substantially the form attached hereto as Exhibit D-2 (the "Second Certificate of Merger", together with the First Certificate of Merger, the "Certificates of Merger") with the Secretary of State of the State of Delaware, in accordance with the relevant provisions of the DGCL and DLLCA, and make all other filings or recordings required by the DGCL and DLLCA in connection with the Second Merger. The First Merger shall become effective at the time that the First Certificate of Merger is filed and accepted by the Secretary of State of the State of Delaware or at such later time as is agreed to by Parent and the Company and specified in the First Certificate of Merger (the "First Effective Time"), and the Second Merger shall become effective at such time that the Second Certificate of Merger is filed and accepted by the Secretary of State or at such later time as is agreed by Parent and the Company and is specified in the Second Certificate of Merger, but in any event following the First Effective Time and as soon as practicable following the First Effective Time.

2.4 Effects of the Mergers. At the First Effective Time, the effect of the First Merger shall be as provided in this Agreement, the First Certificate of Merger and the applicable provisions of the DGCL. Without limiting the generality of the foregoing, and subject thereto, at the First Effective Time, all the property, rights, privileges, powers and franchises of the Company and Merger Sub I shall vest in the First Surviving Corporation, and all debts, Liabilities and duties of the Company and Merger Sub I shall become the debts, Liabilities and duties of the First Surviving

Corporation, and the First Surviving Corporation shall be a wholly-owned subsidiary of Parent. At the Second Effective Time, the effect of the Second Merger shall be as provided in this Agreement, the Second Certificate of Merger and the applicable provisions of the DGCL and DLLCA. Without limiting the generality of the foregoing, and subject thereto, at the Second Effective Time, all the property, rights, privileges, powers and franchises of the First Surviving Corporation and Merger Sub II shall vest in the Surviving Company, and all debts, Liabilities and duties of the First Surviving Corporation and Merger Sub II shall become the debts, Liabilities and duties owing of the Surviving Company, and the Surviving Company shall be a wholly-owned subsidiary of Parent.

2.5 Certificate of Incorporation; Bylaws. At the First Effective Time, the Certificate of Incorporation of Merger Sub I, as in effect immediately prior to the First Effective Time, shall be the Certificate of Incorporation of the First Surviving Corporation until thereafter amended as provided by the DGCL and such certificate of incorporation. At the First Effective Time, the bylaws of Merger Sub I, as in effect immediately prior to the First Effective Time, shall be the bylaws of the First Surviving Corporation until thereafter amended as provided by the DGCL, the certificate of incorporation and such bylaws, except that all references to Merger Sub I therein shall be changed to references to the First Surviving Corporation.

2.6 Directors and Officers. From and after the First Effective Time, the directors of Merger Sub I immediately prior to the First Effective Time shall be the directors of the First Surviving Corporation, and the officers of Merger Sub I immediately prior to the First Effective Time shall be the officers of the First Surviving Corporation (in replacement of such officers of the Company), in each case, until their respective successors are duly elected or appointed and qualified or their earlier death, resignation or removal in accordance with the certificate of incorporation and bylaws of the First Surviving Corporation.

CONVERSION OF SHARES; EXCHANGE

3.1 Conversion; Allocation of Merger Consideration.

(a) At the First Effective Time, and on the terms and subject to the conditions of this Agreement, by virtue of the First Merger and without any action on the part of the holders of Company Capital Stock or any shares of capital stock of Merger Sub I:

(i) each share of common stock, par value $0.1 per share, of Merger Sub I ("Merger Sub I Common Stock") issued and outstanding immediately prior to the First Effective Time shall, by virtue of the First Merger and without any action on the part of Parent, Merger Sub or the Company, be converted into one (1) validly issued, fully paid and nonassessable share of common stock of the First Surviving Corporation;

(ii) each share of Company Capital Stock held by the Company in its treasury or by Parent, either Merger Sub or any other Subsidiary of Parent, shall be cancelled and extinguished without any conversion thereof, and no cash or other consideration shall be delivered or deliverable in exchange therefor;

(iii) except for shares to be cancelled and extinguished in accordance with Section 3.1(ii) and the Dissenting Shares, each holder of shares of the Company (whether Common Stock, Series Seed-1 Preferred Stock, Series Seed-2 Preferred Stock or Series Seed-3 Preferred Stock) issued and outstanding immediately prior to the First Effective Time shall, by virtue of the First Merger and without any action on the part of Parent, either Merger Sub, the Company or any Stockholder, be entitled to receive for all the shares held by such stockholder, and such shares shall be converted into the right to receive (A) at the First Effective Time, a portion of the Net Aggregate Consideration, in cash and in Consideration Shares as set forth in the Allocation Schedule opposite such stockholder's name, less the portion of the Escrow Fund, and the Representative Expense Amount attributable to such stockholder as set forth in the Allocation Table opposite such holder's name (based upon the Indemnity Pro Rata Share of such holder), without interest, plus (B) any cash disbursements required to be made from the Escrow Fund and the Representative Expense Amount to the holder (based on such stockholder's Indemnity Pro Rata Share of the released amount); provided, however, that any amounts payable pursuant to the foregoing clause (B) shall be payable at the times provided for in, and subject to the conditions and contingencies of, this Agreement and the Escrow Agreement; and

(iv) If at any time during the period between the Agreement Date and the First Effective Time, any change in the outstanding Company Capital Stock shall occur by reason of any reclassification, recapitalization, stock split or combination, split-up, exchange or readjustment of shares or any stock dividend thereon with a record date during such period, or any similar transaction or event, all references in this Agreement to specified numbers of shares of Company Capital Stock of any class or series affected thereby, and all calculations provided for that are based upon numbers of shares of Company Capital Stock of any class or series affected thereby, shall be equitably adjusted to the extent necessary to provide the parties the same economic effect as contemplated by this Agreement prior to such reclassification, recapitalization, stock split or combination, split-up, exchange or readjustment of shares or any stock dividend thereon, or any similar transaction or event.

(b) At the Second Effective Time, by virtue of the Second Merger and without any action on the part of and on the terms and subject to the conditions of this Agreement, by virtue of the Second Merger and without any action on the part of the holders of capital stock in the First Surviving Corporation or any limited liability company interests in Merger Sub II, (i) each limited liability company interest of Merger Sub II issued and outstanding immediately prior to the Second Effective Time shall remain outstanding as a limited liability company interest of the Surviving Company and shall not be affected by the Second Merger and (ii) each share of stock of the First Surviving Corporation issued and outstanding immediately prior to the Second Effective Time shall be cancelled and shall cease to exist, and no consideration shall be paid with respect thereto, such that, immediately following the Second Merger, the Surviving Company shall be a direct wholly owned subsidiary of Parent.

3.2 Company Stock Options and Company SAFEs.

(a) Prior to the First Effective Time, the Company shall take all actions necessary to provide that each option to purchase shares of Company Common Stock (each, a "Company Stock Option") that is unexpired and unexercised immediately prior to the First Effective Time (with the unvested Company Stock Options being accelerated and becoming vested)

shall be cancelled as of and subject to the First Effective Time and each holder thereof (each, an "Optionholder") shall cease to have any rights with respect thereto, except the right to receive the consideration payable in respect thereof, as set forth in this Section 3.2(a). At the First Effective Time, on the terms and subject to the conditions of this Agreement, each Optionholder shall, by virtue of the First Merger and without any further action on the part of Parent, either Merger Sub, the Company or such Optionholder, be entitled to receive, (i) at the First Effective Time, a portion of the Net Aggregate Consideration, in cash and in Consideration Shares as set forth in the Allocation Schedule opposite such Optionholder's name (which reflects the deduction of the number of shares of Common Stock eligible to be purchased by such Optionholder that are equal in value to the exercise price applicable to such Optionholder's Company Stock Options), less the portion of the Escrow Fund and the Representative Expense Amount attributable to such holder as set forth in the Allocation Table opposite such Optionholder's name (based upon the Indemnity Pro Rata Share of such holder), without interest, plus (ii) any cash disbursements required to be made from the Escrow Fund, the Representative Expense Amount to the Optionholder (based on such Optionholder's Indemnity Pro Rata Share of the released amount); provided, however, that any amounts payable pursuant to the foregoing clause (ii) shall be payable at the times provided for in, and subject to the conditions and contingencies of, this Agreement and the Escrow Agreement. For the avoidance of doubt, if the exercise price payable in respect of a share of Company Common Stock under a Company Stock Option equals or exceeds the Price Per Share, such Company Stock Option shall be cancelled for no consideration at the First Effective Time and the Optionholder shall have no further rights with respect thereto.

(b) Prior to the First Effective Time, the Company shall take all actions necessary to provide that each Company Stock Option that provides for an exercise price per share that equals or exceeds the Price Per Share, shall, by virtue of the First Merger and without any action by Parent, either Merger Sub, the Company or the holder of such award be cancelled for no consideration at the First Effective Time and the holders of such awards shall have no further rights with respect thereto.

(c) Without limiting the foregoing, the Company shall take all actions necessary to ensure that the Company will not at the First Effective Time be bound by any options, stock appreciation rights, restricted stock units, warrants, SAFEs or other rights or agreements which would entitle any Person, other than Parent and its Subsidiaries, to own any capital stock of the First Surviving Corporation or to receive any payment in respect thereof except as contemplated under this Agreement. The adjustments provided for in this Section 3.2 shall be and are intended to be effected in a manner that is consistent with Section 409A and Section 424(a) of the Code, to the extent applicable.

3.3 Company SAFEs. Immediately prior to the First Effective Time, all outstanding SAFEs which provides for issuance of shares of Company Capital Stock (the "Company SAFEs") shall be converted into Company Shares in accordance with their terms, and each holder of such SAFE (each, a "Safeholder") shall be deemed as a Stockholder for the purpose of this Agreement and shall cease to have any rights with respect to such SAFE.

3.4 Allocation Schedule and Certain Other Schedules.

(a) Concurrently with the execution of this Agreement by the parties, the Company shall deliver to Parent a spreadsheet setting forth the parties' best estimates of (i) a hypothetical calculation of the Net Aggregate Consideration and (ii) a hypothetical allocation of the Net Aggregate Consideration (both of the Net Cash Aggregated Merger Consideration and the Consideration Shares, including the type thereof, e.g., whether restricted or not) among the Stockholders, the Optionholders, and the Safeholders (the "Signing Estimated Allocation Schedule"). The Signing Estimated Allocation Schedule is an estimate only, and the placeholders used for Net Aggregate Consideration (including the calculations used for Closing Cash, Transaction Expenses, and Closing Indebtedness) and amounts to be paid or issued, as the case may be, to the Stockholders, the Optionholders, and the Safeholders, will be subject to adjustments as shall appear in the Allocation Schedule.

(b) At least three (3) Business Days prior to the Closing Date, the Company shall deliver to Parent a correct and complete schedule certified by the Chief Executive Officer of the Company, accurately and completely setting forth, as of the date of such delivery (i) (A) the calculation of the Price Per Share, (B) the Company's good faith estimate of the amount of Net Aggregate Consideration, Closing Cash, Closing Indebtedness and all outstanding Transaction Expenses, in each case calculated as of the First Effective Time, (C) allocation of the Net Aggregate Consideration, including the type thereof, e.g., whether restricted or not) among the Stockholders, the Optionholders and the Safeholders as of the First Effective Time, and (D) each Stockholder's, Optionholder's, and Safeholder's Indemnity Pro Rata Share and portion of each of the Escrow Fund and the Representative Expense Amount, (ii) a correct and complete list of record holders of the issued and outstanding shares of Company Capital Stock as of the First Effective Time (including type and number of shares held by each such holder) with the then current address, email addresses and telephone number (each if available) of each holder, (iii) a correct and complete list of record holders of the outstanding Company Stock Options as of the Effective Time (including number of options held by each such holder) with the then current address, email addresses and telephone number (each if available) of each holder, (iv) a correct and complete list of record holders of the outstanding Company SAFEs as of the First Effective Time (including type and number of shares such SAFEs are covering and held by each such Safeholder) with the then current address, email addresses and telephone number (each if available) of each holder, (v) any other documentation reasonably requested by Parent in support of the calculations by the Company of the Net Aggregate Consideration and any item pursuant to which such Net Aggregate Consideration was calculated and (vi) any other information required for payment of the Transaction Expenses identified in the Allocation Schedule (collectively, the "Allocation Schedule"). The Allocation Schedule shall be prepared in accordance with the liquidation preference under the COI, or as otherwise agreed to by the Stockholders in accordance with the terms and conditions under the COI. The Company may continue to update the Allocation Schedule up to one (1) Business Day prior to the Closing, and the certificate of the Chief Executive Officer of the Company referenced in this Section 3.4(b) shall be applicable to the final Allocation Schedule as of no more than one (1) Business Day prior to the Closing. Parent shall be entitled to rely entirely upon the Allocation Schedule in connection with making the payments and respective issuances. For the avoidance of doubt, the portion of the Net Cash Aggregate Merger Consideration of (X) each Stockholder (who are not employees or Contractors of the Company as at the First Effective Time) shall be fifty percent (50%) of such Stockholder's pro-rated portion of the Net Aggregate Consideration (and the remaining portion of the Net Aggregate Consideration shall be Ordinary Consideration Shares), other than as specifically set forth in the Allocation

Schedule, and (Y) each Stockholder and each Optionholder (in each case, who are Key Employees or Key Contractors of the Company as at the First Effective Time) shall be twenty-five percent (25%) of such Stockholder's or Optionholder's pro-rated portion of the Net Aggregate Consideration (and the remaining portion of the Net Aggregate Consideration shall be Restricted Consideration Shares), other than as specifically set forth on the Allocation Schedule.

3.5 Paying Agent; Cash Payments.

(a) At or prior to the Closing, Parent and Representative shall enter into a paying agent agreement with a mutually appointed paying agent (the "Paying Agent") in a form agreed to between Parent, Company and the Paying Agent (the "Paying Agent Agreement"), pursuant to which the Paying Agent shall be appointed to act as paying agent for the Parent for the purpose of distributing (i) the Net Cash Aggregate Merger Consideration, (ii) the Representative Expense Amount to the Representative and (iii) the Cash Escrow Amount to the Escrow Agent.

(b) Subject to the terms and conditions of this Agreement, as soon as reasonably practicable after the First Effective Time, but in no event later than two (2) Business Days thereafter (unless otherwise stated):

(i) Parent shall deposit with the Paying Agent an amount equal to (A) the Cash Escrow amount pursuant to the provisions of Section 3.14(b), by means of wire transfer of immediately available funds, to be distributed by the Paying Agent to the Escrow Agent, and (B) the Representative Expense Amount pursuant to the provisions of Section 3.12, by means of wire transfer of immediately available funds, to be distributed by the Paying Agent to the Representative;

(ii) Parent will deposit with the Paying Agent for distribution by the Paying Agent to the Optionholders (to accounts designated by the Optionholders in Letters of Transmittal) in cash in an amount equal to the Net Cash Aggregate Merger Consideration payable in respect of the Company Stock Options pursuant to Section 3.2(a), as further set forth on the Allocation Schedule, by means of wire transfer of immediately available funds, to be distributed by the Paying Agent to the Optionholders;

(iii) Parent shall deposit with the Paying Agent for distribution by the Paying Agent to the Stockholders (to accounts designated by the Stockholders in Letters of Transmittal) cash in an amount equal to the Net Cash Aggregate Merger Consideration payable in respect of Company Capital Stock pursuant to Section 3.1(a)(iii), as further set forth on the Allocation Schedule, by means of wire transfer of immediately available funds, to be distributed by the Paying Agent only upon receipt of a duly executed and completed Letter of Transmittal from the applicable Stockholder; provided, however, that the Paying Agent shall not make any such disbursement to any Stockholder unless all Certificates previously held by such Stockholder or other documentation submitted in compliance with Section 3.6 shall have been delivered to the Paying Agent;

(c) Unless submitted to the Paying Agent at or prior to Closing, as soon as practicable after the Closing Date, but no later than three (3) Business Days after the Closing, the Paying Agent will mail or otherwise cause to be delivered to each Stockholder and Optionholder,

a letter of transmittal (which will include appropriate information regarding IRS Form W-8/W-9 (or other appropriate United States Tax form)), in the form attached as an exhibit to the Paying Agent Agreement (the "Letter of Transmittal"). Following the Effective Time and delivery to the Parent or to the Paying Agent of a duly completed and executed Letter of Transmittal, and, in the case of Stockholders, together with surrender of a Certificate (or Certificates) or an Affidavit of Loss with respect thereto, each Stockholder and Optionholder, as applicable, shall be entitled to receive in exchange therefor the portion of the Net Cash Aggregate Merger Consideration to which such Stockholder and Optionholder, as applicable, is entitled pursuant to this Article III (subject to Section 3.9 and Section 3.14(b) and the Certificate(s) so surrendered shall be cancelled. Following the First Effective Time, until so surrendered or cancelled, each outstanding Certificate that, prior to the First Effective Time, represented shares of Company Capital Stock or the right to acquire shares of Company Capital Stock will be deemed from and after the First Effective Time, for all purposes, to evidence only the right to receive a portion of the Net Cash Aggregate Merger Consideration as provided in Section 3.1, Section 3.2 or Section 3.2(b), as applicable.

(d) Any payments made by Parent or on its behalf to the Paying Agent pursuant to this Agreement and the Paying Agent Agreement, as applicable, shall be treated for all purposes as full satisfaction of Parent's payment obligations of such amounts under this Agreement and shall be deemed as if made to the applicable Equityholders.

(e) The Company shall provide to Parent any information or other documentation that is reasonably required by the Paying Agent pursuant to the Paying Agent Agreement relating to cost basis reporting under Section 6045 of the Code and the Treasury Regulations promulgated thereunder, such as the acquisition date and acquisition price of any Company Capital Stock held by a Person that are "covered securities" within the meaning of Section 6045(g)(3) of the Code.

3.6 Issuance of Consideration Shares. At the First Effective Time, subject to the terms and conditions of this Agreement, Parent shall cause the Consideration Shares along with all related share certificates in the name of the Escrowed Holders to be issued to, and held by the Paying Agent for further transfer to the Equityholders, pursuant to the allocation set forth in the Allocation Schedule (which for the avoidance of any doubt shall include the type of Consideration Shares, e.g., whether restricted or not), all other than the Escrowed Shares that will be issued along with all related share certificates in the name of the Escrowed Holders the Effective Date, to the Escrow Agent.

3.7 Lost, Stolen or Destroyed Certificates. If any Certificates shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the Person claiming such Certificate to be lost, stolen or destroyed, Parent or Paying Agent will deliver in exchange for such lost, stolen or destroyed Certificate, the portion of the Net Aggregate Consideration and any other amounts or other consideration payable or issued under this Article III with respect to the Company Capital Stock formerly represented thereby; provided, however, that Parent may, in its sole discretion, require the Person who is the owner of such lost, stolen or destroyed Certificate to provide an affidavit of loss in the form attached to the Letter of Transmittal (the "Affidavit of Loss").

3.8 No Further Ownership Rights in Company Capital Stock. As of the First Effective

Time, all Certificates representing Company Capital Stock issued and outstanding immediately prior to the First Effective Time shall no longer be outstanding and shall automatically be cancelled and retired and shall cease to exist, and each Stockholder shall cease to have any rights with respect to such Stockholder's Certificates or shares of Company Capital Stock represented thereby, except for the right to receive its respective portion of the Net Aggregate Consideration and any other amounts or other consideration payable or issuable under this Article III upon surrender of such Certificate in accordance with Section 3.5 (other than Certificates representing Company Capital Stock to be cancelled in accordance with Section 3.1(a)(ii) and Dissenting Shares).

3.9 Withholding. Each of Parent, each Merger Sub, the Paying Agent, the Escrow Agent, the First Surviving Corporation, and the Surviving Company shall be entitled to deduct and withhold from any amounts payable or otherwise deliverable (in kind or otherwise) to any Equityholder or other Person pursuant to this Agreement such amounts as Parent, a Merger Sub, the Paying Agent, the Escrow Agent, the First Surviving Corporation, or the Surviving Company, as the case may be, are required to deduct or withhold therefrom under the Code, or any Tax law, with respect to the making of such payment; provided, that written notice of any intention to withhold (other than withholding required in connection with any (i) payment of compensatory amounts, (ii) failure by the Company to deliver the FIRPTA Certificate as required under this Agreement, or (iii) failure by an Equityholder to provide an applicable IRS Form W-8/W-9 (or other appropriate United States Tax form) as required by the Letter of Transmittal) shall be provided to the Representative at least ten (10) Business Days prior to any such withholding and Parent, either Merger Sub, the Paying Agent, the Escrow Agent, the First Surviving Corporation, or the Surviving Company as applicable, shall use commercially reasonable efforts to reduce or eliminate any such withholding. To the extent that such amounts are so withheld and timely paid over to the appropriate Taxing Authority, (a) such withheld amounts shall be treated for all purposes of this Agreement as having been paid to the Person to whom or to which such amounts would otherwise have been paid in respect of whom such deduction and withholding was made, (b) such withheld amounts shall be remitted by such payor to the applicable Governmental Authority, and (c) such payor shall promptly provide to the Equityholder from which such amounts were withheld written confirmation of the amount so withheld. For the avoidance of doubt, no Israeli Taxes will be deductible or withheld from any portion of any amounts payable or otherwise deliverable (in kind or otherwise) to any Equityholder or other Person pursuant to this Agreement.

3.10 Stock Transfer Books. The stock transfer books of the Company shall be closed immediately upon the First Effective Time, and there shall be no further registration of transfers of shares of Company Capital Stock thereafter on the records of the Company.

3.11 Taking of Necessary Action; Further Action. If at or any time after the First Effective Time or the Second Effective Time, as applicable, any further action is necessary or desirable to carry out the purposes of this Agreement and to vest Parent with control over, and to vest, perfect, or confirm of record or otherwise in, the First Surviving Corporation or the Surviving Company any and all right, title and possession to, all assets, property, rights, privileges, powers and franchises of the Company, the officers and directors of the First Surviving Corporation, the Surviving Company, Parent, and Representative shall, in the name of their respective corporations or otherwise, be fully authorized to take all such lawful and necessary action.

3.12 Representative Expense Amount. A portion of the Net Cash Aggregate Merger

Consideration otherwise payable to the Escrowed Holders equal to the Representative Expense Amount, shall not be paid at the First Effective Time to the Escrowed Holders, but shall instead be deposited with the Representative to be held in a segregated non-interest bearing account and used by the Representative for the direct payment of, or reimbursement of the Representative for, third party expenses incurred by the Representative in performing its duties pursuant to this Agreement. The portion of the Net Cash Aggregate Merger Consideration to be contributed on behalf of each Escrowed Holder hereunder to the Representative Expense Amount shall be based on the Indemnity Pro Rata Share of such Escrowed Holder. The Representative Expense Amount is solely for the use by the Representative to pay any costs, fees and other Representative Losses related to the performance by the Representative of its duties and obligations hereunder, and the Representative will not use the Representative Expense Amount for its operating expenses or any other corporate purposes. The Representative is not providing any investment supervision, recommendations or advice and shall have no responsibility or liability for any loss of principal of the Representative Expense Amount other than as a result of its gross negligence or willful misconduct. The Representative is not acting as a withholding agent or in any similar capacity in connection with the Representative Expense Amount and has no tax reporting or income distribution obligations on behalf of Parent with respect to the Representative Expense Amount. The Escrowed Holders will not receive any interest on the Representative Expense Amount and assign to the Representative any such interest. The Representative may contribute funds to the Representative Expense Amount from any consideration otherwise distributable to the Escrowed Holders. In the event that Representative has not used the entire Representative Expense Amount at such time as the termination of the Escrow Period (or such later time upon which outstanding claims for indemnification hereunder are deemed resolved), any remaining amount shall be distributed by the Representative to the Paying Agent for further distribution by the Paying Agent to the Escrowed Holders pro rata to their respective Indemnity Pro Rata Share. The Representative Expense Amount, or any portion thereof, will be distributed to the Escrowed Holders in accordance with the terms of the Paying Agent Agreement and such distribution shall be based on the Indemnity Pro Rata Share. If the Representative Expense Amount shall be insufficient to reimburse the Representative's expenses in accordance with this Agreement, the Representative shall be entitled to seek additional amounts (i) from the funds in the Escrow Fund that would be finally distributable to the Escrowed Holders under Article X; provided, however, that any additional payment from the Escrow Fund shall not impact any of the obligations of each Escrowed Holder pursuant to Article X and (ii) directly from the Escrowed Holders. No Payor nor any Indemnitee shall have any right, title or interest to the Representative Expense Amount and shall not make any claims against the Representative Expense Amount under this Agreement or otherwise.

3.13 Appraisal Rights. Notwithstanding any provision of this Agreement to the contrary, any issued and outstanding shares of Company Capital Stock held by Persons who have exercised and perfected appraisal rights for such shares of Company Capital Stock in accordance with Section 262 of the DGCL ("Dissenting Shares") and as of the First Effective Time have neither effectively withdrawn nor lost any right to such appraisal, shall not be converted into or represent a right to receive any portion of the consideration payable under this Article III attributable to such Dissenting Shares. Such Stockholders (the "Dissenting Stockholders") shall be entitled to receive payment of the appraised value of such shares of Company Capital Stock held by them in accordance with Section 262 of the DGCL, unless and until such Dissenting Stockholders fail to perfect, effectively withdraw or otherwise lose their appraisal rights under the DGCL. Notwithstanding the foregoing, if any Dissenting Stockholder shall effectively withdraw or lose

(through failure to perfect or otherwise) the right to appraisal, then as of the First Effective Time or the occurrence of such event, whichever occurs later, such Dissenting Shares shall automatically be converted into and represent only the right to receive the applicable portion of the Net Aggregate Consideration with respect to such shares, without interest, upon surrender of the Certificate or Certificates representing such Dissenting Shares, subject to Section 3.9, Section 3.14(b), and Article X. The Company shall provide Parent (a) prompt notice of any written demands for appraisal or payment of the fair value of any shares of Company Capital Stock, the withdrawal of such demands and any other related instruments served pursuant to the DGCL and received by the Company, and (b) the opportunity to participate in all negotiations and proceedings with respect to demands for appraisal under the DGCL. The payout and delivery of consideration under this Agreement to the holders of Company Capital Stock, Vested Options and Company SAFEs (other than to holders of Dissenting Shares who shall be treated as provided herein and under the DGCL) shall not be affected by the exercise or potential exercise of appraisal rights under the DGCL. The Company shall not settle any demands for appraisal under the DGCL without the prior written consent of Parent which shall not be unreasonably withheld, conditioned or delayed.

3.14 Deliveries at Closing.

(a) Deliveries by the Company. On or prior to the Closing Date, the Company shall deliver, or cause to be delivered, to Parent the following:

(i) a certificate dated as of the Closing Date, duly executed by the Secretary of the Company, given by him or her on behalf of the Company, certifying as to (A) an attached copy of the Company's bylaws as in effect as of the Agreement Date and stating that such bylaws have not been amended, modified, revoked or rescinded since the Agreement Date, (B) an attached copy of the Company's Amended and Restated Certificate of Incorporation as in effect as of the Agreement Date (the "COI") and stating that such certificate has not been amended, modified, revoked or rescinded, (C) an attached copy of the resolutions of the board of directors of the Company authorizing and approving the execution, delivery and performance of, and the consummation of the transactions contemplated by, this Agreement, and stating that such resolutions have not been amended, modified, revoked or rescinded, and (D) an attached copy of the Written Stockholder Consent, and stating that such resolutions have not been amended, modified, revoked or rescinded;

(ii) a certificate of the Secretary of State of the State of Delaware as to the good standing of the Company as of a date not more than five (5) Business Days prior to the Closing Date;

(iii) the Escrow Agreement and Paying Agent Agreement, duly executed by the Representative;

(iv) the Assignment Deeds, duly executed by the Company;

(v) Execution of the Written Stockholder Consent (as defined below) by all Stockholders;

(vi) the Allocation Schedule, certified as to accuracy and completeness on behalf of the Company by its Chief Executive Officer;

(vii) the FIRPTA Certificate (as defined below);

(viii) the Company Closing Certificate;

(ix) the resignations of the directors and officers of the Company as of the First Effective Time, in the form attached hereto as Exhibit E;

(x) Execution of consent and waiver of any unconverted Safeholders in the form attached hereto as Exhibit F;

(xi) Proxy by all Stockholders, Optionholders, and Safeholders, in the form attached hereto as Exhibit G, in respect of all Consideration Shares issued to such Stockholders, Optionholders, and Safeholders; and

(xii) a validly executed declaration by each Stockholder, Optionholder, and Safeholder, in the form attached hereto as Exhibit H of his/her/its confirmation that he, she, it is an Accredited Investor as defined in the Securities Act.

Deliveries by Parent. On or prior to the Closing Date, Parent shall deliver or cause to be delivered to the Company or the applicable third party, the following:

(xiii) the following Transaction Documents duly executed, as appliable, by the respective parties thereto, other than the Company and Representative:

(A) Escrow Agreement;

(B) Paying Agent Agreement; and

(C) A certificate of Share Register of Oddity, duly certified by one of Oddity's office holders, reflecting the issuance of the Consideration Shares; and

(D) Documentation, reasonably satisfactory to the Company in consultation with tax advisors chosen by the Company in its sole discretion, that Oddity is 'in control' of Parent for purposes of Section 368(a)(2)(D) of the Code, together with a certification from one of Oddity's office holders certifying that such documentation is true, correct, and complete, and there are no amendments or modifications thereof, or any intent to amend or modify such documentation.[1]

(xiv) Parent shall make the payments and equity issuances contemplated by this Article III.

(b) Escrow. At the Closing, Parent, Representative and Escrow Agent shall enter into an Escrow Agreement, in a form to be agreed to prior to Closing (the "Escrow

[1] For the avoidance of doubt these should be the duly completed and signed 8832 for the Israeli corp' (and proof of filing and IRS receipt thereof, such as mailing receipt and return receipt indicating IRS' receipt) and the signed sale/merger documents for US corp. Note to Parent: Understood that there will be supporting documentation. The language contemplates a deliverable in the nature of a secretary's certificate (i.e., officer certification).

Agreement"), pursuant to which Parent shall deposit, or shall cause to be deposited, with the Escrow Agent, the Escrow Amount (together with interest and income earned on the Cash Escrow Amount, if any (the "Accrued Interest"), the "Escrow Fund") to be held and distributed by the Escrow Agent in accordance with the terms of this Agreement and the Escrow Agreement. The Escrow Amount will be deducted from the portion of the Net Aggregate Consideration attributed to the Escrowed Holders based on their respective Indemnity Pro Rata Share in accordance with the Allocation Schedule (which shall reflect the allocation between the Cash Escrow Amount and Escrowed Shares for each Equityholder, pursuant to such Equityholder's choice). The Escrow Amount shall be available to satisfy any amounts due from the Escrowed Holders for any Indemnification Claims pursuant to Article X and the Escrow Amount and Accrued Interest shall be held and released in accordance with the Escrow Agreement and the provisions of Section 3.9 and Section 10.2. With respect to the Escrowed Shares- all cash or other additional securities, rights or other property accrued or issued on account of such Escrowed Shares as of their date of issuance shall be issued to the Paying Agent for further distribution to the Escrowed Holder.

3.15 Post-Closing Adjustment.

(a) As promptly as practicable, but in no event later than 10 calendar days following the Closing Date, Company shall prepare and deliver to the Parent, a certificate, certified as true and correct as of such date by an authorized representative of Company, to include an unaudited balance sheet of the Company as of 12:01 a.m. (PT) on the Closing Date (the "Closing Balance Sheet"), together with a statement (the "Company Closing Statement") setting forth in reasonable detail Company's good faith calculation of each of (i) Closing Cash, (ii) Closing Indebtedness, (iii) Transaction Expenses, and (iv) the Net Aggregate Consideration and attaching all relevant backup materials and schedules; together with a reasonably detailed computation, and reasonable supporting materials, in each case, using the same methodologies and accounting practices and principles applied on a consistent basis by the Company prior to Closing.

(b) From and after the delivery of the Closing Balance Sheet and the Company Closing Statement, Company shall provide the Parent and any accountants or advisors retained by Parent with reasonable access during normal business hours to the books and records and personnel of the Surviving Company, including relevant work papers and back-up materials and such other information and materials as reasonably requested by Parent, solely for the purposes of: (A) enabling the Parent and its accountants and advisors to calculate and to review Company's calculations as reflected Closing Balance Sheet and Company Closing Statement; and (B) identifying any dispute related to the calculations set forth in the Company Closing Statement.

(c) If the Parent disputes the calculation of Closing Cash, Closing Indebtedness, Transaction Expenses, or the Net Aggregate Consideration set forth in the Company Closing Statement, then Parent shall deliver a written notice (an "Adjustment Dispute Notice") to Company, Representative and the Escrow Agent during the thirty (30) day period commencing upon receipt by Parent of the Closing Balance Sheet and the Company Closing Statement (the "Review Period"). The Adjustment Dispute Notice shall set forth, in reasonable detail, the basis for the dispute of such calculation and attaching all relevant backup materials and schedules.

(d) If Parent does not deliver an Adjustment Dispute Notice prior to the expiration of the Review Period, Company's calculations of each of Closing Cash, Closing

Indebtedness, Transaction Expenses and the Net Aggregate Consideration shall be deemed final and binding on Parent, the Representative and the Equityholders for all purposes of this Agreement.

(e) If Parent delivers an Adjustment Dispute Notice prior to the expiration of the Review Period with respect to Company's calculation of Closing Cash, Closing Indebtedness, Transaction Expenses or the Net Aggregate Consideration, then (i) with respect to those items which do not appear in the Adjustment Dispute Notice or not under a dispute, such items shall be deemed final and binding on Parent, the Representative and the Equityholders for all purposes of this Agreement, (ii) with respect to those items in dispute under the Adjustment Dispute Notice, the Representative and Parent shall negotiate in good faith, meet, confer and exchange any additional relevant information reasonably requested by the other party regarding the computation of such disputed items for a period of thirty (30) calendar days after the end of the Review Period, and use reasonable efforts to resolve by written agreement (the "Agreed Adjustments") any differences as to such disputed items. In the event Parent and the Representative so resolve any such differences, Company's calculations set forth in the Company Closing Statement, as adjusted by the Agreed Adjustments, shall be final and binding for purposes of this Agreement. If the Representative and Parent are unable to reach agreement on any disputed item within such thirty (30) calendar day period, then either the Representative or Parent may submit the objections as related to the items under dispute to KPMG, and if such firm declines such appointment, to another United States nationally recognized independent accounting firm mutually agreed upon by Parent and the Representative (such firm, or any successor thereto, being referred to herein as the "Designated Accounting Firm") after such 30th day. In resolving any disputed item, the Designated Accounting Firm (x) shall determine the Closing Cash, Closing Indebtedness, Transaction Expenses and/or the Net Aggregate Consideration in accordance with the respective definitions thereof and shall use the same methodologies and accounting practices and principles applied on a consistent basis by the Company prior to Closing, (y) shall limit its review to matters still in dispute as specifically set forth in the Adjustment Dispute Notice (and only to the extent such matters are still in dispute) and (z) shall act as an expert and not as an arbitrator. The Designated Accounting Firm shall be directed by Parent and the Representative to resolve the unresolved objections as promptly as reasonably practicable, and, in any event, within forty-five (45) calendar days of such referral, and, upon reaching such determination, to deliver a copy of its calculations (the "Expert Calculations") to the Representative, Parent and the Escrow Agent. In connection with the resolution of any such dispute by the Designated Accounting Firm, each of Parent, the Representative and their respective advisors and accountants shall have a reasonable opportunity to meet with the Designated Accounting Firm to provide their respective views as to any disputed issues with respect to the calculation of Closing Cash, Closing Indebtedness, Transaction Expenses or the Net Aggregate Consideration. The determination of Closing Cash, Closing Indebtedness, Transaction Expenses or the Net Aggregate Consideration (as applicable) made by the Designated Accounting Firm shall be final and binding on Parent, the Representative and the Equityholders for all purposes of this Agreement, absent manifest error, and judgment may be entered on such determination of the Designated Accounting Firm in any court having jurisdiction over the party against which such determination is to be enforced and either party may seek specific enforcement or take other necessary legal action to enforce any decision under this Section. In calculating Closing Cash, Closing Indebtedness, Transaction Expenses and the Net Aggregate Consideration (as applicable), the Designated Accounting Firm shall be limited to addressing only the particular disputes referred to in the Adjustment Dispute Notice. The Expert Calculations (A) shall reflect in detail the differences, if any, between the disputed items reflected

therein and the disputed items set forth in the Company Closing Statement and the Adjustment Dispute Notice, and (B) with respect to any specific discrepancy or disagreement, shall be no greater than the higher amount calculated by Parent or the Representative, as the case may be, and no lower than the lower amount calculated by Parent or the Representative, as the case may be. The fees and expenses of the Designated Accounting Firm shall be paid by Parent and the Representative (on behalf of the Equityholders from the Representative Expense Amount) in inverse proportion as they may prevail (based on the disputed items as resolved by the Designated Accounting Firm as compared to the disputed items proposed by Parent and the Representative, respectively), as determined by the Designated Accounting Firm.

(f) If the Net Aggregate Consideration, as finally determined in accordance with this Section 3.15, is less than the Net Aggregate Consideration as set forth in the Allocation Schedule (the amount, if any, by which the Net Aggregate Consideration as set forth in the Allocation Schedule is greater than the Net Aggregate Consideration, as finally determined in accordance with this Section 3.15, the "Excess Consideration"), then Parent shall be obligated to seek to recover any and all Excess Consideration from the Escrow Fund. If there is any Excess Consideration, then Parent and the Representative shall promptly direct the Escrow Agent to disburse to the Surviving Company cash and/or Consideration Shares from the Escrow Fund, in an amount equal to such Excess Consideration based on the Indemnity Pro Rata Share for each Equityholder in accordance with such Equityholder's consideration contribution to the Escrow Fund (*i.e.*, pro rata ratio between cash and Consideration Shares) in accordance with the Allocation Schedule. If the Net Aggregate Consideration, as finally determined in accordance with this Section 3.15, is greater than the Net Aggregate Consideration as set forth in the Allocation Schedule (the amount by which the Net Aggregate Consideration as set forth in the Allocation Schedule is less than the Net Aggregate Consideration, as finally determined in accordance with this Section 3.15, the "Shortfall Consideration"), then Parent shall promptly deposit an amount in cash and such number of Consideration Shares equal, in proportions similar to those set forth in the Allocation Table, which together is equal to such Shortfall Consideration with the Paying Agent for disbursement to the Escrowed Holders based on their Indemnity Pro Rata Share (in accordance with the written instructions provided by the Representative to the Paying Agent). If the Net Aggregate Consideration, as finally determined in accordance with this Section 3.15, equals the Net Aggregate Consideration as set forth in the Allocation Schedule, then no disbursement shall be made to any party.

(g) For clarity, the process set forth in this Section 3.15 shall be the exclusive remedy of Parent and the Representative for disputes related to the calculation of Net Aggregate Consideration and the Company Closing Statement; provided, however, that nothing in Section 3.15 shall relieve Parent, Merger Sub I, Merger Sub II, the Company or Representative of any Liability from any claims, causes of action or remedies arising from fraud.

REPRESENTATIONS AND WARRANTIES OF THE COMPANY

Except as disclosed in a document of even date herewith and delivered by the Company to Parent and Merger Subs concurrently with the execution and delivery of this Agreement and referring by numbered section (and, where applicable, by lettered subsection) of

the representations and warranties in this Agreement (unless the relevance of that disclosure or reference to other representations and warranties is readily apparent on the face of such disclosure) (the "Company Disclosure Schedule"), and regardless of whether any Section of this Article IV makes reference to the Company Disclosure Schedule, the Company represents and warrants to Parent and Merger Subs, as of the Agreement Date and as of the Closing Date (or, if given as of a specific date, at and as of such date), for the benefit of the Indemnitees.

4.1 Organization and Good Standing. The Company is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware and has all requisite corporate power and authority to own, lease and operate its properties and to carry on its business as now conducted. The Company is duly qualified or authorized to do business as a foreign corporation and is in good standing under the laws of each jurisdiction in which the conduct of its business or the ownership of its properties requires such qualification or authorization, except where the failure to be so qualified, authorized or in good standing would not have a Material Adverse Effect. Section 4.1 of the Company Disclosure Schedule accurately sets forth: (a) the names of the members of the board of directors (or similar body) of the Company; (b) the names of the members of each committee of the board of directors (or similar body) of the Company; and (c) the names and titles of the officers of the Company.

4.2 Authorization of Agreement.

(a) The Company has all requisite corporate power and authority to execute and deliver this Agreement and, subject to obtaining the Written Stockholder Consent, each other Transaction Document to which it is, or at the Closing will be, a party, and, subject to obtaining the Written Stockholder Consent, to perform its obligations under this Agreement and each such other Transaction Document, and to consummate the transactions contemplated hereby and thereby. The execution and delivery of this Agreement and each other Transaction Document to which it is, or at the Closing will be, a party, and the consummation of the transactions contemplated hereby and therebyhave been or will be duly and validly authorized by the board of directors and stockholders of the Company, and no other corporate proceedings on the part of the Company are necessary to authorize the execution, delivery or performance by the Company of this Agreement and each such other Transaction Document, or to consummate the transactions contemplated hereby and thereby. This Agreement has been, and, when executed at Closing, each other Transaction Document to which it is a party will be, duly and validly executed and delivered by the Company and, assuming the due authorization, execution and delivery by the other parties hereto and thereto, this Agreement constitutes, and each other Transaction Document when so executed and delivered will constitute, the legal, valid and binding obligations of the Company, enforceable against the Company in accordance with their terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium and similar laws affecting creditors' rights and remedies generally, and subject, as to enforceability, to general principles of equity, including principles of commercial reasonableness, good faith and fair dealing (regardless of whether enforcement is sought in a proceeding at law or in equity).

(b) The board of directors of the Company has unanimously (i) determined this Agreement and the transactions contemplated hereby, including the Mergers, to be advisable and fair to, and in the best interests of, the Stockholders and that the consideration to be paid to the Equityholders for each share of Company Capital Stock andCompany Stock Options, held by them

in the Mergers is fair to and in the best interests of such Equityholders, (ii) approved and adopted this Agreement and the transactions contemplated hereby (iii) resolved to recommend that the Stockholders adopt this Agreement and approve the Mergers and the other transactions contemplated by this Agreement, which resolutions have not been subsequently rescinded, modified or withdrawn in any way.

(c) The Company Requisite Vote (as defined below) is the only vote of the holders of any class or series of capital stock of the Company necessary to approve this Agreement and thereby approve the principal terms of the Mergers and the consummation of the transactions contemplated hereby.

4.3 Conflicts; Consents of Third Parties.

(a) Except as set forth on Section 4.3(a) of the Company Disclosure Schedule, neither the execution and delivery by the Company of this Agreement or any of the other Transaction Documents, nor the consummation of the transactions contemplated hereby or thereby, nor compliance by the Company with any of the provisions hereof or thereof will conflict with, or result in any violation of or default (with or without notice or lapse of time, or both) under, or give rise to a right of termination, cancellation or acceleration of any obligation or to loss of a material benefit under, or give rise to any obligation of the Company to make any payment under, or to the increased, additional, accelerated or guaranteed rights or entitlements of any Person under, or result in the creation of any Liens (other than Permitted Liens) upon any of the properties or assets of the Company under, any provision of (i) the Company's Fundamental Documents, (ii) any Material Contract or Permit to which the Company is a party,(iii) any Order applicable to the Company or any of the properties or assets of any of the Company or (iv) assuming compliance with the matters referred to in Section 4.3(b), any applicable Law, except with respect to clause (ii)-(iv) where a default, violation or failure to comply with such Material Contract, Order or applicable Law (as applicable) would not be material to the Company or impede its ability to consummate the transactions contemplated by this Agreement and would not reasonably expected to result in a material Liability to the Company.

(b) Except for (i) any filings that may be required in connection with the transactions described herein under the HSR Act and any foreign antitrust, merger control, or competition law, and the receipt of any clearances, authorizations, approvals, or waiting period expirations or terminations as may be required in connection with the transactions described herein under the HSR Act and any foreign antitrust, merger control, or competition law (ii) the filing of the First Certificate of Merger as required by the DGCL and the Second Certificate of Merger as required by the DGCL and DLLCA and as set forth on Section 4.3(b) of the Company Disclosure Schedule and (iii) any consents, notices to, waivers, approvals and authorizations to third parties set forth on Section 4.3(a) of the Company Disclosure Schedule, no consent, notices to, waiver, approval, Order, Permit or authorization of, or declaration or filing with, or notification to, any Governmental Authority, (or any other Person (other than the parties to this Agreement) is required on the part of the Company in connection with (i) the execution and delivery of this Agreement or any other Transaction Document, the compliance by the Company with any of the provisions hereof or thereof, or the consummation of the transactions contemplated hereby or thereby or (ii) continuing validity and effectiveness immediately following the Closing of any Permit or Material Contract of the Company, other than as a result of any change of control provisions in any contracts

to which Parent, Merger Sub I, or Merger Sub II or any of their respective Affiliates is a party, or judgments, permits, orders or any applicable Law binding on Parent, Merger Sub I, or Merger Sub II or any of their respective Affiliates.

4.4 Capitalization.

(a) As of the Agreement Date, the authorized capital stock of the Company consists of 25,300,000 shares of Company Common Stock par value $0.00001 per share, and 8,190,549 shares of Company Preferred Stock par value $0.00001 per share, of which 2,401,996 have been designated Series Seed-1 Preferred Stock, 3,165,031 have been designated Series Seed-2 Preferred Stock and 2,623,522 have been designated Series Seed-3 Preferred Stock. The rights and privileges of the Company Capital Stock are set forth in the COI. As of the Agreement Date, the number of shares of Company Common Stock and Company Preferred Stock outstanding is set forth in Section 4.3(b)(a)-1 of the Company Disclosure Schedule. Except as set forth on Section 4.3(b)(a) of the Company Disclosure Schedule, no shares of Company Capital Stock are held by the Company as treasury stock. As of the Agreement Date, (i) the number of shares of Company Common Stock that are reserved for issuance under the Company Stock Option Plan, (ii) the number of shares of Company Common Stock reserved for issuance outside of the Company Stock Option Plan, (iii) the number of shares of Company Common Stock subject to outstanding Company Stock Options granted under the Company Stock Option Plan, (iv) the number of shares of Company Common Stock subject to outstanding Company Stock Options granted outside the Company Stock Option Plan, and (v) the number of shares of Company Common Stock available for grant under the Company Stock Option Plan, in each case is set forth in Section 4.3(b)(a)-2 of the Company Disclosure Schedule. All issued and outstanding shares of Company Capital Stock are duly authorized, validly issued, fully paid and nonassessable and such shares have not been issued in violation of any preemptive rights pursuant to applicable Law or in the Company's Certificate of Incorporation. All issued and outstanding shares of Company Capital Stock have been issued pursuant to valid exemptions from registration under the Securities Act of 1933, as amended (the "Securities Act"), and all other applicable securities laws. A true and complete list of record holders of the issued and outstanding Company Capital Stock as of the Agreement Date is set forth on Section 4.3(b)(a) of the Company Disclosure Schedule.

(b) Section 4.3(b)(b) of the Company Disclosure Schedule sets forth a true, correct and complete list of all outstanding Company Stock Options, Company SAFEs and other rights to purchase or receive shares of Company Capital Stock granted under the Company Stock Option Plan, any sub-plans thereto or otherwise, and, for each such Company Stock Option and other right, (i) the number and type of shares of Company Capital Stock subject thereto, (ii) the terms of vesting (including the extent to which it will become accelerated as a result of the Mergers) and vested status, (iii) the grant and expiration dates, (iv) the exercise price, if applicable, (v) the name of the holder thereof and (vi) the status of the Company Stock Option as an "incentive stock option" as defined in Section 422 of the Code, a non-qualified stock option or otherwise.

(c) Except as set forth on Section 4.3(b)(c) of the Company Disclosure Schedule, there is no existing option, restricted stock unit, stock appreciation right, performance stock, "phantom" stock, warrant, call, right or Contract of any character to which the Company is a party requiring, and there are no securities of the Company outstanding which upon conversion or exchange would require, the Company to issue, sell or transfer of any additional shares of

Company Capital Stock or other equity securities of the Company or other securities convertible into, exchangeable or evidencing the right to subscribe for or purchase shares of Company Capital Stock or other equity securities of the Company. The Company is not a party to any voting trust, stockholders agreement, investors' rights agreement, voting trust, right of first refusal and co-sale agreement, management rights agreement or other similar Contract with respect to the voting, redemption, registration, sale, transfer or other disposition of Company Capital Stock or other Securities convertible into, exchangeable for or evidencing the right to subscribe for or purchase Company Capital Stock or other Securities of the Company. There are no outstanding obligations of the Company to repurchase, redeem or otherwise acquire any shares of Company Capital Stock or other equity securities of the Company or other securities convertible into, exchangeable for or evidencing the right to subscribe for or purchase shares of Company Capital Stock or other equity securities of the Company. There are no outstanding bonds, debentures, notes or other obligations, the holders of which have the right to vote with the holders of Company Capital Stock on any matter.

(d) With respect to the Company Stock Options issued pursuant to the Company Stock Option Plan, (i) each grant of an option was duly authorized no later than the grant date of such option (the "Grant Date") by all necessary corporate action and, except as set forth in Section 4.4(d) of the Company Disclosure Schedule, was executed and delivered by each party thereto within a reasonable time following the Grant Date, (ii) all options granted to U.S. taxpayers have an exercise price equal to no less than the fair market value of the underlying shares of Company Common Stock on the Grant Date, as determined in accordance with Section 409A of the Code, (iii) each such grant was made in accordance with the terms of the Company Stock Option Plan and all applicable Laws, including valid exemptions from registration under the Securities Act and all other applicable securities laws, (iv) the Company Stock Option Plan is the only plan or program the Company maintains under which outstanding options to acquire Company Common Stock, restricted stock, stock appreciation rights or other compensatory equity-based awards have been or may be granted, (v) the Company has made available to Parent true, correct and complete copies of each duly executed option agreement, (vi) other than with respect to number of shares of Common Stock underlying, exercise price, vesting commencement date, vesting schedule and tax track, no award agreement differs in any material respect from such form agreements, (vii) there is no agreement, arrangement or understanding (written or oral) to amend, modify or supplement such Company Stock Options in any case from the form provided to Parent and (viii) each such grant was properly accounted for in all material respects in accordance with GAAP in the financial statements (including the related notes) of the Company.

(e) Except as set forth in Section 4.3(b)(e) of the Company Disclosure Schedule, there are no offer letters, other employment Contracts or other arrangements that contemplate a grant of options to purchase Company Capital Stock or other equity awards with respect to Company Capital Stock, or arrangements with Persons who have otherwise been promised options or any other rights to purchase Company Capital Stock or other equity awards with respect to Company Capital Stock, which options or other equity awards have not been granted as of the Agreement Date.

4.5 Corporate Records.

(a) The Company has made available to Parent true, correct and complete

copies of the Company's Fundamental Documents in existence as of the date of this Agreement. All such Fundamental Documents are in full force and effect and the Company is not in violation of any provisions therein.

(b) The minute books and corporate resolutions of the Company previously made available to Parent, Merger Sub I, and Merger Sub II contain true, correct and complete records of all meetings (if available) and corporate resolutions and in each case accurately reflect in all material respects all corporate action of the Stockholders and board of directors (including committees thereof) of the Company which took place prior to the Agreement Date. The stock certificate books and stock ledger of the Company previously made available to Parent are true, correct and complete.

4.6 Financial Statements.

(a) Section 4.6(a) of the Company Disclosure Schedule contains true, correct and complete copies of (i) the unaudited balance sheet of the Company as of December 31, 2021, and the related unaudited statements of operations and cash flows of the Company for the year then ended, (ii) the unaudited balance sheet of the Company as of December 31, 2022, and the related unaudited statements of operations and cash flows of the Company for the year then ended and (iii) the unaudited balance sheet of the Company as of February, 2023 and the related reviewed statements of operations and cash flows of the Company for the two month period then ended (such audited and unaudited statements, including the related notes and schedules thereto, are referred to herein as the "Financial Statements"). Except as set forth on Section 4.6(a) of the Company Disclosure Schedule, each of the Financial Statements has been prepared materially in accordance with GAAP, as applied in the Balance Sheet, consistently applied by the Company throughout the periods presented and presents fairly, in all material respects, the financial position, results of operations and cash flow of the Company as of the dates and for the periods indicated therein; provided, however, that, in the case of the unaudited Financial Statements, such Financial Statements may not contain footnotes required by GAAP and are subject to normal recurring and year-end adjustments that are not, individually or in the aggregate, material to the Company. For the purposes hereof, the reviewed balance sheet of the Company as at February 28, 2023 is referred to as the "Balance Sheet" and February 28, 2023 is referred to as the "Balance Sheet Date".

(b) The Company has not identified or been made aware of (i) any fraud, whether or not material, that involves the Company's management or any other current or former employee, consultant, or director of the Company who has a role in the preparation of financial statements or the internal accounting controls utilized by the Company, or (ii) as of the Agreement Date, any claim or allegation regarding any of the foregoing.

(c) The Company (i) makes and keeps accurate books and records that fairly reflect, in all material respects, the transactions and dispositions of assets of the Company; and (ii) maintains internal accounting controls that provide reasonable assurance that (A) transactions are recorded as necessary to permit preparation of their respective financial statements in conformity with GAAP; (B) receipts and expenditures are made only in accordance with general or specific authorizations of management and directors of the Company; (C) access to its assets is permitted only in accordance with general or specific authorizations of management and directors of the Company; and (D) the reported accounting for its assets and liabilities is compared with existing

assets and liabilities at reasonable intervals.

(d) All accounts receivable of the Company have arisen from bona fide transactions in the Ordinary Course of Business consistent with past practices and are valid, genuine.

4.7 No Undisclosed Liabilities. Other than as set forth in Section 4.7 of the Company Disclosure Schedule, the Company has no Liabilities required by GAAP to be reflected in a consolidated balance sheet of the Company or disclosed in the notes thereto other than (a) those reflected in, reserved against or otherwise described in the Balance Sheet or the notes thereto, (b) accounts payable or accrued salaries incurred in the Ordinary Course of Business since the Balance Sheet Date and similar in character and amount to the liabilities and obligations set forth on the Financial Statements, (c) the Transaction Expenses (as shall be set forth in the Allocation Schedule) or (d) non-monetary liabilities arising under Contracts to which the Company is a party or otherwise bound and which were made available to Parent by the Company. For clarity, (x) the mere existence of a yet-to-be-resolved claim, complaint or notice from a third party involving Company arising after the Agreement Date shall not constitute a breach of this Section 4.7 on the theory that such claim or the matters underlying such claim constituted Liability or obligation of Company as of the Agreement Date and (y) this Section 4.7 shall not be deemed to address the subject matter of any other representation or warranty in this Article IV that is qualified by Company's Knowledge so as to have the effect of the Company making a representation or warranty regarding such subject matter without a Knowledge qualifier.

4.8 Absence of Certain Changes. Except as expressly contemplated by this Agreement or as set forth on Section 4.8 of the Company Disclosure Schedule, since the Balance Sheet Date (i) as of the Agreement Date, there has not been any event, occurrence, development or state of facts that has had, individually or in the aggregate, a Material Adverse Effect and (ii) as of the Agreement Date, the business of the Company has been conducted in the ordinary course consistent with past practices.

4.9 Taxes.

(a) (i) The Company has filed all income, franchise and other material Tax Returns required to be filed by it and such Tax Returns have been duly and timely filed with the appropriate Taxing Authority in all jurisdictions in which such Tax Returns are required to be filed (after giving effect to any valid extensions of time in which to make such filings), and all such Tax Returns are true, complete and correct in all material respects, and (ii) all Taxes shown on such Tax Returns and all other amounts of Taxes (whether or not required to be shown on any Tax Return) due and payable by the Company have been fully and timely paid. With respect to any Taxes where payment is not yet due or owing, the Company has established in accordance with GAAP an adequate accrual for all such Taxes through the end of the last period for which the Company ordinarily records items on its respective books and records. The Company has not incurred any liability for Taxes since the Balance Sheet Date other than in the ordinary course of business consistent with past practice.

(b) The Company has complied in material all respects with all applicable Laws relating to the payment and withholding of Taxes from payments made or deemed made to any

Person (including withholding of Taxes pursuant to Sections 1441, 1442, 1445, 1446, 1471, 1472 and 3406 of the Code or similar provisions under any foreign law), and has duly and timely withheld and paid over to the appropriate Taxing Authority all material amounts required to be so withheld and paid under all applicable Laws. The Company is in material compliance with, and its records contain all material information and documents necessary to comply with, all applicable information reporting and withholding requirements under all applicable Tax Laws.

(c) Other than any Tax Returns that have not yet been required to be filed (taking into account any extensions), the Company has made available to Parent complete copies of (i) all income, franchise and all other material Tax Returns of the Company relating to the taxable periods with respect to which the applicable statute of limitation has not already expired (ii) any audit report issued relating to any material Taxes due from or with respect to the Company (iii) any closing or settlement agreements entered into by the Company with any Taxing Authority that are currently in effect, and (iv) all Tax rulings and similar Tax decisions from any Taxing Authority, in each case under subsection (ii) to (iv), for all taxable periods since inception.

(d) Company has not received any written notice of any claim by a Taxing Authority in a jurisdiction where the Company does not file Tax Returns that the Company is or may be subject to taxation by, or required to file any Tax Return in, that jurisdiction.

(e) To the Knowledge of the Company, there are no audits or investigations by any Taxing Authority in progress, nor has the Company received any written notice from any Taxing Authority that it intends to conduct such an audit or investigation.

(f) The Company or any other Person on its behalf has not (i) agreed to or is required to make any adjustments pursuant to Section 481(a) of the Code or any similar provision of Law nor has any Taxing Authority proposed any such adjustment, nor is there any application pending with any Taxing Authority requesting permission for any changes in accounting methods that relate to the Company, (ii) executed or entered into a closing agreement prior to the Closing Date pursuant to Section 7121 of the Code or any similar provision of Law with respect to the Company that is currently in effect, (iii) requested any extension of time within which to file any Tax Return, which Tax Return has since not been filed, other than extensions of time to file obtained in the ordinary course of business, (iv) granted any extension for the assessment or collection of Taxes that is currently in effect, which Taxes have not since been paid, or (v) granted to any Person any power of attorney that is currently in force with respect to any Tax matter, other than authorizations to contact Tax Return preparers that were included in Tax Returns filed by the Company.

(g) The Company is not a party to any Tax sharing, allocation, indemnity or similar Contract (other than customary Tax indemnification provisions in commercial Contracts the principal purpose of which is unrelated to Taxes).

(h) The Company is not nor has it ever been a member of any consolidated, combined, affiliated or unitary group of corporations for any Tax purposes or any similar group for federal, local or foreign Tax purposes (other than any group the common parent of which is the Company). The Company has no liability for Taxes of any Person under Treasury Regulations Section 1.1502-6 (or any comparable provision of state, local or foreign Law), as a transferee or

successor, by Contract or otherwise (other than under customary Tax indemnification provisions in commercial Contracts the principal purpose of which is unrelated to Taxes).

(i) The Company has not engaged in any "listed transaction" within the meaning of Treasury Regulations Section 1.6011-4(b)(1), (b)(2), or any other transaction requiring disclosure under an analogous provision of state, local or foreign Tax Law.

(j) There are no Liens for Taxes on the Company's assets other than statutory liens for current Taxes that are not yet due or payable or liens for Taxes that are being contested in good faith by appropriate proceedings that are disclosed on the Company Disclosure Schedule.

(k) Section 4.9(k) of the Company Disclosure Schedule sets forth all Tax exemptions, Tax holidays or other Tax reduction or incentives agreements or arrangements entered into by the Company and any Governmental Authority (and excluding, for the avoidance of doubt, any such exemptions, holidays or other arrangements that are generally applicable to all relevant taxpayers) (the "Tax Holidays"). The Company has made available to Parent all documentation relating to such Tax Holidays.

(l) The prices and terms for the provision of any property or services by or to the Company to or from a Person related to the Company (as applicable) are at arm's length for purposes of relevant transfer pricing Laws, including Treasury Regulations promulgated under Section 482 of the Code and all related documentation if required by such Laws has been timely prepared or obtained and, if necessary, retained. The Company properly and timely documented its transfer pricing methodology, to the extent required by Section 482 and the Treasury Regulations promulgated thereunder.

(m) To the Company's Knowledge, the Company has never engaged in a trade or business, had a "permanent establishment" (within the meaning of an applicable Tax treaty) or otherwise been subject to Tax in any country other than its country of formation.

(n) The Company is (and has always been) treated as corporation for U.S. federal income Tax purposes and has not made an election pursuant to Treasury Regulation Section 301.7701-3. The Company has never elected (nor has any Person elected on its behalf) to be treated as an S corporation within the meaning of Sections 1361 and 1362 of the Code.

(o) The Company has not constituted a "distributing corporation" or a "controlled corporation'' (within the meaning of Section 355(a)(1)(A) of the Code) (i) in a distribution of shares qualifying for tax-free treatment under Section 355 of the Code in the two years prior to the Agreement Date or (ii) in a distribution that could otherwise constitute part of a "plan" or "series of related transactions" (within the meaning of Section 355(e) of the Code) in conjunction with this acquisition.

(p) The Company will not be required to include in a taxable period ending after the Closing Date an amount of taxable income attributable to income that accrued in a taxable period prior to the Closing Date but was not recognized for Tax purposes in such prior taxable period (or to exclude from taxable income in a taxable period ending after the Closing Date any deduction recognition of which was accelerated from such taxable period to a taxable period prior to the Closing Date) as a result of any prepaid amount received prior to the Closing, the installment

method of accounting or open transaction disposition made prior to the Closing, the completed contract method of accounting, the long-term contract method of accounting, the cash method of accounting, any change in, or use of an improper, method of accounting for Pre-Closing Tax Periods, any deferred intercompany gain or any excess loss account described in Treasury Regulations under Code Section 1502, Section 481 of the Code or any election pursuant to Section 108(i) of the Code, made with respect to any taxable period ending on or prior to the Closing, or comparable provisions of state, local or non-U.S. Tax law.

(q) To the Company's Knowledge, all Stockholders holding Company Common Stock that are nontransferable and subject to a substantial risk of forfeiture within the meaning of Section 83 of the Code with respect to which an election under Section 83(b) of the Code has been made timely and validly. All elections made under Section 83(b) of the Code by any Stockholder with respect to any Company Common Stock that are in the Company's possession have been made available to Parent.

(r) The Company is not, nor has it been required to report, under Section 999 of the Code, operations in a country subject to an international boycott.

(s) The Company has not taken or agreed to take any action or knows of any fact, agreement, plan or other circumstances that is reasonably likely (i) to prevent the Mergers, taken together, from qualifying as a "reorganization" within the meaning of Section 368(a) of the Code, or (ii) cause the stockholders of the Company to recognize gain pursuant to Section 367(a)(1) of the Code. The Company operates at least one significant historic business line, or owns at least a significant portion of its historic business assets, in each case within the meaning of Treasury Regulations Section 1.368-1(d).

(t) Notwithstanding anything to the contrary that may be contained in this Agreement, the representations and warranties made in this Agreement with respect to Taxes refer only to the past activities of the Company, and are not intended to serve as representations and warranties regarding, or a guarantee of, nor can they be relied upon with respect to, Taxes attributable to any Post-Closing Tax Period or any Tax position taken after the Closing Date, and no representations and warranties are provided with respect to any Tax attributes of the Company. The representations and warranties contained in this Section 4.9 and in Section 4.14 (to the extent related to Tax matters) are the sole and exclusive representations and warranties provided by the Company with respect to Tax matters.

(u) The Company has properly classified its independent contractors and/or employees for Tax purposes and complied with the applicable employment withholding tax liabilities.

4.10 Real Property.

(a) Section 4.10(a) of the Company Disclosure Schedule sets forth a complete list of all real property and interests in real property leased by the Company as lessee or sublessor (individually, a "Real Property Lease" and collectively, the "Real Property Leases" and such leased properties being referred to herein individually as a "Company Property" and collectively

as the "Company Properties"). The Company does not own, and has never in the past owned, any real property. The Company Properties constitute all interests in real property currently used or currently held for use in connection with the Business. The Company has a valid and enforceable leasehold interest, free and clear of any Liens (other than Permitted Liens) (subject to applicable bankruptcy, insolvency, reorganization, moratorium and similar laws affecting creditors' rights and remedies generally, and subject, as to enforceability, to general principles of equity, including principles of commercial reasonableness, good faith and fair dealing (regardless of whether enforcement is sought in a proceeding at law or in equity)), under each of the Real Property Leases, and no party, except for the Company, has a right to occupy any of the premises subject to a Real Property Lease.

(b) The Company has not received any written notice from any insurance company that has issued to the Company a policy with respect to any Company Property requiring performance of any structural or other repairs or alterations to such Company Property. To the Knowledge of the Company, there are no structural, electrical, mechanical or other defects in any improvements located on any of the Company Properties.

(c) The Company does not own or hold, or is obligated under or a party to, any option, right of first refusal or other contractual right to purchase, acquire, sell, assign or dispose of any real estate or any portion thereof or interest therein.

(d) There is no real property which is leased, subleased or owned by Stockholders and which is used by the Company.

(e) The Company has made available to Parent a true, correct and complete copy of each Real Property Lease.

4.11 Tangible Personal Property.

(a) The Company has good and marketable title to, or, in the case of leased properties and assets, valid leasehold interests in, all of the material items of tangible personal property it purports to own or lease, free and clear of any and all Liens other than Permitted Liens. All such items of tangible personal property which, individually or in the aggregate, are material to the operation of the Business (if any) are in good condition and in a state of good maintenance and repair (ordinary wear and tear excepted) and are reasonably suitable for the purposes used.

(b) Except as set forth on Section 4.11(b) of the Company Disclosure Schedule, the Company is not a party to a lease of personal property ("Personal Property Leases") relating to personal property used in the Business or to which the Company is a party or by which the properties or assets of the Company is bound. All of the items of personal property under the Personal Property Leases are in good condition and repair (ordinary wear and tear excepted) and are reasonably suitable for the purposes used, and such property is in all material respects in the condition required of such property by the terms of the lease applicable thereto during the term of the lease.

4.12 Intellectual Property.

(a) Section 4.12(a)(i) of the Company Disclosure Schedule sets forth a true,

correct and complete list of all Company Intellectual Property Registrations (including the name of applicant/registrant and record owner(s) thereof) and: (i) for each Patent included in the Company Intellectual Property Registrations, the application serial number and date filed, the jurisdiction, the title, the patent number and date issued if issued, and the present status thereof, (ii) for each Trademark included in the Company Intellectual Property Registrations, the application serial number and date filed, the jurisdiction, the registration number, and registration date if registered, and the class of goods or services covered, the nature of the goods or services, and the present status thereof, (iii) for each domain name included in the Company Intellectual Property Registrations, the domain, the registration date, any renewal date, the name of the registrar, (iv) for each Copyright included in the Company Intellectual Property Registrations, the title, the jurisdiction, the application number and filing date, and if registered the number and date of such registration, and (v) for each registered design included in the Company Intellectual Property Registrations, the application serial number and filing date, the title, the jurisdiction, the registration number and registration date if registered, and present status thereof. Section 4.11(a)(ii) of the Company Disclosure Schedule sets forth a list of all material unregistered Trademarks used by the Company.

(b) To the Company's knowledge, each of the Company Intellectual Property Registrations (excluding applications) is valid and enforceable. Each of the Company Intellectual Property Registrations is subsisting, all necessary registration, maintenance and renewal fees due as of the Closing Date in connection with Company Intellectual Property Registrations have been made, and all necessary documents, recordations and certificates in connection with Company Intellectual Property Registrations have been filed with the relevant Registration Office for the purposes of prosecuting, perfecting and maintaining such Company Intellectual Property Registrations. Section 4.12(b) of the Company Disclosure Schedule sets forth a true, correct and complete list of all actions that must be taken within one hundred and twenty (120) days after the Closing Date for the purposes of obtaining, maintaining, renewing, or preserving any Company Intellectual Property Registrations, including the payment of any registration, maintenance or renewal fees or the filing of documents, applications or certificates or any responses to office actions. To the Company's Knowledge, there are no materials, information, facts or circumstances that would render any of the Company Intellectual Property Registrations invalid or unenforceable or that would materially affect any pending applications for any Company Intellectual Property Registrations, except in the ordinary course of prosecution such as office actions and search reports. All applications for Company Intellectual Property Registrations have been prosecuted in compliance with all material aspects of applicable rules, policies and procedures of the relevant jurisdiction and Registration Office for prosecution of applications for issuance or registration of Intellectual Property Rights in all material respects. The original, first and joint inventors (as applicable) of the subject matter claimed in each of the Company's Patents are properly named as inventors of such Company's Patents. The applicable Laws governing marking of products covered by the inventions in each of the issued Company's Patents have been complied with in all material respects, and no such notice has been used in a manner that is deceptive, intentionally misleading or unauthorized under such applicable Laws. To the Company's Knowledge, There has been no conduct by or on behalf of the Company that would reasonably be expected to render any issued Company Patents or any claim thereof invalid or unenforceable. To the Company's Knowledge, as of the Agreement Date, except as listed in Section 4.12(b)(i) of the Company Disclosure Schedule and except in the ordinary course of prosecution (such as office actions and search reports), there are no Legal Proceedings, including any inventorship challenge, opposition,

interference, derivation, reexamination, *ex parte* reexamination, *inter partes* review, *inter partes* reexamination, post grant review, reissue, invalidity, nullity or cancellation proceedings, pending for or involving or related to any of the Company Intellectual Property Registrations before any Registration Office, court, tribunal or other Governmental Authority, and, to the Knowledge of the Company as of the Agreement Date, no such Legal Proceedings are threatened or contemplated by any Governmental Authority or any other Person, nor does Company have Knowledge as of the Agreement Date of any circumstance or information that could give rise to any of the foregoing actions or proceedings. Except as listed in Section 4.12(b)(ii) of the Company Disclosure Schedule, no issuance or registration obtained and no application filed by the Company has been cancelled, abandoned, allowed to lapse or not renewed, except where the Company has in its reasonable business judgment decided to cancel, abandon, allow to lapse or not renew such issuance, registration or application.

(c) To the Company's Knowledge, no Owned Company Intellectual Property, Owned Company Technology or Company Products are subject to any Legal Proceeding or Order against the Company, including any Legal Proceeding or Order restricting any use, transfer or licensing of such Owned Company Intellectual Property, Owned Company Technology or Company Products by the Company or that affects or challenges the validity, right to use or enforceability of such Owned Company Intellectual Property, Owned Company Technology or use of Company Products. To the Company's Knowledge as of the date hereof, no Licensed Company Intellectual Property or Licensed Company Technology included in any Company Product or otherwise used or held for use by the Company, and deemed as material component therein is subject to any Legal Proceeding or Order restricting any use, transfer or licensing of such Licensed Company Intellectual Property or Licensed Company Technology by the Company.

(d) The Company is the sole and exclusive owner of, and has good, exclusive and marketable title to, all Owned Company Intellectual Property and Owned Company Technology free and clear of any Liens (except Permitted Liens), and all Owned Company Intellectual Property and Owned Company Technology are not subject to any payments except as set forth in Section 4.12(d) of the Company Disclosure Schedule (other than salaries payable to employees and independent contractors). All Owned Company Intellectual Property and Owned Company Technology are fully transferable, alienable and licensable by the Company and can be amended and modified by the Company, in each case without restriction (except Permitted Liens and any licenses and contractual restrictions contained in agreements entered into by the Company in the ordinary course of business or otherwise disclosed in Section 4.12(l)(i) of the Company Disclosure Schedule) and without payment of any kind to any Person.

(e) The Company has valid and enforceable license or other right to use, practice and exploit all Licensed Company Intellectual Property and Licensed Company Technology in the manner in which the foregoing Intellectual Property Rights or Technology are or have been used, practiced and exploited. To the Company's Knowledge, the Company does not use, practice or exploit any Intellectual Property Rights and Technology in connection with its Business other than the Owned Company Intellectual Property, the Licensed Company Intellectual Property, the Owned Company Technology and the Licensed Company Technology.

(f) To the Company's Knowledge, no Person other than the Company has any ownership interest in or exclusive rights to any Owned Company Intellectual Property or Owned

Company Technology or any improvements made by or for the Company to any Company Products or any Owned Company Intellectual Property or Owned Company Technology.

(g) The Company has not (i) transferred ownership of, or granted any exclusive license or exclusive right under or with respect to, or authorized the retention of any exclusive right with respect to or joint ownership of, any Owned Company Intellectual Property or Owned Company Technology, (ii) permitted the Company's rights in any Owned Company Intellectual Property or Owned Company Technology to lapse or enter the public domain (except (a) with respect to Confidential Information that the Company no longer desires to keep confidential and identified in Section 4.12(g) of the Company Disclosure Schedule, or (b) where the Company has in its reasonable business judgment decided to enable it to lapse or enter the public domain), or (iii) granted to any Person any right to bring any claim or cause of action arising out of or related to infringement, misappropriation or violation of any Owned Company Intellectual Property or Owned Company Technology. No current or former manager, director, shareholder, founder, officer, employee, contractor, distributor, reseller or consultant of the Company owns or retains (and after giving effect to the transactions contemplated herein no such Person will own or retain) any right, title or interest in or to any of the Owned Company Intellectual Property or Owned Company Technology (other than, with respect to employees, contractors and consultants, the right to use such Owned Company Intellectual Property or Owned Company Technology within the scope of such Person's employment by or engagement with the Company).

(h) Each current and former employee, contractor and consultant of the Company who was or is involved in or has contributed or is contributing to the creation or development of any Company Products, Owned Company Intellectual Property or Owned Company Technology for or on behalf of the Company has executed and delivered to the Company a written agreement, effective and enforceable in the jurisdiction in which such employee, contractor and consultant developed such Company Products, Owned Company Intellectual Property or Owned Company Technology, that (i) appropriately protects the confidentiality of all Confidential Information of the Company to which such employee, contractor or consultant has access, (ii) irrevocably assigns (to the fullest extent permitted by applicable Law) to the Company all right, title and interest in and to all Intellectual Property Rights or Technology created or developed by such Person during and in the scope of such Person's employment by or engagement with the Company (and, in the case of founders of the Company, any Intellectual Property Rights or Technology materially relevant and necessary to the Business created prior to the founder's employment or engagement with the Company), and (iii) if applicable, includes a waiver of or license to any and all moral rights and other non-assignable rights (to the extent possible under applicable Law and to the extent such rights were not assigned to the Company) such Person may possess in such Owned Company Intellectual Property Right or Owned Company Technology (collectively, the "Invention Assignment Agreements"). The Company has made available to the Parent true, correct and complete copies of all Invention Assignment Agreements. To the Company's Knowledge, no current or former employees, contractors or consultants of the Company who were or are involved in or has contributed or is contributing to the creation or development of any Owned Company Intellectual Property, Owned Company Technology or Company Products are in violation of their respective Invention Assignment Agreements. To the Company's Knowledge, no current or former employee, contractor or consultant of the Company owns or has claimed to have any rights in any Company Product, Owned Company Intellectual Property or Owned Company Technology. To the extent any Intellectual Property Right or

Technology covered by an Invention Assignment Agreement relates to Company Intellectual Property Registrations, and to the extent provided for by, and in accordance with, applicable Laws, the Company has recorded such Invention Assignment Agreements or other documents sufficient to evidence the assignment of such Intellectual Property Right or Technology to the Company, as applicable and appropriate, with the relevant Registration Office or Governmental Authority such that such Company Intellectual Property Registrations are in the name of the Company with no break in the chain of title. No current or former employee, contractor or consultant of the Company has ever expressly excluded any Intellectual Property Right or Technology from any Invention Assignment Agreement executed by such Person within the scope of such Person's employment by or engagement with the Company.

(i) The Company has paid, in full, all mandatory payments to employees, contractors and consultants in relation to all Owned Company Intellectual Property and Owned Company Technology created and developed by such employees, contractors and consultants. Neither this Agreement nor any transaction contemplated herein is reasonably expected to result in any further amounts being payable to any current or former employees, contractors or consultants of the Company in relation to any Owned Company Intellectual Property and Owned Company Technology that would not have otherwise been payable in the absence of any transaction contemplated herein. The Company is not required to make any royalty payment, license payments or other payments, whether recurring or otherwise, to any Person, for the use of any Owned Company Intellectual Property or Owned Company Technology.

(j) To the Company's Knowledge, there is no Order or other governmental prohibition or restriction, other than such which apply in general to the Company's industry, on the use, practice or exploitation of any Company Products, Owned Company Intellectual Property, Owned Company Technology or, to the Knowledge of the Company, Licensed Company Intellectual Property or Licensed Company Technology in any jurisdiction in which the Company currently conducts or has conducted Business or on the export or import of any of the Owned Company Intellectual Property or Owned Company Technology or Company Products from or to any jurisdiction which the Company currently conducts or has conducted Business.

(k) To the Company's Knowledge, neither the current operation of the Business of the Company (including, as applicable, the design, development, manufacture, having manufactured, use, import, export, sale, offering for sale, provision, reproduction, display, performance, modification, licensing, disclosure, support, maintenance, commercialization or other exploitation of any Company Products or Company Software) nor the use, practice or exploitation of any Owned Company Intellectual Property or Owned Company Technology by or for the Company: (i) infringes or violates, has infringed or violated or; (ii) constitutes or results from misappropriation or misuse of, has constituted or resulted from misappropriation or misuse of any Intellectual Property Right or Technology of any Person; (iii) otherwise violates, or has violated any other rights of any Person (including any right to privacy); or (iv) constitutes, or has constituted unfair competition or trade practices. The Company has not received written notice from any Person of any claim (A) alleging any infringement, misappropriation, misuse, violation or unfair competition or trade practices with respect to any Intellectual Property Right or Technology, (B) that the Company must license from any Person or refrain from using any Intellectual Property Right or Technology or (C) challenging the validity, enforceability, effectiveness or ownership by the Company of any of the Owned Company Intellectual Property

or Owned Company Technology and to Company's Knowledge, no such claim is threatened by any Person and no reasonable and valid basis exists for any such claim. As of the Agreement Date, the Company has not received any written opinion of counsel regarding any allegation of infringement relating to the operation of the Business or to any Company Products, Owned Company Intellectual Property or Owned Company Technology.

(l) Section 4.12(l)(i) of the Company Disclosure Schedule sets forth an accurate and complete list of all of the Contracts to which the Company is a party with respect to Owned Company Intellectual Property or Owned Company Technology licensed by the Company to any Person or pursuant to which the Company grants to any Person any immunity, authorization, consent, release, covenant not to sue or other right with respect to any Owned Company Intellectual Property or Owned Company Technology but excluding any Contract with a Person who was granted with a license or right to use Owned Company Intellectual Property or Owned Company Technology in order to perform services for the Company ("Outbound Intellectual Property Contracts"), except that non-disclosure agreements entered into in the ordinary course of business that constitute Outbound Intellectual Property Contracts need not be listed in Section 4.12(l)(i) unless the agreement includes commercial terms or Intellectual Property Rights licenses. As of the Agreement Date, the Company is not aware of any past or current material breach by any Person of the Outbound Intellectual Property Contracts. Section 4.12(l)(ii) of the Company Disclosure Schedule sets forth an accurate and complete list of all Contracts pursuant to which any Person has licensed any Intellectual Property Right or Technology to the Company or granted to the Company any immunity, authorization, consent, release, covenant not to sue or other right with respect to any Intellectual Property Right or Technology ("Inbound Intellectual Property Contracts", and, together with the Outbound Intellectual Property Contracts, the "Intellectual Property Contracts"), except that the following Inbound Intellectual Property Contracts need not be listed in Section 4.12(l)(ii) of the Company Disclosure Schedule: (a) Open Source Licenses, (b) nondisclosure agreements entered in the ordinary course of business (unless the agreement includes commercial terms or Intellectual Property Rights licenses), (c) Invention Assignment Agreements, (d) nonexclusive licenses for generally commercially available software, including off the shelf and shrink-wrapped software, and (e) licenses requiring payments of up to US$25,000 per license per annum. As of the Agreement Date, the Company has been, and is, in compliance, in all material respects, with the terms and conditions of all Inbound Intellectual Property Contracts. The Company has not been subjected to an audit of any kind in connection with any Inbound Intellectual Property Contracts or received any notice of any intent to conduct any such audit. The Company has made available to Parent true, correct and complete copies of all Intellectual Property Contracts.

(m) Immediately following the Closing, the Company will be permitted to exercise all of the Company's rights under all Intellectual Property Contracts to the same extent the Company would have been able to had the transactions contemplated in this Agreement not occurred and without being required to pay any additional amounts or consideration other than fees, royalties or payments that the Company would otherwise have been required to pay had such transactions not occurred; in each case, except to the extent resulting from circumstances related to the Parent and/or its Affiliates.

(n) Neither this Agreement nor any of the transactions contemplated herein will result in any of the following under or pursuant to any Contracts to which the Company is a party:

(i) any Person being granted rights or access to, or the placement in or release from escrow of, any Software source code or other Intellectual Property Rights or Technology, (ii) the Company, Parent or any of its Affiliates granting to any Person any ownership interest in, or any license, covenant not to sue, release or right under or with respect to, any Intellectual Property Rights or Technology or (iii) Parent or any of its Intellectual Property Rights or Technology being bound by, or subject to, any restriction on the operation or scope of their respective business as currently conducted; in each case, except to the extent resulting from circumstances related to the Parent and/or its Affiliates.

(o) Section 4.12(o) of the Company Disclosure Schedule sets forth a true, correct and complete list of all (i) code owned by or developed by or for the Company that is incorporated or embedded in or bundled with any Company Products ("Company Software"), (ii) code not owned by the Company that is incorporated or embedded in or bundled with Company Products.

(p) Section 4.12(p) of the Company Disclosure Schedule sets forth a true, correct and complete list of all Open Source Materials incorporated or embedded in, linked to or distributed with, any Company Software or Company Products, and (i) identifies the Open Source License (including version) applicable thereto, (ii) identifies, where available, a URL at which such Open Source Materials are available and at which such Open Source License is identified, (iii) states whether (and, if so, how) such Open Source Materials were modified by or for the Company, (iv) states whether such Open Source Materials were distributed by or for the Company, and (v) describes how such Open Source Materials are integrated with or interact with the Company Products or any portion thereof.

(q) All use, modification and distribution of Company Software, Company Products and Open Source Materials by or for the Company or any of its Affiliates is in compliance in all material respects with all Open Source Licenses applicable thereto, including all copyright notice and attribution requirements.

(r) The Company has not incorporated or embedded any Open Source Materials into, or combined, linked in any way, or distributed any Open Source Materials with, any Company Software or Company Products, or used or modified any Open Source Materials, in each case in a manner that requires or purports to require (or will require or purport to require following the Closing, when used in the same manner) any Company Software, Company Product, Owned Company Intellectual Property or Owned Company Technology, or any product or Software of Parent or any of Parent's Affiliates, or any portion thereof, to be distributed or made available under any Open Source License or that requires or purports to require the Company, Parent or any of Parent's Affiliates to grant any Patent license or other Patent rights.

(s) Except as set forth in Section 4.13(s) of the Company Disclosure Schedule, neither the Company nor any of its employees, nor, to the Company's Knowledge, any of its contractors or consultants in the context of their employment or engagement with the Company (i) is or was a contributor, committer or submitter with respect to any open source projects or (ii) has licensed or made available any Company Software under any Open Source License. Section 4.12(s) of the Company Disclosure Schedule sets forth a true, correct and complete list of each open source project to which the Company or any of its employees, contractors or consultants in the context of

their employment or engagement with the Company has made contributions, commitments or submissions and, for each project (A) the name of the employee, contractor or consultant that made such contribution, commitment or submission in connection with such project, (B) the Open Source License pursuant to which such contribution, commitment or submission was made and (C) whether a corporate contribution license agreement was executed on behalf of the Company in connection with such project.

(t) The Intellectual Property Rights and Technology owned by or validly licensed (pursuant to an enforceable written Inbound Intellectual Property Contract) to the Company constitute all Intellectual Property Rights and Technology necessary and sufficient for the Company to currently conduct its Business. None of the Transactions will alter, impair or otherwise adversely affect any rights of the Company in any Owned Company Intellectual Property or Owned Company Technology.

(u) The Company has not: (i) disclosed, delivered or licensed, or permitted the disclosure, delivery or license of, any Company Software in source code form to any Person, whether through or from the Company, any escrow agent or any other Person, except to service providers engaged in development or hosting or storage activities for the Company in the Ordinary Course of Business pursuant to written agreements containing appropriate confidentiality obligations, (ii) granted any Person any rights, contingent or otherwise, to access or receive Company Software in source code form, except to service providers engaged in development or hosting or storage activities for the Company in the Ordinary Course of Business pursuant to written agreements containing appropriate confidentiality obligations, and (iii) entered into any escrow arrangement (or any Contract that contemplates any escrow arrangement) with respect to any Company Software. No event has occurred, and to the Company's knowledge, no circumstance or condition exists, that (with or without notice or lapse of time) will, or reasonably could be expected to, result in the delivery, license or disclosure of any such source code to any Person who is not, as of the Agreement Date, an employee, contractor or consultant of the Company who has executed an Invention Assignment Agreement or a service provider engaged in development or hosting or storage activities for the Company in the Ordinary Course of Business pursuant to a written agreement containing appropriate confidentiality obligations.

(v) Except as set forth in Section 4.12(v) of the Company Disclosure Schedule, no (i) funding, personnel or facilities of any Governmental Authority, university, college, hospital or other academic or educational institution or research center (collectively, "Institutions") or (ii) funding from any Person (other than funds received in consideration for the Company shares) were used by the Company in the development of any Owned Company Intellectual Property, Owned Company Technology or Company Product. No Institutions have any rights in or with respect to any Owned Company Intellectual Property, Owned Company Technology or Company Product (to the extent owned or purported to be owned by the Company). To the Knowledge of the Company, as of the Agreement Date, no current or former employee, non-employee director or officer, consultant or independent contractor of the Company, who was or is involved in, or who contributed or contributes to, the creation or development of any Owned Company Intellectual Property, Owned Company Technology or Company Product, has performed services for, attended or was employed by or was under a scholarship from any Institution during a period of time during which such employee, non-employee director or officer, consultant or independent contractor was also performing services for the Company.

(w) The Company has not entered into, applied for, requested, accepted, been notified in writing that it has been approved for, elected to participate in or received or become subject to or bound by any requirement or obligation relating to any Grants from any Governmental Authority, including any bi-national or multi-national (including European Union) grant programs for the financing of research and development or other similar funds. No Governmental Authority is entitled to receive any royalties or other payments from the Company, including, without limitation, with respect to any Owned Company Intellectual Property, Owned Company Technology or Company Products.

(x) To the Knowledge of the Company as of the Agreement Date, no Person has infringed, misappropriated, misused or violated, or is infringing, misappropriating, misusing or violating, any Owned Company Intellectual Property, Owned Company Technology or Company Products. The Company has not made any claim against any Person alleging any infringement, misappropriation, misuse or violation of any Owned Company Intellectual Property, Owned Company Technology or Company Products, and has not invited any Person to take a license, authorization, covenant not to sue or the like with respect to any Owned Company Intellectual Property, Owned Company Technology or Company Products (except in the ordinary course of business development).

(y) The Company has taken reasonable steps to protect and maintain the confidentiality of, and the rights of the Company in, the Company's Confidential Information and Trade Secrets. Without limiting the foregoing, The Company has required each current and former employee, contractor and consultant of the Company who has access to Company's Confidential Information to execute a written agreement that provides reasonable protection for such Confidential Information and Trade Secrets and all such current and former employees, contractors and consultants of the Company with access to such Confidential Information or Trade Secrets have executed such an agreement. All disclosures by the Company of any such Confidential Information or Trade Secrets have been made pursuant to a written agreement that provides reasonable protection for such Confidential Information and Trade Secrets. The Company has taken steps to protect the Trade Secrets or Confidential Information of any Person provided to the Company in accordance with its obligations of confidentiality with respect to such Trade Secrets or Confidential Information.

(z) The Company has not received any written notice or request from any Person for indemnification with respect to any claim of infringement, misappropriation, misuse or violation of any Intellectual Property Rights or Technology.

(aa) The IT Systems are adequate and sufficient (including with respect to working condition and capacity) for the operations of the Company as currently conducted. The Company has taken reasonable measures to preserve and maintain the performance, security and integrity of the IT Systems (and all Software, information or data stored thereon). Within the two (2) years prior to the Agreement Date, (i) there has been no failure with respect to any IT Systems that has had a material effect on the operations of the Company and (ii) to the Company's Knowledge, there has been no unauthorized access to or use of any IT Systems (or any Software, information or data stored thereon).

(bb) Section 4.12(bb) of the Company Disclosure Schedule sets forth an accurate

and complete list of all of the Contracts to which the Company is a party with respect to any Intellectual Property Rights or Technology developed, created, authored or reduced to practice by the Company on behalf of or for the benefit of any third party.

(cc) No (i) Company Product, (ii) Owned Company Technology or Owned Company Intellectual Property, or (iii) Works of Authorship authored, published or distributed by the Company includes, is based on, is derived from or required the license to use any Intellectual Property Rights or Technology which was developed by the Company for the benefit of or on behalf of any third party as listed in Section 4.12(cc) of the Company Disclosure Schedule.

(dd) Section 4.12(dd) of the Company Disclosure Schedule contains a list of all standards-setting organizations, university or industry bodies and consortia and other multi-party special interest groups and activities in which the Company is currently participating or has previously participated ("Industry Organizations"). The Company is not subject to any membership agreements, bylaws, practices or policies of any Industry Organization (including with respect to licensing or non-assertion or any obligation or requirement that would impair or limit the Company's control of or ability to use or enforce any Intellectual Property Rights or Technology). The Company has not made any commitments, promises, submissions, suggestions, statements or declarations to any Industry Organization, including any of the foregoing that would obligate the Company to grant licenses or agree to non-assert obligations to any Person or otherwise impair or limit the Company's control of or ability to use or enforce any Owned Company Intellectual Property or Owned Company Technology. No Company Patent has been identified by the Company, or, to the Knowledge of the Company, by any other Person, as essential to any standard promulgated by any Industry Organization. The Company does not implement any standard or specifications in any Company Products that would require the grant of any Intellectual Property Rights or Technology license to any Person.

(ee) Except in the ordinary course of prosecution, no Registration Office has refused or rejected any Trademark application filed by or on behalf of the Company, and the Company is not aware of any other Person's prior rights in or to any such Trademark.

4.13 Material Contracts.

(a) Section 4.13(a) of the Company Disclosure Schedule sets forth a complete and accurate list or description of all of the following Contracts to which the Company is a party or by which it is bound (collectively, together with the Contracts listed in Section 4.13(b) of the Company Disclosure Schedule (collectively, the "Material Contracts"):

(i) Contracts with any current officer, director or Affiliate of the Company (excluding employment or equity related arrangements and indemnification agreements which have been made available to the Parent);

(ii) agreements with stockholders of the Company and any other investors' rights agreement, voting agreements or registration rights agreements;

(iii) Contracts required to be disclosed on Section 4.12(l) of the Company Disclosure Schedule;

(iv) Contracts that include any grant by the Company to any Person of any express license, right or covenant not to sue with respect to any Patents;

(v) Personal Property Leases and Real Property Leases;

(vi) (A) any pledge, security agreement, deed of trust or other Contracts that impose a Lien (other than Permitted Liens) on any of the Company's Assets, other than the obligation to sell specific Company Products identified in Contracts with customers in the Ordinary Course of Business and licenses in the Ordinary Course of Business under Inbound Intellectual Property Contracts set forth on Section 4.12(l)(ii) of the Company Disclosure Schedule and any other Permitted Liens; or (B) loan or credit agreement, indenture, debenture, note or other Contracts that create, incur or guarantee any Indebtedness, or (C) Contracts under which the Company assumes, or otherwise becomes liable for, the obligations of any other Person;

(vii) Contracts under which has made advances or loans to any other Person, except for advances of business expenses of up to $10,000 in the Ordinary Course of Business;

(viii) Contracts with any manufacturer for the Company Products (intended for mass production);

(ix) Contracts (or a group of related Contracts) that individually involved total payments by the Company in fiscal year of 2022 and in the first three months of 2023 in excess of $50,000; and Contracts (or a group of related Contracts) that based on the Company's good faith estimate are reasonably expected to involve payments by the Company in fiscal year 2023 in excess of $150,000;

(x) Contracts under which the Company is required to deliver or develop Company Products or to provide support and maintenance services for more than six (6) months from the Agreement Date;

(xi) Contracts that are not terminable by the Company on notice of ninety (90) days or less without penalty or other monetary liability;

(xii) Contracts relating to any single or series of related capital expenditures by the Company pursuant to which the Company has future financial obligations in excess of $100,000.

(xiii) Contracts for (i) the sale of any of the business, properties or assets of the Company other than in the Ordinary Course of Business, (ii) the grant to any Person of any preferential rights to purchase any of its properties or assets or (iii) the acquisition by the Company of any operating business, properties or assets, whether by merger, purchase or sale of stock or assets or otherwise (other than Contracts for the purchase of inventory or supplies entered into in the Ordinary Course of Business);

(xiv) distributor, sales representative, marketing or advertising Contracts;

(xv) Contracts that grant to any Person any (i) exclusive license, supply,

distribution or other exclusive rights, (ii) "most favored nation" rights, (iii) rights of first refusal, rights of first negotiation or similar rights or (iv) exclusive rights to purchase any of the Company Products or services;

(xvi) Contracts for joint ventures or similar arrangements;

(xvii) Contracts that by their terms explicitly purport to (A) limit, curtail or restrict the ability of the Company or any of its future subsidiaries or Affiliates to compete in any geographical area, market or line of business, (B) restrict the Persons to whom the Company or any of its future subsidiaries or Affiliates, may sell products or deliver services, (C) restrict the Persons the Company or any of its future subsidiaries or Affiliates may hire or (D) otherwise restrict the Company or any of its future subsidiaries or Affiliates from engaging in any aspect of the Company's Business;

(xviii) Contracts required to be disclosed on Section 4.14(a)(iii) of the Company Disclosure Schedule, including Contracts for the employment of any individual on a full-time or part-time basis (other than Contracts providing for at-will employment), or Contracts with any individual consultant (other than temporary service provider arrangements) under which the Company has any current or future monetary liability and which are not terminable by the Company on notice of ninety (90) days or less without penalty or other monetary liability and Contracts providing for severance, retention, change in control or other similar payments;

(xix) Contracts that involve an option to purchase, a right of first refusal or other similar potential right to acquire any material Assets or property interest or any Securities of any Person;

(xx) Contracts that (A) have any Governmental Authority as a party; or (B) are with a party who is a subcontractor to any Governmental Authority in connection with such Contract;

(xxi) Contracts that relate to the settlement of any Legal Proceeding;

(xxii) Contracts establishing powers of attorney or agency agreements on behalf of any of the Company;

(xxiii) Contracts that contain unlimited indemnification obligations to their customers or manufacturers by the Company, other than agreements entered into in the Ordinary Course of Business; and

(xxiv) other than as set forth elsewhere on Section 4.13 of the Company Disclosure Schedule, all other Contracts that are material to the Business or operations of the Company and commitments or agreements to enter into any of the foregoing.

(b) Section 4.13(b) of the Company Disclosure Schedule sets forth all Contracts to which the Company is a party or bound with its eight largest suppliers or business affiliates ("Substantial Suppliers") based on the amount paid or payable to such supplier or business affiliate by the Company. During 2022, no Substantial Supplier has: (i) stopped, or indicated in writing, an intention to stop, doing business with the Company; (ii) reduced, or indicated in writing, an

intention to reduce, substantially its business with the Company; or (iii) renegotiated or indicated in writing, that it has an intention to renegotiate the pricing terms or any other material terms of any Contract with such Substantial Supplier.

(c) Each of the Material Contracts is in full force and effect and is the legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium and similar laws affecting creditors' rights and remedies generally and subject, as to enforceability, to general principles of equity (regardless of whether enforcement is sought in a proceeding at law or in equity). The Company has complied, in all material respects, with all of its performance requirements and obligations under the terms of all Material Contracts and the Company is not in material default or breach under the terms of any Material Contract , nor, to the Knowledge of the Company, does any condition exist that, with notice or lapse of time or both, would constitute a material default or breach thereunder by the Company. To the Knowledge of the Company, no other party to any Material Contract is in default or breach thereunder in any material respect, nor to the Knowledge of the Company, does any condition exist that with notice or lapse of time or both would constitute a material default or breach by any such other party thereunder. The Company has not received any written notice of termination or cancellation under any Material Contract or received any written notice of breach or default in any material respect under any Material Contract. The Company has made available to Parent true, correct and complete copies of all written Material Contracts (or a written description of the material terms of any Material Contract that is not written).

4.14 Employee Benefit Plans.

(a) Section 4.14(a) of the Company Disclosure Schedule sets forth a correct and complete list of (i) all material "employee benefit plans" (as defined in Section 3(3) of ERISA), and (ii) all other material employee benefit plans, policies, agreements or arrangements (collectively, the "Company Plans").

(b) Correct, complete and accurate copies of the following material documents with respect to each of the Company Plans have been delivered or made available to Parent by the Company to the extent applicable: (i) any Company Plans and all sub-plans and trust documents, insurance contracts or other funding arrangements, and amendments related thereto, (ii) the most recent audited financial statements and Forms 5500 and all schedules thereto, (iii) the most recent actuarial report, if any, (iv) the most recent IRS determination or opinion or advisory or notification letter (a "Determination Letter"), (v) the most recent summary plan descriptions required under ERISA with respect to each Company Plan, (vi) all material communications with participants and all material written correspondence to or from any Governmental Authority relating to any Company Plans, and (vii) all written summaries of all unwritten Company Plans.

(c) The Company Plans have been established, administered, funded and maintained, in all material respects, in accordance with their terms and with all applicable provisions of ERISA, the Code and other applicable Laws. Each Company Plan providing for deferred compensation that constitutes a "nonqualified deferred compensation plan" (as defined in Section 409A(d)(1) of the Code and the regulations promulgated thereunder) has been established, administered and maintained in compliance in all material respects with the requirements of

Section 409A of the Code and the regulations promulgated thereunder. All contributions and premium payments required to have been made under any of the Company Plans or by applicable Law (without regard to any waivers granted under Section 412 of the Code), have been timely made, except as would not reasonably be expected to result in material liability to the Company.

(d) Each Company Plan that is intended to be tax qualified under Section 401(a) of the Code is so qualified and has received, is covered by or has applied for a favorable Determination Letter from the IRS, and any trusts intended to be exempt from federal income taxation under the Code are so exempt. To the Knowledge of the Company, there are no facts or circumstances that would reasonably be expected to cause the loss of such qualification or exemption, or the imposition of any material liability, penalty or Tax under ERISA or the Code.

(e) Neither the Company, nor any other entity which, together with the Company, would be treated, or in the last six (6) years has been treated, as a single employer under Section 4001 of ERISA or Section 414 of the Code (an "ERISA Affiliate") contributes to or has in the past six (6) years sponsored, maintained, contributed to or had any Liability in respect of (i) any defined benefit plan (as defined in Section 3(35) of ERISA), (ii) any plan subject to Section 412 of the Code, Section 302 of ERISA or Title IV of ERISA, (iii) a "multiemployer plan," as defined in Section 3(37) of ERISA, or (iv) a "multiple employer plan" within the meaning of Section 413(c) of the Code. None of the Company Plans provide for, and the Company has not incurred any current or projected Liability in respect of, post-employment life or health insurance benefits or coverage for any current or former employee, Contractor or director or any beneficiary thereof, except as may be required under Part 6 of the Subtitle B of Title I of ERISA, or similar state Laws any at the sole expense of such individual.

(f) There are no pending Legal Proceedings arising from or relating to the Company Plans (other than routine benefit claims) that would, individually or in the aggregate, reasonably be expected to result in material liability to the Company, and, to the Knowledge of the Company, no facts exist that would reasonably be expected to form the basis for any such Legal Proceeding. No event has occurred and no condition exists that would, directly or by reason of the Company's affiliation with any of its ERISA Affiliates, subject the Company to any material Tax, fine, Lien (other than Permitted Liens), penalty or other liability imposed by ERISA, the Code or other applicable Law. With respect to each Company Plan, no investigation, audit, action or other Legal Proceeding by the Department of Labor, IRS or any other Governmental Authority that would, individually or in the aggregate, reasonably be expected to result in material liability to the Company is in progress, pending or, to the Knowledge of the Company, threatened.

(g) Except as set forth on Section 4.14(g) of the Company Disclosure Schedule, neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereby (either alone or in combination with any other event) will under Law or Contract (i) result in any material payment becoming due to any current or former employee, Contractor or director of the Company, including any severance pay, retirement benefit or any other compensation or benefit according to any Law or Contract (ii) materially increase the compensation or benefits payable, including equity benefits, under any Company Plan, (iii) result in the acceleration of the time of payment, funding or vesting of any such compensation or benefits, including equity benefits, under any such Company Plan, (iv) require any material contributions or payments to fund any obligations under any Company Plan, (v) create any material limitation

or restriction on the right of the Company to merge, amend or terminate any Company Plan, or (vi) give rise to the payment of any amount that would not be deductible by Parent or the Surviving Company or their respective Affiliates by reason of Section 280G of the Code or would be subject to withholding under Section 4999 of the Code. There is no Contract by which the Company is bound to compensate any Person for excise taxes paid pursuant to Section 4999 or 409A of the Code.

(h) No Company Plan is subject to the laws of any jurisdiction outside the United States.

4.15 Labor.

(a) Section 4.15(a)(A) of the Company Disclosure Schedule sets forth a true, correct and complete list of all employees of the Company and includes, each employee's name and title, work location, date of hire or engagement, status, actual scope of employment (e.g., full or part-time or temporary), overtime classification (e.g., entitled or not entitled), prior notice entitlement, salary and any other material compensation and benefits, payable, maintained or contributed to or with respect to which any potential liability is borne by the Company (whether now or in the future) to each of the listed employees and including but not limited to the following entitlements: bonus (including type of bonus, calculation method and amounts received in 2022), deferred compensation, commissions (including calculation method and amounts received in 2022), overtime payment, severance obligations, obligation to provide compensation or benefits upon termination of employment or service other than as required by the law, vacation entitlement and accrued vacation, travel entitlement (e.g. travel pay, car, leased car arrangement and car maintenance payments) sick leave entitlement and accrual, shares and any other incentive payments, last compensation increase to date including the amount thereof, and whether the employee is on leave (and if so, the date on which such leave commenced and the date of expected return to work). Other than their salaries, the employees of the Company are not entitled to any material payment or benefit that may be reclassified as part of their determining salary for any purpose, including for calculating any social contributions. Except as set forth in Section 4.15(a)(B) of the Company Disclosure Schedule, the employment of each of the employees of the Company is terminable by the Company, at will, and upon termination of the employment of any such employee, no severance or other payments will become due, except as may be required under Part 6 of the Subtitle B of Title I of ERISA, or similar state Laws any at the sole expense of such individual. No employee of the Company is entitled (whether by virtue of any Law, Contract or otherwise) to any material benefits, entitlement or compensation that is not listed in Section 4.15(a)(A) of the Company Disclosure Schedule. The Company has not made any material promises or commitments to any of its employees, with respect to any future changes or additions to their compensation or benefits, as listed in Section 4.15(a)(A) of the Company Disclosure Schedule. Other than as listed in Section 4.15(a)(A) of the Company Disclosure Schedule (i) there are no other employees employed by the Company, and (ii) all current and former employees and Contractors of the Company have signed an employment agreement or engagement agreement (as the case may be) substantially in the form delivered or made available to Parent which in each case include undertakings concerning intellectual property and confidentiality. Details of any Person who has accepted an offer of employment made by the Company but whose employment has not yet started and any employee who was provided with or who received a notice of termination of his or her employment in the last twelve (12) months prior to the signing date of this Agreement

are contained in Section 4.15(a)(C) of the Company Disclosure Schedule. No Critical Employee of the Company has been dismissed in the last twelve (12) months prior to the signing date of this Agreement or has informed the Company (whether orally or in writing) of any plan to terminate employment with or services for the Company, and, to the Company's Knowledge, no such Person or Persons has any plans to terminate employment with or services the Company.

(b) The Company is not and has never been a party to any collective bargaining agreement, or other Contract or arrangement with a labor union, works council, trade union or other organization or body involving any of its employees or employee representatives, or is otherwise required (under any Law, under any Contract or otherwise) to provide benefits or working conditions under any of the foregoing. The Company is not and has never been a member of any employers' association or organization. The Company has not paid, been required to pay nor has been requested to pay any payment to any employers' association or organization. There are no and have never been any labor organizations representing, and to the Knowledge of the Company there are no labor organizations purporting to represent or seeking to represent, any employees of the Company, and there are no representation proceedings or petitions seeking a representation proceeding presently pending or, to the Knowledge of the Company, threatened to be brought or filed, with any labor relations tribunal. The Company has no Knowledge of any union organizing activities or proceedings of any labor union to organize any employees of the Company. The Company is not engaged, nor has ever been engaged, in any unfair labor practice of any nature. The Company has never had any strike, slowdown, work stoppage, lockout, job action or threat thereof, or question concerning representation, by or with respect to any of the employees of the Company.

(c) The Company has not received written notice, and to the Company's Knowledge any verbal notice, of complaints, charges or claims against the Company and, to the Knowledge of the Company, no such complaints, charges or claims are threatened in writing, and to the Company's Knowledge any verbal threatened, by or before any Governmental Authority or based on, arising out of, in connection with or otherwise relating to the employment or termination of employment or failure to employ by the Company, of any individual. The Company is, and has been, in material compliance in all respects with all Laws relating to employees, employment and labor issues, including but not limited to: all such Laws relating to wages, hours, overtime and overtime payment, working during rest days, social benefits contributions, severance pay, termination of employment, engaging employees through services providers in accordance with the WARN Act, collective bargaining, discrimination, civil rights, safety and health, immigration, privacy issues, fringe benefits, employment practices, workers' compensation and the collection and payment of withholding or social security taxes and any similar tax. There has been no "mass layoff" or "plant closing" (as defined by WARN) with respect to the Company within the six (6) months prior to the date of this Agreement. The Company has properly classified all of its service providers as employed or self-employed, employees or independent contractors and as exempt or non-exempt for all purposes.

(d) Section 4.15(d)(A) of the Company Disclosure Schedule sets forth a true and complete list of all present independent contractors and consultants ("Contractors") to the Company, and includes each Contractor's name, date of commencement, types of services provided, and rate of all regular compensation and benefits, bonus or any other compensation payable. Except as set forth in Section 4.15(d)(B) of the Company Disclosure Schedule, all

Contractors can be terminated on notice of thirty days or less to the Contractor. To the Company's Knowledge, all present and former Contractors are and were rightly classified as independent contractors and would not reasonably be expected to be reclassified by any Governmental Authority as employees of the Company, for any purpose whatsoever or to be entitled to any rights of an employee. All current Company Contractors have received all the rights to which they are and were entitled according to their applicable Contract with the Company. The Company is not engaged with any personnel through manpower agencies. The Company has not used the services of any temporary employees or "leased employees" (within the meaning of Section 414(n) of the Code).

(e) Except as set forth in Section 4.15(e) of the Company Disclosure Schedule, the termination of all former employees and Contractors was in compliance with all material applicable Laws and Contracts and there are no outstanding obligations or Liabilities of the Company to such former employees and Contractors.The Company has made available to Parent: (i) accurate and complete copies of all such standard agreement forms; (ii) accurate and complete copies of all employee manuals and handbooks, all Company's policies and guidelines with regard to engagement terms and procedures and other material documents relating to the engagement of the employees and Contractors of the Company; (iii) a written summary of all unwritten policies, practices and customs in the Company; (iv) accurate and complete copies of all the employment agreements with the Critical Employees.

(f) The Company is not liable for any payment to any trust or other fund or to any Governmental Authority, with respect to unemployment compensation benefits, social security or other benefits or obligations for employees (other than routine payments to be made in the Ordinary Course of Business, consistent with past practice). There are no pending claims against the Company under any workers' compensation plan or policy or for short or long term disability.

(g) To the Knowledge of the Company, no current employee or Contractor of the Company: (i) has received an offer to join a business that may be competitive with the Business; (ii) is in violation of any term of any employment Contract, invention assignment agreement, patent disclosure agreement, non-competition agreement, non-solicitation agreement, or any restrictive covenant to a former employer relating to the right of any such employee to be employed by the Company because of the nature of the Business or to the use of trade secrets or proprietary information of others; or (iii) is providing any business or commercial services to any third party outside of his or her engagement with the Company that creates a conflict with such engagement with the Company.

(h) Without derogating from any of the above representations, except as set forth in Section 4.15(h) of the Company Disclosure Schedule, the Company's liability towards its employees regarding severance pay, accrued vacation and contributions to all Company Plans are fully funded or if not required by any source to be funded are accrued on the Company's financial statements as of the date of such financial statements. All amounts that the Company is legally or contractually required to either (A) deduct from their employees' salaries and any other compensation or benefit or to transfer to such employees' Company Plans or (B) withhold from employees' salaries and any other compensation or benefit and to pay to any Governmental Authority as required by any applicable Law, have been duly deducted, transferred, withheld and

paid, in accordance with applicable Law, or if not required to be so withheld, have been accrued, and the Company has no outstanding obligation to make any such deduction, transfer, withholding or payment (other than routine payments, deductions or withholdings to be timely made in the Ordinary Course of Business and consistent with past practice).

(i) Section 4.15(i)(A) of the Company Disclosure Schedule sets forth a true, correct and complete list of all employees and Contractors of the Company who are working in the United States and, to the Knowledge of the Company, are not United States citizens or permanent residents all of which hold proper work authorizations. Other than as detailed in Section 4.15(i)(B) of the Company Disclosure Schedule the Company does not engage any employee or Contractor, whose employment or engagement, to the Knowledge of the Company, requires special visas, licenses or permits.

(j) To the Knowledge of the Company: (i) no allegations of sexual harassment have been made against any officer, director employee, or Contractor of the Company its Affiliates, and (ii) the Company and any of its Affiliates have not entered into any settlement agreement related to allegations of sexual harassment or sexual misconduct by an officer, director, employee or Contractor.

4.16 Litigation. Except as set forth on Section 4.16 of the Company Disclosure Schedule, there is (a) no pending or, to the Knowledge of the Company, threatened, Legal Proceeding against the Company or any of its properties or assets, (b) no pending or, to the Knowledge of the Company, threatened, audit, examination or, to the Knowledge of the Company, investigation by any Governmental Authority against the Company or any of its properties or assets, (c) no pending or, to the Knowledge of the Company, threatened Legal Proceeding that challenges the validity, or seeks to prevent, materially impair or materially delay consummation of the Mergers or any of the transactions contemplated hereby, (d) no pending or threatened in writing Legal Proceeding by the Company against any third party, (e) no settlement or similar agreement that imposes any material ongoing obligation or restriction on the Company, (f) no Order imposed or, to the Knowledge of the Company, threatened to be imposed upon the Company or any of its properties or assets, except for any Order which generally applies to all companies or similar companies in the industry, and (g) to the Knowledge of the Company, no Legal Proceeding threatened or pending against any of the directors, officers or employees of the Company in their capacity as such. Except as set forth on Section 4.16 of the Company Disclosure Schedule, the Company has not settled or compromised any Legal Proceeding or claim, whether filed or threatened, which settlement or compromise is or was material to the Company (other than a separation and release agreement entered into with a departing employee or consultant). Notwithstanding the foregoing, for all purposes of this Agreement, the Company does not make any representation or warranty (pursuant to this Section 4.16 or elsewhere in the Agreement) as to whether the Mergers will be the subject of any actual or threatened Legal Proceeding after the Agreement Date or will be challenged under any U.S. or foreign Antitrust Laws, unless at the Agreement Date it has a reasonable reason to believe that such Legal Proceeding will be brought after the Agreement Date.

4.17 Compliance with Laws; Permits.

(a) The Company is and has been in compliance (i) with its Fundamental Documents, as in effect from time to time and (ii) in all material respects with all Laws and Orders

applicable to the Company and any of its business, properties or assets, and, to the Knowledge of the Company, no condition or state of facts exists that is reasonably likely to give rise to a material violation of, or a material liability or default under, any applicable Law or Order. The Company has not received any written notice to the effect that a Governmental Authority claimed or alleged that the Company was not in compliance in all material respects with all Laws or Orders applicable to the Company and any of its business, properties, or assets, except as would not reasonably be expected to be material to the Company.

(b) Section 4.17(b) of the Company Disclosure Schedule contains a list of all material Permits which are required for the operation of the Business. The Company has all material Permits which are required for the operation of the Business. Company is not in default or violation, and, to the Company's Knowledge, no event has occurred which, with notice or the lapse of time or both, would constitute a default or violation, in any material respect, of any term, condition or provision of any material Permit to which it is are a party, to which its business is subject or by which its properties or assets are bound. Company has not received any written notification from any Governmental Authority or any other Person asserting that (A) the Company is not in compliance with any Law, Permit or Order applicable to the Company or its Assets or Business; or (B) the Company may have an obligation to undertake, or to bear all or any portion of the cost of, any curative action of any nature.

4.18 Environmental Matters. The Company has not released any amount of any Hazardous Material. To the Knowledge of the Company, no Hazardous Materials are present in, on or under any property, including the land and the improvements, ground water and surface water thereof, that the Company has at any time owned, operated, occupied or leased. The Company has not transported, stored, used, manufactured, disposed of, released or exposed its employees or other Persons to Hazardous Materials in violation of any applicable Law or in a manner that would result in liability to the Company, nor has the Company disposed of, transported, sold, or manufactured any product containing a Hazardous Material (any or all of the foregoing being collectively referred to herein as "Hazardous Materials Activities") in violation of any rule, regulation, treaty or statute promulgated by any Governmental Authority to prohibit, regulate or control Hazardous Materials or any Hazardous Materials Activity. The Company has at all times complied with, and its uses and activities in the Facilities have at all times complied, in all material respects, with all Environmental Laws. Company has not received any written notice of any noncompliance of the Facilities or of its past or present operations with Environmental Laws. No notices, administrative actions or suits are pending or threatened in writing against the Company relating to Hazardous Materials or alleging a material violation of any Environmental Laws. Company has all material Permits and licenses required to be issued in connection with Environmental Laws and it is in compliance in all material respects with the terms and conditions of such Permits and licenses.

4.19 Insurance. Set forth on Section 4.19 of the Company Disclosure Schedule is a true, correct and complete list of all insurance policies held by the Company setting forth, in respect of each such policy, the policy name, carrier, term, type and amount of coverage. The Company has made available to Parent true, correct and complete copies of all such insurance policies. Such insurance policies (a) have been issued by insurers which, to the Knowledge of the Company, are reputable and financially sound, (b) are in full force and effect and (c) are for such amounts as are sufficient for all requirements of Law and all Contracts to which the Company is a party or by

which it is bound. No notice of cancellation or termination has been received by the Company with respect to any of such insurance policies and the Company has not received written notice of any retroactive material upward adjustment in premiums under any such insurance policies. To the Knowledge of the Company, no event has occurred, and the Company has not failed to give any notice or information, or given any inaccurate or erroneous notice or information, which limits or impairs the rights of the Company under, or would permit the termination or modification of, any such insurance policies. There is no claim by the Company outstanding under any such insurance policies, nor to the Knowledge of the Company, are there any circumstances likely to give rise to a claim.

4.20 Related Party Transactions. Except as set forth on Section 4.20 of the Company Disclosure Schedule, to the Knowledge of the Company, none of the respective directors, officers, or Stockholders of the Company (a) to the Company's Knowledge, owns any direct or indirect interest of any kind in, or controls or is a director, officer, employee or partner of, or consultant to, or lender to or borrower from or has the right to participate in the profits of, any Person which is (i) a competitor, supplier, customer, landlord, tenant, creditor or debtor of the Company, (ii) engaged in a business related to the Business, or (iii) a participant in any transaction to which the Company is a party or (b) is a party to any Contract with the Company, in each case, except in the Ordinary Course of Business. For clarity, no disclosure will be required pursuant to this Section 4.20 with respect to any portfolio company of any venture capital, private equity or angel investor in Company.

4.21 Bank Accounts. Section 4.21 of the Company Disclosure Schedule contains a complete and correct list of each bank account or safe deposit box of the Company, the names and address of all banks in which the Company holds accounts or safe deposit boxes, and the names of all persons authorized to draw thereon or to have access thereto. No person holds a power of attorney to act on behalf of the Company.

4.22 Brokers and Financial Advisors. No Person has acted, directly or indirectly, as a broker, finder or financial advisor for the Company in connection with the transactions contemplated by this Agreement or any other Transaction Document and no Person is entitled to any fee or commission or like payment in respect thereof.

4.23 Anti-Corruption Laws; Certain Business Practices. The Company has not nor has any director, officer, employee, or, to the Company's Knowledge, agent or other Person acting on behalf of the Company (a) violated the Foreign Corrupt Practices Act of 1977, as amended, the rules and regulations thereunder, applicable laws passed pursuant to the OECD Convention on Combating Bribery of Foreign Public Officials in International Transactions, dated 21 November 1977, or other similar (local or foreign) and applicable Laws that prohibit bribery, or corruption or any similar Law ("Anti-Corruption Laws"), (b) used any corporate or other funds for unlawful contributions, payments, gifts, or entertainment, or made any unlawful expenditures relating to political activity to foreign or domestic government officials, employees or others in violation of Anti-Corruption Laws, (c) accepted or received any unlawful contributions, payments, gifts or expenditures in violation, or which could be considered to be in violation, of any Anti-Corruption Laws or (d) made, offered or authorized any unlawful bribe, rebate, payoff, influence payment, kickback or other similar unlawful payment. Neither the Company nor any director, officer, employee or, to the Company' s Knowledge, agent of the Company has used any corporate funds

to maintain any off-the-books funds or engage in any off-the-books transactions nor has any of the before-stated parties falsified any documents of the Company. The Company has not conducted any internal or government-initiated investigation, or made a voluntary, directed, or involuntary disclosure to any Governmental Authority with respect to any alleged act or omission arising under or relating to any violation of any Anti-Corruption Laws.

4.24 Export Compliance.

(a) The Company has not, nor, to the Company's Knowledge, has any director, officer, agent, employee or other Person acting on behalf of the Company violated or failed to comply in any material respect with any applicable Law related to the export or reexport of goods (including hardware, Software and technology), services and Know-how, including the Laws of (a) the Foreign Assets Control regulations administered by the Office of Foreign Assets Control in the United States Department of the Treasury ("OFAC"), the Export Administration Regulations administered by the United States Department of Commerce Bureau of Industry and Security ("BIS"), and the International Traffic in Arms Regulations administered by the U.S. Department of State's Directorate of Defense Trade Controls, (b) any other cognizant United States Governmental Authority; or (c) any other national government whose jurisdiction pertains to the Company and the Business (collectively, "Trade Control Laws"). None of the Company Products or the Company Technology (i) has any encryption means, or devices, or any other encrypted application or other technology whose development, commercialization or export is restricted under applicable Law or (ii) require the Company to obtain a license from an authorized body pursuant to applicable Law regulating the development, commercialization or export of technology. None of the Company Products are listed on the Commerce Control List of the Export Administration Regulations or subject to the International Traffic in Arms Regulations. The Company has not received any written notice of or been charged with the violation of, or to the Company's Knowledge has been under investigation for violation of Trade Control Laws.

(b) The Company has not, during the past five years, engaged in any transactions, or otherwise dealt directly or indirectly, with (i) any Person organized under the laws of or ordinarily resident in a country or territory that is the subject of comprehensive sanctions (which currently comprise Cuba, Iran, North Korea, Syria, and the Crimea, Donetsk, and Luhansk regions of Ukraine ("Restricted Countries"), or (ii) any Person designated on any Restricted Party list maintained by the U.S. government, including the Specially Designated Nationals and Blocked Persons List and the Foreign Sanctions Evader List administered by OFAC or the Denied Persons or Entity List administered by BIS, or any Person owned or controlled by, or acting on behalf of, a Person on any of the aforementioned U.S. government lists outlining individuals and entities deemed as, or connected with, terrorist organizations or "unlawful associations" (collectively, the "Restricted Parties").

(c) The Company has made available to Parent copies of all written correspondence with any Governmental Authority relating to the export control classification of its products, enforcement matters, or any other inquiries, requests or communications with any Governmental Authority. The Company is not a Restricted Party and is not owned or controlled by, or acting on behalf of, a Restricted Party. To the Company's Knowledge, no Person affiliated with the Company, including its Employees, is a Restricted Party or owned or controlled by, or acting on behalf of a Restricted Party.

4.25 Social Media. Section 4.25 of the Company Disclosure Schedule sets forth a true, correct and complete list of all Social Media Accounts that the Company uses, operates or maintains, including in connection with marketing or promoting any Company Products. Section 4.25 of the Company Disclosure Schedule also lists, for each such Social Media Account, any account name(s), user name(s), nickname(s), display name(s), handle(s), and other identifiers registered or used by or for the Company with respect to such Social Media Account (collectively, "Social Media Account Names"). All use of the Social Media Accounts complies in all material respects with (i) all material terms and conditions, terms of use, terms of service and other Contracts applicable to such Social Media Accounts and (ii) applicable Law.

4.26 Solvency. There has been no request by the Company or, to the Company's Knowledge, by any other person with respect to the Company for, nor, to the Company's Knowledge, has there been issued or commenced against or with respect to it any bankruptcy, receivership, freeze of proceedings, liquidation (whether voluntary or not), winding-up, arrangement with creditors, scheme of arrangement or other similar insolvency events, orders or proceedings, in each case, whether temporary or permanent.

4.27 Privacy.

(a) The Company has (i) materially complied with all applicable Privacy Laws governing the receipt, collection, use, storage, registration of databases, processing, sharing, security disposal, disclosure, safeguarding, security or transfer (including cross-border) of Personal Information that is collected, processed or shared by or otherwise subject to the control of the Company, and materially complied with the Company's privacy policy and similar disclosures published on the Company's websites or otherwise communicated to third parties, (ii) implemented and maintained commercially reasonable technical and organizational measures designed to provide safeguards that will assist the Company to materially comply with such applicable Privacy Laws, including that the Company shall not acquire, fail to secure, share or use such Personal Information in a manner materially inconsistent with (A) such applicable Privacy Laws, (B) any notice to or consent from data subjects with regard to the use of their Personal Information, (C) any publicly available policy duly adopted by the Company, (D) any contractual commitment made by the Company that is applicable to such Personal Information, (E) any privacy policy or privacy statement from time to time published or otherwise made available by the Company to the Persons to whom the Personal Information relates, or (F) the Payment Card Industry Data Security Standard, with respect to any payment card data collected or handled by the Company, if any, or by third parties on the Company's behalf or having authorized access to the Company's records.

(b) With respect to all Personal Information collected by Company, the Company has taken commercially reasonable steps required and necessary under the applicable Privacy Laws and its contractual obligations to protect such Personal Information against loss and against unauthorized access, use, modification, disclosure or other misuse, including implementing and monitoring compliance with reasonable measures with respect to technical and physical security of such Personal Information. The Company has industry standard safeguards (but not less than reasonable safeguards) in place to protect Personal Information in its possession or control from unauthorized access, including by its employees, independent contractors and consultants. To the Knowledge of the Company, there has been no loss or data breach incidents,

including any unauthorized access to or other misuse of any Personal Information maintained or processed by the Company or on behalf of the Company, and, to the knowledge of the Company, no third party misused any Personal Information collected by the Company.

(c) The transfer of Personal Information in connection with the Transactions will not violate any applicable Privacy Laws or the Company's privacy policies as they currently exist or as they existed at any time during which any of the Personal Information was collected or obtained. The Company is not subject to any contractual requirements or other legal obligations that, following the Closing, would materially prohibit the Company from receiving or using Personal Information in the manner in which the Company received and used such Personal Information prior to the Closing.

(d) In connection with each third-party servicing, outsourcing or similar arrangement involving Personal Information acquired from or with respect to the Company, the Company has employed commercially reasonable efforts to contractually obligate any service provider to (i) comply with the applicable Privacy Laws with respect to Personal Information, (ii) take reasonable steps to protect and secure Personal Information from unauthorized disclosure, (iii) restrict use of Personal Information to those authorized or required under the servicing, outsourcing or similar arrangement, and (iv) certify the return or adequate disposal of Personal Information.

(e) Except for disclosures of information required by applicable Privacy Law, authorized by the provider of Personal Information or pursuant to the Company's privacy policy and similar disclosures published on the Company's websites or otherwise communicated to providers of Personal Information, the Company has not sold, rented or otherwise made available, and does not sell, rent or otherwise make available, to third parties any Personal Information.

(f) The Company has not received any written notice of any claims, investigations, or alleged violations of applicable Privacy Laws with respect to Personal Information possessed by or otherwise subject to the control of the Company, and, to the Knowledge of the Company, there are no facts or circumstances which are reasonably likely to form the basis for any such violation.

(g) All employees of the Company with access to Personal Information are subject to a contractual or legal confidentiality obligation with respect to Personal Information and have received training in accordance with applicable Privacy Law and industry standards with respect to the processing and safeguarding of Personal Information.

(h) The Company employs commercially reasonable efforts to make disclosures to, and obtain any necessary consents from, users, consumers, customers, employees, contractors, and other applicable Persons required by applicable Privacy Law and has filed any required registrations with the applicable data protection authority. A list of such required registrations is set forth in Section 4.27(h) of the Company Disclosure Schedule. Without limiting the generality of the foregoing, the Company, when required by applicable Privacy Law, has provided appropriate notice to, and, where required, received affirmative express consent from, all natural persons prior to the collection and processing of Personal Information by the Company.

4.28 Full Disclosure. This Agreement does not, and the Company Closing Certificate will not, (i) contain any representation, warranty or information that is false or misleading with respect to any material fact, or (ii) to the Company's Knowledge, omit to state any material fact necessary in order to make the representations, warranties and information contained herein and therein in the light of the circumstances under which such representations, warranties and information were or will be made or provided not false or misleading.

REPRESENTATIONS AND WARRANTIES OF PARENT, MERGER SUB I, AND MERGER SUB II

Parent and each Merger Sub, jointly and severally, hereby represent and warrant to the Company, as of the Agreement Date and as of the Closing Date (or, if given as of a specific date, at and as of such date), as follows:

5.1 Corporate Existence and Power. Each of Parent, Merger Sub I and Merger Sub II (each, a "Parent Party") is a corporation (or, with respect to Parent, a limited partnership and with respect to Merger Sub II, a limited liability company) duly incorporated, validly existing and in good standing under the laws of its jurisdiction of incorporation. Since the date of its incorporation, Merger Sub I has not engaged in any activities other than in connection with or as contemplated by this Agreement. Merger Sub I was formed solely for the purpose of engaging in the transactions contemplated by this Agreement. All of the outstanding capital stock of Merger Sub I is, and at the First Effective Time, will be owned directly by Parent. Except for obligations or liabilities incurred in connection with its incorporation and as contemplated by this Agreement, Merger Sub I has not, and prior to the First Effective Time will not have, incurred, directly or indirectly through any subsidiary or Affiliate, any obligations or liabilities or engaged in any business activities of any type or kind whatsoever or entered into any agreements or arrangements with any person. Since the date of its formation, Merger Sub II has not engaged in any activities other than in connection with or as contemplated by this Agreement. Merger Sub II was formed solely for the purpose of engaging in the transactions contemplated by this Agreement. All of the outstanding equity interests of Merger Sub II are, and at the Second Effective Time, will be owned directly by Parent. Except for obligations or liabilities incurred in connection with its incorporation and as contemplated by this Agreement, Merger Sub II has not, and prior to the Second Effective Time will not have, incurred, directly or indirectly through any subsidiary or Affiliate, any obligations or liabilities or engaged in any business activities of any type or kind whatsoever or entered into any agreements or arrangements with any person. All of the outstanding stock of Parent at the First Effective Time and Second Effective Time will be, owned indirectly by Oddity. Each of Oddity, Parent, Merger Sub I, and Merger Sub II is in good standing in each jurisdiction and would have not a Material Adverse Effect on the ability of Oddity, Parent, Merger Sub I, or Merger Sub II to consummate the transactions contemplated by this Agreement.

5.2 Corporate Authorization. Each Parent Party has the absolute and unrestricted right, power and authority to enter into and to perform its obligations under this Agreement and each Transaction Document, and to consummate the transactions contemplated hereby and thereby; and the execution, delivery and performance by each Parent Party of this Agreement and each Transaction Document, have been duly authorized by all necessary action on the part of such

Parent Party and Oddity and no further action is required on the part of Oddity, Parent, Merger Sub I, or Merger Sub II to authorize this Agreement and each Transaction Document to which it is each a party to, and the transactions contemplated hereby and thereby. This Agreement and the actions to be performed hereunder constitutes the legal, valid and binding obligation of each Parent Party, enforceable against such Parent Party in accordance with its terms, subject to (a) laws of general application relating to bankruptcy, insolvency and the relief of debtors, and (b) rules of law governing specific performance, injunctive relief and other equitable remedies. Parent has the absolute and unrestricted right, power and authority to cause Oddity to perform all of its obligations under this Agreement, including without limitation, to timely and duly issue all Consideration Shares, Future RSUs and any other portion of the consideration hereunder (in cash or equity), either directly or indirectly, as set forth in this Agreement.

5.3 Consideration Shares. All Consideration Shares issued hereunder will be, when issued in accordance with the terms thereof: (A) duly authorized, validly issued, fully paid and non-assessable, and free from a Security Interest (other than as contemplated in Oddity's Fundamental Documents and as may be generally applicable under law, and with respect to the Restricted Class A Ordinary Shares only, which will be subject to the restrictions set forth in Schedule 5.3), and (B) issued in compliance with applicable securities laws and not subject to any preemptive rights created by statute, the articles of association of Parent, or any Contract to which Oddity, is a party or by which it is bound, nor subject to any restrictions on transfer created by Oddity (other than restrictions under this Agreement, Oddity's Fundamental Documents, and as may be generally applicable under applicable securities laws) and will have the rights, preferences, privileges, and restrictions set forth in the articles of association of Oddity, and will be duly registered in the name of the Equityholders in the Oddity's shareholders register.

5.4 Litigation. As of the Agreement Date, there is no there is no litigation, action, suit, proceeding, or arbitration pending or, to the knowledge of Parent, threatened against Oddity, Parent, Merger Sub I, or Merger Sub II, or to which Oddity, Parent, Merger Sub I, or Merger Sub II is otherwise a party, that in any manner challenges or would otherwise reasonably be expected to prevent, enjoin, alter or materially delay the Mergers or the other transactions contemplated by this Agreement.

5.5 No Prior Merger Sub Operations. Each of Merger Sub I and Merger Sub II was formed solely for the purpose of effecting the Mergers, has no assets or liabilities and has not engaged in any business activities or conducted any operations other than in connection with the transactions contemplated hereby.

5.6 Capitalization

(a) The authorized share capital of Oddity as of immediately prior to First Effective Time is NIS 14,000 divided into (i) 10,000,000 Class A Ordinary Shares of nominal value NIS 0.001, each (ii) 2,000,000 Class B Ordinary Shares of nominal value NIS 0.001 each, and (iii) 2,000,000 Redeemable A Shares of nominal value NIS 0.001 each; All of the issued and outstanding shares of Oddity are duly authorized and validly issued, fully paid and nonassessable, and were issued in compliance with all applicable Laws and all requirements set forth in applicable Contracts. There is no liability for dividends declared or accrued and unpaid by Oddity.

(b) As of the date hereof, other than as reflected in the Capitalization Table of Oddity made available to the Company prior to the date of this Agreement, at the date of this Agreement there are no other outstanding issued shares, securities or other instruments (including, but not limited to, any options, convertible notes, and warrants) of Oddity convertible into or exchangeable for shares or other securities of Oddity.

(c) No shareholder of Oddity, other than LCGP3 Pro Makeup, L.P., entities controlled by Mr. Oran Holtzman and shareholders who received their securities pursuant to Oddity's incentive plan, is subject to(i) any voting trusts, proxies, or other agreements or understandings with respect to the voting of the Oddity's issued and outstanding or unissued share capital; or, to Parent's knowledge (ii) any agreements in respect of registration, sale or transfer (including agreements relating to rights of first refusal, co-sale rights, or "drag-along" rights) of any of the Oddity's issued and outstanding unissued share capital, except as set forth in the articles of association of Oddity.

(d) Oddity will have at or prior to the First Effective Time, sufficient reserved shares in its authorized but unissued share capital to allow the issuance and grant, as applicable, of the Consideration Shares.

(e) To Parent's Knowledge, Oddity has not obtained, received or made aware of any valuation of Oddity's shares which is inconsistent with the Agreed Value.

5.7 Conflicts; Consents of Third Parties.

(a) Neither the execution and delivery by Parent, Merger Sub I, and Merger Sub II of this Agreement and of the other Transaction Documents, nor the consummation of the transactions contemplated hereby or thereby, by Parent, Merger Sub I, and Merger Sub, nor the compliance by Oddity, Parent, Merger Sub I, and Merger Sub II with any of the provisions hereof or thereof will (i) conflict with, or result in the breach of, any provision of the certificate of incorporation or bylaws of Oddity, Parent, Merger Sub I, or Merger Sub II, (ii) conflict with, violate, result in the breach of, or constitute a default under any material Contract to which Oddity, Parent, Merger Sub I or Merger Sub II is a party or by which Oddity, Parent, Merger Sub I or Merger Sub II or their respective properties or assets are bound, (iii) violate any Order by which Oddity, Parent, Merger Sub I or Merger Sub II is bound or (iv) conflict with or result in the violation of any applicable Law.

(b) The execution, delivery (where applicable) and performance by Oddity, Parent, Merger Sub I and Merger Sub II of this Agreement and the consummation by each Parent Party and Oddity of the transactions contemplated hereby require no action by or in respect of, or filing with, any Governmental Authority, other than (i) the filing of the Certificates of Merger with respect to the Mergers with the Delaware Secretary of State, (ii) compliance with any applicable requirements of the Securities Act, the Exchange Act and any other U.S. state or federal securities laws or the laws of any national securities exchange, and (iii) any actions or filings the absence of which would not be reasonably expected to materially impair the ability of any Parent Party to consummate the transactions contemplated by this Agreement.

(c) Parent represents that none of Parent or its respective directors, officers,

employees, or affiliates is (a) a Restricted Party; (b) organized under the laws of or ordinarily resident in a Restricted Country; or (c) 50% or more owned or controlled, directly or indirectly, by Restricted Parties or the government of a Restricted Country.

5.8 Sufficiency of Funds. Parent has sufficient Cash on hand or other sources of immediately available funds to enable it to make payment of the Net Cash Aggregate Merger Consideration and consummate the transactions contemplated by this Agreement.

5.9 Reorganization; Tax Matters.

(a) For U.S. federal income Tax purposes, (i) each of Oddity, Parent, and Merger Sub I is, and through the First Effective Time and Second Effective Time will be, classified as a C corporation (as defined in Section 1361(a)(2) of the Code), and (ii) Merger Sub II is, and through the First Effective Time and Second Effective Time will be, classified as a disregarded entity, and (iii) effective prior to the Closing and through the First Effective Time and Second Effective Time, Oddity will be "in control" of Parent for purposes of Section 368(a)(2)(D) of the Code. Neither Oddity, Parent, Merger Sub I, Merger Sub II, nor any of their Affiliates, have taken or agreed to take any action or knows of any fact, agreement, plan or other circumstance that is reasonably likely (A) to prevent the Mergers, taken together, from qualifying as a "reorganization" within the meaning of Section 368(a) of the Code, or (B) cause the stockholders of the Company to recognize gain pursuant to Section 367(a)(1) of the Code. It is the present intention of Oddity and Parent through the Surviving Company, to continue at least one significant historic business line of the Company, or to use at least a significant portion of the Company's historic business assets in a business, in each case within the meaning of Treasury Regulations Section 1.368-1(d).

(b) For the entire thirty-six month period immediately preceding the Mergers, either Parent or a qualified subsidiary (as defined in Treasury Regulations Section 1.367(a)-3(c)(5)(vii)) or a qualified partnership (as defined in Treasury Regulations Section 1.367(a)-3(c)(5)(viii)) has been engaged in an active trade or business outside the United States, for purposes of Treasury Regulations Section 1.367(a)-3(c)(3). None of Oddity, Parent, Merger Sub I nor Merger Sub II (nor any of their Affiliates) has a plan or intention to substantially dispose of or discontinue (or to allow any qualified subsidiary or qualified partnership to substantially dispose of or discontinue) the active trade or business referred to in the preceding sentence. The fair market value of the total outstanding equity of Parent (not taking into account assets acquired outside the ordinary course of business, unless Parent is permitted to take such assets into account by Treasury Regulations Section 1.367(a)-3(c)(3)(iii)) is at least equal to the fair market value of the total outstanding equity of the Company.[2]

(c) Neither Parent nor any Affiliate was a passive foreign investment company within the meaning of Section 1297(a) of the Code for its taxable year that immediately precedes

[2] Could you explain why do we need outbound transfer language in a deal where a US corporation is acquiring another US corporation via a two steps merger structure? Response: Revela US shareholders are treated as exchanging stock in a US corp for stock in a non-US corp in the transaction, and thus are subject to the rules governing outbound transfers of US corp stock in a tax-free transaction. See Treasury Regulations Section 1.367(a)-3(d).

the Closing Date, and neither Parent nor any Affiliate expects that it will be a passive foreign investment company for its taxable year that includes the Closing Date.

5.10 Parent Financial Condition. Schedule 5.10 contains true, correct and complete copies of the consolidated and audited financial statements of Oddity as of December 31, 2021, and the consolidated and unaudited balance sheets of Oddity as of June 30, 2022, and September 30, 2022, which has been prepared in accordance with GAAP, consistently applied by the Company throughout the periods presented and presents fairly, in all material respects, the financial position, results of operations and cash flow of the Parent as an operational company as of the dates and for the periods indicated therein.

COVENANTS OF THE COMPANY

6.1 Conduct of the Business Pending Closing. Except as required by applicable Laws, as expressly required by this Agreement or any other Transaction Document or with the prior written consent of Parent, during the period from the Agreement Date until the earlier of the First Effective Time and the termination of this Agreement in accordance with its terms, the Company shall, except to the extent that Parent shall otherwise consent in writing (such consent not to be unreasonably withheld or conditioned) or except as contemplated by this Agreement (provided that Parent shall promptly respond (and in no event later than three Business Days from the date of a request) to any request for a consent under this Section 6.1 or Section 6.2.):

(a) conduct its business only in the Ordinary Course of Business;

(b) use commercially reasonable efforts, consistent with past practices, to (i) preserve its present business operations and organization intact, (ii) keep available the services of its present employees and (iii) preserve its present relationship with Persons having material business dealings with the Company (including customers and suppliers);

(c) use commercially reasonable efforts consistent with past practices to maintain (i) all of its material assets and properties in their current condition, ordinary wear and tear, casualty and condemnation excepted, and (ii) its existing insurance policies in such amounts and of such kinds comparable to that in effect on the Agreement Date;

(d) maintain the books, accounts and records in the Ordinary Course of Business;

(e) maintain its current cash management practices and its policies, practices and procedures with respect to collection of accounts receivable, establishment of reserves for uncollectible accounts, accrual of accounts receivable, inventory control, prepayment of expenses, payment of accounts payable, accrual of other expenses, deferral of revenue, and acceptance of customer deposits in the Ordinary Course of Business; and

(f) not take any action inconsistent with the provisions of this Agreement or any of the other Transaction Documents to which it is a party.

6.2 Restrictions on the Conduct of the Business Pending Closing. Except (i) as required by applicable Laws, (ii) as expressly required by this Agreement or any other Transaction Document or (iii) with the prior written consent of Parent (such consent not to be unreasonably withheld or conditioned), during the period from the Agreement Date until the earlier of the First Effective Time and the termination of this Agreement in accordance with its terms, the Company shall not:

(a) declare, set aside, make or pay any dividend or other distribution in respect of Company Capital Stock or repurchase, redeem or otherwise acquire any outstanding shares of Company Capital Stock or other securities of, or other ownership interests in, the Company (except for repurchases of Company Capital Stock pursuant to Company repurchase rights arising upon termination of service of any employee, director or consultant of the Company);

(b) transfer, issue, deliver or sell or authorize or propose the issuance, delivery or sale of, any shares of Company Capital Stock or stock units or securities convertible into, or subscriptions, rights, warrants or options to acquire, or other agreements or commitments of any character obligating it to issue any such shares or other convertible securities, other than the issuance of shares of Company Common Stock or other shares pursuant to the exercise of stock options or other rights exercisable or convertible into Company Capital Stock (including the Company SAFEs) outstanding as of the Agreement Date and disclosed on Section 4.3(b) of the Company Disclosure Schedule or the conversion of shares of Company Preferred Stock outstanding as of the Agreement Date and disclosed on Section 4.3(b) of the Company Disclosure Schedule;

(c) effect any recapitalization, reclassification, stock split or like change in the capitalization of the Company;

(d) amend the Fundamental Documents, except as needed to issue shares pursuant to the terms of the Company SAFEs;

(e) (i) except for promises made and documented in the Ordinary Course of Business prior to the date of this Agreement, increase the compensation or fringe benefits of any present or former director, officer, employee or Contractor of the Company (except for payment of accrued or earned but unpaid bonuses), (ii) grant any new right to change in control, bonus, severance, termination or similar pay to any present or former director, officer, employee or Contractor of the Company except as required under applicable Law, Order or Company Plan set forth on Section 4.14(a) of the Company Disclosure Schedule, (iii) loan or advance any money or other property to any present or former director, officer, employee or Contractor of the Company, (iv) establish, adopt, enter into, amend or terminate any Company Plan or any plan, agreement, program, policy, trust, fund or other arrangement that would be a Company Plan if it were in existence as of the Agreement Date, except as required under applicable Law or Order, (v) grant any equity or equity-based awards, or (vi) hire, promote or change the classification or status in respect of any employee or individual in a level of directors and higher or whose annual salary is more than $150,000, or (vii) grant accelerate or change the vesting of, or terminate, any equity or

equity based award, except for acceleration provisions that are disclosed on Section 4.3(b) of the Company Disclosure Schedule;

(f) issue, create, incur, assume or guarantee any Indebtedness;

(g) fail to promptly pay and discharge current Liabilities except where disputed in good faith by appropriate proceedings;

(h) directly or indirectly acquire any material properties or assets, sell, assign, license, transfer, convey, lease or otherwise dispose of any of the material properties or assets of the Company or encumber or subject to any Lien (other than Permitted Liens), or allow or suffer to be encumbered any of the material properties or assets of the Company, in each case, whether tangible or intangible, except in the Ordinary Course of Business;

(i) invest in, make a loan, advance or capital contribution to, or otherwise acquire the securities of any other Person or introduce any material change with respect to the operation of the Company;

(j) cancel or compromise any debt or claim or waive or release any material right of the Company except in the Ordinary Course of Business and which, in the aggregate, would not be material to the Company;

(k) enter into commitments for capital expenditures in excess of $250,000 for all commitments in the aggregate;

(l) enter into any labor or collective bargaining agreement, through negotiation or otherwise, or make any commitment or incur any liability to any labor organization, except when required by applicable Law or Order;

(m) make a material change in its accounting reporting principles, methods, policies or practices;

(n) make, change or revoke any material Tax election, settle or compromise any income or other material Tax claim, change (or make a request to any Taxing Authority to change) any material aspect of its method of accounting for Tax purposes, consent to any extension or waiver of the limitation period applicable to any claim or assessment relating to Taxes, file any amended income or other material Tax Return;

(o) adopt a plan or agreement of complete or partial liquidation, dissolution, restructuring, merger, consolidation or other reorganization, other than the Mergers;

(p) (i) enter into any Contract that if it was in force as of the Agreement Date would be a Material Contract or amendment to any Material Contract, or (ii) terminate, supplement, restate or amend, or waive any rights under, any Material Contract or material Permit; in each case, other than in the Ordinary Course of Business.

(q) commence any Legal Proceeding;

(r) release, assign, compromise, settle or agree to settle any Legal Proceeding material to the Company;

(s) grant or enter into a license, sublicense or transfer to any Person any rights to any Owned Company Intellectual Property or Owned Company Technology other than in the Ordinary Course of Business;

(t) fail to (i) pay any annuity or any filing, prosecution, maintenance or other fee or file any document, response to office action or other filing in connection with any Company Intellectual Property Registrations when due or (ii) diligently prosecute and maintain all Company Intellectual Property Registrations;

(u) enter into any agreement for the creation or development by a third party (except for consultants or independent contractors engaged by the Company in the Ordinary Course of Business pursuant to a Contract containing an assignment (including a present assignment) of Intellectual Property Rights to the Company) of any material Intellectual Property Rights, products or services for the Company; or

(v) agree, in writing or otherwise, to take any of the foregoing actions.

6.3 No Control of the Company's Business. Without derogating the provisions of Section 6.1 and Section 6.2, Parent acknowledges and agrees that nothing contained in this Agreement shall give Parent, directly or indirectly, the right to control or direct the Company's operations prior to the Closing and (ii) prior to the Closing, the Company shall exercise, consistent with the terms and conditions of this Agreement, complete control and supervision over its and its Subsidiaries' operations.

6.4 Exclusive Dealing.

(a) The Company shall, and shall cause its Affiliates, directors, officers, employees, agents and other representatives to, immediately following the execution of this Agreement discontinue any discussions or negotiations with any Person (other than Parent Merger Sub I and Merger Sub II) relating to any Acquisition Transaction.

(b) Until the earlier of the First Effective Time or the termination of this Agreement pursuant to Article IX, the Company will not, and will cause its Affiliates, directors, officers, employees, agents and other representatives not to, take any of the following actions with any Person other than Parent, Merger Sub I, and Merger Sub II: (i) solicit, initiate, authorize, recommend, propose, entertain or encourage any proposals or offers from, or conduct discussions with or engage in negotiations with any Person relating to an Acquisition Transaction, (ii) furnish or cause to be furnished to any Person, other than Parent, Merger Sub I, and Merger Sub II, information relating to, or otherwise cooperate with, facilitate or encourage any effort or attempt by any such Person with regard to, an Acquisition Transaction, or (iii) enter into any agreement with any Person providing for an Acquisition Transaction.

(c) If the Company or any of its Affiliates, directors, officers, employees, agents or other representatives receives any inquiry or proposal relating to an Acquisition Transaction from any Person (other than Parent, Merger Sub I, and Merger Sub II) at any time

prior to the First Effective Time, then the Company shall immediately (and in no event later than one (1) Business Day after the Company becomes aware of such inquiry or proposal) (i) advise Parent orally and in writing of such inquiry or proposal (including the identity of the Person making such inquiry or submitting such proposal, and the terms thereof), (ii) provide to Parent a copy of such inquiry or proposal if in writing, and (iii) notify such Person in writing that the Company is subject to an exclusivity agreement with respect to the sale of the Company that prohibits it from considering the bid, expression of interest or information, provided that if restricted by confidentiality obligations existing as of the Agreement Date, the Company may omit the identity of the Person making such inquiry or proposal and the terms and copy of such inquiry or proposal.

6.5 Stockholder Approval; Notice of Stockholder Action; Consent.

(a) On the date hereof, or immediately thereafter and in no event more than five Business Days following the date hereof, the Company shall obtain written consents executed by Stockholders representing, at least, (i) a majority of the holders of the issued and outstanding Company Capital Stock, voting together as a single class, (ii) a majority of the holders of the issued and outstanding Company Common Stock, and (iii) a majority of the holders of the issued and outstanding Company Preferred Stock, voting together as a single class (the "Company Requisite Vote"), each in the form attached hereto as Exhibit A (the "Written Stockholder Consent"). Promptly following receipt of the Company Requisite Vote, the Company shall cause its corporate Secretary to deliver a copy of the duly executed Written Stockholder Consent to Parent, together with a certificate executed on behalf of the Company by its corporate Secretary certifying that the Company Requisite Vote has been obtained. As promptly as practicable following the receipt of the Company Requisite Vote, the Company will send an information statement to those Stockholders who did not execute the Written Stockholder Consent, which information statement shall be subject to Parent's prior review and approval and shall contain, among other things, such disclosure materials required pursuant to applicable Law (including pursuant to Sections 228(e) and 262 of the DGCL), the COI and Company's By-laws, which shall be in a form reasonably acceptable to Parent.

(b) As soon as reasonably practicable after the receipt of the Company Requisite Vote, the Company shall use commercially reasonable efforts to obtain executed Written Stockholder Consents from all Stockholders that have not previously executed the Written Stockholder Consent.

6.6 Payoff Letters and Invoices. If needed, the Company shall exercise commercially reasonable efforts to obtain and deliver to Parent no later than three (3) Business Day prior to the Closing Date, an accurate and complete copy of: (a) a payoff letter, dated no more than two (2) Business Days prior to the Closing Date, with respect to all Indebtedness, if any, of the Company owed to such lender and the amounts payable to the lender thereof to (i) satisfy such Indebtedness as of the Closing and (ii) terminate and release any Liens (which Liens might be terminated post-First Effective Time) related thereto (each, a "Payoff Letter"); and (b) an invoice from each advisor or other service provider to the Company with respect to all Transaction Expenses estimated to be due and payable to such advisor or other service provider, as the case may be, as of the Closing

Date and which will remain unpaid at the Closing (each, an "Invoice").

ADDITIONAL COVENANTS AND AGREEMENTS

7.1 Access to Information. The Company agrees that, prior to the First Effective Time, Parent, Merger Sub I, and Merger Sub II shall be entitled, at Parent's expense, through its officers, employees and representatives (including its legal advisors and accountants), to make such investigation of the properties, businesses and operations of the Company and such examination of the books, records and financial condition of the Company as it reasonably requests, excluding with respect to any source code or similar technical information, any customers, suppliers or similar business partners, or to any employee or Contractor of the Company (access to such employees and Contractors to be made available loosely prior to Closing). Any such investigation and examination shall be conducted upon prior notice during regular business hours and under reasonable circumstances and in a manner that does not interfere with the normal business operations of the Company, and the Company shall use commercially reasonable efforts to cooperate therewith. In order that Parent, Merger Sub I and Merger Sub II may have full opportunity to make such physical, business, accounting and legal review, examination or investigation as it may reasonably request of the affairs of the Company, the Company shall cause its representatives to use commercially reasonable efforts to cooperate with such representatives in connection with such review and examination. Notwithstanding the foregoing, the Company shall not be required to permit Parent, Merger Sub I and Merger Sub II any examination or inspection or other access, or to disclose to Parent, Merger Sub I or Merger Sub II any information, if the Company believes in good faith, based on a written advice of counsel, that such examination, inspection, access, or disclosure could violate (i) any applicable Law or (ii) any contractual obligation of the Company as of the date hereof (provided, that the Company shall, upon the reasonable request of Parent, use its commercially reasonable efforts to obtain the required consent of any third party to such access or disclosure), provided, however, that the Company shall use reasonable efforts to allow for the examination, inspection, access, or disclosure to the maximum extent, including the entry into common interest agreements.

7.2 Efforts; Regulatory Compliance.

(a) Each of the parties to this Agreement shall use its commercially reasonable efforts to promptly (i) take, or cause to be taken, all actions, and do, or cause to be done, all things necessary, proper or advisable to cause the conditions to the Closing to be satisfied as promptly as practicable (and by or before the Termination Date) and to consummate and make effective, in the most expeditious manner practicable, the transactions contemplated by this Agreement, including preparing and filing promptly and fully all documentation to effect all necessary filings, notices, petitions, statements, registrations, submissions of information, applications and other documents, and (ii) obtain all approvals, consents, registrations, permits, waiting period expirations or terminations, authorizations and other confirmations ("Consent") from any Governmental Authority or third party necessary, proper or advisable to consummate the transactions contemplated by this Agreement. Without limiting the generality of the foregoing, the parties shall cooperate with, and do all things reasonably requested to assist, one another in the prompt preparation and filing (which filings shall occur no later than ten (10) days after the Agreement

Date) of any filings required under the HSR Act or any foreign antitrust, merger control, or competition law. Parent shall be responsible for making, with the Company's reasonable assistance, any filing that may be required under any foreign antitrust, merger control, or competition law and shall consider in good faith any matters or comments raised by the Company. The Parties shall keep each other apprised of the status of any communications with, and any inquiries or requests for additional information from the United States Federal Trade Commission, the United States Department of Justice and any other applicable Governmental Authority and shall comply promptly with any such inquiry or request and shall promptly provide any supplemental information requested in connection with the filings made hereunder pursuant to the HSR Act or such other applicable Law. Without limiting the generality of the foregoing, each party shall provide to the other (or the other's respective advisors) upon request copies of all correspondence between such party and any Governmental Authority relating to the transactions contemplated by this Agreement. The Parties may, as they deem advisable and necessary, designate any competitively sensitive materials provided to the other under this Section 7.2 as "outside counsel only." Such materials and the information contained therein shall be given only to outside counsel of the recipient and will not be disclosed by such outside counsel to employees, officers, or directors of the recipient without the advance written consent of the party providing such materials. In addition, to the extent reasonably practicable, all discussions, telephone calls, and meetings with a Governmental Authority regarding the transactions contemplated by this Agreement shall include representatives of both Parties. Subject to applicable Law, the parties will consult and cooperate with each other in connection with any analyses, appearances, presentations, memoranda, briefs, arguments, and proposals made or submitted to any Governmental Authority regarding the transactions contemplated by this Agreement by or on behalf of any party. Each party shall use its commercially reasonable efforts to obtain expiration or termination of the waiting period under the HSR Act. Notwithstanding the foregoing, or any other covenant herein contained, in connection with the expiration or termination of the waiting period under the HSR Act or receipt of any Consent from any Governmental Authority under the HSR Act or under any other applicable Law or in connection with the consummation of the Mergers, neither the Parent nor any of its Affiliates shall be required to divest, sell, license or hold separate material portions of their respective businesses, product lines, properties or assets, or otherwise take or commit to take any action that materially restricts its rights with respect to any of its businesses, product lines, properties or assets, or its ability to retain itself as an entity or to make any license, payment or commercial concession to any third party as a condition to obtaining any required consent of any third party.

(b) If any administrative or judicial Legal Proceeding is instituted (or threatened to be instituted) by a Governmental Authority challenging the consummation of the Mergers as violative of any applicable Law, each of the Parent and the Company shall, and shall cause their respective Affiliates to, cooperate with the other parties and use their commercially reasonable efforts to contest and resist any such Legal Proceeding, including any Legal Proceeding that seeks a temporary restraining order or preliminary injunction that would prohibit, prevent or restrict consummation of the Mergers; provided, however, nothing in this Section 7.2(b) or otherwise in this Agreement shall require the Company, Parent or their Affiliates, nor permit the Company, Parent or their Affiliates, to enter into or agree to enter into any understanding, undertaking, settlement, consent decree, stipulation or agreement that would limit in any manner such Person's or any of its Affiliates' ability to operate its business following the Closing in its absolute discretion, or require the sale, divestiture, holding separate (including by establishing a

trust or otherwise) or license of any of their assets, securities or businesses of such Person or any of its Affiliates.

7.3 Notification of Certain Matters. From the Agreement Date until the earlier termination of this Agreement in accordance with its terms and the First Effective Time, the Company shall give prompt notice to Parent, and Parent shall give prompt notice to the Company, of (a) any written notice or other communication received by such party from any Governmental Authority in connection with the Mergers or other transactions contemplated by this Agreement or from any Person alleging that the consent of such Person is or may be required in connection with the Mergers or the other transactions contemplated by this Agreement, (b) any actions, suits, claims, known investigations or other Legal Proceedings commenced or, to such party's Knowledge, threatened against, relating to or involving or otherwise affecting such party or its subsidiaries which relate to the Mergers or the other transactions contemplated by this Agreement, (c) the discovery of any fact or circumstance that, or the occurrence or non-occurrence of any event the occurrence or non-occurrence of which, has caused any representation or warranty made by such party contained in this Agreement to be untrue or inaccurate such that the condition set forth in Section 8.2(a) or Section 8.3(a) would not be satisfied at Closing, and (d) any failure of such party to comply with or satisfy any covenant or agreement to be complied with or satisfied by it hereunder such that the condition set forth in Section 8.2(b) or Section 8.3(b) would not be satisfied in all material respects at Closing. For the avoidance of doubt, the delivery of any notice pursuant to this Section 7.3 shall not (i) cure any breach of, or non-compliance with, any other provision of this Agreement, (ii) limit the remedies available to the party receiving such notice (except that notice of any new event, condition, fact or circumstance that occurs after the Agreement Date shall exempt the Escrowed Holders from claims based on fraud or intentional misrepresentation related to such new events, conditions, facts or circumstances), (iii) constitute an acknowledgment or admission of breach of this Agreement, or (iv) will be deemed to amend or supplement the Company Disclosure Schedule.

7.4 Fees and Expenses. Except as otherwise set forth in this Agreement (including with respect to Transaction Expenses), all fees and expenses incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the party incurring such fees or expenses, whether or not the transactions contemplated hereby are consummated.

7.5 Tax Matters.

(a) Filing of Tax Returns; Payment of Taxes.

(i) The Company shall timely file or cause to be timely filed all Tax Returns in respect of the Company that are required to be filed on or prior to the Closing Date (taking into account any period of extension) and shall pay or cause to be paid all Taxes of the Company due on or before the Closing Date. All such Tax Returns shall be prepared in a manner consistent with prior practice (unless otherwise required by applicable Laws).

(ii) Following the Closing Date, Parent shall cause to be timely filed all Tax Returns with respect to Pre-Closing Tax Periods required to be filed by the Company after the Closing Date (taking into account any period of extension) and shall pay or cause to be paid all Taxes shown due on such Tax Returns (subject to the rights to payment from the Escrowed Holders

under Section 10.2(a)(vi)). All such Tax Returns shall be prepared in a manner consistent with prior practice (unless otherwise required by applicable Laws), and the terms of this Agreement.

(iii) Parent shall cause the Company to provide Representative with copies of such completed Tax Returns (or relevant portions of such Tax Returns with respect to a Straddle Period) that include a Pre-Closing Tax Period at least thirty (30) days prior to the due date for filing thereof, along with supporting workpapers. Representative and Parent shall attempt in good faith to resolve any disagreements regarding such Tax Returns prior to the due date for filing. In the event that Representative and Parent are unable to resolve any dispute with respect to such Tax Return at least ten (10) days prior to the due date for filing, then Section 7.5(e) shall apply, and any resolution reached pursuant thereto shall be binding on the parties.

(iv) Any deductions with respect to Transaction Expenses and other transaction costs incurred by or on behalf of the Company in connection with the transactions contemplated hereby that, in each case, arise from expenses or costs that are economically borne by the Escrowed Holders (including any expenses or costs paid before the Closing) that are reflected as deductions in determining the Net Aggregate Consideration shall, to the extent permitted by applicable Law, be allocated to and reported on Tax Returns for Pre-Closing Tax Periods. Any net operating losses, net capital losses and other Tax credits or similar Tax assets and attributes of the Company generated in a Pre-Closing Tax Period that are available as of the Closing Date, shall be utilized, to the extent permitted by applicable Law, to reduce the liabilities of the Company for Taxes (if any) in such Pre-Closing Tax Period.

(b) Straddle Period Tax Allocation. The Company will, if permitted by applicable Law, close the taxable period of the Company as of the close of business on the Closing Date. If applicable Law does not permit the Company to close its taxable year as of the close of business on the Closing Date, with respect to a Straddle Period, Taxes shall be allocated (i) to the Escrowed Holders for the period up to and including the close of business on the Closing Date and (ii) to Parent for the period subsequent to the Closing Date. The amount of Property Taxes for the Straddle Period allocated to a Pre-Closing Tax Period shall be determining by multiplying (A) the amount of such Taxes for the entire Straddle Period by (B) a fraction, the numerator of which is the number of calendar days in such Straddle Period in the Pre-Closing Tax Period and the denominator of which is the number of calendar days in the entire Straddle Period. For all other Taxes, the amount of Taxes relating to a Straddle Period shall be allocated based on a closing of the books method, provided that exemptions, allowances or deductions that are calculated on an annual basis shall be allocated between the period ending on the Closing Date and the period after the Closing Date in proportion to the number of days in each such period.

(c) Tax Audits. If notice of any Legal Proceeding with respect to Taxes of the Company shall be received by an Indemnitee for which the Escrowed Holders may reasonably be expected to be liable pursuant to Section 10.2 (a "Tax Claim"), Parent shall promptly notify Representative of such claim (provided, however, that the failure of the Indemnitee to give Representative notice as provided herein shall not relieve the Escrowed Holders of the obligations under this Section 7.5 or Section 10.2(a)(vi) except to the extent that the Escrowed Holders are actually prejudiced thereby). Representative shall have the right to control the conduct and the defense of such claim, including any settlement or compromise thereof, to the extent related to a Tax period that ends on or prior to the Closing Date; provided, however, that Representative shall

keep Parent reasonably informed of the progress of any such Tax Claim and shall not settle any such Tax Claim, without the consent of Parent, such consent not to be unreasonably withheld, conditioned or delayed. Parent shall control the conduct and defense of any other Tax Claim (including any Tax Claim that Representative does not elect to control hereunder), including any settlement or compromise thereof; provided, however, that Parent shall keep Representative reasonably informed of the progress of any such Tax Claim and shall not settle any such Tax Claim, to the extent such Tax Claim relates to a Pre-Closing Tax Period, without the consent of Representative, such consent not to be unreasonably withheld, conditioned or delayed; provided, further, that if the consent of Representative is so obtained, such settlement of that portion of any such claim shall alone be determinative of the amount of indemnification pursuant to Article X, and neither Representative nor any person who has a beneficial interest in the Escrow Fund shall have any power or authority to object under any provision of this Section 7.5 or Article X to the amount of any demand by Parent against the Escrow Fund with respect to such settlement.

(d) Transfer Taxes. Parent shall be liable for and shall pay or cause to be paid all sales, use, stamp, documentary, filing, recording, transfer or similar fees or Taxes or governmental charges as levied by any Governmental Authority including any interest and penalties) in connection with the transactions contemplated by this Agreement.

(e) Disputes. Any dispute as to any matter covered hereby which Parent and the Representative are unable to amicably resolve in good faith discussions within twenty (20) days after delivery of notice by either party of the applicable dispute, shall be resolved by an independent accounting firm mutually acceptable to the Representative and Parent (the "Expert"). The Expert shall be required to make a determination as soon as reasonably practicable and in any event within twenty (20) Business Days of his or her appointment. The Expert's determination shall be deemed final and binding on the parties. The fees and expenses of such Expert shall be borne equally by the Escrowed Holders, on the one hand, and Parent, on the other. If any dispute with respect to a Tax Return is not resolved prior to the due date of such Tax Return, then the party responsible for preparing such Tax Return shall use commercially reasonable efforts to extend the filing date of such Tax Return, and only upon the expiration of such extensions (if obtained), such Tax Return shall be filed in the manner which the party responsible for preparing such Tax Return deems correct.

(f) Tax Actions. Without the prior written consent of Representative (which consent shall not be unreasonably withheld, delayed or conditioned), Parent shall not, and shall not cause its Affiliates or the Surviving Company to (i) make, change or revoke any election that has any retroactive effect on any Pre-Closing Tax Period, (ii) refile, revoke, amend or cause to be amended any Tax Return of the Company for Pre-Closing Tax Periods or Straddle Period,, (iii) extend or waive any statute of limitations or other period for the assessment of any Tax or deficiency related to a Tax Return of or with respect to the Company for any Pre-Closing Tax Period, or (iv) initiate or otherwise approach any Governmental Authority regarding any voluntary disclosure (or similar) agreement or procedure with respect to Taxes payable by or with respect to the Company related to any Pre-Closing Tax Period, unless, in each case, such action (A) is required by a determination (within the meaning of Section 1313(a)(1) of the Code or any comparable provision of state or local law) or (B) would not reasonably be expected to create or

increase an indemnity claim under this Agreement with respect to Taxes..

(g) Tax Refunds. Any Tax refund (including any interest in respect thereof or credit received in lieu of a refund) including VAT refunds, if any, actually received or recognized by Parent, the Surviving Company, or any of their Affiliates after the Closing that relate to any Taxes paid by the Company in a Pre-Closing Tax Period (including the portion of any Straddle Period on or prior to the Closing Date), reflected as a deduction in the determination of Net Aggregate Consideration or borne by the Escrowed Holders under Section 10.2(a)(vi) shall be for the account of the Escrowed Holders, except to the extent such Tax refund (or credit) resulted from the carry back of a net operating loss or other Tax attribute or Tax credit that was generated after the Closing. Parent shall pay, or cause to be paid to the Paying Agent for further distribution to the Escrowed Holders any such refund or credit, in each case, net of any Tax or other reasonable costs incurred by Parent the Surviving Company, or any of their Affiliates resulting from the obtaining and receipt of such refund or credit, within ten (10) days after (x) the receipt of any such refund or (y) the recognition of such credit against a Tax, as applicable.

(h) Access. Parent, on the one hand, and Representative, on the other hand, agree to furnish or cause to be furnished to the other, upon reasonable request, as promptly as practicable, such information and assistance relating to Taxes, including access to books and records, in such party's possession as is reasonably necessary for the filing of all Tax Returns by Parent or the Company, the making of any election relating to Taxes, the preparation for any audit by any Taxing Authority and the prosecution or defense of any claim, suit or proceeding relating to any Tax. Without limiting the foregoing, Parent agrees to furnish or cause to be furnished to Representative, upon reasonable request, as promptly as practicable, such information and assistance that may reasonably be needed to determine whether Parent or any relevant Affiliate thereof is a passive foreign investment company within the meaning of Section 1297(a) of the Code, and such information and assistance that may reasonably be needed by Representative or any Person that receives Consideration Shares hereunder to prepare and file all Tax Returns, and make any relevant elections, in connection with the rules applicable to holding stock in a passive foreign investment company.

(i) Intended Tax Treatment.

(i) The Company and each Parent Party agree and acknowledge that the Mergers, taken together, are intended to (A) be a single integrated transaction, consistent with the principles set forth in Rev. Rul. 2001-46, 2001-2 C.B. 321, that qualifies as a "reorganization" within the meaning of Section 368(a) of the Code, and (B) qualify for an exception to the general rule of Section 367(a)(1) of the Code, pursuant to the provisions of Treasury Regulations Section 1.367(a)-3(c)(1). The Company and each Parent Party agree to file all Tax Returns, and take all positions regarding Taxes in front of any Governmental Authority, in a manner consistent with the intended treatment described in the foregoing sentence (including, for the avoidance of doubt, by complying with the reporting requirements of Treasury Regulations Section 1.367(a)-3(c)(6), to the extent applicable), unless otherwise required by a "determination" within the meaning of Section 1313(a) of the Code (or similar provision of state, local, or non-U.S. Law).

(ii) Neither the Company nor any Parent Party shall take or fail to take (and the Company and each Parent Party shall cause its respective Affiliates not to take or

knowingly fail to take) any action that could reasonably be expected to (A) prevent or impede the Mergers, taken together, from qualifying as a "reorganization" within the meaning of Section 368(a) of the Code, or (B) cause the stockholders of the Company to recognize gain pursuant to Section 367(a)(1) of the Code. This Agreement is intended to be, and is hereby adopted by the Company and each Parent Party as, a "plan of reorganization" for purposes of Sections 354, 361, and 368 of the Code and the Treasury Regulations promulgated thereunder.

(j) Coordination with Article X. In the event of a conflict between the provisions of Section 7.5(c) and the provisions of Section 10.2(e), the provisions of Section 7.5(c) shall control.

7.6 Employee Benefits.

(a) Unless Parent directs the Company otherwise in writing no later than five (5) Business Days prior to the First Effective Time, no later than immediately prior to the First Effective Time, the Company will terminate any and all Company Plans intended to qualify as a qualified cash or deferred arrangement under Section 401(k) of the Code ("Company 401(k) Plans"). At the request of Parent, the Company will provide Parent with evidence that each such Company 401(k) Plan has been terminated effective no later than immediately prior to the First Effective Time pursuant to resolutions duly adopted by the board of directors of the Company or such other applicable governing body or committee thereof.

(b) The provisions of this Section 7.6 are solely for the benefit of the parties to this Agreement, and no employee of the Company or Contractor (including any beneficiary or dependent thereof) shall be regarded for any purpose as a third party beneficiary of this Agreement, and no provision of this Section 7.6 shall create such rights in any such persons. Nothing herein shall guarantee employment or engagement for any period of time or preclude the ability of Parent, the Surviving Company to terminate the employment of any Company's employee or Contractor at any time and for any reason.

7.7 Resignation of Directors and Officers. The Company shall cause the directors and officers of the Company in office immediately prior to the First Effective Time to resign as directors and officers, as applicable, effective as of the First Effective Time.

7.8 Further Assurance. From and after the Closing, each of the Company Merger Sub I, Merger Sub II, and Parent shall execute and deliver such further instruments of conveyance, transfer and assignment and shall take such other reasonable and lawful actions as a Party may reasonably request of another party in order to effectuate the purposes of this Agreement and the other Transaction Documents to which they are parties and to carry out the terms hereof and thereof.

7.9 Directors' and Officers' Insurance; Indemnification Agreements.

(a) From and after the First Effective Time and subject to applicable Law, the Company and any successor in interest thereof (including the Surviving Company) shall, and Parent shall cause the Company and the Surviving Company and any successor in interest thereof to, fulfill and honor in all respects all the obligations of the Company pursuant to (i) each indemnification agreement in effect between the Company and each person who is or was a

director or officer of the Company and listed in Section 7.9(a)(I) of the Company Disclosure Schedule pursuant to written agreements outstanding on the Agreement Date made available to the Parent and disclosed in Section 7.9(a)(II) of the Company Disclosure Schedule (each such director or officer, a "Covered Person" and, collectively, the "Covered Persons") in accordance with their terms; and (ii) any indemnification, exculpation and expense advancement provisions under the COI, in the case of each of (i) and (ii) solely with respect to claims arising from or related to facts or events that occurred at or before the First Effective Time including with respect to matters, acts or omissions occurring in connection with the approval of or entering into this Agreement or the consummation of the Merger. Without limiting the foregoing, from and after the First Effective Time, Parent shall, until seven years from the First Effective Time, cause the Fundamental Documents of the Surviving Company (or any successor thereof) (as amended from time to time) to contain provisions no less favorable to the Covered Persons with respect to exculpation and limitation of liabilities of directors and officers and indemnification (including provisions relating to expense advancement) than are set forth as of the date of this Agreement in the Fundamental Documents of the Company as currently in effect, which provisions shall not be amended, repealed or otherwise modified in a manner that would adversely affect the rights thereunder of the Covered Persons with respect to exculpation and limitation of liabilities and indemnification, all of the foregoing subject to applicable Law, it being the intent of the parties hereto that the current and former officers and directors of the Company prior to the Closing shall continue to be entitled to such exculpation and indemnification to the fullest extent permitted under applicable Law; provided, however, that all rights to indemnification in respect of any claims asserted or made within such seven (7) year period shall continue until the disposition of such claim.

(b) Without derogating from the other provisions of this Section 6.1 and Section 6.2 above, prior to the Closing, the Company shall purchase, and Parent shall cause the Company (and its successors, if applicable) following the First Effective Time to maintain, for the benefit of the Covered Persons, policies of directors' and officers' and fiduciary liability "tail" or "run-off" insurance providing for such coverage in amount and scope no less than the Company's existing directors' and officers' liability insurance coverage for a period of no less than seven (7) years after the First Effective Time (the "D&O Tail Policy"). Any cost and expenses related to the acquisition of such insurance shall be considered part of the Transaction Expenses.

(c) The Covered Persons and their heirs or successors to whom this Section 7.9 applies shall be intended third party beneficiaries of this Section 7.9.

(d) Each of Parent and the Covered Person shall cooperate, and cause its, his or her respective Affiliates to cooperate, in the defense of any claim for indemnification by a Covered Person and shall provide access to properties and individuals as reasonably requested and furnish or cause to be furnished records, information and testimony, and attend such conferences, discovery proceedings, hearings, trials or appeals, as may be reasonably requested in connection therewith.

7.10 280G Approval. If required to avoid the imposition of Taxes under Section 4999 of the Code or the loss of deduction under Section 280G of the Code with respect to any payment or benefit in connection with the transactions contemplated by this Agreement, the Company will (a) no later than three (3) Business Days prior to the Closing Date, obtain and deliver to Parent from each "disqualified individual" (as defined in Section 280G(c) of the Code) whom may receive any

payment or benefits that would constitute a "parachute payment" (within the meaning of Section 280G(b)(2)(A) of the Code) a waiver of such disqualified individual's rights to some or all of such payments or benefits (the "Waived 280G Benefits" and, each such waiver, a "280G Waiver") so that all remaining payments or benefits, if any, shall not be "excess parachute payments" (within the meaning of Section 280G of the Code) and (b) as soon as practicable following the delivery of the 280G Waivers to Parent but no later than prior to the Closing Date, with respect to each such disqualified individual who provides a duly executed 280G Waiver, submit to a stockholder vote for approval (along with adequate disclosure satisfying the requirements of Section 280G(b)(5)(B)(ii) of the Code and any regulations promulgated thereunder) the rights of any such "disqualified individual" to receive the Waived 280G Benefits. Prior to soliciting 280G Waivers from the "disqualified individuals", the Company shall provide drafts of such waivers and disclosure materials to Parent for its review and approval (which approval will not be unreasonably withheld, conditioned or delayed). If any of the Waived 280G Benefits fail to be approved by the stockholders as contemplated above, such Waived 280G Benefits shall not be made or provided. Prior to the Closing, the Company shall deliver to Parent written confirmation (i) that a Company stockholder vote was solicited in conformance with Section 280G of the Code, and the requisite Company shareholder approval was obtained with respect to any payments and/or benefits that were subject to the Company shareholder vote (the "Section 280G Approval") or (ii) that the Section 280G Approval was not obtained and as a consequence, pursuant to the 280G Waivers, such "parachute payments" shall not be made or provided. The Company shall use commercially reasonable efforts to seek the 280G Approval in a manner which satisfies all applicable requirements of Section 280G(b)(5)(B) of the Code and the Department of Treasury regulations promulgated thereunder.

7.11 Retention RSUs. At or prior to the First Effective Time, Parent shall grant restricted stock units covering Oddity's Class A Ordinary Shares to certain employees and/or Contractors as shall be determined by Parent in consultation with the Company, based on a per share price, for each unit, of $430.31, with vesting in two equal portions on the third and fourth anniversaries of the Effective Date (the "Future RSUs"). The number of restricted stock units covering Oddity's Class A Ordinary Shares granted, pursuant to this Section 7.10, shall not exceed, in aggregate, the Retention Bonus Amount, to be calculated based on a per share price, for each unit, of $430.31. Any Future RSUs granted pursuant to this Section 7.10, shall be granted in accordance with Oddity's applicable equity plan, and shall be evidenced by an award agreement in Oddity's standard form made available to the Company.

7.12 Obligations by Oddity. Each Parent Party hereby covenants to cause Oddity to duly and timely perform and complete any and all obligations which by their nature are to be performed by Oddity, directly or indirectly, under this Agreement, any Transaction Documents or otherwise in order for all Parent Parties to fully perform and comply with all obligations, covenants and actions required to be performed by Oddity or any other Parent Party in connection with the consummation of the Transaction, including without limitation, the issuance by Oddity of any portion of the Consideration Shares, the New RSUs, or any other form of consideration payable under this Agreement (in cash or equity).

8.1 Conditions to Each Party's Obligation to Effect the Merger. The respective obligations of each party hereto to effect the Merger shall be subject to the satisfaction (or waiver, if permissible under applicable Law) at or prior to the First Effective Time of the following conditions:

(a) Governmental Approval. The waiting period (and any extensions thereof) applicable to the consummation of the Mergers and the transactions contemplated hereby under the HSR Act shall have expired or been terminated.

(b) No Injunctions or Restraints. No Law or Order enacted, promulgated, issued, entered, amended or enforced by any Governmental Authority shall be in effect (whether temporary, preliminary or permanent) enjoining, restraining, preventing or prohibiting consummation of the Merger or making the consummation of the Mergers illegal.

8.2 Conditions to Obligation of the Company. The obligation of the Company to effect the Mergers is further subject to the satisfaction (or waiver thereof in writing by Company, if permissible under applicable Law) at or prior to the First Effective Time of the following conditions:

(a) Representations and Warranties. Each of the representations and warranties of Parent, Merger Sub I, and Merger Sub II set forth in this Agreement shall be true, correct and complete as of the Agreement Date and, (i) in all material respects (other than any representations and warranties qualified by materiality), as of the Closing Date as if made on and as of the Closing Date (or, if given as of a specific date, at and as of such date) or (ii) in all respects (for representations and warranties qualified by materiality), as of the Closing Date as if made on and as of the Closing Date (or, if given as of a specific date, at and as of such date).

(b) Performance. Parent, Merger Sub I and Merger Sub II shall have performed and complied, in all material respects, with each covenant and obligation required by this Agreement to be so performed or complied with by Parent, Merger Sub I and Merger Sub II at or prior to the Closing.

(c) Deliveries. The deliveries referred to in Section 0 shall have been made.

(d) Oddity Guarantee. Oddity shall have delivered to the Company an executed copy of the Limited Guarantee in the form attached as Exhibit I hereto.

(e) No Legal Proceedings. There shall not be instituted or pending any Legal Proceeding initiated by any Governmental Authority challenging or seeking to make illegal or otherwise restraining or prohibiting the consummation of the Mergers.

(f) Certificate of Parent. Parent shall have delivered to the Company a certificate executed by an officer of Parent and in the form attached hereto as Exhibit J, to the effect that the conditions specified in Section 8.2(a) and Section 8.2(b) have been satisfied (the

"Parent Closing Certificate").

8.3 Conditions to Obligations of Parent, Merger Sub I and Merger Sub II. The obligations of Parent, Merger Sub I and Merger Sub II to effect the Mergers are further subject to the satisfaction (or waiver thereof in writing by Parent, Merger Sub I and Merger Sub II, if permissible under applicable Law) at or prior to the First Effective Time of the following conditions:

(a) Representations and Warranties. Each of the representations and warranties of the Company (i) set forth in the Fundamental Representations shall be true, correct and complete in all respects as of the Agreement Date and as of the Closing Date as if made on and as of the Closing Date (or, if given as of a specific date, at and as of such date), (ii) set forth in Article IV (other than the Fundamental Representations) shall be true, correct and complete in all material respects as of the Agreement Date and as of the Closing Date as if made on and as of the Closing Date (or, if given as of a specific date, at and as of such date).

(b) Performance. The Company shall have performed and complied, in all material respects, with each covenant and obligation required by this Agreement to be so performed or complied with by the Company at or before the Closing.

(c) No Material Adverse Effect. Since the Agreement Date, a Material Adverse Effect shall not be continuing at the Closing Date.

(d) Certificate of the Company. The Company shall have delivered to Parent, Merger Sub I and Merger Sub II a certificate, duly signed by the Company's chief executive officer, in the form attached hereto as Exhibit K,to the effect that the conditions specified in Section 8.38.3, Section 8.3(b), Section 8.3(c), Section 8.3(g), Section 8.3(h) and Section 8.3(m), have been satisfied (the "Company Closing Certificate").

(e) No Legal Proceedings. There shall not be instituted, pending or threatened a Legal Proceeding initiated by, or before, any Governmental Authority challenging or seeking to make illegal or otherwise directly restrain or prohibit the consummation of the Mergers and no Legal Proceeding shall be pending against Parent, Merger Sub I, Merger Sub II or the Company or any Equityholders: (i) which seeks to frustrate or prevent the consummation of either Merger on the terms, and conferring upon Parent and the Company all of their respective rights and benefits, contemplated by this Agreement, or (ii) which could limit in any manner or impose any limitations on the ownership or operation by Parent of all or any portion of businesses or assets of the Company, or require the sale, divestiture, or license of any of the Assets, Securities or businesses of any of the Parent or the Company.

(f) Non-Competition Agreements. The Non-Competition Agreements between Parent and each of the Identified Persons shall be in full force and effect at the First Effective Time.

(g) Continuing Employment and Engagement. All of the Key Employees and Key Contractors, to whom Parent has extended offer letters or engagement letters, as shall solely be determined by Parent, to become employees or contractors, as applicable, of Parent or any of its Affiliates (as shall solely be determined by the Parent) (the "Employing Member") (on at least the same terms of their current employment or engagement) shall have accepted Parent's offer of

employment or engagement to become an employee or contractor of the Employing Member immediately following the Closing and shall not have evidenced any intention to terminate employment or engagement with the applicable Employing Member following the Closing.

(h) Waiver or Expiration of Appraisal Rights. Stockholders representing at least ninety percent (90%) of the outstanding shares of Company Capital Stock (calculated on an as-converted-to-Company-Common-Stock basis) issued and outstanding as of immediately prior to the First Effective Time shall have waived their appraisal rights (and Parent shall have received evidence reasonably satisfactory to it for such waivers), or such appraisal rights shall have otherwise expired (and such expiration is confirmed in writing by a letter duly signed by the Company's chief executive officer and delivered to the Parent).

(i) Contracts and Consents. All (i) Contracts listed on Schedule 8.3(a)(i)(i) shall have been duly terminated, and (ii) consents listed on Schedule 8.3(a)(i)(ii), which are required in connection with (A) the execution and delivery of this Agreement or any other Transaction Document, the compliance by the Company with any of the provisions hereof or thereof, or the consummation of the transactions contemplated hereby or thereby, or (B) the continuing validity and effectiveness immediately following the Closing of any Permit or Contract of the Company, shall have been duly received.

(j) FIRPTA Certificate. Prior to the Closing, the Company shall have delivered to Parent a certificate (the "FIRPTA Certificate") pursuant to Treasury Regulations section 1.1445-2(c)(3), duly executed and acknowledged by an authorized officer of the Company, in the form of Exhibit L hereto, certifying that interests in the Company are not "U.S. real property interests," together with the notice required to be mailed to the IRS under Treasury Regulations section 1.897-2(h).

(k) Company Plans. Unless otherwise directed by Parent under Section 7.6(a), Parent shall have received evidence reasonably satisfactory to it that each Company 401(k) Plan shall have been terminated.

(l) 280G Approval. The Company shall deliver to Parent evidence reasonably acceptable to Parent that a vote of the stockholders of the Company was solicited in accordance with the foregoing provisions of Section 7.9(d) and that either (i) the requisite number of votes of the stockholders of the Company was obtained with respect to any Waived 280G Benefits (the "280G Approval") or (ii) the 280G Approval was not obtained, and, as a consequence, any Waived 280G Benefits shall not be made or provided for in any manner.

(m) Company Requisite Vote. The Company Requisite Vote shall have been received and evidence thereof shall have been delivered to Parent and shall be in full force and effect.

(n) Minimum Cash Amount. As of the Closing Date, and after giving effect to the repayment of all Outstanding Indebtedness, the Company shall have at least 85% of the

Minimum Cash Amount at its bank accounts.

(o) Deliveries. The deliveries set forth in Section 3.14(a) shall have been made.

(p) Repayment of Outstanding Indebtedness and Termination of Credit Lines. At or prior the First Effective Time, all Outstanding Indebtedness shall have been repaid and all Credit Lines, if any, shall have been terminated.

TERMINATION

9.1 Termination. At any time prior to the First Effective Time, whether before or after approval of the matters presented in connection with the Merger by the Stockholders, this Agreement may be terminated:

(a) by either the Company or Parent, by written notice to the other party, if the First Effective Time shall not have occurred on or before May 31, 2023 ("Termination Date"); provided, however, that the right to terminate this Agreement under this Section 9.1(a) shall not be available to any party whose action or failure to act has been the principal cause of or resulted in the failure of the Mergers to occur on or before such date and such action or failure to act constitutes a material breach of this Agreement;

(b) by mutual agreement in writing of Parent and the Company;

(c) by Parent, by written notice to the Company, if (i) Parent is not in material breach of any of its obligations under this Agreement and the Company shall breach in any respect any representation, warranty, obligation or agreement hereunder which breach would give rise to a failure of a condition set forth in Section 8.3 or Section 8.3(b) and such breach shall not have been cured, or such breach is incapable of being cured, within twenty (20) days following receipt by the Company of written notice of such breach, or (ii) any permanent injunction or other Order of a court or other competent authority preventing the consummation of the Mergers shall have become final and nonappealable;

(d) by the Company, by written notice to Parent, if (i) the Company is not in material breach of any of its obligations under this Agreement and the Parent shall breach in any respect any representation, warranty, obligation or agreement hereunder which breach would give rise to a failure of a condition set forth in Section 8.2(a) or Section 8.2(b) and such breach shall not have been cured, or such breach is incapable of being cured, within twenty (20) days following receipt by Parent of written notice of such breach, or (ii) any permanent injunction or other Order of a court or other competent authority preventing the consummation of the Mergers shall have become final and nonappealable;

(e) by either Parent or the Company, if a Governmental Authority shall have issued any order, injunction or other decree or taken any other action, in each case, which has

become final and nonappealable and which restrains, enjoins or otherwise prohibits the Mergers;

(f) by Parent if there shall have occurred a Material Adverse Effect; or

(g) by Parent, if evidence of receipt of the Company Requisite Vote has not been provided to Parent within five days following the execution of this Agreement.

9.2 Procedure Upon Termination. In the event of termination and abandonment by Parent or the Company, or both, pursuant to Section 9.1 hereof (other than pursuant to Section 9.1(b)), written notice thereof shall forthwith be given to the other party or parties setting forth a reasonably detailed description of the basis on which such party is terminating this Agreement, and this Agreement shall terminate without further action by Parent or the Company.

9.3 Effect of Termination. In the event that this Agreement is validly terminated as provided in this this Article IX, this Agreement shall forthwith become void, each of the parties shall be relieved of their duties and obligations arising under this Agreement after the date of such termination, and such termination shall be without Liability to Parent, either Merger Sub, the Company, Representative, the Equityholders or their respective officers, directors, stockholders or affiliates; provided, however, that the obligations of the parties set forth in Section 7.4 (Fees and Expenses), this Article IX (Termination), Article XI (Miscellaneous) and the Mutual Non-Disclosure Agreement, by and between the Company and Oddity, dated as of January 10, 2023 (the "Confidentiality Agreement") shall survive any such termination and shall be enforceable hereunder; provided, further, however, that nothing in this Section 9.3 shall relieve Parent, either Merger Sub, the Company or Representative of any Liability for a breach of this Agreement prior to the effective date of termination or from any claims, causes of action or remedies arising from fraud or intentional breach of this Agreement.

SURVIVAL; INDEMNIFICATION

10.1 General Survival. The representations and warranties of the Company contained in this Agreement and Company Closing Certificate shall survive the Mergers and continue until the date that is eighteen (18) months from the First Effective Time (such date, the "General Expiration Date"); provided, however, that (a) the representations and warranties contained in (i) Section 4.1 (Organization and Good Standing), Section 4.2 (Authorization of Agreement), Section 4.3(b) (Capitalization), and Section 4.22 (Brokers and Financial Advisors), shall survive until the expiration of the applicable statute of limitations with respect to the underlying subject matter of such representations and warranties (the representations and warranties set forth in this clause (i) being hereinafter referred to as "Fundamental Representations"), (b) Section 4.9 (Taxes) (the "Tax Representations") shall survive until the expiration of the applicable statute of limitations with respect to the underlying subject matter of such representations and warranties (including all periods of extension and revisiting whether automatic or permissive), (c) the representations and warranties contained in Section 4.12 (Intellectual Property) (the "IP Representations") shall survive the Merger and continue until the date that is thirty-six (36) months from the First Effective Time, (d) any claim for breach by the Company of its representations and warranties contained in this Agreement and Company Closing Certificate involving fraud or intentional misrepresentation

shall survive indefinitely, and (e) if a Claim Notice is duly and timely given under and in accordance with this Article X prior to the applicable expiration date with respect to any indemnifiable Loss resulting from, arising out of, relating to, imposed upon or incurred by any Indemnitee by reason of a breach of any representation or warranty, such claim shall be preserved until such claim is finally resolved or waived in accordance with the procedures set forth herein (each of the foregoing time periods, a "Survival Period"). The right of any Indemnitee to make a claim for Losses with respect to Section 10.2(a)(ii) through 10.2(a)(vi) of this Agreement shall survive the Merger in accordance with the Survival Period.

10.2 Indemnification.

(a) Indemnity. Subject to the limitations in this Section 10.2, from and after the First Effective Time and until the expiration of the applicable Survival Period as set forth in Section 10.1, if any, Parent, Merger Sub I, Merger Sub II, the First Surviving Corporation and the Surviving Company and their respective affiliates, officers, directors, stockholders, representatives and agents (collectively, the "Indemnitees") shall be indemnified and held harmless, by each Stockholder who does not perfect his, her or its appraisal rights pursuant to Section 262 of the DGCL, each Dissenting Stockholder who withdraws or otherwise terminates his, her or its appraisal rights pursuant to the DGCL, each Optionholder,on a several and not joint basis (collectively, "Escrowed Holders"), from and against and in respects of all Losses to the extent resulting from, arising out of, relating to, imposed upon or incurred by Parent, Merger Sub I, Merger Sub II, the First Surviving Corporation and the Surviving Company or any other Indemnitee by reason of:

(i) any breach of, or inaccuracy in, a representation or warranty of the Company in this Agreement or the Company Closing Certificate;

(ii) any breach or failure by the Company prior to Closing to perform any of the covenants, agreements or obligations of the Company contained in this Agreement;

(iii) any payments in respect of Dissenting Shares, to the extent, in the aggregate, exceeding the amounts that otherwise would have been payable pursuant hereto upon the exchange of such Dissenting Shares;

(iv) subject to the limitations of Section 3.15, any inaccuracy in the Allocation Schedule;

(v) any claims by any current or former holder any Security Right of the Company (including any predecessors), including Company Capital Stock, Company Stock Options or Company SAFEs to the effect that such Person is entitled to any Security Right or any payment in connection with the Mergers other than as specifically set forth on the Allocation Schedule and that entitles any such Person to any portion of the Net Aggregate Consideration not in accordance with the Allocation Schedule; or

(vi) disregarding any disclosure on the Company Disclosure Schedule but excluding any amount that is included in Transaction Expenses or the calculation of Closing Indebtedness), (A) without duplication, Taxes, including taxes payable, of or owed by the Company with respect to any Pre-Closing Tax Periods (with any Taxes with respect to any Straddle

Period determined as provided in Section 7.5(b)), (B) Taxes for which the Company (or any predecessor of the foregoing) is held liable under Treasury Regulations Section 1.1502-6 (or any similar provision of state, local or foreign Law) by reason of such entity being included in any consolidated, affiliated, combined or unitary group at any time on or before the Closing Date, , or (C) any failure by the Escrowed Holders to timely pay any and all Taxes required to be borne by a certain Escrowed Holder pursuant to Section 7.5(d), in each case to the extent not taken into account as part of Transaction Expenses or Closing Indebtedness;

(b) Escrow Fund. Subject to the limitations set forth in Section 10.2(c), if any Indemnitee seeks to assert a Claim Notice for indemnification pursuant to this Agreement (an "Indemnification Claim"), such Indemnitee shall be required to first submit such Claim Notice, and any dispute with respect to such indemnification claim shall be resolved, in accordance with the terms of Section 10.2(d) or Section 10.2(e) of this Agreement. Prior to any such Indemnitee seeking payment directly from any Escrowed Holder with respect to such Indemnification Claim to the extent there are funds available in the Escrow Fund, such Indemnitee shall first seek payment from the Escrow Fund based on, with respect to the portion of the Losses attributed to such Escrowed Holder, such Escrowed Holder's Indemnity Pro Rata Share of the funds in the Escrow Fund (payable from the Escrow Fund, based on the same pro rata ratio between cash and Consideration Shares applicable to such Escrowed Holder in accordance with the Allocation Schedule); provided, however, that if there are not sufficient funds in the Escrow Fund, subject to the limitations set forth in Section 10.2(c), such Indemnitee shall be permitted to seek indemnification directly from the Escrowed Holders, based on each Escrowed Holder's Indemnity Pro Rata Share, to the extent of any shortfall. Notwithstanding the aforesaid, the recourse of an Indemnitee with respect to claims resulting from fraud or intentional misrepresentation by (i) any Escrowed Holder, solely with respect to such Escrowed Holder who committed such fraud or intentional misrepresentation and (ii) the Company, solely with respect to an Escrowed Holder who had actual knowledge of such of Company's fraud or intentional misrepresentation, shall, in both cases, be, as shall be determined by Parent at its sole discretion, either from (X) the Escrow Fund or (Y) directly from the applicable Escrowed Holder.

For the avoidance of doubt, notwithstanding the partial payment of the Net Aggregate Consideration in Consideration Shares, the Net Aggregate Consideration for the purpose of this Article X shall be deemed equal to $69,200,259, as may be adjusted pursuant to the final Allocation Schedule, pursuant to the terms of the Agreement and each Consideration Share shall be valued for purposes of indemnification and this Article X as the value of such share at the Closing, i.e., $ 430.41 (the "Agreed Value").

(c) Limitations.

(i) Except for fraud or intentional misrepresentation and without derogating from any Indemnitees' entitlement to seek any equitable remedy, including a preliminary or permanent injunction or specific performance, the Escrowed Holders shall not be liable for any Losses with respect to the matters set forth in Section 10.2(a)(i) until the aggregate amount of all such Losses exceeds an amount in United States Dollars equal to 0. 5% of the Net Aggregate Consideration (as set forth on the Allocation Schedule); (the "Basket"); provided, however, that Losses attributable to breach of, or inaccuracy in, any Fundamental Representations shall not be subject to the Basket; provided, further, however, that if such aggregate amount

exceeds the applicable Basket, then the Indemnitees shall be entitled to indemnification for the entire amount of all such Losses within the Basket (and all such Losses shall remain subject to the limitations set forth in this Article X). For purposes of calculating Losses with respect to any breach or breaches by the Company of any of its representations and warranties contained in or made by or pursuant to this Agreement that are qualified by materiality or Material Adverse Effect (including for the purpose of determining whether the Basket has been satisfied) (but not for purposes of determining whether such a breach has occurred), all such qualifications shall be disregarded.

(ii) The total amount of Losses which the Escrowed Holders shall be obligated to pay to the Indemnitees under Section 10.2(a)(i) shall not exceed the Escrow Amount (the "Cap"); provided, however, notwithstanding the foregoing, the total amount of Losses which shall be recoverable by the Indemnitees from the Escrowed Holders (A) with respect to Fundamental Representations or in connection with fraud or intentional misrepresentation (except for any such fraud or intentional misrepresentation of the Company of which an Escrow Holder had actual knowledge and failed to disclose such knowledge prior to the First Effective Time, in which case no cap shall apply) shall not exceed the Net Aggregate Consideration (inclusive of the Escrow Fund, the Adjustment Escrow Fund, the Representative Expense Amount and any other amount deducted from the Net Aggregate Consideration payable pursuant to this Agreement) actually received by such Escrowed Holder (the "Fundamental Representations Cap") and the amount of Losses each Escrowed Holder shall be obligated to pay the Indemnitees with respect thereto shall not exceed its, his or her Indemnity Pro Rata Share of the Fundamental Representations Cap, and (B) with respect to IP Representations shall not exceed twenty five percent (25%) of the Net Aggregate Consideration (the "IP Representations Cap") and the amount of Losses each Escrowed Holder shall be obligated to pay the Indemnitees with respect thereto shall not exceed its, his or her Indemnity Pro Rata Share of the IP Representations Cap (provided that in the event that an Indemnitee is indemnified for any Losses from the Escrow Fund, the IP Representations Cap amount shall be reduced by the amount of such Losses); provided, further, however, that, notwithstanding the foregoing, the total amount of Losses which an Escrowed Holder shall be obligated to pay the Indemnitees in the event of fraud or intentional misrepresentation of which such Escrowed Holder had actual knowledge and failed to disclose such knowledge prior to the First Effective Time, shall not be subject to the Cap, the Fundamental Representations Cap or the IP Representations Cap. Subject to the other limitations in this Article X, the total amount of Losses which the Escrowed Holders shall be obligated to pay to the Indemnitees under this Agreement or otherwise in connection with the transactions contemplated by this Agreement or under Section 10.2(a)(ii) through Section 10.2(a)(vi) shall not exceed the Net Aggregate Consideration (inclusive of the Escrow Fund, the Adjustment Escrow Fund, the Representative Expense Amount and any other amount deducted from the Net Aggregate Consideration payable pursuant to this Agreement) actually received by such Escrowed Holder and the amount of Losses each Escrowed Holder shall be obligated to pay the Indemnitees with respect thereto shall not exceed the portion of the Net Aggregate Consideration (inclusive of the Escrow Fund, the Adjustment Escrow Fund, the Representative Expense Amount and any other amount deducted from the Net Aggregate Consideration payable pursuant to this Agreement) actually received by such Escrowed Holder and attributed to such Escrowed Holder.

(iii) An Indemnitee's right to indemnification under this Article X based on the breach of any representation or warranty or the failure of any representation or warranty to

be true and correct as of the Agreement Date and in all material respects as of the Closing Date (or, if given as of a specific date, at and as of such date), or the failure to perform any covenant shall not be diminished or otherwise affected in any way as a result of the existence of such Indemnitee's knowledge of such breach, untruth or nonperformance as of the Agreement Date and the Closing Date (or, if given as of a specific date, at and as of such date), regardless of whether such knowledge exists as a result of the Indemnitee's investigation or as a result of disclosure by the Company (or any other Person), unless (except otherwise provided in this Agreement or in the Company Disclosure Schedule) such disclosure was set forth in this Agreement or in the Company Disclosure Schedule and subject to other terms related to such disclosure as set out herein.

(iv) When determining the amount of Losses payable hereunder, any amount of Losses shall be reduced by any amount actually received by any Indemnitees (net of any increase in premium, deductibles and other costs and expenses incurred by such Indemnitee as a result of seeking recovery for such Losses) under applicable insurance policies, indemnification provisions or otherwise in respect of such Losses, and any Tax benefits realized by any Indemnitees in respect of such Losses, as if such insurance proceeds, indemnification or other amounts or Tax benefits had been received or realized prior to the collection of any Losses under this Agreement and any excess Losses previously collected after such recalculation shall be repaid to the Escrow Fund, or after the release of the Escrow Fund, such amount shall be paid to the Paying Agent for distribution to the Escrowed Holders, based on their respective Indemnity Pro Rata Share. The Indemnitees shall not be required to file or bring a lawsuit, arbitration or other action or Legal Proceeding with respect to any insurance policy or third party, provided however that nothing in this Agreement shall derogate from Indemnitees' obligation to use commercially reasonable efforts to mitigate any Losses. For the avoidance of doubt, notwithstanding anything to the contrary in this Agreement, the Indemnitees shall be entitled to seek indemnification under this Article X concurrently with seeking recovery from any third party insurance policies or other third party. Furthermore, Losses will be calculated (A) net of any third party indemnification or contribution payments actually received by any Indemnitee (including, without limitation, insurance payments discussed above) and (B) without regard to any punitive damages (unless actually awarded to a third party).

(v) No Indemnitee shall be indemnified more than once for the same Loss suffered, regardless if such Loss may be attributed to more than one indemnity, breach of several paragraphs of the representations, warranties or the breach of or default in connection with several covenants or obligations herein, and regardless whether or not such breaches of covenants or misrepresentations are made with fraud.

(vi) Notwithstanding any other provision of this Agreement, the Escrowed Holders shall not have any liability or indemnification obligation under Section 10.2 (a)(vi) for (A) any Taxes of the Company resulting from any election made under Section 338 of the Code with respect to the Mergers, or (B) any Taxes of the Company resulting from any action taken outside the ordinary course of business by the Company after the Closing on the Closing Date.

(vii) The representations and warranties of the Company contained in this Agreement and in Company Disclosure Schedule constitute the sole and exclusive representations and warranties made by or on behalf of the Company in connection with the transactions

contemplated by this Agreement, and Parent understands, acknowledges and agrees that all other representations and warranties made by or on behalf of the Company of any kind or nature, express or implied, are specifically disclaimed by the Company. In addition, no Escrowed Holder shall have any liability with respect to the representations, warranties, covenants and agreements made by any other Party other than the Company.

(d) Indemnification Procedure.

(i) Subject to the provisions of Section 7.5(c) which shall govern with respect to Tax Claims, if at any time prior to the expiration of applicable Survival Period, Indemnitee becomes aware of facts or circumstances that Indemnitee believes, in good faith, gives rise to indemnification claim hereunder, then Parent shall promptly notify in writing the Representative of such claim by delivering a written notice (a "Claim Notice"), with a copy to the Escrow Agent (if and to the extent seeking recourse against the Escrow Fund). The Claim Notice shall (A) state that the Indemnitee has paid, sustained, suffered or incurred (or, if it is reasonably anticipates, that it will have to pay, sustain, suffer or incur) Losses, the amount of such Losses (which, in the case of Losses not yet actually paid, suffered, incurred or sustained, shall be a good faith estimate of the amount thereof, followed by an additional Claim Notice when such Losses are incurred and paid), (B) specify in reasonable detail the individual items of Losses included in the amount so stated, (C) identify the nature of the misrepresentation, breach of warranty, covenant or specific indemnity to which such Loss is allegedly attributable and the material facts (including any supporting documentation, if applicable) giving rise to the Losses and (D) a description, in reasonable detail, of the facts, circumstances or events giving rise to such alleged indemnifiable Losses, including (1) the basis for such anticipated liability and the nature of the breach to which such Losses relate, (2) the identity of any third party claimant (if any), and (3) copies of any formal demand or complaint from any third party claimant (if any) and together with any other supporting documentation or evidence. Parent and the Indemnitees shall afford the Representative and its designated representatives and advisors such additional information, documents and material as are reasonably requested by the Representative in order to allow the Representative to properly consider, evaluate, respond and discuss with the Parent and the Indemnitee the claim for indemnification, and the Representative shall be entitled to discuss, receive information and consult with any Escrowed Holder on such matter.

(ii) On or prior to the date that is thirty (30) days from the date that a Claim Notice is deemed duly received by the Representative, the Representative may deliver to Parent a written response (the "Response Notice") in which the Representative either: (A) agrees to the Losses claimed in the Claim Notice as owed to the Indemnitees; (B) agrees that a portion, but not all, of the Losses claimed in the Claim Notice (such portion, the "Agreed Amount") are owed to the Indemnitees; or (C) indicates that no Losses claimed in the Claim Notice are owed to the Indemnitees. Any Losses claimed that are not agreed to be owed to the Indemnitees pursuant to the Response Notice shall be referred to as a "Contested Amount."

(iii) If the Representative delivers to the Parent a Response Notice agreeing to the entirety of the Losses claimed in the Claim Notice or to an Agreed Amount, then (A) to the extent there are funds available in the Escrow Fund, the Representative shall promptly (and no later than three (3) Business Days) instruct the Escrow Agent to distribute such Agreed Amount to the Indemnitee (based on the same pro rata ratio between cash and Consideration Shares

applicable to each Escrowed Holder in accordance with the Allocation Schedule) and (B) to the extent there are no funds available in the Escrow Fund, subject to the limitations in 10.2(c), within twenty (20) Business Days following the delivery of such Response Notice to Parent, each Escrowed Holder shall pay to the Indemnitees, in each case subject to the limitations set forth herein, such Indemnity Pro Rata Share of the Losses so agreed (*less* any amounts recovered from the Escrow Fund with respect thereto, if any), whether by cash or Consideration Shares, at such Escrowed Holder's discretion. The delivery of any Consideration Shares under this Agreement for purposes of satisfying the indemnification obligation of Indemnitee shall be at the Agreed Value.

(iv) If the Representative delivers to Parent a Response Notice indicating that there is a Contested Amount, the Representative and Parent shall attempt in good faith to resolve the dispute related to the Contested Amount within the thirty (30) days following the delivery of such Response Notice. If Parent and the Representative resolve such dispute, such resolution shall be binding and a settlement agreement stipulating the amount owed to the Indemnitees (the "Stipulated Amount") shall be signed by the Indemnitees and the Representative, and (A) to the extent there are funds available in the Escrow Fund, the Representative shall promptly (and no later than three (3) Business Days) instruct the Escrow Agent thereof and the Escrow Agent shall deliver such Agreed Amount to the Indemnitees (based on the same pro rata ratio between cash and Consideration Shares applicable to each Escrowed Holder in accordance with the Allocation Schedule) as instructed and (B) to the extent there are no funds available in the Escrow Fund, subject to the limitations in 10.2(c), within twenty (20) Business Days following execution of the settlement agreement, each Escrowed Holder shall pay to the Indemnitees, in each case subject to the limitations set forth herein, such Indemnity Pro Rata Share of the Losses so agreed (*less* any amounts recovered from the Escrow Fund with respect thereto, if any), whether by cash or Consideration Shares, at such Escrowed Holder's discretion.

(v) If the Representative and Parent are unable to resolve the dispute related to the Contested Amount within thirty (30) days following the delivery of such Response Notice, either of Parent or Representative may bring suit in the courts of the State of Delaware and Federal Courts of the United States of America, in each case, located within the State of Delaware to resolve the matter in accordance with Section 11.2. Judgment upon any award rendered by the competent court may be entered in any court having jurisdiction.

(vi) Any amount under the Escrow Fund at the end of the Escrow Period shall be retained by the Escrow Agent in escrow in order to satisfy any unresolved claims specified in any Claim Notice that has been properly delivered by an Indemnitee prior to the expiration of the applicable Survival Period until finally resolved (the "Retained Escrow Amount"). Any remaining amount under the Escrow Fund (which amount includes the Accrued Interest) *less* the Retained Escrow Amount shall be released by the Escrow Agent to the Paying Agent to be further distributed to such Escrowed Holders based on their Indemnity Pro Rata Share of such remaining amount, three (3) Business Days following the end of the Escrow Period.

(e) Third Party Claims.

(i) If an Indemnitee becomes aware of a third party claim (including a claim, demand, audit, investigation or an inquiry by any Governmental Authority) that Parent believes, in good faith, may result in an indemnification claim pursuant hereto (each, a "Third

Party Claim"), Parent shall promptly, deliver to Representative a Claim Notice of such claim in writing and in reasonable detail, accompanied by the documents relating to the claim, and Parent shall conduct the defense of such claim on behalf of the Indemnitees. The Representative shall be entitled, at its sole option and expense, to participate in, but not to determine or control, any defense of the Third Party Claim or settlement negotiations with respect to the Third Party Claim. The costs of participating in such defense or settlement incurred by Representative shall be borne or paid by the Escrowed Holders. Parent shall and shall cause the Indemnitees to (A) reasonably cooperate with the Representative and its counsel in defending or settling the Third Party Claim, (B) give the Representative and its counsels the opportunity to comment and advise on strategy with respect to the defense or settlement of the Third Party Claim and be involved in the various proceedings undertaken for the purpose of defending or settling the Third Party Claim, and (C) provide the Representative and its counsel with copies of all pleadings, notices and material communications with respect to the Third Party Claim in a timely manner, to the extent that receipt of such documents does not breach any material privilege relating to any Indemnitees (being specified that in such case, the joint defense doctrine, communality of interest or any equivalent shall benefit to the Representative and its counsel, and the Indemnitees and the Representative shall execute the required agreements in such respect). The failure to notify the Representative of a Third Party Claim as set forth in this Section 10.2(e) shall relieve the Escrowed Parties from liability in connection therewith to the extent that such failure materially and adversely effects the ability of the Escrowed Parties to defend their interests in such action or that the Escrowed Holders or otherwise materially prejudiced thereby.

(ii) No settlement of any such Third Party Claim with any third party claimant shall be determinative of the existence of or amount of Losses or the Indemnitees' entitlement to indemnity relating to such matter, except with the consent of the Representative, which consent shall not be unreasonably withheld, conditioned or delayed. However, if the consent of Representative is obtained to the settlement of a Third Party Claim, such settlement of that portion of any such claim shall alone be determinative of the amount of the claim against the Escrow Fund, and neither Representative nor any Person who has a beneficial interest in funds in the Escrow Fund shall have any power or authority to object under any provision of this Article X to the amount of any demand by Parent against the funds in the Escrow Fund with respect to such settlement; provided, that nothing in such consent shall be deemed as an agreement to waive or amend any limitation on such indemnification and any indemnity with respect thereto shall be subject to the limitations contained in this Agreement unless otherwise specified in such consent.

(iii) In the event the Indemnitees elect not to defend a Third Party Claim, the Representative may defend such claim at the Escrowed Holders' sole cost and expense. In such event, neither the Escrowed Holders nor the Representative shall have any right to settle, adjust or compromise any Third Party Claim without the express written consent of the Indemnitees against whom the third party claim has been asserted, which consent shall not be unreasonably withheld, conditioned or delayed; provided, that such consent shall not be required if the sole remedy in the settlement or compromise is monetary remedies to be borne by the Escrowed Holders or any Person other than the Indemnitees, and the Indemnitees against whom the Third Party Claim has been asserted are provided with full and complete release from such claims.

(iv) With respect to any Third Party Claim subject to indemnification hereunder, the Indemnitees and the Representative: (A) shall each keep the other informed in all

material respects of the status of such Third Party Claim and any related Proceedings at all stages, and (B) assist as the other may reasonably require and cooperate in good faith with each other in order to ensure the proper and adequate defense or settlement of any Third Party Claim. For the avoidance of doubt, Third Party Claims which are Tax Claims shall not be governed by this Section 10.2(e), but shall rather be governed by Section 7.5(c).

(f) Exclusive Remedy. Parent, Merger Sub I, Merger Sub II, and Indemnitees agree that Indemnitees' sole and exclusive remedy after the First Effective Time with respect to any and all Losses relating to this Agreement and the transactions contemplated by this Agreement, and any and all Losses with respect to any representations, warranties, covenants, special indemnification claims, and agreements in this Agreement and the Company Closing Certificate, shall be pursuant to the indemnification provisions set forth in this Article X; provided, however, that the foregoing clause of this sentence shall not be deemed a waiver by any party of any right to bring a claim against any other party to a Transaction Document, specific performance or injunctive relief, or any right or remedy against an Escrowed Holder arising by reason of any fraud or intentional misrepresentation of such Escrowed Holder or fraud or intentional misrepresentation of the Company of which such Escrowed Holder had knowledge, with respect to this Agreement or the Company Closing Certificate. Subject to the other limitations contained herein, the obligations of the Escrowed Holders under this Article X shall not be reduced, offset, eliminated or subject to contribution by reason of any action or inaction by the Company prior to the First Effective Time that contributed to any inaccuracy or breach giving rise to such obligation, it being understood that the Escrowed Holders, not the Company or the Surviving Company, shall have the sole obligation for the indemnification obligations under this Article X, subject to Section 7.9.

(g) Without derogating from and subject to Section 7.9, no Escrowed Holder shall initiate any Legal Proceeding for indemnification or contribution from the Company, or any employee, officer, director or agent thereof, in their capacity as such, with respect to any indemnity claims arising under or in connection with this Article X, to the extent that any Person is entitled to indemnification hereunder for such claim, and each Equityholder hereby waives any such right of indemnification or contribution from the Company that it has or may have in the future.

(h) Tax Treatment of Payments. The parties hereto shall treat any payments made pursuant to this Article X as adjustments to the Aggregate Merger Consideration for Tax purposes unless applicable Tax Law causes such payment not to be so treated.

10.3 Representative. For purposes of this Agreement, the Escrowed Holders, by virtue of the approval of the Mergers and this Agreement and without any further action on the part of any such Escrowed Holder or the Company, shall be deemed to have consented to the appointment of the Representative, as the exclusive agent and attorney-in-fact under this Agreement, the Paying Agent Agreement, and the Escrow Agreement for and on behalf of each such Escrowed Holder and the taking by Representative of any and all actions and the making of any decisions required or permitted to be taken by the Representative under and subject to the terms, conditions and limitations, of this Agreement, the Paying Agent Agreement, and the Escrow Agreement, including the exercise of the power to (a) prepare, execute and deliver this Agreement and the Transaction Documents to which it is a party, any document, certificate or other instrument required to be delivered by or on behalf of the Escrowed Holders and any amendments hereto and thereto, (b) authorize delivery to Parent and the Surviving Company of the Escrow Fund or any

portion thereof, in satisfaction of Indemnification Claims, (c) agree to, negotiate, enter into settlements and compromises of and comply with orders of courts and awards of arbitrators with respect to such Indemnification Claims and to pursue remedies and Legal Proceedings in connection with any alleged breach of this Agreement, (d) resolve any Indemnification Claims, (e) make and settle determinations and calculations with respect to distributions and allocations of the Net Aggregate Consideration and any portion thereof, including, the Escrow Fund and the Representative Expense Amount, (f) to give and receive notices and communications hereunder, and (g) take all actions necessary in the judgment of Representative for the accomplishment of the foregoing (including engaging counsel, accountants or other advisors in connection with the foregoing matters) and all of the other terms, conditions and limitations of this Agreement, the Paying Agent Agreement, and the Escrow Agreement or that are specifically mandated by the terms of this Agreement. Notwithstanding the foregoing, the Representative shall have no obligation to act on behalf of the Escrowed Holders, except as expressly provided herein, in the Escrow Agreement and the Paying Agent Agreement, and for purposes of clarity, there are no obligations of the Representative in any ancillary agreement, schedule, exhibit or the Company Disclosure Schedule. The powers, immunities and rights to indemnification granted to the Representative Group hereunder: (i) are coupled with an interest and shall be irrevocable and survive the death, incompetence, bankruptcy or liquidation of any Escrowed Holder and shall be binding on any successor thereto, and (ii) shall survive the delivery of an assignment by any Escrowed Holder of the whole or any fraction of his, her or its interest in the Escrow Fund. The Escrowed Holders and their successors will be bound by all actions taken by Representative in connection with this Agreement, the Escrow Agreement, and the Paying Agent Agreement as if expressly confirmed and ratified in writing by the Escrowed Holders, all defenses which may be available to any Escrowed Holder to contest, negate or disaffirm the action of the Representative taken in good faith under this Agreement, the Escrow Agreement, or the Paying Agent Agreement are waived, and Parent and the Surviving Company shall be entitled to rely on any action or decision of Representative.. Neither the Representative nor its members, managers, directors, officers, contractors, agents and employees (collectively, the "Representative Group"), will incur liability with respect to any action taken or suffered by it in reliance upon any notice, direction, instruction, consent, statement or other document believed by it to be genuine and to have been signed by the proper person (and shall have no responsibility to determine the authenticity thereof), nor for any other action or inaction in connection with the acceptance or administration of the Representative's responsibilities hereunder, under the Escrow Agreement or the Paying Agent Agreement, except its own willful misconduct, bad faith or gross negligence. In all questions arising under this Agreement, the Escrow Agreement or the Paying Agent Agreement, Representative may: (i) rely on the advice of counsel, and Representative will not be liable to the Escrowed Holders for anything done, omitted or suffered in good faith by Representative based on such advice, (ii) rely upon the Allocation Schedule, (iii) rely upon any signature believed by it to be genuine, and (iv) reasonably assume that a signatory has proper authorization to sign on behalf of the applicable Escrowed Holder or other party. The Escrowed Holders shall, severally and not jointly, based on their Indemnity Pro Rata Share, indemnify, defend and hold harmless the Representative Group and its successors and assigns from and against any and all suits, actions, causes of action, losses, liabilities, damages, claims, penalties, fines, forfeitures, fees, costs, judgments, amounts paid in settlement and expenses (including reasonable attorneys' fees and court costs and fees and expenses of counsel and experts and in connection with seeking recovery from insurers, and all expenses of document location, duplication and shipment) (collectively,

"Representative Losses") actually incurred in connection with any actions taken or omitted to be taken by the Representative pursuant to the terms of this Agreement, the Paying Agent Agreement, or the Escrow Agreement, in each case as such Representative Loss is incurred; provided that in the event it is finally adjudicated that a Representative Loss or any portion thereof was primarily caused by the willful misconduct, bad faith or gross negligence of the Representative, the Representative will reimburse the Escrowed Holders the amount of such indemnified Representative Loss attributable to such willful misconduct, bad faith or gross negligence. Any Representative Losses actually suffered or incurred may be recovered by the Representative only in the following order: (i) first, from the Representative Expense Amount, (ii) second, from the amounts in the Escrow Fund otherwise distributable to the Escrowed Holders pursuant to the terms hereof and the Escrow Agreement, if any, at the time such amount can be released to the Escrowed Holder pursuant to the terms hereof and the Escrow Agreement in accordance with written instructions delivered by the Representative to the Escrow Agent; and (iii) last, directly by the Escrowed Holders, in which case indemnification for Representative's losses actually suffered or incurred shall be limited to each Escrowed Holder's Indemnity Pro Rata Share thereof. In no event will the Representative be required to advance or risk its own funds on behalf of the Escrowed Holders or otherwise in the exercise or performance of any of its powers, rights, duties or privileges or pursuant to this Agreement, the Escrow Agreement, or the transactions contemplated hereby or thereby, and the Representative will not be required to take any action involving any expense unless the payment of such expense is made or provided for in a manner satisfactory to it. The Representative may resign at any time and the majority of the Escrowed Holders can appoint a new Representative by written consent by sending notice and a copy of the duly executed written consent appointing such new Representative to Representative, Parent and the Escrow Agent. Such appointment will be effective upon the later of the date indicated in the consent or the date such consent is received by Parent, Merger Sub I, Merger Sub II (or, if after the First Effective Time, the Surviving Company) and the Escrow Agent.

MISCELLANEOUS

11.1 Specific Performance. The parties hereto agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached and that there may not be any adequate remedy at law for any violation by any party of any of the covenants or agreements contained in this Agreement. It is accordingly agreed that the parties hereto shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement in the Chancery Court of the State of Delaware or any federal court sitting in the State of Delaware, without bond or other security being required, this being in addition to any other remedy to which they are entitled at Law or in equity.

11.2 Governing Law; Submission to Jurisdiction.

(a) This Agreement shall be governed by, and construed in accordance with, the Laws of the State of Delaware, applicable to contracts executed in and to be performed entirely within that State without giving effect to any principles with respect to conflicts of laws that could

result in the application of the laws of any other state.

(b) Any actions and proceedings under this Agreement shall be heard and determined in the Chancery Court of the State of Delaware or any federal court sitting in the State of Delaware, and the parties hereto hereby irrevocably submit to the exclusive jurisdiction of such courts (and, in the case of appeals, appropriate appellate courts therefrom) in any such action or proceeding and irrevocably waive the defense of an inconvenient forum to the maintenance of any such action or proceeding. The parties hereto agree that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by applicable Law. Each party hereto hereby consents to process being served in any such action or proceeding by the mailing of a copy thereof to the address set forth in Section 11.7 and agrees that such service upon receipt shall constitute good and sufficient service of process or notice thereof. Nothing in this Section 11.2 shall affect or eliminate any right to serve process in any other manner permitted by Law.

11.3 Entire Agreement. This Agreement, the Company Disclosure Schedule and the other Transaction Documents (including the schedules and exhibits hereto and thereto and the Confidentiality Agreement) represent the entire understanding and agreement between the parties hereto with respect to the subject matter hereof, superseding, without limitation, that certain non-binding Term Sheet by and between Oddity and the Company, dated February 2, 2023.

11.4 Amendment. Except as is otherwise required by applicable Law, prior to the First Effective Time may be amended by the parties hereto at any time by execution of an instrument in writing signed by Parent, Merger Sub I, Merger Sub II and the Company. Except as is otherwise required by applicable Law, after the First Effective Time may be amended by the parties hereto at any time by execution of an instrument in writing signed by Parent, Merger Sub I, Merger Sub II and the Representative.

11.5 Extension; Waiver. At any time prior to the First Effective Time, Parent, Merger Sub I and Merger Sub II, on the one hand, and the Company, on the other, may, to the extent legally allowed, (a) extend the time for the performance of any of the obligations of the other party hereto, (b) waive any inaccuracies in the representations and warranties made to such party contained herein or in any document delivered pursuant hereto or (c) waive compliance with any of the agreements or conditions for the benefit of such party contained herein. Any agreement on the part of a party hereto to any such extension or waiver shall be valid only if, and to the extent, set forth, in an instrument in writing signed on behalf of such party. No action, except an actual waiver, taken pursuant to this Agreement or any other Transaction Document, including any investigation by or on behalf of any party, shall be deemed to constitute a waiver by the party taking such action of compliance with any representation, warranty, covenant or agreement contained herein. The waiver by any party hereto of a breach of any provision of this Agreement shall not operate or be construed as a further or continuing waiver of such breach or as a waiver of any other or subsequent breach. No failure on the part of any party to exercise, and no delay in exercising, any right, power or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of such right, power or remedy by such party preclude any other or further exercise thereof or the exercise of any other right, power or remedy.

11.6 No Third Party Beneficiaries. This Agreement, the Company Disclosure Schedule

and the other Transaction Documents (including the schedules and exhibits hereto and thereto) are not intended to, and shall not, confer upon any other Person any rights or remedies hereunder, except for Section 7.9 which is for the benefit of the Covered Persons, and Article X, which is for the benefit of the Indemnitees covered thereby.

11.7 Notices. All notices, requests and other communications to any party hereunder shall be in writing and shall be deemed given (a) when delivered or sent if delivered in person or sent by facsimile or email transmission (provided electronic confirmation of facsimile or email transmission is obtained) or, if delivered on a non-Business Day, then on the first Business Day following delivery or facsimile or email transmission (with electronic confirmation of transmission), (b) on the third (3rd) Business Day after dispatch by registered certified mail, or (c) on the next Business Day if transmitted by national overnight courier, in each case as follows (provided, however, that any notice of change of address shall only be valid upon receipt):

If to the Company, to:

Revela, Inc.
_____
_____
Attention: _____
Facsimile: _____
Email: _____

With a copy to (which shall not constitute notice):

Presidio Legal, P.C.
340 S. Lemon Ave., Suite 9501
Walnut, CA 91789
USA
Attention: Sean Mahsoul
E-mail: sean@presidio.legal

and with a copy to (which shall not constitute notice):

Meitar, Law Offices
16 Abba Hillel Rd.
Ramat Gan 5250608
Israel
Attention: Yael Nardi
Email: ynardi@meitar.com

If to Parent, Merger Sub I, Merger Sub II or the Surviving Company, to:

Oddity Tech Ltd.

8 Haharash St, Tel Aviv, Israel

Attention: Oran Holtzman; Jonathan Truppman
Email: oran@oddity.com
JonathanT@oddity.com

With a copy to (which shall not constitute notice):

Herzog Fox & Neeman

4 Yitzhak Sadeh Street,
Tel Aviv 6777504, Israel

Attention: Itay Lavi, Adv.
Fax: +972-3-696-6464
Email: lavii@herzoglaw.co.il

If to the Representative, to:

_____
_____
_____

With a copy to (which shall not constitute notice):

Presidio Legal, P.C.
340 S. Lemon Ave., Suite 9501
Walnut, CA 91789
USA
Attention: Sean Mahsoul _____
E-mail: sean@presidio.legal _____

and with a copy to (which shall not constitute notice):

Meitar, Law Offices
16 Abba Hillel Rd.
Ramat Gan 5250608
Israel
Attention: Yael Nardi
Email: ynardi@meitar.com

11.8 Severability. If any term or other provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or incapable of being enforced by any rule of Law or public policy, all other terms, provisions and conditions of this Agreement shall nevertheless remain in full force and effect and shall in no way be affected, impaired or invalidated so long as the economic and legal substance of the transactions contemplated by this Agreement is not affected in any manner adverse to any party hereto. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible to the fullest extent permitted by applicable Law in an acceptable manner to the end that the transactions contemplated by this Agreement are fulfilled to the extent possible.

11.9 Assignment; Binding Effect. Neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned, in whole or in part, by operation of Law or otherwise, by any of the parties hereto without the prior written consent of each other party hereto, except that (i) each of Parent, Merger Sub I and Merger Sub II may assign, in its sole discretion, any of or all its rights, interests and obligations under this Agreement to one (1) or more of its Affiliates, but no such assignment shall relieve Parent, Merger Sub I or Merger Sub II, as applicable, of any of its obligations hereunder, and (ii) the rights of the Escrowed Holders as of the First Effective Time to receive any portion of the Escrow Fund and/or Representative Expense Amount, if and to the extent released, shall be assignable by the Escrowed Holders from time to time, in whole or in part, whether by assignment, operation of law or otherwise. Parent shall cause the Indemnitees to act in accordance with this Agreement, as if an original party hereto. Subject to the preceding sentence, this Agreement shall be binding upon, inure to the benefit of, and be enforceable by, the parties hereto and their respective successors and permitted assigns. Any purported assignment not permitted under this Section 11.9 shall be null and void.

11.10 Counterparts. This Agreement may be executed in multiple counterparts, each of which will be deemed to be an original copy of this Agreement and all of which, when taken together, will be deemed to constitute one (1) and the same agreement. The exchange of a fully executed Agreement (in counterparts or otherwise) by electronic transmission in .PDF format or by facsimile shall be sufficient to bind the parties to the terms and conditions of this Agreement.

11.11 No Right of Setoff. Except as explicitly set forth herein, the Parent shall not be entitled to set-off against any payment obligations owing by it to the Company or any of the Equityholders under this Agreement, any Transaction Document, any related agreement, or any other certificate, agreement, document or other instrument to be executed and delivered by the Parent in connection with the transactions contemplated hereby, or against any claims that the Parent may have against any of the Equityholders under such agreements.

11.12 Conflict Waiver. Notwithstanding that the Company has been represented by

Meitar, Law Firm and Presidio Legal, P.C. (the "Firms") in the preparation, negotiation and execution of this Agreement and the transactions contemplated herein ("Transaction"), the Company agrees that after the Closing Date the Firms may represent the Representative, the Escrowed Holders and/or their Affiliates in matters related to this Agreement and ancillary agreements hereto, the Transaction Agreements and any documents related thereto, including without limitation in respect of any indemnification claims. The Company hereby acknowledges, on behalf of itself and its Affiliates that it has had an opportunity to ask for and has obtained information relevant to such representation, including disclosure of the reasonably foreseeable adverse consequences of such representation, and it hereby waives any conflict arising out of such future representation. Neither the Company nor the Indemnitees may waive attorney-client privilege with respect to the Transaction without Stockholders' Representative written consent.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement and Plan of Mergers to be duly executed and delivered as of the date first above written.

IM PRO MAKEUP NY L.P.,

By: /s/ Oran Holtzman
Name: Oran Holtzman
Title: Director in the GP

IM PRO MAKEUP NY MERGER SUB, INC.,

By: /s/ Oran Holtzman
Name: Oran Holtzman
Title: Director

ODDITY LABS, LLC,

By: /s/ Oran Holtzman
Name: Oran Holtzman
Title: Director

IN WITNESS WHEREOF, the parties hereto have caused this Agreement and Plan of Mergers to be duly executed and delivered as of the date first above written.

REVELA, INC.

By: /s/ Evan Zhao
Name: Evan Zhao
Title: Chief Executive Officer

EVAN ZHAO, solely in his capacity as Representative

/s/ Evan Zhao
EVAN ZHAO, representative

Exhibit 21.1

Subsidiaries of ODDITY Tech LTD.

Name	State or Other Jurisdiction of Incorporation or Organization
Il MAKIAGE BEAUTY I.L LTD	Israel
IL MAKIAGE GB LTD	United Kingdom
I.M. GLOBAL RETAIL LIMITED PARTNERSHIP	Israel
IM INDUSTRIES INC.	New Jersey
IM PROFESSIONAL MAKEUP INC.	New York
IM RETAIL MANAGEMENT LTD	Israel
MISS BEAUTY LTD	Israel
NEOWIZE INC	Delaware
NEOWIZE LTD	Israel
ODDITY Labs LLC	Delaware
ODDITY Tech US Inc.	New York
SPOILEDCHILD INC.	Delaware
VOYAGE81 LTD	Israel

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

We consent to the reference to our firm under the caption “Experts” and to the use of our report dated May 1, 2023, in the Registration Statement (Form F-1) and related Prospectus of Oddity Tech Ltd. dated June 23, 2023.

/s/ KOST, FORER, GABBAY & KASIERER

Tel Aviv, Israel
June 23, 2023

KOST, FORER, GABBAY & KASIERER
A Member of EY Global

Exhibit 99.1

CONSENT TO BE NAMED AS DIRECTOR

In connection with the Registration Statement on Form F-1 (including any and all amendments, including post-effective amendments, or supplements thereto, or the Registration Statement, of Oddity Tech, Ltd, or the Company, the undersigned hereby consents to being named and described in the Registration Statement filed with the U.S. Securities and Exchange Commission as a person to become a director of the Company, with such appointment to become effective as of immediately prior to, and contingent upon, the closing of the offering described in the Registration Statement, and to the filing or attachment of this Consent with such Registration Statement.

IN WITNESS WHEREOF, the undersigned has executed this Consent as of the 23rd day of June, 2023.

/s/ Ohad Chereshniya

Ohad Chereshniya

Exhibit 107

Calculation of Filing Fee Tables

FORM F-1
(Form Type)

Oddity Tech Ltd.
(Exact Name of Registrant as Specified in the Articles of Association)

Table 1: Newly Registered and Carry Forward Securities

	Security Type	Security Class Title	Fee Calculation or Carry Forward Rule	Maximum Aggregate Offering Price[1][2]	Fee Rate	Amount of Registration Fee	Carry Forward Form Type	Carry Forward File Number	Carry Forward Initial Effective Date	Filing Fee Previously Paid in Connection with Unsold Securities to be Carried Forward
Newly Registered Securities										
Fees to be Paid	Equity	Common Stock, par value $0.0001 per share	457(o)	$100,000,000	$110.20 per $1,000,000	$11,020				
Fees Previously Paid										
Carry Forward Securities										
Carry Forward Securities										
			Total Offering Amounts		$100,000,000					
			Total Fees Previously Paid		$0					
			Total Fee Offsets		$0					
			Net Fee Due		$11,020					

(1) Includes offering price of additional shares that the underwriters have the option to purchase.
(2) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(o) under the Securities Act of 1933, as amended