Directory of Deeds no. 48 of 2022

SHARE PURCHASE AGREEMENT

K.B. RECYCLING INDUSTRIES LTD.

and

RAM.ON FINANCE GMBH,

20 January, 2022

Negotiated in Wörrstadt this 20 January, 2022
Before me, the undersigned notary public in the district of the Higher Regional Court of Koblenz (Oberlandesgericht Koblenz)

Ulrich Feth

(together with any officially appointed deputy (*amtlich bestellter Vertreter*) or successor in office (*Nachfolger im Amt*) herein the Notary) with offices at 55286 Wörrstadt, Energieallee 1, Germany, appeared today:

Mr. Marcel Niemierza,

born on June 30, 1994,
doing business at 55286 Wörrstadt, Energieallee 1, Germany,
not acting in his own name but in each case as representative with power of representation for and on behalf of the following parties as follows:

1. **K.B. RECYLING INDUSTRIES LTD**, with its registered seat at Beit She´An, Israel, registered with Registrar of Companies and Partnerships at the Israeli Corporations Authority under number 514090026, represented by Leon Yehuda Lenny Recanati, born on December 6, 1953, and by Boaz Baruch Gorfung, born on February 23, 1968 with joint power of representation, Power of Attorney of 21 December, 2021;

2. **RAM.ON FINANCE GMBH**, with its registered seat at Berlin, registered with the corporate register of the district court Charlottenburg, Germany, under number HRB 146641 B, represented by Gat Ramon, born on 28 October, 1958, and by Heike Ramon, née Grüber, born on 22 July, 1964, each with sole power of representation, and with exemption from the restrictions of Section 181 of the German Civil Code (BGB), Power of Attorney of 12 December, 2021;

The acting Notary certifies, pursuant to Section 21 para. 3 of the Federal Notary Code, on the basis of today's inspection of the original/copy of the aforementioned power of attorney for Mr. Marcel Niemierza, that the aforementioned Mr. Marcel Niemierza is authorized by the aforementioned representatives to represent the aforementioned companies in the following matter with exemption from the restrictions of Section 181 of the German Civil Code (BGB).

Upon being questioned by the Notary, the persons appearing declared the Notary engaged in no prior actions other than notarial activity in this matter within the meaning of Section 3 para. 1 no. 7 of the Authentication Statute (*Beurkundungsgesetz – BeurkG*).

Upon request of the person appearing, acting as indicated, I hereby record his declarations as follows:

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PREAMBLE

This Share Purchase Agreement (this "**Agreement**") is made as of 20 January, 2022, by and among RAM.ON finance GmbH, a company registered with the corporate register of the district court Charlottenburg (Berlin), Germany, under number HRB 146641 **B** (the "**Seller**"), and K.B. Recycling Industries Ltd., a company organized under the laws of the State of Israel (the "**Purchaser**").

The above parties shall be referred to hereinafter, each as a "**Party**" and collectively, the "**Parties**").

Capitalized terms used herein (including in the immediately preceding sentence) and not otherwise defined herein shall have the meanings set forth in Section 1 hereof.

RECITALS

WHEREAS, the Seller is the registered and beneficial owner of one hundred percent (100%) of the issued and outstanding Equity Securities of oceansix GmbH (formerly RAM.ON consult GmbH), a company registered with the corporate register of the district court Charlottenburg, Germany, under number HRB 233219 B (the "**Company**"), which as of the date hereof consist of the Purchased Share; and

WHEREAS, in consideration for the Purchase Price, the Purchaser desires to purchase from the Seller, and the Seller desires to sell, convey, transfer and assign to the Purchaser, all of the issued and outstanding Equity Securities of the Company (the "**Purchased Share**") as of the Closing, such that upon the Closing, the Purchaser shall own all of the issued and outstanding Equity Securities of the Company on a Fully Diluted Basis, all in accordance with the terms and subject to the conditions set out in this Agreement.

AGREEMENT

NOW THEREFORE, in consideration of the foregoing and the mutual covenants and agreements by the Parties, the Parties hereby agree as follows:

1. DEFINITIONS

1.1 Definitions

For purposes of this Agreement the following capitalized terms shall have the meanings specified in this Section 1.1:

"**Acceptance Notice**" has the meaning set forth in Section 9.3(c).

"**Acquisition**" has the meaning set forth in Section 2.1.

"**Acquisition Proposal**" means any inquiry, proposal or offer from any Person (other than the Purchaser or any of its Affiliates) concerning (i) a share purchase, merger, consolidation, liquidation, recapitalization, reorganization, change in organizational form, spin-off, split-off, share exchange, sale of equity interests or other business combination transaction involving the Company; (ii) the issuance or acquisition of shares or other Equity Securities of the Company; (iii) the sale, lease, exchange or other disposition of any significant portion of the Company's properties or assets; (iv) any other transaction in respect of the

Company or the Seller which results directly or indirectly, in a change of Control of the Company or the Seller or sale of any minority equity interest in the Company; or (v) any other transaction or series of transactions which has substantially similar legal or economic effects, in each such case, in which transaction the Purchaser does not participate.

"**Action**" means any claim, demand, suite, litigation, audit, inquiry, investigation, arbitral proceeding or assessment or other similar legal proceeding brought by or pending before any Governmental Authority.

"**Affiliate**" of a Person means (i) any Person who, directly or indirectly, Controls, is Controlled by or is under common Control with such Person; or (ii) in the case of an individual, the spouse, parent, sibling, child, issue, adopted child, stepchild or other lineal descendants of such Person or any ancestor of such Person or any trust or other entity principally for the benefit of such person or any of such Person's related parties.

"**Agreement**" has the meaning set forth in the Preamble.

"**Anti-Corruption Laws**" has the meaning set forth in Section 4.17(a).

"**Anti-Money Laundering Laws**" has the meaning set forth in Section 4.17(b).

"**Balance Sheet Date**" means September 30, 2021.

"**Basket**" has the meaning set forth in Section 9.2(a).

"**Business Day**" means any day other than Friday, Saturday, Sunday or a day on which banking institutions located in Israel, Germany or Canada are generally closed for business.

"**Claim**" has the meaning set forth in Section 9.3(a).

"**Claim Notice**" has the meaning set forth in Section 9.3(a).

"**Closing**" has the meaning set forth in Section 2.2.

"**Closing Date**" has the meaning set forth in Section 2.2.

"**Closing Date Share Consideration**" means 20,295,037 Ordinary Shares.

"**Closing Date Share Issuance**" means the issuance by the Purchaser to the Seller of 20,295,037 Ordinary Shares pursuant to Section 2.3(b)(i).

"**Collective Bargaining Agreement**" means any and all Contracts that have been entered into between the Company and any Employee Representative, or any industry-wide or nation-wide agreement governing labor or employment relations to which the Company is subject or bound.

"**Commercialization of the Technology**" means the generation of revenues from the sale, marketing, grant of license to a third party or to a joint venture vehicle of at least part or a portion of the Technology.

"**Commercialization Contingent Share Issuance**" has the meaning set forth in Section 2.4(b)(i).

“**Company**” has the meaning set forth in the Recitals.

“**Company Intellectual Property**” means all Intellectual Property that is owned, controlled, licensed, used or otherwise held for use by the Company, including the Material Owned IP.

“**Company Product**” has the meaning set forth in <u>Section 4.12(b)</u>.

“**Contingent Share Issuances**” means the Manufacturing Site Contingent Share Issuances and the E.O. Period Contingent Share Issuances.

“**Contract**” means any note, bond, mortgage, lease, sublease, conditional sales contract, indenture, guarantee, license, franchise, permit, agreement, understanding, arrangement, contract, obligation, promise, undertaking, commitment, letter of intent, or other instrument or obligation (whether oral or written), and any amendments thereto.

“**Control**” means 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, including through the beneficial ownership of more than 50% of the ownership interests in such Person, including the issued and outstanding share capital, voting rights or other ownership interests or the right to appoint the majority of the directors (or the equivalent thereof) in such Person.

“**Copyrights**” has the meaning set forth in the definition of Intellectual Property.

“**Data Privacy Laws**” means all Laws relating to the privacy, confidentiality, data protection, nondisclosure and the collection and use of Personal Information, including the Israeli Protection of Privacy Law, 5741-1981, European Union Data Protection Directive (95/46/EC), the European Union General Data Protection Regulation (EU) 2016/679 and any similar Laws in any applicable jurisdiction.

“**Data Room**” means the online data room made available to the Purchaser, its managing directors, employees and advisors at https://teams.microsoft.com/l/team/19%3aIeVAdYWElrpSUQarY5aYzfj8l0A7XjWulgAyL5qpPKA1%40thread.tacv2/conversations?groupId=fe380df6-2ddf-4776-83fd-511b40e61c80&tenantId=8c015d4a-3b72-458c-ab30-61170acfbd96 and https://teams.microsoft.com/l/team/19%3aVRmbjpUpsxt87JQfpn8-Tr6V3GFF80-V9iPFCYfXO4U1%40thread.tacv2/conversations?groupId=8221faa4-4118-414e-894c-be070f4ea065&tenantId=8c015d4a-3b72-458c-ab30-61170acfbd96 as of December 28, 2021.

“**De Minimis Claims**” has the meaning set forth in <u>Section 9.2(a)</u>.

“**Deed**” means this Agreement.

“**Disclosure Letter**” has the meaning set forth in <u>Article 4</u>.

“**Dispute Notice**” has the meaning set forth in <u>Section 9.3(c)</u>.

“**E.O. Period**” has the meaning set forth in <u>Section 2.4(b)(i)</u>.

"**E.O. Period Contingent Share Issuances**" means the Commercialization Contingent Share Issuance, the Sales Floor Contingent Share Issuances and the Maximal Sales Contingent Share Issuance.

"**Employee Benefit Plans**" means each (i) equity-based award, incentive, retirement or welfare benefit plan, program or arrangement and (ii) employment, termination, transaction bonus, retention or similar agreement or arrangement, in each case that is maintained by an entity member for the benefit of any employee, officer or director of a member of such entity; provided that in no event shall an Employee Benefit Plan include any arrangement operated by a Governmental Authority to which an entity is required to contribute under applicable Law.

"**Environmental Laws**" means any applicable Law or written and binding policy, relating to environmental matters, the protection of the environment, the protection of natural resources, the protection of human health or safety, packaging and labeling laws, including any Laws relating to: (i) the manufacture, presence, use, transportation, treatment, storage or disposal of Hazardous Materials or documentation related to the foregoing; (ii) exposure, Release or threatened Release or accidental Release into the environment, the workplace or other areas of Hazardous Materials, including emissions, discharges, injections, spills, escapes or dumping of Hazardous Materials; and (iii) pollution or protection of the health and safety of employees and other Persons.

"**Equity Security(ies)**" means (i) any shares, interests, participations or other equivalents of share capital of a company; (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 and convertible debt, capital notes or other rights to acquire any of the foregoing.

"**Exchange**" means the TSX Venture Exchange Inc.

"**Exchange Approval**" means the approval of the Exchange for the transactions contemplated by this Agreement in accordance with the applicable Exchange Policies, including, without limitation, the issuance and the listing on the Exchange of the Closing Date Share Consideration, the First Manufacturing Site Contingent Share Issuance, the Second Manufacturing Site Contingent Share Issuance, the Commercialization Contingent Share Issuance, the Sales Floor Contingent Share Issuances and the Maximal Contingent Share Issuance .

"**Exchange Policies**" means the policies of the Exchange, as amended from time to time.

"**Financial Statements**" has the meaning set forth in Section 4.7(a).

"**First Manufacturing Site Contingent Share Issuance**" has the meaning set forth in Section 2.4(a)(i).

"**Fully Diluted Basis**" means with respect to any Person, all issued and outstanding shares of any class of such Person, all issued and outstanding Equity Securities convertible or exercisable into or exchangeable for shares or share capital of such Person (whether vested or unvested, contingent or otherwise), all capital notes, all securities reserved for issuance under any share purchase or share option plan adopted by such Person and all outstanding contractual obligations of such Person or with respect to such Person to issue any of the above, in each case assuming the exercise or conversion thereof, as applicable.

"**GAAP**" means, with respect to the Company, generally accepted accounting principles and accounting requirements under applicable German Law.

"**Governmental Authority**" means the government of any jurisdiction, or any political subdivision thereof, whether international, Israeli, United States, European, Canadian, provincial, state or local, and any department, ministry, agency (including for avoidance of doubt the Ontario Securities Commission), authority, body, court, central bank or other entity lawfully exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government.

"**Governmental Grant**" has the meaning set forth in Section 4.22.

"**Hazardous Material**" means any and all substances, materials, or wastes that is subject to regulation under any Environmental Laws or has been defined, designated, regulated or listed by any Governmental Authority as "hazardous," "toxic," a "pollutant," a "contaminant," words of similar import under any Environmental Law or as otherwise dangerous to health or the environment, and any material mixture or solution that contains Hazardous Materials.

"**IFRS**" means the International Financial Reporting Standards.

"**Indebtedness**" means, the outstanding principal amount of, accrued and unpaid interest on, and other payment obligations (including any prepayment penalties, premiums, costs, breakage, termination fees or other amounts payable upon the discharge thereof) arising under, any obligations of the Company at any date of determination thereof (without duplication) consisting of: (a) all indebtedness of the Company, whether or not contingent, for borrowed money or indebtedness issued or incurred in substitution or exchange for indebtedness for borrowed money; (b) all obligations of the Company as lessee under leases that are required, in accordance with GAAP, to be recorded as capital leases; (c) all obligations of the Company evidenced by notes, bonds, debentures or other similar instruments; (d) all obligations with respect to interest rate swaps, collars, caps, hedging and other derivative and similar arrangements (valued at the termination date thereof), including all obligations or unrealized Losses of the Company pursuant to hedging or foreign exchange arrangements; (e) Liabilities and contingent Liabilities of the Company for deferred and unpaid purchase price of assets, raw materials, property or services, including any "earn-out" payments (but excluding any accrued Liabilities and trade payables arising in the ordinary course of business consistent with past practices); (f) obligations of the Company under any performance bond, letter of credit or bankers' acceptances; (g) accrued but unpaid bonuses or similar payments, in each case payable to current or former employees, directors or consultants of the Company and all Tax Liabilities related thereto; (h) all accrued but unpaid income Tax Liabilities, excluding deferred income Tax Liabilities, of the Company; (i) all accrued termination, severance and other retirement benefit obligations and accumulated vacation days in excess of 30 days per employee of the Company; and (j) guarantees of any indebtedness of a third party of the type described in the foregoing clauses (a) through (j).

"**Indemnified Party**" has the meaning set forth in Section 9.3(a).

"**Indemnifying Party**" has the meaning set forth in Section 9.3(a).

"**Insurance Policies**" has the meaning set forth in Section 4.19(a).

"**Intellectual Property**" means any of the following in any jurisdiction throughout the world: (i) utility models, patents (including all reissues, divisionals, provisionals, continuations and continuations-in-part, reissues, re-examinations, renewals, substitutions and extensions thereof), patent applications, plant patents, certificates of plant variety protection (collectively, "**Patents**") and inventions (whether patentable or not) and rights in inventions; (ii) trademarks, trade names, logos, service marks, trade dress, corporate names, and other designations of source, and registrations and applications for registration thereof, together with the goodwill connected with the use of and symbolized by the foregoing (collectively, "**Trademarks**"); (iii) copyrights, designs, mask works, database rights and semiconductor topography rights, and registrations and applications for registration thereof (collectively, "**Copyrights**") and works of authorship (whether copyrightable or not); (iv) internet domain names and related registrations; (v) rights of privacy and rights of publicity; (vi) trade secrets, confidential information, and other proprietary rights, including ideas, formulas, compositions, inventions (whether patentable or unpatentable and whether or not reduced to practice), know-how, manufacturing and production processes and techniques, research and development information, drawings, specifications, designs, plans, proposals, technical data, financial and marketing plans and customer and supplier lists and information (collectively, "**Trade Secrets**"); (vii) computer software (whether in source code, object code or other form), modules, libraries, code, or other components, and documentation, including user manuals and training materials, related to the forgoing; (viii) any Moral Rights and rights of attribution; (ix) any other intellectual property rights or industrial property rights not otherwise set forth in (i) through (viii) above, whether registered or unregistered, as recognized by law in the applicable jurisdiction; (x) all improvements, modifications, and derivative works of any of the foregoing; and (xi) all copies and tangible embodiments of any of the foregoing (in whatever form or medium).

"**IP Licenses**" means (i) all licenses, sublicenses, and other agreements under which the Company grants or receives any rights that involve the Company Intellectual Property; and (ii) the IT Contracts.

"**IT Contract**" means any contract under which (i) the Company grants or receives any rights that involve an IT System; or (ii) an IT System is licensed, leased, supplied, maintained or supported.

"**IT Systems**" means the information and communications technologies, accounts and assets owned, controlled, used or held for use by the Company, including hardware, software, networks, electronic devices, databases, data collections, firmware, middleware, servers, source code, object code, development tools, workstations, routers, hubs, switches, data communications lines, websites, and all other information technology equipment and outsourced information technology arrangements and resources, including cloud computing and software-as-a-service offerings.

"**Knowledge**" An individual shall be deemed to have "Knowledge" of a particular fact or other matter if such individual is actually aware of such fact or other matter or the awareness such individual would reasonably be expected to have obtained in the course of the performance of the duties and responsibilities of such individual on behalf of the Seller or the Company. With respect to the Seller or the Company, the Knowledge of the Seller or the Company or any other similar qualification or phrase or qualification based on Knowledge shall mean the Knowledge of any of the directors and officers of the Seller, Oren Brandeis and

Gat Ramon. With respect to the Purchaser, the Knowledge of the Purchaser or any other similar qualification or phrase or qualification based on Knowledge shall mean the Knowledge of the directors and officers of the Purchaser.

"**Law**" means any federal, state, local, municipal, supranational, European Union, Israel, United States, foreign or other law (including common law principles), statute, regulation, regulatory guidance, directive, constitution, treaty, convention, ordinance, code, rule, resolution, collective agreement, extension order, Permit, binding administrative guideline or decision, stipulation, request, consent, ruling privilege, or Order, enacted, adopted, promulgated or applied by a Governmental Authority

"**Liability**" means, with respect to the Company, any liability or obligation of any nature whatsoever, including, without limitation, debts, commissions, duties, fees, salaries, performance or delivery penalties, warranty liabilities and other liabilities and obligations (whether pecuniary or not, including obligations to perform or forebear from performing acts or services), costs, expenses (including reasonable costs or expenses of investigation, enforcement, collection and reasonable attorney's and accountant's fees), fines or penalties of the Company whether known or unknown, asserted or unasserted, determined, determinable or otherwise, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, incurred or consequential, due or to become due and whether or not required, in each case, under GAAP, to be accrued on the financial statements of such Person.

"**Lien**" means any charge, claim, pledge, condition, equitable interest, lien (statutory or other), option, security interest, mortgage, easement, encroachment, right of way, right of first refusal, restriction of any kind, including any restriction on use, voting, transfer, receipt of income or exercise of any other attribute of ownership, licenses to third parties, leases to third parties, security agreements, or any other encumbrances and other restrictions or limitations on ownership or use of real or personal property or irregularities of title thereto.

"**Long-Stop Date**" has the meaning set forth in Section 8.1(a)(ii).

"**Losses**" means any and all losses, Liabilities, damages, obligations, expenses, fines, fees, costs or amounts (including reasonable costs or expenses of investigation, enforcement, collection and reasonable attorney's and accountant's fees) actually incurred or suffered (whether involving a third party or not). For the avoidance of doubt, any "Losses" of the Company, shall be considered direct "Losses" to the Purchaser.

"**Malicious Code**" means any "back door," "drop dead device," "time bomb," "Trojan horse," "virus," "worm," "spyware" or "adware" (as such terms are commonly understood in the software industry) or any other code designed or intended to have, or capable of performing or facilitating, any of the following functions: (i) disrupting, disabling, harming, or otherwise impeding in any manner the operation of, or providing unauthorized access to, a computer system or network or other device on which such code is stored or installed; or (ii) compromising the privacy or data security of a user or damaging or destroying any data or file without the user's consent.

"**Manufacturing Site**" means, an operational manufacturing site outside of Israel for the production of products utilizing the Technology and/or the Purchaser's process or technology, whether through the purchase or lease of an existing site, construction of a new factory, or following a joint venture, partnership or entering into a sub-contracting agreement with any third party in a pre-existing factory.

“**Manufacturing Site Contingent Share Issuances**” means the First Manufacturing Site Contingent Share Issuance and the Second Manufacturing Site Contingent Share Issuance.

“**Material Contract**” has the meaning set forth in Section 4.13.

“**Material Owned IP**” means any and all Intellectual Property that is owned or purported to be owned (whether owned or purported to be owned singularly or jointly with a third party or parties), or filed by, assigned to or held in the name of, or exclusively licensed to the Company.

“**Maximal Sales Contingent Share Issuance**” has the meaning set forth in Section 2.4(b)(iii).

“**Moral Rights**” means moral or equivalent rights, including the right to the integrity of a work, the right to be associated with a work as its author by name or under a pseudonym and the right to remain anonymous.

“**Notary**” means Notary Public Ulrich Feth in Wörrstadt, Germany.

“**Occurrence**” means any accident, happening or event which occurs or has occurred at any time on or prior to the Closing Date that is caused or allegedly caused by any hazard or defect in manufacture, design, materials or workmanship including any failure or alleged failure to warn or any breach or alleged breach of express or implied warranties or representations with respect to a product manufactured, shipped, sold or delivered by or on behalf of the Company which results or is alleged to have resulted in injury or death to any Person or damage to or destruction of property (including damage to or destruction of the product itself) or other consequential damages, at any time.

“**Open Source Software**” means any software that is licensed, distributed or conveyed as “open source software,” “free software,” “copyleft” or under a similar licensing or distribution model, or under a Contract that requires as a condition of its use, modification or distribution that it, or other software into which such software is incorporated, integrated or with which such software is combined or distributed or that is derived from or linked to such software, be disclosed or distributed in source code form, delivered at no charge or be licensed, distributed or conveyed under the same terms as such Contract (including Software licensed under the GNU General Public License (GPL), GNU Lesser General Public License (LGPL), Mozilla Public License (MPL), BSD licenses, Microsoft Shared Source License, Common Public License, Artistic License, Netscape Public License, Sun Community Source License (SCSL), Sun Industry Standards License (SISL), Apache License and any license listed at www.opensource.org).

“**Order**” means any order, judgment, ruling, injunction, assessment, award, decree, consent decree writ, temporary restraining order, or any other order of any nature enacted, issued, promulgated, enforced or entered by any Governmental Authority.

“**Ordinary Shares**” means ordinary shares of the Purchaser, par value NIS 0.01 each.

“**Party(ies)**” has the meaning set forth in the Preamble.

“**Patents**” has the meaning set forth in the definition of Intellectual Property.

“**Payment Condition**” has the meaning set forth in Section 2.1.

"**Payment Confirmation**" has the meaning set forth in Section 2.1.

"**Permits**" has the meaning set forth in Section 4.6.

"**Person**" means an individual, firm, corporation, partnership, association, limited liability company, trust or any other entity.

"**Personal Information**" means any data or information in any media that is linked to the identity of a particular individual, browser, or device and any other data or information that constitutes personal data or personal information under any applicable Law.

"**Proceeding**" means any action, claim, demand, suit, litigation, audit, hearing, inquiry, investigation, examination, arbitration, assessment or other similar legal proceeding (including any civil, criminal or appellate proceeding) brought, conducted or hear by or pending before, or otherwise involving, any Governmental Authority or any mediator, arbitrator or arbitration panel.

"**Processed**" or "**Processing**" means the receipt, access, acquisition, collection, compilation, use, storage, processing, safeguarding, security, disposal, destruction, disclosure, or transfer of Personal Information.

"**Purchase Price**" means the (a) Closing Date Share Issuance; and the (b) Contingent Share Issuances, if any. For the avoidance of doubt, the Purchase Price Shall not exceed 148,166,312 Ordinary Shares.

"**Purchased Share**" has the meaning set forth in the Recitals.

"**Purchaser**" has the meaning set forth in the Preamble.

"**Purchaser Indemnified Party**" means the Purchaser and its Affiliates (including, following the Closing, the Company) and its and their subsidiaries, direct and indirect parent companies, directors, officers, employees, partners, members, managers and shareholders, and its and their successors and permitted assigns, but shall exclude, for the avoidance of doubt, the Seller, and its Affiliates (which shall, following the Closing, exclude the Company), in every capacity such person or entity may serve.

"**Purchaser Intellectual Property**" means all Intellectual Property that is owned, controlled, licensed, used or otherwise held for use by the Purchaser, including the Purchaser Material Owned IP.

"**Purchaser IP Licenses**" means all licenses, sublicenses, and other agreements under which the Purchaser grants or receives any rights that involve the Purchaser Intellectual Property.

"**Purchaser Material Adverse Effect**" means any state of event, occurrence, effect, development or change that has a material adverse effect on the business, financial condition or results of operations of the Purchaser; provided that none of the following (or the results thereof) shall constitute or be taken into account in determining whether a Purchaser Material Adverse Effect shall have occurred or is reasonably expected to occur: (i) changes in general economic, financial market, regulatory, financial, political, geopolitical, credit or capital market conditions, including interest or exchange rates; (ii) general changes or developments in any of the industries or markets or geographic regions in which the Purchaser operates;

(iii) changes in any applicable Laws or accounting regulations or principles or interpretations thereof; (iv) any change in the price or trading volume of the Purchaser's securities or other financial instruments or change in the Purchaser's credit rating, in and of itself (provided that the facts or occurrences giving rise to or contributing to such change that are not otherwise excluded from the definition of "Purchaser Material Adverse Effect" may constitute or be taken into account in determining whether a Purchaser Material Adverse Effect has occurred); (v) any failure, in and of itself, by the Purchaser to meet its internal or published projections, plans or forecasts of its revenues, earnings or other financial performance or results of operation or any published analyst or other third-party estimates or expectations of the Purchaser's revenue, earnings or other financial performance or results of operations for any period (provided that the facts or occurrences giving rise to or contributing to such failure that are not otherwise excluded from the definition of "Purchaser Material Adverse Effect" may constitute or be taken into account in determining whether a Purchaser Material Adverse Effect has occurred); (vi) acts of war (whether or not declared), hostilities, military actions or acts of terrorism, or any escalation or worsening of the foregoing, weather-related events, fires, natural disasters or any other acts of God; or (vii) any action taken or not taken as expressly required by this Agreement or at the express written request of, or with the express written consent of, the Seller; provided, that the exceptions in clauses (i) through (iii) and clause (vi) shall not apply to the extent the events, occurrences, effects, developments or changes set forth in such clauses have a disproportionate impact on the Purchaser, taken as a whole, relative to the other participants in the industries in which the Purchaser operates, in which case only the extent of such disproportionate impacts (if any) shall be taken into account when determining a "Purchaser Material Adverse Effect".

"**Purchaser Material Owned IP**" means any and all Intellectual Property that is owned or purported to be owned (whether owned or purported to be owned singularly or jointly with a third party or parties), or filed by, assigned to or held in the name of, or exclusively licensed to the Purchaser.

"**Purchaser Sedar Documents**" has the meaning set forth in Section 5.6(a).

"**Real Property Assets**" has the meaning set forth in Section 4.10(c).

"**Real Property Leases**" has the meaning set forth in Section 4.10(c).

"**Recall**" means a product recall, rework or post sale warning or similar action.

"**Release**" means any release, spill, emission, leaking, pumping, injection, deposit, disposal, discharge, dispersal, leaching or migration into the environment or out of any property, including the movement of any materials through or in the air, soil, surface water, ground water or property.

"**Remedial Action**" means all actions to (a) abate, contain, ameliorate, clean up, remove, treat, remediate or in any other way address any Hazardous Materials; (b) prevent the Release of Hazardous Materials so that they do not migrate or endanger or threaten to endanger human health or welfare or the indoor or outdoor environment; or (c) perform studies, investigations, and pre- or post-remedial monitoring and care; and (d) otherwise correct a condition of noncompliance with Environmental Laws.

"**Sales Floor**" has the meaning set forth in Section 2.4(b)(ii).

"**Sales Floor Contingent Issuances**" has the meaning set forth in Section 2.4(b)(ii)

"**Sales Floor Issuance Cap**" has the meaning set forth in Section 2.4(b)(ii).

"**Sanctioned Jurisdiction**" has the meaning set forth in Section 4.17(b).

"**Sanctions**" has the meaning set forth in Section 4.17.

"**Second Manufacturing Site Contingent Share Issuance**" has the meaning set forth in Section 2.4(a)(ii).

"**Security Breach**" means any actual (i) loss or misuse (by any means) of Personal Information; (ii) unauthorized or unlawful Processing, sale, or rental of Personal Information; or (iii) other act or omission that compromises the security or confidentiality of Personal Information.

"**Seller**" has the meaning set forth in the Preamble.

"**Seller Fundamental Representations**" means the representations and warranties set forth in Sections 3.1 (*Organization, Good Standing and Power*), 3.2 (*Authority; Execution and Delivery; Enforceability*), 3.3 (*No Conflicts; Consents*), 3.5 (*The Purchased Share*), 3.8 (*Brokers or Finders*), 4.1 (*Organization, Good Standing and Qualification*), 4.2 (*Subsidiaries*), 4.3 (*Capitalization*), 4.4 (*Authorization; Execution and Delivery; Enforceability*), 4.9 (*Taxes*), 4.14 (*Intellectual Property*), 4.18 (*Environmental Matters*) and 4.20 (*Brokers or Finders*).

"**Seller Indemnified Party**" means the Seller and its Affiliates (excluding, following the Closing, the Company) and its and their subsidiaries, direct and indirect parent companies, directors, officers, employees, partners, members, managers and shareholders, and its and their successors and permitted assigns, in every capacity such person or entity may serve.

"**Shareholders Agreement**" has the meaning set forth in Section 7.3(d)(ii).

"**Sullam**" means, Sullam Holdings L.R. Ltd., a company organized under the laws of Israel (registration number 51-3739581).

"**Tangible Property**" has the meaning set forth in Section 4.10(b).

"**Tax**" or "**Taxes**" means (i) any Israeli or non-Israeli taxes, charges, duties, fees, royalties (including royalties payable for extraction of natural resources), levies, imposts, 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, occupation, assessments) and all linkage differentials, interest thereon, penalties with respect thereto, fines, additions to tax or additional amounts imposed by any Governmental Authority in connection with any item described herein, if any, whether disputed or not; and (ii) any liability for the payment of any amounts of the type described in clause (i) of this definition as a result of being or having been a member of an affiliated, consolidated, combined, unitary or similar group for any period or otherwise; and (iii) any liability for the payment of any amounts of the type described in clauses (i) and (ii) of this definition as a result of any express or implied obligation to indemnify any other Person or as a result of any obligation under any agreement or arrangement with any other Person with respect to such amounts and including any liability for taxes of a predecessor or transferor or otherwise by operation of law or as a result of any express or implied obligation to assume Taxes or to indemnify any other Person.

"**Tax Incentives**" has the meaning set forth in Section 4.9(d).

"**Tax Return**" means any return, declaration, report, disclosure schedule, estimate, form, claim for refund, information return or statement, including any related schedule, attachment or supporting information with respect to any of the foregoing, filed or to be filed with any Taxing authority in connection with the determination, assessment, collection or administration of any Tax.

"**Technology**" means the Company's (i) products in development as listed in **Annex A** attached hereto, (ii) services, production processes, recycling processes, applications of products or services, and (iii) concepts and ideas for all of the above listed under (i) and (ii).

"**Tedea**" means, Tedea Technological Development and Automation Ltd., a company organized under the laws of Israel (registration number 52-003436-4).

"**Third Party Claim**" has the meaning set forth in Section 9.3(b).

"**Trade Secrets**" has the meaning set forth in the definition of Intellectual Property.

"**Trademarks**" has the meaning set forth in the definition of Intellectual Property.

"**Transferred Assets**" has the meaning set forth in Section 6.2(a).

"**Transferred Employees**" has the meaning set forth in Section 6.2(a)(ii).

"**Transferred Agreements**" has the meanng set forth in Section 6.2(a)(iii).

1.2 Rules of Construction.

Unless the context otherwise requires, interpretation of this Agreement shall be governed by the following rules of construction:

(a) the definitions of terms herein shall apply equally to the singular and plural forms of the terms defined;

(b) whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms;

(c) the words "include," "includes" and "including" shall be deemed to be followed by the phrase "without limitation";

(d) the word "will" shall be construed to have the same meaning and effect as the word "shall";

(e) any definition of or reference to any agreement, contract, document, instrument or other record herein shall be construed as referring to such agreement, contract, document, instrument or other record as from time to time amended, supplemented, restated or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein);

(f) any reference herein to any Person shall be construed to include such Person's or such entity's successors and permitted assigns;

(g) the words "herein," "hereof" and "hereunder," and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof;

(h) all references herein to Sections, Articles, Exhibits, Annexes and Schedules shall be construed to refer to Articles and Sections of, and Exhibits, Annexes and Schedules to, this Agreement and any reference herein to "this Agreement" shall be construed to refer to this Agreement and all such Sections, Articles, Exhibits, Annexes and Schedules;

(i) the headings and captions used in this Agreement are for convenience of reference only and are not to affect the construction of or to be taken into consideration in interpreting this Agreement;

(j) The terms "Dollars", "US$", "USD", "US dollars" or "$" mean United States Dollars. The terms "C$" or "Canadian dollars" means Canadian dollars. The terms "Euro", "EUR" or "€" means the single currency of the member states of the European Union that have adopted the Euro as their lawful currency under the legislation of the European Communities for the European Monetary Union. The term "NIS" means New Israeli Shekels;

(k) if any period referred to herein expires on a day that is not a Business Day, or any event or condition is required by the terms of this Agreement to occur or be fulfilled (including the making of any payment required hereunder) on a day that is not a Business Day, such period shall expire on or such event or condition shall not be required to occur or be fulfilled until, as the case may be, the next succeeding Business Day; and

(l) the Parties agree that they have been represented by counsel during the negotiation and execution of this Agreement and have participated jointly in the drafting of this Agreement and, therefore, waive the application of any law, holding or rule of construction providing that ambiguities in an agreement or other document will be construed against the party drafting such agreement or document.

2. PURCHASE AND SALE

2.1 <u>Purchase and Sale of the Purchased Share</u>

Upon the terms set forth in this Agreement, the Seller hereby sells to the Purchaser, and the Purchaser hereby purchases from the Seller, the Purchased Share.

The Seller hereby transfers (*abtreten*) and assigns with in rem effect (*mit dinglicher Wirkung*) the Purchased Share to the Purchaser, subject to the conditions precedent (*aufschiebende* Bedingungen) pursuant to Sect. 158 para. 1 of the German Civil Code (*Bürgerliches Gesetzbuch – BGB*) of the fulfilment or due waiver (in accordance with the terms of this Agreement) of:

(a) the Closing Conditions (as defined below), and

(b) the Closing Date Share Consideration having been issued and delivered to the Seller in a form mutually acceptable to the parties, acting reasonably (as defined below) (the **"Payment Condition"**).

The Purchaser hereby accepts such assignment and transfer of the Purchased Share in accordance with the foregoing paragraph.

The sale and transfer of the Purchased Shares shall include any and all rights and benefits pertaining to the Purchased Shares, including the dividend rights and dividend drawing rights, Sec. 101 No. 2 of the German Civil Code shall not apply.

The purchase and sale of all of the Purchased Share pursuant to this Agreement is referred to herein as the "**Acquisition**".

The Seller shall notify the Purchaser and the Notary in writing (submitted by pdf-scan via email sufficient) immediately upon receipt of the Closing Date Share Consideration, by means of a payment confirmation substantially in the form as set out in **Exhibit 2.1** (the **"Payment Confirmation"**). The Notary is not required to verify the authenticity and correctness of the transmitted (pdf-copy) Payment Confirmation, the authenticity of the signature nor the representational powers of the signatory. Upon receipt of the Payment Confirmation by the Notary, the Payment Condition shall in any event be deemed fulfilled (*Bedingung gilt als eingetreten*). For the avoidance of doubt, the Payment Confirmation shall not be a prerequisite for the satisfaction of the Payment Condition.

The Notary is hereby requested to file a new shareholder list of the Company to the commercial register of the competent register immediately after having received the Payment Confirmation in accordance with the provisions set forth in Section 2.3 by any Party. Pursuant to Section 40 para. 2 sent. 2 of the German Limited Liability Companies Act (*Gesetz betreffend die Gesellschaft mit beschränkter Haftung – GmbHG*), the Notary will only submit the new list of shareholders to the commercial register and will only send certified copies of this Deed to any of the Parties and of the shareholder list to the Company once he has received the Payment Confirmation. The Parties expressly agree to this procedure.

2.2 Closing

The closing of the purchase and sale of the Purchased Share and the consummation of the transactions contemplated by this Agreement (the "**Closing**") shall take place remotely by way of exchange of electronic signatures, on the third (3^{rd}) Business Day after the date that all of the conditions to the Closing set forth in Sections 7.1, 7.2 and 7.3 (other than those conditions that are to be satisfied on the Closing Date, but subject to the satisfaction of such conditions) shall have been satisfied or waived by the Party entitled to waive the same, or on such other date, at such other time and/or at such other place as the Purchaser and the Seller may jointly agree in writing. The date on which the Closing actually takes place is referred to in this Agreement as the "**Closing Date**".

2.3 Transactions at the Closing; Share Exchange

(a) At the Closing, the Seller shall:

(i) transfer to the Purchaser the Purchased Share, pursuant to Section 2.1.; and

(ii) deliver to the Purchaser all agreements, documents, instruments and certificates required to be delivered by the Seller (and, where applicable, executed by the Seller or a duly authorized officer of the Seller) at or prior to the Closing pursuant to Section 7.2 of this Agreement.

(b) At the Closing, the Purchaser shall:

(i) issue and deliver to the Seller the Closing Date Share Consideration in a form mutually acceptable to the Parties, acting reasonably; and

(ii) deliver to the Seller all agreements, documents, instruments or certificates required to be delivered by the Purchaser at or prior to the Closing pursuant to Section 7.3 of this Agreement.

(c) All transactions to take place at the Closing shall be deemed to take place simultaneously on the Closing Date, and no transaction hereunder shall be deemed to have been completed, or any document delivered, until all such transactions have been completed and all agreements, documents, instruments or certificates required to be delivered hereunder have been delivered.

(d) As a result of the foregoing the Company shall be a wholly owned subsidiary of the Purchaser.

2.4 Determination and Contingent Share Issuances

(a) The Manufacturing Site Contingent Share Issuances shall be determined as follows:

(i) If a Manufacturing Site is established or acquired within two (2) years from Closing the Purchaser will issue to the Seller 10,000,000 additional Ordinary Shares (the "**First Manufacturing Site Contingent Share Issuance**").

(ii) If a second Manufacturing Site is established or acquired within two (2) years from Closing the Purchaser will issue to the Seller 4,593,773 additional Ordinary Shares (the "**Second Manufacturing Site Contingent Share Issuance**").

(b) The E.O. Period Contingent Share Issuances shall be determined as follows:

(i) Upon the Commercialization of the Technology within five (5) years from Closing ("**E.O. Period**"), the Purchaser will issue the Seller 6,000,000 additional Ordinary Shares (the "**Commercialization Contingent Share Issuance**").

(ii) If during the E.O. Period, the annual sales (based on the audited financial statements of the Company or the Consolidated audited financial statements of the Purchaser, including the Company's or the Purchaser's share of license revenues and revenues from joint ventures and partnerships) of the Technology reaches a minimum of US$ 40,000,000 (the "**Sales Floor**"), the Purchaser shall issue to the Seller additional Ordinary Shares as follows: (a) at the end of the first fiscal year during the E.O. Period on which the annual sales of the Technology are equal to or exceed the Sales Floor, the Seller shall be entitled to 20,000,000 additional Ordinary Shares for the annual sales equal to the Sales

Floor, (b) for any annual sales of the Technology in an aggregate amount which is in excess of the Sales Floor and up to an annual sales amount of US$ 200,000,000, the Purchaser shall issue to the Seller 0.338195 Ordinary Shares per every US$ 1 in excess of the Sales Floor, using a "*high watermark*" mechanism, *provided however* that the aggregate number of Ordinary Shares issued to the Seller shall not exceed 74,111,190 Ordinary Shares (the "**Sales Floor Issuance Cap**"). (*e.g.* if in a certain fiscal year during the E.O. Period the annual sales are equal to US$ 45 million, the Seller shall be entitled to 20,000,000 Ordinary Shares for meeting the Sales Floor and an additional 1,690,975 Ordinary Shares for the US$ 5 million sales in excess of the Sales Floor. If the annual sales of any subsequent year during the E.O. Period are equal to or lower than US$ 45 million no additional shares will be issued to the Seller in the respective fiscal year, but if the annual sales in a following year during the E.O. Period are higher than US$ 45 million the Seller shall be entitled to additional 0.338195 Ordinary Share for any dollar in excess of the US$ 45 million of the annual sales up to the Sales Floor Issuance Cap) (collectively, the "**Sales Floor Contingent Share Issuances**").

(iii) If at the end of any fiscal year during the E.O. Period, the annual sales (based on the audited financial statements of the Company or the Consolidated audited financial statements of the Purchaser, including the Company's or the Purchaser's share of license revenues and revenues from joint ventures and partnerships) of the Technology exceeds US$300,000,000, the Purchaser shall issue to the Seller 33,166,312 additional Ordinary Shares, in addition to the issuances set forth in Section 2.4(b)(ii) above (the "**Maximal Sales Contingent Share Issuance**").

2.5 Closing Date Share Consideration Adjustment.

(a) The number of Ordinary Shares to be issued to the Seller as the Closing Date Share Consideration is calculated based on the assumption that Sullam and Tedea cumulatively hold 57,890,000 Ordinary Shares of the Purchaser. If at the Closing, the number of Ordinary Shares held cumulatively by Sullam and Tedea exceeds such number, then the number of Ordinary Shares to be issued to the Seller as Closing Date Share Consideration shall be adjusted so that the ratio between the number of Ordinary Shares to be issued to the Seller as Closing Date Share Consideration and the number of Ordinary Shares cumulatively held by Sullam and Tedea is maintained.

(b) The Parties acknowledge and agree that, the adjustments required by Section 2.5(a) and the Contingent Share Issuances, if any, shall be treated as adjustments to the Purchase Price for federal, state, local and foreign income Tax purposes.

(c) Notwithstanding any adjustment under Section 2.5(a), the aggregate Purchase Price shall under no circumstances exceed 148,166,312 Ordinary Shares. For greater certainty, if: (i) the number of Ordinary Shares issued to the Seller on the Closing Date is increased by a certain number of Ordinary Shares ("**Additional Ordinary Shares**") pursuant to Section 2.5(a); (ii) each of the First Manufacturing Site Contingent Share Issuance, Second Manufacturing Site Contingent Share Issuance, Commercialization Contingent Share Issuance and Sales Floor Contingent Share Issuances have occurred; and (iii) the conditions under 2.4(iii) are satisfied, then the number of Ordinary Shares issuable under the Maximal Sales Contingent Share Issuance shall be reduced such that the aggregate Purchase Price does not exceed 148,166,312 Ordinary Shares.

2.6 Escrow and Lock-up

The Seller hereby acknowledges and agrees that all or a portion of the Purchase Price Shares may be subject to escrow restrictions in accordance with Exchange Policies, and hereby agrees to deposit any applicable Purchase Price Shares received by it into escrow and to enter into an escrow agreement with the Company's transfer agent in the form required by the Exchange.

3. REPRESENTATIONS AND WARRANTIES RELATING TO THE SELLER AND THE PURCHASED SHARE

The Seller hereby represents and warrants to the Purchaser (and acknowledges that these representations and warranties were delivered to the Purchaser as an inducement to enter into this Agreement in reliance upon such representations and warranties), only with respect to itself, as of the date of this Agreement and, if not expressly referred to the date of this Agreement, also as of the Closing Date, as follows:

3.1 Organization, Good Standing and Power

The Seller is duly organized, validly existing and in good standing under the laws of the jurisdiction in which the Seller is organized.

3.2 Authority; Execution and Delivery; Enforceability

The Seller has full power and authority to execute and deliver this Agreement and all other instruments and agreements to be delivered by the Seller as contemplated hereby and to perform the Seller's obligations hereunder and thereunder and to consummate the Acquisition and the other transactions contemplated hereby and thereby. The execution, delivery and performance by the Seller of this Agreement and all other instruments and agreements to be delivered by the Seller as contemplated hereby and the consummation by the Seller of the Acquisition and the other transactions contemplated hereby, and performance by the Seller hereunder, have been, and in the case of documents required to be delivered at the Closing will be, duly authorized and approved by all necessary corporate action, and no further action is required in connection therewith. The Seller has duly executed and delivered this Agreement, and will duly execute and deliver all other instruments and agreements to be executed and delivered by the Seller as contemplated hereby. This Agreement and all other instruments and agreements to be delivered by the Seller as contemplated hereby constitute the Seller's legal, valid and binding obligation, enforceable against the Seller in accordance with its terms, except to the extent that such enforceability may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws affecting the enforcement of creditors' rights generally, and by principles of equity regarding the availability of remedies (whether in a proceeding at law or in equity).

3.3 No Conflicts; Consents

The execution and delivery by the Seller of this Agreement and all other instruments and agreements to be delivered by the Seller as contemplated hereby does not, and the consummation of the Acquisition and the other transactions contemplated hereby and thereby, and the compliance by the Seller with the terms hereof and thereof, and performance by the Seller hereunder and thereunder, will not, 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 prepayment, termination, cancellation or acceleration of any obligation or to loss of any benefit under, or to increased, additional, accelerated or guaranteed rights or entitlements of any Person under, or result in the creation of any Lien upon any of the properties or assets of the Seller under, any provision of: (a) the governing documents of the Seller, in each case as amended to the date of this Agreement; (b) any Contract to the Seller is a party or by which any of its properties or assets is bound; (c) any judgment applicable to the Seller or the Seller's properties or assets; or (d) any applicable Law. The execution and delivery by the Seller of this Agreement does not, and the consummation of the Acquisition and the other transactions contemplated hereby, and the compliance by the Seller with the terms hereof, and performance by such Seller hereunder, will not result in any material Tax, loss, impairment or diminution of any Company Intellectual Property or the ability of the Company or the Purchaser to use any Company Intellectual Property or the ability of the Seller to consummate the transactions contemplated hereby. No consent, approval, license, permit, order or authorization of, or registration, declaration or filing with, any Governmental Authority or any other Person is required to be obtained or made by or with respect to the Seller in connection with the execution, delivery and performance of this Agreement or the consummation of the Acquisition or the other transactions contemplated hereby, except for the registration of the Purchaser as the new shareholder of the Company with the corporate register of the district court Charlottenburg.

3.4 Litigation

There are no: (a) outstanding judgments against the Seller; or (b) Proceedings pending or, to any the Seller's Knowledge, threatened, against or affecting the Seller, the Seller's properties or assets or of which the Seller is subject to that would affect the Seller's ability to consummate the Acquisition and the other transactions contemplated hereby in any respect.

3.5 The Purchased Share

The Purchased Share constitutes all of the issued and outstanding Equity Securities of the Company. The Seller is the legal, record and beneficial owner of the Purchased Share and has good and valid title to the Purchased Share, free and clear of all Liens. There is no outstanding Contract with any Person (other than this Agreement) to purchase, redeem or otherwise acquire any shares of the Company. The Purchased Share is not subject to any preemptive rights, rights of first refusal or any other third-party rights with respect to the transfer of the Purchased Share. Upon fulfilment of the procedures set forth in Section 2.1, at the Closing, good and valid title to the Purchased Share will pass to the Purchaser, free and clear of any Liens.

3.6 Solvency of the Seller and Related Matters

The Seller is consummating the Acquisition and the other transactions contemplated hereby in good faith, for a legal and valid business reason, and not with any intent to hinder, delay or defraud any entity to which the Seller is, intends to be or believes will become, indebted. The Seller is receiving the Closing Date Share Issuance for the consummation of the Acquisition, and has not thereby received less than reasonably equivalent value or fair consideration in exchange therefor. Both immediately prior to and immediately after the consummation of the Closing, the Seller has not incurred debts, does not intend to incur debts and does not believe that it has incurred debts beyond the Seller's ability to pay such debts as they mature.

3.7 Compliance with Anti-Bribery Law

No part of the payments received by such Seller, directly or indirectly, from any other party in connection with the Acquisition, will be used in contravention of the provisions of any Anti-Bribery Laws to which such Seller or the Company is subject.

3.8 Brokers or Finders

No broker, finder, agent or similar intermediary has acted for or on behalf of the Seller in connection with this Agreement or the transactions contemplated hereby and thereby, and no broker, finder, agent or similar intermediary is entitled to any broker's, finder's or similar fee or other commission in connection therewith based on any agreement, arrangement or understanding with the Seller.

4. REPRESENTATIONS AND WARRANTIES RELATING TO THE COMPANY

Except as set forth in the Disclosure Letter executed and delivered by the Seller to the Purchaser (the "**Disclosure Letter**"), which shall be deemed to be a part of the representations and warranties made hereunder (The Disclosure Letter shall be arranged in sections and paragraphs corresponding to the numbered and lettered sections and paragraphs contained in this Article 4; provided however, that a disclosed exception in any section, subsection or clause of the Disclosure Letter shall constitute a disclosure for purposes of other sections, subsections or clauses of the Disclosure Letter notwithstanding the lack of specific cross-reference, but only to the extent that it is reasonably apparent upon reading such disclosure, without independent knowledge on the part of the reader regarding the matter disclosed, that the disclosure is responsive to such other section, subsection or clause of this Article 4), the Seller hereby represents and warrants to the Purchaser (and acknowledge that these representations and warranties were delivered to the Purchaser as an inducement to enter into this Agreement in reliance upon such representations and warranties), as of the date of this Agreement and, if not expressly referred to the date of this Agreement, also as of the Closing Date, as follows:

4.1 Organization, Good Standing and Qualification

(a) The Company is duly organized, validly existing and, where applicable, in good standing under the laws of its jurisdiction of organization. The Company has the requisite corporate power and authority to own and operate its properties and assets and to carry on its businesses as presently conducted and is duly qualified or licensed to do business as a foreign corporation and is in good standing in each jurisdiction in which the nature of its activities and properties makes such qualification necessary.

(b) True, correct and correct complete copies of the Company's organizational documents have been provided to counsel for the Purchaser. **Section 4.1(b)** of the Disclosure Letter sets forth a list of the duly elected directors of the Company the duly appointed officers of the Company.

4.2 Subsidiaries

The Company has no subsidiaries and does not own any securities issued by, or any equity or ownership interest, in any other Person. The Company has one branch office in Paterna (Valencia), Spain.

4.3 Capitalization

(a) The Company's authorized share capital consists of 1 share of common stock with a par value of Euro 26,000.00, issued and outstanding and has been duly authorized and is validly issued, fully paid and non-assessable, and was issued in compliance with applicable laws. The Purchased Share constitutes all of the issued and outstanding equity interests of the Company. Immediately following the Closing, the Purchaser shall be the sole owner of all of the issued and outstanding share capital of the Company on a Fully Diluted Basis.

(b) There are no outstanding or authorized options, stock appreciation, warrants, phantom stock, profit participation or similar rights, or other equity or voting interests in the Company. No stock plan, stock purchase, stock option or other agreement or understanding between the Company and any holder of any Equity Securities or rights to purchase Equity Securities provides for acceleration or other changes in the vesting provisions or other terms of such agreement or understanding as the result of (i) termination of employment or consulting services (whether actual or constructive); (ii) any merger, consolidated sale of stock or assets, change in Control or any other transaction(s) by the Company; or (iii) the occurrence of any other event or combination of events.

(c) The Company has no obligation (contingent or otherwise) to (i) issue any subscription, warrant, option, capital note, convertible security or other such right or to issue or distribute to holders of any shares, any evidences of Indebtedness of the Company; or (ii) purchase, redeem or otherwise acquire any shares or any interest therein or to pay any dividend or make any other distribution in respect thereof. The Company is not a party to or subject to any agreement or understanding (including irrevocable proxies), and there are no agreements or understandings between any Persons, which relate to the voting or giving of written consent with respect to any security company.

(d) There are no agreements between the Company, on the one hand, and any Person, on the other hand, with respect to the sale of the Company's Equity Securities (other than this Agreement). The Company does not have any authorized or outstanding bonds, capital notes debentures, notes or other indebtedness the holders of which have the right to vote (or convertible into, exchangeable for, or evidencing the right to subscribe for or acquire securities having the right to vote) with the shareholders of the Company on any matter.

4.4 Authorization; Execution and Delivery; Enforceability

No consent, approval, authorization, order, filing, registration or qualification of or with any court, Governmental Authority or third Person is required to be obtained or made by the Company in connection with the execution and delivery of this Agreement and the execution, and performance of all instruments and agreements contemplated hereby, and performance by the Company thereunder, except for the registration of the Purchaser as the new shareholder of the Company with the corporate register of the district court Charlottenburg; the new list of shareholders will be submitted pursuant to Section 40 para. 2 sent. 2 of the German Limited Liability Companies Act (*Gesetz betreffend die Gesellschaft mit beschränkter Haftung – GmbHG*) by the Notary to the commercial register.

4.5 Compliance with Law and Other Instruments

(a) The Company is not in violation of any term of its respective governing documents, as amended to the date of this Agreement, or of any term or provision of any Contract to which it is a party or by which it is bound. The Company is currently conducting its operations in compliance with all applicable Laws.

(b) The execution and delivery by the Seller of this Agreement and all other instruments and agreements to be delivered by the Seller as contemplated hereby, the performance by the Seller of any actions pursuant to this Agreement, and consummation of the transactions contemplated by this Agreement will not result in any violation of, or conflict with, or constitute a default (with or without notice or lapse of time, or both) under the Company's governing documents or any of the Material Contracts, nor result in the creation of any Lien, upon any of the properties or assets of the Company, or give to others any rights, including but not limited to rights of termination, cancellation or acceleration, in or with respect to any agreement, contract or commitment referred to in this section, or to any of the properties of the Company, or otherwise require the consent or approval of any Person, which consent or approval has not heretofore been obtained or otherwise result in the suspension, revocation, impairment, forfeiture or non-renewal of any Permit, license, authorization or approval applicable to any of the Company, its businesses or any of its assets or properties, except in each case as would not be material to the Company.

4.6 Permits

The Company has all federal, state, local and foreign franchises, permits, licenses, authorizations, certificates, rights, exemptions, variances, clearances, registrations, qualifications, authorizations and orders in any applicable jurisdiction (collectively, the "**Permits**"), necessary for or material to the conduct of its business as now being conducted by it, or that are necessary for the lawful ownership or operation of its properties and assets. The Company is in compliance in all material respects with the terms and conditions of all Permits. The Seller has delivered or made available to the Purchaser for inspection a true and correct copy of each material Permit obtained or possessed by the Company. All such Permits are valid and have not lapsed, been cancelled, terminated or withdrawn. Each Permit can be renewed or transferred in the ordinary course of business by the Company. Any application for the renewal of any such Permit that expires within six months after the date hereof, including as result of the consummation of the transactions contemplated by this Agreement, or for which a renewal application is required to be filed prior to the anticipated Closing Date to maintain the effectiveness of such Permit has been made or filed by the Company prior to the Closing Date. No Proceeding to modify, suspend, revoke, withdraw, terminate or otherwise limit any Permit is pending, or, to the Seller's Knowledge, threatened and the Seller does not know of any valid basis for such Proceeding, including the transactions contemplated hereby. No administrative or governmental action or Proceeding has been taken, or, to the Seller's Knowledge, threatened, in connection with the expiration, continuance or renewal of any such Permit and, to the Seller's Knowledge, there is no valid basis for any such Proceeding.

4.7 Financial Statements

(a) The Seller has made available to the Purchaser the unaudited financial statements of the Company, as applicable, as set forth in **Section 4.7(a)** of the Disclosure Letter, as of and for the fiscal years ended December 31, 2019 and December 31, 2020, and the unaudited interim balance sheets of the Company as of September 30, 2021 (collectively, the "**Financial Statements**").

(b) The Financial Statements (i) fairly present the financial condition and the results of operations of the Company as of the respective dates of and for the periods referred to in such Financial Statements, all in accordance with GAAP applied on a consistent basis throughout the periods involved and at the dates involved; and (ii) reflect all adjustments, consisting only of normal recurring adjustments, necessary to present fairly the Company's financial condition at the respective dates of the balance sheets contained in the Financial Statements and the results of operations for the periods ended on each balance sheet date.

(c) The Company does not have Liabilities or Indebtedness, other than as set forth in the Financial Statements, in each case as of the respective date of such Financial Statements. The Company is not a party to, nor does it have any commitments to become a party to, any off balance sheet arrangement.

4.8 Changes

Except as set forth in **Section 4.8** of the Disclosure Letter, since the Balance Sheet Date and until the date of this Agreement, the Company has operated in the ordinary course of business consistent with past practices (except for the actions taken in connection with the negotiation of this Agreement and the transactions contemplated hereby), and there has not been any:

(a) amendment to organizational documents or any issuance, sale, grant, disposal or redemption of any Equity Securities of the Company;

(b) material change to the assets, liabilities, financial condition or business of the Company;

(c) waiver by the Company of a material right or debt owed to it;

(d) any change, amendment, cancellation by the Company, termination by the Company, relinquishment by the Company, waiver or release by the Company of any term or right under a Material Contract to which the Company is a party or by which any of its assets or properties is bound;

(e) satisfaction or discharge of any Lien or claim or payment of any obligation by the Company except in the ordinary course of business and that is not individually or in the aggregate adverse to the assets, properties, financial condition, operating results or business of the Company;

(f) change in the accounting methods or accounting principles or practices employed by any Company, except as required by any concurrent changes in GAAP;

(g) incurrence of any Liability, debt or guarantee by the Company, not in the ordinary course of business other than accounts payable not due as of the date hereof or as of the Closing accrued in the ordinary course of business consistent with past practices;

(h) sale or lease of, or imposition of a Lien over, any material asset of the Company, other than in the ordinary course of business in accordance with past practice;

(i) change, amendment or revocation of any Tax election, or filing of any amendment to a Tax Return or a request for a Tax refund, settlement of any claim or audit in respect of Taxes, agreement to extend any applicable statute of limitation or entry into a contractual obligation in respect of Taxes with any Governmental Authority by the Company;

(j) action with respect to a liquidation, winding-up, freeze of proceedings, arrangement with creditors, receivership or other similar insolvency events by or with respect to the Company;

(k) threatened, commencement or settlement of any Proceeding involving the Company;

(l) any loans or guarantees made by the Company to, or for the benefit of, its employees, officers or directors, or any members of their immediate families, other than travel advances and other advances made in the ordinary course of its business in accordance with past practices;

(m) any material change in any compensation arrangement or agreement with any employee, officer, director or shareholder of the Company, other than changes in the ordinary course of business consistent with past practices;

(n) any sale, assignment, exclusive license or transfer of any Company Intellectual Property;

(o) any event, occurrence, development or state of circumstances or facts that has, had or would reasonably be expected to have, individually or in the aggregate, a material adverse effect on the Company or its assets;

(p) any application for or receipt of a Governmental Grant;

(q) any arrangement or commitment by the Company to do any of the acts described in subsections (a) through (p); or

(r) any action that, if taken subsequent to the execution of this Agreement and on or prior to the Closing Date, would constitute a breach of any of the covenants set forth in Section 6.1.

4.9 Taxes

(a) The Company has filed all Tax Returns that were required to be filed under applicable Laws and has complied with all applicable Law as interpreted by a Governmental Authority. All such Tax Returns are true, correct and complete in all respects and were prepared in compliance with all applicable Laws. All Taxes due and owing by the Company (whether or not shown on any Tax Return) have been fully and timely withheld and paid. No claim has ever been made by any Governmental Authority in a jurisdiction where the Company does not file Tax Returns that the Company is or may be subject to Tax or any reporting requirements by that jurisdiction. There are no Liens for Taxes upon any of the assets of the Company. No power of attorney relating to Taxes has been granted by or with respect to the Company except for a customary power of attorney granted to BANSBACH GmbH, Wirtschaftsprüfungsgesellschaft, Steuerberatungsgesellschaft, Gänsheidestraße 67 – 74, 70184 Stuttgart, Germany.

(b) The charges, accruals, and reserves with respect to Taxes on the Financial Statements of the Company are adequate, were calculated in accordance with GAAP and were properly recorded in the Company's books and records. None of the Seller or any director or officer of the Company expects any Governmental Authority to assess any additional Taxes for any period. The Company has not received from any Governmental Authority any (i) notice indicating an intent to open an audit or other review; (ii) written request for information related to Tax matters; or (iii) notice of deficiency or proposed adjustment for any amount of Tax proposed, asserted, or assessed by any Governmental Authority. The Company has not (x) received or requested any extension of time to file any Tax Return that remains unfiled, (y) or granted or requested a waiver or extension of any statute of limitation or other limitation on any period for audit, examination or assessment and collection of Tax for any taxable period. The Company is not the subject of an audit or other examination of Taxes by any Governmental Authority.

(c) There are no actions, suits, proceedings or investigations pending, nor, to the Seller's Knowledge, threatened, against or affecting the Company in respect of any Taxes and there are no matters under discussion, audit or appeal with any Governmental Authority relating to any Taxes of the Company. To the Seller'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 Governmental Authority in relation to the Liability or accountability of the Company for Taxes under currently enacted Laws.

(d) **Section 4.9(d)** of the Disclosure Letter lists all the Tax exemptions, Tax holidays and other Tax reduction agreements, approvals and orders applicable to the Company ("**Tax Incentives**"). The Company is in compliance with the requirements for availing itself of all such Tax Incentives.

(e) The Company has duly and timely collected all amounts on account of any sales or transfer Taxes, including goods and services, harmonized sales and provincial or territorial sales taxes, required by Law to be collected by it and has duly and timely remitted to the appropriate Governmental Authority any such amounts required by Law to be remitted by the Company.

(f) The Company has not entered into any transaction likely to be disqualifies or recharacterized by the competent authorities on the grounds that they are designed to circumvent a Tax obligation.

(g) The Company is and has always been tax resident solely in the country of its incorporation. The Company does not have a permanent establishment (within the meaning of an applicable Tax treaty) or otherwise has an office or fixed place of business in a country other than the country in which it is incorporated and organized and other than the branch office in Spain.

(h) All records which the Seller and/or the Company are required under applicable Law to keep for Tax purposes have been duly kept in accordance with applicable Law and are available for inspection at the premises of the Company, as applicable.

4.10 Title to Properties and Assets; Liens; Real Property

(a) The Company has good, valid and marketable title to all of the properties and assets, both real and personal, tangible and intangible that are purported to be owned by it, including all assets reflected as owned in the Financial Statements or thereafter acquired, except for properties and assets disposed of in the ordinary course of business, consistent with past practice, since the Balance Sheet Date, and the Company has good and valid title to all of its leasehold interests, in each case subject to no Lien other than (i) Liens for current taxes not yet due and payable; and (ii) Liens incurred in the ordinary course of business for obligations not past due. The Company owns or has the exclusive right to use all of the tangible personal properties and assets necessary for the conduct of its business as currently conducted. The Company is not in default or breach of any material provision of any lease and holds a valid leasehold interest or license in the properties they lease, free and clear of any Liens, subject to the exceptions in clauses (i)-(ii) above.

(b) The facilities, machinery, furniture, leasehold improvements, fixtures, vehicles structures, related capitalized terms and other tangible personal property used in the business of the Company (the "**Tangible Property**") are in good operating condition, ordinary wear and tear excepted, and are adequate and suitable for the purposes for which they are presently being used. During the past five (5) years there has not been any significant interruption of the operations of the business of the Company due to inadequate maintenance of the Tangible Property or otherwise.

(c) **Section 4.10(c)** of the Disclosure Letter, sets for all lease, sublease or other occupancy agreements relating to real property that the Company is party to.

4.11 Litigation

There are no Proceedings pending, nor, to the Seller's Knowledge, threatened, against or affecting the Company or its properties before any Governmental Authority. Neither the Company, nor, to the Seller's Knowledge, any of the Company's officers, directors or employees, is a party or subject to the provisions of any Order. There are no Proceeding initiated by the Company which are currently pending or which the Company currently intends to initiate.

4.12 Products; Product Liability

(a) There are no outstanding Proceedings or, to the Seller's Knowledge, threatened, against or involving, the Company in connection with any alleged defect in the design, manufacture, materials or workmanship of any products manufactured, licensed, distributed, shipped, sold or delivered by, or on behalf of, the Company or any alleged failure to warn, or any alleged breach of implied warranties or representations, and, to the Seller's Knowledge, none has been threatened nor is there any valid basis for any such Proceedings, other than to the extent such Proceedings would be immaterial.

(b) There has not been any Recall conducted with respect to any product developed, shipped, sold or delivered by, or on behalf of, the Company (a "**Company Product**"), or, to the Seller's Knowledge, any investigation or consideration of or decision made by any Person or Governmental Authority concerning whether to undertake or not undertake any Recall.

(c) Each product manufactured, licensed, distributed, shipped, sold or delivered by, or on behalf of, the Company has been in conformity with all manufacturing standards applied, testing procedures used, and product specifications disclosed to customers by the Company and has complied in all material respects with all requirements established by any applicable Law or Order of any Governmental Authority.

4.13 Material Contracts

(a) **Section 4.13(a)** of the Disclosure Letter sets forth an accurate and complete list of the following Contracts (each a "**Material Contract**", and collectively the "**Material Contracts**") to which the Company is a party or by which any of its properties or assets are bound:

(i) all Contracts with (A) obligations (contingent or otherwise) of the Company to a third party in excess of EUR 50,000 during any twelve (12) month period or in excess of EUR 50,000 in the aggregate, (B) payments to the Company by a third party in excess of EUR 50,000 during any twelve (12) month period or in excess of EUR 50,000 in the aggregate (C) the top ten customers, distributors and suppliers of the Company;

(ii) all IP Licenses other than with respect to non-customized, commercially available off-the-shelf software products licensed only under standard end-user object code license agreements and having a one time or annual license fee payment of less than Eur 5,000;

(iii) all Contracts affecting the Company's exclusive right to develop, manufacture, assemble, distribute, market or sell its products;

(iv) all Contracts containing provisions restricting or affecting the development, manufacture or distribution of any Company Products or services;

(v) any sales representative, original equipment manufacturer, manufacturing, value added, remarketer, reseller, or other Contract for use or distribution of the Company Products;

(vi) all Contracts containing restrictions or limitations on the Company's right to do business or compete anywhere in the world or in any field with any Person;

(vii) all Contracts by and between the Company, on the one hand, and any current or former officer, director or shareholder, or other Affiliate, on the other hand;

(viii) all Contracts that contain restrictions with respect to payment of dividends or any other distribution in respect of the shares or other equity interests of the Company;

(ix) all Contracts relating to capital expenditures or other purchases of material, supplies, equipment or other assets or properties or services in excess of EUR 50,000 in the aggregate;

(x) all Contracts involving a loan or advance to, or investment in, any Person or any Contract relating to the making of any such loan, advance or investment;

(xi) all Contracts involving Indebtedness or granting or evidencing a Lien by or on any property or asset of, the Company;

(xii) any management service, consulting, financial advisory or any other similar type Contract and all Contracts with investment or commercial banks;

(xiii) all Contracts involving disposition or acquisition of assets or properties (other than for the sale of inventory entered into in the ordinary course of business) or any merger, consolidation or similar business combination transaction, whether or not enforceable;

(xiv) all Contracts involving any joint venture, partnership, strategic alliance, shareholders' agreement, co-marketing, co-promotion, co-packaging, joint development or similar arrangement;

(xv) all Contracts involving any resolution or settlement of any actual or threatened litigation, arbitration, claim or other dispute;

(xvi) all Contracts (A) for the employment of any officer, individual employee or other Person on a full-time or consulting basis who cannot be dismissed immediately without a notice period longer than one (1) month and without liability or obligation of any kind whatsoever in excess of $ Eur 15,000 per month, (B) Contracts requiring severance payments or payments upon a change-in-Control or termination of employment or services following a change-in-Control and (C) all option, equity or equity-based plans and all incentive plans;

(xvii) all Contracts with any Governmental Authority;

(xviii) all Contracts containing any rights in respect thereto or any commitment or understanding in respect of the foregoing; or

(xix) all other Contracts that are material to the business of the Company individually or in the aggregate.

(b) True and correct copies of all of the Material Contracts, including all amendments, have been made available to the Purchaser. Each Material Contract is in full force and effect and is the legal, valid and binding obligation of the Company and each of the other parties thereto, enforceable in accordance with the terms thereof, except to the extent that its enforceability may be subject to applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws relating to or affecting creditors' rights generally, general equitable principles (whether considered in a proceeding in equity or at Law).

(c) To the Seller's Knowledge, the Company is not in breach of any such Material Contract, and no event has occurred, and no circumstance or condition exists, that will, or could reasonably be expected to: (i) result in a violation or breach of any of the provisions of any such Material Contract; (ii) give any Person the right to accelerate the maturity or performance of any such Material Contract or to otherwise require amendment of its terms; or (iii) give any Person the right to cancel or terminate any Material Contract.

(d) The Company has not received any written notice or, to the Seller's Knowledge, other communication regarding a violation or breach of, or default under, any Material

Contract. To the Seller's Knowledge, all of the covenants to be performed by any other party to any Material Contract set forth in **Section 4.13(a)** of the Disclosure Letter (or required to be set forth in **Section 4.13(a)** of the Disclosure Letter) have been fully performed in all material respects.

4.14 Intellectual Property

(a) The Company solely and exclusively owns the Material Owned IP free and clear of all Liens and other adverse claims, and the Company has paid all application, maintenance, renewal and similar fees in respect of any registered Material Owned IP. **Section 4.14(a)** of the Disclosure Letter sets forth a true and correct list of the Material Owned IP and specifies the relevant asset title, owner, jurisdiction, registration or application number, and issuance or filing date, for each scheduled asset as appropriate, and each such registration, filing, and issuance remains valid and enforceable and in full force and effect as of the Closing Date.

(b) The Company solely and exclusively owns, or has the right to use pursuant to the IP Licenses, in each case, free and clear of all Liens and other adverse claims, all of the Company Intellectual Property. The Company Intellectual Property constitutes all the Intellectual Property necessary to conduct the business of the Company as of the Closing Date and as currently planned.

(c) The Company has not received any oral or written communication (including in the form of offers to obtain a license or cease-and-desist letters or other similar communications) alleging that its operations, the Company Intellectual Property, or any product or service of the Company violates, infringes or misappropriates any Intellectual Property of any other Person or has violated, infringed or misappropriated such Intellectual Property. To the Seller's Knowledge, neither the operations of the Company, the Company Intellectual Property, nor any product or service used, manufactured, distributed, imported, marketed or sold by the Company, nor the use of such products, services or the Company Intellectual Property, violates, infringes or misappropriates any Intellectual Property of any other Person, including any right of privacy or publicity, nor are they libelous, slanderous, or defamatory.

(d) The Company has not sent any written or oral communication (including in the form of offers to obtain a license or cease-and-desist letters or other similar communications) to any other Person alleging that the operations of that Person or any product or service used, manufactured, distributed, imported, marketed or sold by that Person violate, infringe or misappropriate any of the Company Intellectual Property or has violated, infringed or misappropriated the Company Intellectual Property. To the Seller's Knowledge, neither the operations of any other Person, nor any product or service used, manufactured, distributed, imported, marketed or sold by any other Person violates, infringes or misappropriates any of the Company Intellectual Property.

(e) There are no actions or litigations pending or settled: (i) alleging any infringement, violation or misappropriation of the Intellectual Property of any other Person by the Company, the use of Company Intellectual Property, or any product or service manufactured, distributed, imported, marketed or sold by the Company, (ii) challenging the ownership, use, validity, enforceability or registrability of any of the Company Intellectual Property; or (iii) alleging any infringement, violation or misappropriation by any other Person of any of the Company Intellectual Property. To the Seller's

Knowledge, there is no basis for any claims described in subsections (i) and (ii) of the immediately preceding sentence.

(f) **Section 4.14(f)** of the Disclosure Letter sets forth a complete and accurate list of all IP Licenses (other than with respect to non-customized, commercially available off-the-shelf software products licensed only under standard end-user object code license agreements and having a one time or annual license fee payment of less than $5,000, true and complete copies of which have been made available to the Purchaser). All of the IP Licenses are in writing, and are valid and binding upon the parties thereto, have not been terminated or repudiated, and are enforceable in accordance with the terms thereof. Except as provided in the Asset Sale and Purchase Agreement dated 01 May 2021 and entered into between the Company, Cabka Group GmbH, Cabka GmbH & Co. KG and Cabka Spain Sociedad Limitade, the Company is not obligated to make any payments by way of royalties or fees to any owner or licensor of, or other claimant to, any Intellectual Property or other intangible asset, with respect to the use thereof or in connection with the conduct of its business as presently conducted.

(g) The Intellectual Property that has been developed, or is currently being developed, by any employee or consultant of the Company is sole and exclusive property of the Company. The Company has secured valid written assignments of ownership from all Persons (including employees and consultants) who contributed or are contributing to the creation or development of Company Intellectual Property that is owned by the Company, of the rights to such contributions that the Company does not already own by operation of law. The Company has taken commercially reasonable measures to protect the proprietary nature of each item of Company Intellectual Property, including maintaining the secrecy and confidentiality of all Trade Secrets within the Company Intellectual Property.

(h) There are no pending or, to the Seller's Knowledge, threatened, claims from current or former directors, employees or contractors of the Company in any jurisdiction for compensation or remuneration for inventions invented, copyright works created or any similar claim.

(i) To the Seller's Knowledge, no current or former employee, consultant or contractor of the Company who was involved in, or who contributed to, the creation or development of any of the Materially Owned IP, is or had been engaged by any Governmental Authority, government-owned institution, university, college, other educational institution or research center, including as an employee, contractor, consultant or graduate student, while such employee, consultant or contractor was or is also performing services for the Company or during the time period in which such employee, consultant or contractor invented, created or developed any Material Owned IP.

(j) The execution and delivery by the Seller of this Agreement does not, and the consummation of the Acquisition and the other transactions contemplated hereby, will not result in any loss, impairment or diminution of any Company Intellectual Property or the ability of the Company to use any Company Intellectual Property.

(k) The Company complies and has complied with all applicable Laws, and its own rules, policies, and procedures, relating to privacy, data protection, and the collection and use of personal information. No claims have been asserted or, to the Seller's Knowledge, threatened against the Company alleging a violation of any Person's privacy rights, personal information, or data rights, and the consummation of the transactions contemplated by this Agreement will not result in any such violation.

4.15 Employees; Benefits

(a) No employees of the Company are represented by any labor union or other Employee Representatives or covered by any Collective Bargaining Agreement. As of the date hereof, there is no pending, or to the Seller's Knowledge, threatened, nor has there been for the past three (3) years, any labor dispute, strike, slowdown, industrial action, stoppage of work or lockout other than those which have not resulted, individually or in the aggregate, in a material liability to the Company or a material disruption to the operations of the Company.

(b) All amounts that the Company is legally or contractually required either (i) to deduct from the employees' salaries and/or to transfer to the employees' pension, pension fund, pension insurance fund, education fund, managers' insurance, severance fund, insurance and other funds for, or in lieu of, severance or provident fund, life insurance, incapacity insurance, continuing education fund or other similar funds or insurance; or (ii) to withhold from the current employees' salaries and benefits and to pay to any government entity have, in each case, been duly deducted, transferred, withheld and paid. The Company's liability towards its employees regarding severance pay, accrued vacation and contributions to all Employee Benefit Plans are fully funded or if not required by any source to be funded are accrued on the Purchaser's financial statements to the extent required by GAAP.

(c) The Company is in compliance in all material respects with all applicable legal requirements and contracts relating to employment, employment practices, wages, overtime, benefits, illness payments, bonuses and other compensation matters and terms and conditions of employment related to the current employees.

Each of the Company's Employee Benefit Plans is in compliance with all applicable Laws and has been administered and operated in all respects in accordance with its terms, except for any failure to so comply, administer or operate that could not, individually or in the aggregate, reasonably be expected to result in a Company Material Adverse Effect.

4.16 Obligations to Related Parties

Other then as detailed in **Section 4.16** of the Disclosure Letter, there are no Contracts or obligations between the Company, on the one hand, and officers, directors, shareholders (including the Seller), employees or its Affiliates (or to any member of his/her immediate family), on the other hand, other than (a) for payment of salary for services rendered; (b) reimbursement for reasonable expenses incurred on behalf of the Company; and (c) for other standard employee benefits made generally available to employees. None of the officers or directors of the Company or any members of their immediate families, is indebted to the Company or, to the Seller's Knowledge, has any direct or indirect ownership interest in any firm or corporation with which Company is affiliated or with which the Company has a business relationship, or any firm or corporation that competes with the Company, other than passive investments in publicly traded companies (representing less than one percent (1%) of such company) which may compete with the Company. No officer, director or shareholder, or any member of their immediate families, or Affiliate of the Company is, directly or indirectly, interested in any Material Contract with the Company (other than such contracts as relate to any such Person's ownership of equity securities of the Company).

4.17 Anti-Corruption Laws; Money Laundering; Sanctions

(a) To the Seller's Knowledge, neither the Company, nor any director or officer, nor any agent, employee, affiliate or other person acting on behalf of the Company has (i) made, offered, promised or authorized any unlawful contribution, gift, entertainment or other unlawful expense; (ii) made, offered, promised or authorized any direct or indirect unlawful payment; or (iii) violated or is in violation of any provision of the U.S. Foreign Corrupt Practices Act of 1977, as amended, or the rules and regulations thereunder, the Corruption of Foreign Public Officials Act (Canada), Sections 291 and 291A Israeli Penal Law 5737-1977, and the rules and regulations promulgated thereunder, or any other applicable anti-corruption, anti-bribery or related law, statute or regulation (collectively, "**Anti-Corruption Laws**"); the Company has conducted its businesses in compliance with Anti-Corruption Laws.

(b) The operations of the Company are and have been conducted in material compliance with all applicable anti-money laundering laws of the jurisdictions in which the Company conducts business, the rules and regulations thereunder and any related or similar rules, regulations or guidelines issued, administered or enforced by any Governmental Authority to which it is subject (collectively the "**Anti-Money Laundering Laws**") and no Proceeding by or before any Governmental Authority or any arbitrator involving the Company with respect to the Anti-Money Laundering Laws is pending or, to the Knowledge of the Seller, threatened.

To the Seller's Knowledge, neither the Company, nor any director or officer, nor any agent, employee, affiliate or other person acting on behalf of the Company is currently the subject or the target of any sanctions administered or enforced by the U.S. Government, including, without limitation, the Office of Foreign Assets Control of the U.S. Department of the Treasury, or the U.S. Department of State and including, without limitation, the designation as a "specially designated national" or "blocked person," the European Union, Her Majesty's Treasury, the United Nations Security Council, or a resident or incorporated or engaged in a business in an "Enemy State" pursuant to the Israeli Trade with the Enemy Ordinance, 1939 (collectively, "**Sanctions**"), nor is the Company located, organized, or resident in a country or territory that is the subject or target of Sanctions (a "**Sanctioned Jurisdiction**"). The Company is not engaged in, or has, at any time in the past five years, engaged in, any dealings or transactions with or involving any individual or entity that was or is, as applicable, at the time of such dealing or transaction, the subject or target of Sanctions or with any Sanctioned Jurisdiction.

4.18 Environmental Matters

(i) the Company is, and has been, in compliance in all material respects with all applicable Environmental Laws; (ii) there are no claims, proceedings, notices of violation, investigations, prosecutions or actions by any Governmental Authority or other Person pending, or to the Seller's Knowledge, threatened against the Company under any Environmental Law; (iii) the Company has not assumed, either contractually or by operation of law, the liability of any other Person under any Environmental Law; (iv) the Company has not, in relation to its past or present business or operations, generated, transported, stored used, managed, manufactured, bought, sold, reclaimed, recycled or disposed of any Hazardous Material or any product containing Hazardous Material, except in a manner that has not resulted in a Liability and that is otherwise in compliance with Environmental Laws; (v) to the Seller's Knowledge, the Company is not required to perform any Remedial Actions or is subject to any investigation or evaluation by any Governmental Authority as to whether any Remedial Action is needed to respond to a Release or threatened Release of any Hazardous Materials; and (vi) to the Seller's Knowledge, there are no facts, circumstances or conditions relating to the past or present business or operations of the Company, or any of its respective predecessors (including the release or disposal of Hazardous Materials at any location), or to any real property or facility at any time owned, leased, or operated in any way whatsoever by the Company, or any of its respective predecessors, in each case that would reasonably be expected to give rise to any material claim, proceeding or action, or to any Liability, under any Environmental Law (including without limitation Liabilities arising out of the manufacture, processing, distribution, use or sale of any of the Company's products).

4.19 Insurance

(a) **Section 4.19(a)** of the Disclosure Letter sets forth an accurate and complete list all insurance policies maintained by, at the expense of or for the benefit of the Company member as of the date of this Agreement (the "**Insurance Policies**"). All such Insurances Policies are from reputable insurers and are of the type and in amounts customarily carried by Persons conducting businesses similar to those of the Company.

(b) The Insurance Policies are (i) are valid, binding, and enforceable in accordance with their terms; (ii) are provided by reputable carriers; (iii) have not been subject to any lapse in coverage; and (iv) are in full force and effect and will remain in full force and effect following the Closing in accordance with their terms.

(c) **Section 4.19(c)** of the Disclosure Letter sets forth an accurate and complete list of all pending claims and all claims made under the Insurance Policies. No insurer has refused to insure the Company in the last two (2) years.

4.20 Brokers or Finders

No broker, finder, agent or similar intermediary has acted for or on behalf of the Company in connection with this Agreement or the transactions contemplated hereby and thereby, and no broker, finder, agent or similar intermediary is entitled to any broker's, finder's or similar fee or other commission in connection therewith based on any agreement, arrangement or understanding with the Company.

4.21 Privacy and Data Security

(a) The Company has (i) materially complied with all Data Privacy Laws regarding the use and disclosure of data; (ii) not violated its applicable privacy policies; and (iii) taken commercially reasonable steps to protect and maintain the confidential nature of the Personal Information provided to the Company by any party and secure any such Personal Information from loss, theft, unauthorized access, use, modification, disclosure or other misuse.

(b) To the Seller's Knowledge, there have not been any incidents of, or third-party claims alleging, (i) security breaches, unauthorized access or unauthorized use of any the Company's IT Systems; or (ii) loss, theft, unauthorized access or acquisition, modification, disclosure, corruption, or other misuse of any Personal Information in the Company's possession, or other confidential data owned by the Company (or provided to the Company by its customers) in the Company's possession. The Company has not notified in writing, or to the Seller's Knowledge, been required by applicable Law or a Governmental Authority to notify in writing, any Person of any security breach. To the Seller's Knowledge, the Company has not received any notice of any claims, investigations (including investigations by a Governmental Authority), or alleged violations of Laws with respect to Personal Information possessed by the Company.

4.22 Governmental Grants

The Company has not received and has not applied for any grant or other support or benefits (including, without limitation, tax benefits) from Governmental Authority (a **"Governmental Grant"**).

4.23 Full Disclosure

Neither this Agreement (including the Schedules hereto) nor any certificates made or delivered in connection herewith contains or will contain any untrue statement of a material fact or omits to state a material fact necessary to make the statements herein or therein not misleading, in view of the circumstances in which they were made. There is no fact that has specific application to the Seller or the Company (other than general economic or industry conditions) and that materially adversely affects or, as far as the Seller can reasonably foresee, materially threatens the assets, business, prospects, financial condition, or results of operations of the Company that has not been set forth in this Agreement or the Disclosure Letter.

5. REPRESENTATIONS AND WARRANTIES OF THE PURCHASER

Except as disclosed in the Purchaser SEDAR Documents filed on SEDAR by the Purchaser on or after April 1, 2021 and prior to the date of this Agreement (but in each case excluding any risk factor disclosure contained under the heading "Risk Factors" (other than any factual information contained therein) or in any "forward-looking statements" legend or other similar disclosures included therein to the extent they are similarly predictive or forward-looking in nature) and to the extent publicly available on SEDAR, the Purchaser represents and warrants to the Seller (and acknowledges that these representations and warranties were delivered to the Seller as an inducement to enter into this Agreement in reliance upon such representations and warranties), as of the date of this Agreement and (unless otherwise specified) as of the Closing Date, as follows:

5.1 Organization, Good Standing and Power

The Purchaser is duly organized, validly existing and in good standing and has all requisite corporate power and authority to execute, deliver and perform its obligations under this Agreement.

5.2 Authority; Execution and Delivery; Enforceability

(a) The Purchaser has full power and authority to, and has taken all corporate and other action necessary to, execute and deliver this Agreement and all other instruments and agreements to be delivered by the Purchaser as contemplated hereby and thereby to perform its obligations hereunder and thereunder and to consummate the Acquisition and the other transactions contemplated hereby and thereby (except for the receipt of shareholder approval). The execution, delivery and performance by the Purchaser of this Agreement and all other instruments and agreements to be delivered by the Purchaser as contemplated hereby and the consummation by the Purchaser of the Acquisition and the other transactions contemplated hereby, and performance by the Purchaser hereunder, have been, and in the case of documents required to be delivered at the Closing will be, duly authorized and approved by all necessary corporate, or other, action, and no further action is required in connection therewith (other than the receipt of shareholder approval, pursuant to clause (b) below). The Purchaser has duly executed and delivered this Agreement, and will duly execute and deliver all other instruments and agreements to be executed and delivered by the Purchaser as contemplated hereby. This Agreement and all other instruments and agreements to be delivered by the Purchaser as contemplated hereby constitute the Purchaser's legal, valid and binding obligations, enforceable against the Purchaser in accordance with its terms, except to the extent that such enforceability may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws affecting the enforcement of creditors' rights generally, and by principles of equity regarding the availability of remedies (whether in a proceeding at law or in equity).

(b) The board of directors of the Purchaser has duly adopted resolutions (i) approving this Agreement and the Acquisition on the terms and subject to the conditions set forth herein, and (ii) resolving to recommend to the shareholders of the Purchaser to approve this Agreement and the consummation of the Acquisition.

5.3 Compliance with Law; No Conflicts; Consents

(a) The Purchaser is not in violation of any term of its governing documents, as amended to the date of this Agreement, or of any term or provision of any Contract to which it is a party or by which it is bound. The Purchaser is currently conducting its operations in compliance with all applicable Laws.

(b) The execution and delivery by the Purchaser of this Agreement and all other instruments and agreements to be delivered by the Purchaser as contemplated hereby do not, and the consummation of the Acquisition and the other transactions contemplated hereby and thereby, and the compliance by the Purchaser with the terms hereof and thereof, and performance by the Purchaser hereunder and thereunder, will not, conflict with, or result in any violation of or default (with or without notice or lapse of time, or both) under, any provision of: (i) the governing documents of the Purchaser; (ii) any judgment applicable to the Purchaser or its properties or assets; or (ii) any applicable Law, other than, in the case of clauses (ii) and (iii) above, any such items that, individually or in the aggregate, have not had and would not reasonably be expected to have an adverse effect on the Purchaser's ability to consummate the Acquisition and the other transactions contemplated hereby or thereby. Except for approvals by the Exchange, no consent, approval, license, permit, order or authorization of, or registration, declaration or filing with, any Governmental Authority or any other

Person is required to be obtained or made by or with respect to the Purchaser in connection with the execution, delivery and performance of this Agreement or the consummation of the Acquisition or the other transactions contemplated hereby.

5.4 Litigation

There are no Proceedings pending or, to the knowledge of the Purchaser, threatened against the Purchaser, including any Proceedings which seek to prevent or delay the consummation of the Acquisition and the other transactions contemplated hereby. None of the Purchaser, or, to the Purchaser's Knowledge, any of the Purchaser's officers, directors or employees, is a party or subject to the provisions of any Order. There are no Proceedings initiated by the Purchaser which are currently pending or which the Purchaser currently intends to initiate.

5.5 Subsidiaries

The Purchaser has no subsidiaries and does not own any securities issued by, or any equity or ownership interest, in any other Person.

5.6 Purchaser SEDAR Documents; Financial Statements

(a) Except for the province of Quebec, the Purchaser is a reporting issuer under the securities legislation of each of the provinces and territories of Canada and is not in default under any such legislation.

(b) Since April 1, 2021, the Purchaser has timely filed on SEDAR all forms, reports, schedules, statements, exhibits and other documents (including exhibits, financial statement and schedules thereto and all other information incorporated therein and amendments and supplements thereto) required by it to be filed under applicable Law or Exchange Policies (collectively, the "**Purchaser SEDAR Documents**"). As of its filing date or, if amended prior to the date of this Agreement, as of the date of the last such amendment, each Purchaser SEDAR Document complied in all material respects with applicable Law and Exchange Policies and, without limiting the generality of the foregoing, none of the Purchaser SEDAR Documents contained any untrue statement of a material fact (as defined under applicable Law) or omitted to state a material fact required to be stated therein or necessary in order to make statements therein, in the light of the circumstances under which they were made, not misleading. As of the date of this Agreement, there are no amendments or modifications to the Purchaser SEDAR Documents that were required to be filed on SEDAR prior to the date of this Agreement, but that have not yet been filed.

(c) All of the audited financial statements and unaudited interim financial statements of the Purchaser included in the Purchaser Sedar Documents (i) comply in all material respects with the applicable accounting requirements, (ii) have been prepared in accordance with IFRS applied on a consistent basis during the periods involved (except as may be indicated in the notes thereto), and (iii) fairly present in all material respects the financial position, the shareholders' equity, the results of operations and cash flows of the Purchaser as of the times and for the periods referred to therein (except as may be indicated in the notes thereto and subject, in the case of unaudited interim financial statements, to normal and recurring year-end adjustments).

(d) To the Knowledge of the Purchaser, as of the date of this Agreement, there are no Exchange inquiries or investigations, other inquiries or investigations by any Governmental Authority or internal investigations pending or threatened, in each case regarding any accounting practices of the Purchaser and the Purchaser has not received notice from any Governmental Authority of any malfeasance by any director or executive officer of the Purchaser.

(e) Neither the Purchaser nor, to the Knowledge of the Purchaser, the Purchaser's independent auditors has identified or been made aware of (i) any significant deficiency or material weakness in the system of internal accounting controls utilized by the Purchaser; (ii) any fraud, whether or not material, that involves the Purchaser's management or other employees who have a role in the preparation of financial statements or the internal accounting controls utilized by the Purchaser; or (iii) any claim or allegation regarding any of the foregoing.

5.7 Capitalization.

(a) As of the close of business on December 31, 2021, the authorized share capital of Parent consisted of 300,000,000 Ordinary Shares, 121,883,064 of which were issued and outstanding.

(b) Other than as disclosed in the Purchaser SEDAR Documents, there are no options, agreements, rights of first refusal or other rights capable of becoming such to acquire Ordinary Shares, nor are there any outstanding securities of any kind whatsoever calling for the issuance of any of the unissued Ordinary Shares.

(c) The outstanding Ordinary Shares are listed on the Exchange. The Purchaser is in material compliance with all Exchange Policies and is otherwise in good standing with the Exchange and neither a Governmental Authority nor the Exchange has provided notice of investigation into or proceeding against the Purchaser or of any delisting of the Ordinary Shares and no order ceasing or suspending trading in any securities of the Corporation or prohibiting the issue, sale and delivery (as applicable) of the Closing Date Share Consideration or the trading of any of the Purchaser's issued securities has been issued and no proceedings for such purpose are pending or, to the Knowledge of the Purchaser, threatened.

(d) TSX Trust Company at its principal office in Toronto, Canada, has been duly appointed as registrar and transfer agent for the Ordinary Shares.

(e) The form of the certificate representing the Ordinary Shares has been duly approved by the directors of the Purchaser and complies with the provisions of the Israeli Companies Law, 5759-1999, and, to the extent applicable, the rules and policies of the Exchange.

(f) the issue by the Purchaser of the Closing Date Share Consideration to the Seller is permitted by applicable Laws and is not subject to, and does not trigger, any requirement to prepare and file a prospectus or similar document in any jurisdiction of Canada or elsewhere, and (ii) applicable Laws do not require the Purchaser to make any filings or seek any approvals of any kind whatsoever from any securities regulatory authority, other than the Exchange, in connection with the issue of the Closing Date Share to the Seller.

5.8 Changes

(a) Since November 26, 2021 through the date of this Agreement, except in connection with the transactions contemplated by this Agreement, the businesses of the Purchaser have been conducted in the ordinary course of business.

(b) Since November 26, 2021, there has not occurred any event, occurrence, effect, development or change that has had, or would reasonably be expected to have, individually or in the aggregate, a Purchaser Material Adverse Effect.

5.9 Permits

The Purchaser has all material Permits necessary for or material to the conduct of its business as now being conducted by it, or that are necessary for the lawful ownership or operation of its properties and assets. The Purchaser in compliance in all material respects with the terms and conditions of all Permits. All Permits are valid and have not lapsed, been cancelled, terminated or withdrawn except where such would not have a Purchaser Material Adverse Effect. Any application for the renewal of any such Permit which is due prior to the Closing Date will be timely made or filed by the Purchaser prior to the Closing Date. No proceeding to modify, suspend, revoke, withdraw, terminate or otherwise limit any Permit is pending, or, to the Purchaser's Knowledge, threatened. No administrative or governmental action or Proceeding has been taken, or, to the Purchaser's Knowledge, threatened, in connection with the expiration, continuance or renewal of any such Permit, and, to the Purchaser's Knowledge, there is no valid basis for any such Proceeding.

5.10 Taxes

(a) The Purchaser has filed all Tax Returns that were required to be filed under applicable Laws and has complied with all applicable Law as interpreted by a Governmental Authority. All such Tax Returns are true, correct and complete in all material respects and were prepared in substantial compliance with all applicable Laws. All material Taxes due and owing by the Purchaser (whether or not shown on any Tax Return) have been fully and timely withheld and paid. No claim has ever been made by any Governmental Authority in a jurisdiction where the Purchaser does not file Tax Returns that the Purchaser is or may be subject to Tax or any reporting requirements by that jurisdiction. There are no Liens for Taxes upon any of the assets of the Purchaser. No power of attorney relating to Taxes has been granted by or with respect to the Purchaser.

(b) The charges, accruals, and reserves with respect to Taxes on the audited financial statements and unaudited interim financial statements of the Purchaser included in the Purchaser SEDAR Documents, were calculated in accordance with IFRS and were properly recorded in the Purchaser's books and records. The Purchaser has not received from any Governmental Authority any (i) notice indicating an intent to open an audit or other review; (ii) written request for information related to Tax matters; or (iii) notice of deficiency or proposed adjustment for any amount of Tax proposed, asserted, or assessed by any Governmental Authority. The Purchaser has not (x) received or requested any extension of time to file any Tax Return that remains unfiled, (y) or granted or requested a waiver or extension of any statute of limitation or other limitation on any period for audit, examination or assessment and collection of Tax for any taxable period. The Purchaser is not the subject of an audit or other examination of Taxes by any Governmental Authority.

(c) There are no actions, suits, proceedings or investigations pending, nor, to the Purchaser's Knowledge, threatened, against or affecting the Purchaser in respect of any Taxes and there are no matters under discussion, audit or appeal with any Governmental Authority relating to any Taxes of the Purchaser. To the Purchaser'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 Governmental Authority in relation to the Liability or accountability of the Purchaser for Taxes under currently enacted Laws.

(d) The Purchaser is and has always been tax resident solely in the country of its incorporation. The Purchaser does not have a permanent establishment (within the meaning of an applicable Tax treaty) or otherwise has an office or fixed place of business in a country other than the country in which it is incorporated and organized.

(e) All records which the Purchaser is required under applicable Law to keep for Tax purposes have been duly kept in accordance with applicable Law and are available for inspection at the premises of the Purchaser, as applicable.

(f) The Purchaser has not entered into any transaction likely to be disqualified or recharacterized by the competent authorities on the grounds that they are designed to circumvent a Tax obligation.

5.11 Title to Properties and Assets; Liens; Real Property

(a) The Purchaser has good, valid and marketable title to all of the properties and assets, both real and personal, tangible and intangible that are purported to be owned by it, including all assets reflected as owned in the Purchaser SEDAR Documents or thereafter acquired, except for properties and assets disposed of in the ordinary course of business, consistent with past practice, and the Purchaser has good and valid title to all of its leasehold interests, in each case subject to no Lien other than (i) Liens for current taxes not yet due and payable; and (ii) Liens incurred in the ordinary course of business for obligations not past due. The Purchaser owns or has the exclusive right to use all of the tangible personal properties and assets necessary for the conduct of its business as currently conducted. The Purchaser is not in default or breach of any material provision of any lease and holds a valid leasehold interest or license in the properties they lease, free and clear of any Liens, subject to the exceptions in clauses (i)-(ii) above.

(b) Except as has not had and would not reasonably be expected to result in a Purchaser Material Adverse Effect, all of the tangible personal property used in the business of the Purchaser is in good operating condition, ordinary wear and tear excepted, and is adequate and suitable for the purposes for which it is presently being used.

5.12 Products; Product Liability

(a) There are no Proceedings outstanding or, to the Purchaser's Knowledge, threatened, against or involving, the Purchaser in connection with any alleged defect in the design, manufacture, materials or workmanship of any products manufactured, licensed, distributed, shipped, sold or delivered by, or on behalf of, the Purchaser or any alleged failure to warn, or any alleged breach of implied warranties or representations, and, to the Purchaser's Knowledge, none has been threatened nor is there any valid basis for any such Proceedings, other than to the extent such Proceedings would be immaterial.

(b) There has not been any Recall conducted with respect to any product developed, shipped, sold or delivered by, or on behalf of, the Purchaser, or, to the Purchaser's Knowledge, any investigation or consideration of or decision made by any Person or Governmental Authority concerning whether to undertake or not undertake any Recall.

5.13 Intellectual Property

(a) The Purchaser solely and exclusively owns the Purchaser Material Owned IP free and clear of all Liens and other adverse claims, and the Purchaser has paid all application, maintenance, renewal and similar fees in respect of any registered Material Owned IP.

(b) The Purchaser owns (solely and exclusively), or has the right to use pursuant to the Purchaser IP Licenses, all of the Purchaser Intellectual Property. The Purchaser Intellectual Property constitutes all the Intellectual Property necessary to conduct the business of the Purchaser as of the Closing Date and as currently planned.

(c) To Purchaser's Knowledge and except as would not reasonably be expected to have, individually or in the aggregate, a Purchaser Material Adverse Effect, there are no claims pending or threatened in writing, that (i) the operation of the business of the Purchaser in the manner and to the extent currently conducted infringes, misappropriates or is otherwise in violation of any Intellectual Property of any third party or (ii) challenge the validity, enforceability or ownership of any Purchaser Material Owned IP.

5.14 Employees; Benefits

(a) No employees of the Purchaser are represented by any labor union or other Employee Representatives or covered by any Collective Bargaining Agreement, other than collective agreements (*Heskemim Kibutziyim*) and extension orders (*Tzavei Harchava*) applicable to the majority of employees in Israel or to employees in the industries in which the Purchaser operates. As of the date hereof, there is no pending, or to the Purchaser's Knowledge, threatened, nor has there been for the past three (3) years, any labor dispute, strike, slowdown, industrial action, stoppage of work or lockout other than those which have not resulted, individually or in the aggregate, in a material liability to the Purchaser or a material disruption to the operations of the Purchaser.

(b) All amounts that the Purchaser is legally or contractually required either (i) to deduct from the employees' salaries and/or to transfer to the employees' pension, pension fund, pension insurance fund, education fund, managers' insurance, severance fund, insurance and other funds for, or in lieu of, severance or provident fund, life insurance, incapacity insurance, continuing education fund or other similar funds or insurance; or (ii) to withhold from the current employees' salaries and benefits and to pay to any government entity have, in each case, been duly deducted, transferred, withheld and paid. The Purchaser's liability towards its employees regarding severance pay, accrued vacation and contributions to all Employee Benefit Plans are fully funded or if not required by any source to be funded are accrued on the Purchaser's financial statements to the extent required by IFRS.

(c) The Purchaser is in compliance in all material respects with all applicable legal requirements and contracts relating to employment, employment practices, wages, overtime, benefits, illness payments, bonuses and other compensation matters and terms and conditions of employment related to the current employees.

(d) Each of the Purchaser's Employee Benefit Plans is in compliance with all applicable Laws and has been administered and operated in all respects in accordance with its terms, except for any failure to so comply, administer or operate that could not, individually or in the aggregate, reasonably be expected to result in a Purchaser Material Adverse Effect.

5.15 Anti-Corruption Laws: Money Laundering; Sanctions

(a) To the Purchaser's Knowledge, neither the Purchaser, nor any director or officer, nor any agent, employee, affiliate or other person acting on behalf of the Purchaser has (i) made, offered, promised or authorized any unlawful contribution, gift, entertainment or other unlawful expense; (ii) made, offered, promised or authorized any direct or indirect unlawful payment; or (iii) violated or is in violation of any Anti-Corruption Laws. The Purchaser has conducted its businesses in compliance with Anti-Corruption Laws.

(b) The operations of the Purchaser are and have been conducted in material compliance with all applicable Anti-Money Laundering Laws and no Proceeding by or before any Governmental Authority or any arbitrator involving the Purchaser with respect to the Anti-Money Laundering Laws is pending or, to the Knowledge of the Purchaser, threatened.

(c) To the Purchaser's Knowledge, neither the Purchaser, nor any director or officer, nor any agent, employee, affiliate or other person acting on behalf of the Purchaser is currently the subject or the target of any Sanctions, nor is the Purchaser located, organized, or resident in a country or territory that is Sanctioned Jurisdiction. The Purchaser is not engaged in, or has, at any time in the past five years, engaged in, any dealings or transactions with or involving any individual or entity that was or is, as applicable, at the time of such dealing or transaction, the subject or target of Sanctions or with any Sanctioned Jurisdiction.

5.16 Environmental Laws

(i) the Purchaser is, and has been, in compliance in all material respects with all applicable Environmental Laws, except where the failure to comply would not reasonably be expected to have, individually or in the aggregate, a Purchaser Material Adverse Effect; (ii) except where the failure to comply would not reasonably be expected to have, individually or in the aggregate, a Purchaser Material Adverse Effect, there are no claims, proceedings, notices of violation, investigations, prosecutions or actions by any Governmental Authority or other Person pending, or to the Purchaser's Knowledge, threatened against the Purchaser under any Environmental Law; (iii) the Purchaser has not assumed, either contractually or by operation of law, the liability of any other Person under any Environmental Law; (iv) the Purchaser has not, in relation to its past or present business or operations, generated, transported, stored used, managed, manufactured, bought, sold, reclaimed, recycled or disposed of any Hazardous Material or any product containing Hazardous Material, except in a manner that has not resulted in a liability and that is otherwise in compliance with Environmental Laws), except where the failure to comply would not reasonably be expected to have, individually or in the aggregate, a Purchaser Material Adverse Effect; (v) to the Purchaser's Knowledge, the Purchaser is not required to perform any Remedial Actions or is subject to any investigation or evaluation by any Governmental Authority as to whether any Remedial Action is needed to respond to a Release or threatened Release of any Hazardous Materials; and (vi) to the Purchaser's Knowledge, there are no facts, circumstances or conditions relating to the past or present business or operations of the Purchaser (including the release or disposal of Hazardous Materials at any location), or to any real property or facility at any time owned, leased, or operated in any way whatsoever by the Purchaser, or any of its respective predecessors, in each case that would reasonably be expected to give rise to any material claim, proceeding or action, or to any liability, under any Environmental Law (including without limitation Liabilities arising out of the manufacture, processing, distribution, use or sale of any of the Purchaser's products), except where the failure to comply would not reasonably be expected to have, individually or in the aggregate, a Purchaser Material Adverse Effect.

5.17 Insurance

(a) The Purchaser is insured against such losses and risks and in such amounts as are customary and reasonable in the businesses in which it is engaged. All such Purchaser insurances policies are from reputable insurers and are of the type and in amounts customarily carried by Persons conducting businesses similar to those of the Purchaser.

(b) The Purchaser's insurance policies are (i) are valid, binding, and enforceable in accordance with their terms; (ii) are provided by reputable carriers; (iii) have not been subject to any lapse in coverage; and (iv) are in full force and effect and will remain in full force and effect following the Closing in accordance with their terms.

5.18 Governmental Grants

The Purchaser has not received and has not applied for any Governmental Grant, other than as disclosed in the Purchaser Sedar Documents.

5.19 Brokers or Finders

The Purchaser has not incurred, and will not incur, directly or indirectly, as a result of any action taken by the Purchaser, any liability for brokerage or finders' fees or agents' commissions or any similar charges in connection with this Agreement or any of the transactions contemplated hereby except those to be paid entirely by the Purchaser.

5.20 Independent Investigation

The Purchaser acknowledges that it has (i) conducted its own independent investigation, review and analysis of the Purchased Share and the business, operations, assets, liabilities, results of operations, financial condition, technology and prospects of the Company, which investigation, review and analysis was done by the Purchaser and its representatives, advisors and consultants; (ii) been provided with and/or given access to disclosure of information and documents relating to the Company, the Purchased Share, and the proposed transaction, including books, records and contracts of the Company and has been provided with reasonable time an opportunity to obtain additional information concerning the Purchased Share, the Company, its assets and its business, financial and technical matters and all other relevant information, (iii) has reviewed any and all information and documents included in the Data Room; (iv) been provided with access to, and has received any and all information it considered necessary or appropriate for a reasonable purchaser in order to decide whether to purchase the Purchased Share under the terms of this Agreement; and (v) consulted with its own advisors, as to the financial, tax and legal consequences and related matters in connection with the purchase of the Purchased Share.

6. COVENANTS

6.1 Conduct of Business

(a) Except as expressly required by the terms of this Agreement or as otherwise consented to in writing by the Purchaser (which consent shall not be unreasonably withheld, conditioned or delayed), from the date of this Agreement to the Closing, the Seller shall cause the Company to conduct and operate its business in the usual, regular and ordinary course of business in substantially the same manner as conducted since October 1, 2021 and, to the extent consistent therewith, use their commercially reasonable best efforts keep its business intact and preserve its relationships with the customers, licensors, distributors vendors, and others with whom it may deal. In addition (and without limiting the generality of the foregoing), the Company shall not do (or suffer to exist), any of the following between the date hereof and the Closing Date without the prior written consent of the Purchaser (which consent shall not be unreasonably withheld, conditioned or delayed):

(i) Other than pursuant to Section 6.2 below, take any of the actions set forth in Section 4.8 above.

(ii) amend, modify, terminate, cancel or request any modification or amendment to, or agree to any of the foregoing in respect of any Material Contract, or enter into any contract that would, if entered into as of the date hereof, be a Material Contract;

(b) The Seller shall promptly advise the Purchaser in writing upon learning of the occurrence of any matter or event that is in violation of Section 6.1(a).

6.2 Pre-Closing Reorganization.

(a) Prior to Closing:

(i) Seller shall cause the Company to transfer or cause to be transferred any assets, liabilities, or obligations held by Company and which are not related to the Technology, including, but not limited to those listed on **Schedule 6.2** hereto to a third party (the "**Transferred Assets**");

(ii) Seller shall cause the Company to take reasonable efforts to transfer the employment agreements with those employees of Cabka Spain S.U. listed in **Schedule 6.2(ii)** hereto to the Company (the "**Transferred Employees**");

(iii) Seller shall cause the Company to transfer or cause to be transferred all agreements listed in **Schedule 6.2(iii)** hereto to the respective transferee (the "**Transferred Agreements**");

(iv) Seller is entitled to pass a shareholder's resolution of the Company in which (i) a dividend in the highest possible amount based on the annual financial statements of the Company as of December 31, 2021 and (ii) the payout of the resulting dividend and/or offsetting - or a combination of them - of the resulting dividend liability with receivables of the Company against affiliated companies or the Seller will be decided; and to execute or cause the Company to execute such resolution.

(v) Seller shall cause the Company to repay all outstanding loans and liabilities of the Company prior to the Closing, other than liabilities payable in the ordinary course of business of the Company (such as salaries, rent).

(vi) All revenue of the Company from the Transferred Agreements for the period of 01 January 2022 until their transfer to the respective transferee are to be considered as loan payments made by the Seller to the Company, and the Seller is entitled to receive the repayment of all such loan payments prior to Closing.

6.3 No Solicitation of Other Bids

From the date hereof until the earlier of the Closing or the termination of this Agreement pursuant to Article 8, the Seller shall not, and shall not authorize or permit the Company or its respective Affiliates or any of their respective representatives to, directly or indirectly: (i) approve, encourage, solicit, initiate, facilitate or continue inquiries regarding an Acquisition Proposal; (ii) enter into discussions or negotiations with, or provide any information to, any Person concerning a possible Acquisition Proposal; or (iii) enter into any agreements or other instruments (whether or not binding) regarding an Acquisition Proposal. The Seller shall immediately cease and cause to be terminated and shall cause the Company and its respective Affiliates and any of their respective representatives to immediately cease and cause to be terminated, all existing discussions or negotiations with any Persons conducted heretofore with respect to an Acquisition Proposal. The Seller will notify the Purchaser, as soon as practicable, if any Person makes any proposal, offer, inquiry to, or contact with, the Seller or the Company, as the case may be, with respect to an Acquisition Proposal and shall describe in reasonable detail the identity of any such Person and, the substance and material terms of any such contact and the material terms of any such proposal. The Seller shall, and shall direct the Company and their respective representatives to, request the return of any due diligence materials provided to any Persons (other than the Purchaser and its Affiliates and representatives) in connection with any potential Acquisition Proposal.

6.4 Access to Information; Notice of Certain Events

(a) From the date hereof until the Closing, the Seller shall and shall ensure that the Company will, (i) afford the Purchaser and its representatives with the opportunity to, at the Purchaser's expense, visit and inspect each of the Company properties; (ii) examine the books of account and records of the Company; and (iii) discuss the Company's affairs, finances and accounts with the Company's officers and employees, all at such reasonable times as may be requested by the Purchaser so as not to unreasonably interfere with the Company's business and operations; provided that neither the Seller nor the Company shall be obligated to provide access to any information that the Seller determines in good faith and in consultation with its outside legal counsel would reasonably be expected to result in the loss of any attorney-client or other privilege, or would result in a violation of applicable Law.

(b) From the date hereof until the earlier of the Closing or the termination of this Agreement pursuant to Article 8, the Seller shall promptly notify the Purchaser of:

(i) any fact, circumstance, event or action the existence, occurrence or taking of which (A) has resulted in, or would reasonably be expected to result in, any (1) representation or warranty made by the Seller hereunder not being true and correct or (2) any covenant of the Seller to have been breached; or (B) has resulted in, or would reasonably be expected to result in, the failure of any of the conditions set forth in Section 7.2 to be satisfied;

(ii) any notice or other communication from any Person alleging that the consent of such Person is or may be required in connection with the transactions contemplated by this Agreement;

(iii) any notice or other communication from any Governmental Authority in connection with the transactions contemplated by this Agreement;

(iv) any notice of, or other communication relating to, a default or event that, with notice or lapse of time or both, would become a default under any Contract disclosed (or required to be disclosed) in **Section 4.13(a)** of the Disclosure Letter; and

(v) any actions commenced against, relating to or involving or otherwise affecting the Seller or the Company that, if pending on the date of this Agreement, would have been required to have been disclosed pursuant to Section 4.11 or that relates to the consummation of the transactions contemplated by this Agreement.

6.5 Commercially Reasonable Efforts

From the date of this Agreement until the earlier of the Closing or the termination of this Agreement pursuant to Article 8, each Party hereto shall use reasonable best efforts to take, or cause to be taken, all appropriate action, and to make, or cause to be made, all filings necessary, proper or advisable under applicable Laws and to consummate and make effective the transactions contemplated by this Agreement, including their respective commercially reasonable efforts to obtain, prior to the Closing Date, approvals of any Governmental Authorities and parties to contracts with the Company (including landlords) as are necessary for consummation of the transactions contemplated by this Agreement and to take such actions as are necessary to expeditiously satisfy the closing conditions set forth in Article 7.

6.6 Exchange Approval

Without limiting the generality of Section 6.5, the Parties shall use reasonable best efforts to cooperate in order to obtain Exchange Approval.

6.7 Confidentiality; Public Announcements

(a) Except with the prior written consent of the other Party, each of the Parties and its respective employees, officers, directors, shareholders, agents, advisors and other representatives will hold all information received from a Party concerning the Purchaser, the Seller or the Company in confidence and will not be disclosed or used by the recipients thereof, except such information and documents available to the public or as are required to be disclosed by applicable Laws. All such information in written or electronic form and documents will, at a Party's request, be promptly returned to the party originally delivering them in the event that the transactions provided for in this Agreement are not completed.

(b) Subject to the disclosure requirement applicable to the Purchaser or any of its shareholders (including Tedea) as a publicly traded company, neither of the Seller nor the Purchaser will disseminate any press release or other public announcement or disclosure in respect of this Agreement or the transactions contemplated hereby or otherwise communicate with any media without the prior written consent of the other Party, which consent shall not be unreasonably withheld, conditioned or delayed. The Parties shall agree on the text of any press release or other public disclosure announcing the execution of this Agreement.

(c) The Seller shall provide the Purchaser or any relevant shareholder all the information and documents required to meet its filing requirements (e.g., financial statements).

6.8 Further Assurances

Subject to Section 6.5 and Section 6.6, each Party hereto agrees to execute and deliver, by the proper exercise of its corporate, limited liability company, partnership or other powers, all such other and additional instruments and documents and do all such other acts and things as may be necessary to more fully effectuate this Agreement.

7. CONDITIONS PRECEDENT

7.1 Conditions to Each Party's Obligations

The obligations of each Party to consummate the Acquisition and the other transactions contemplated hereby are subject to the satisfaction (or written waiver by each of the Parties) on or prior to the Closing Date of each of the following conditions:

(a) **No Injunctions or Restraints**. No applicable Law or Order enacted, entered, promulgated, enforced or issued by any Governmental Authority preventing or impairing the consummation of the Acquisition or of the other transactions contemplated hereby shall be in effect.

(b) **Absence of Proceedings**. There shall not be pending any Proceeding challenging or seeking to restrain or prohibit the Acquisition or any other transaction contemplated hereby.

(c) **Exchange and Governmental Approvals/Consents.**

(i) Exchange Approval and all governmental approvals shall have been obtained or granted, or applicable waiting periods shall have expired.

(ii) There shall not be in force any injunction or order of any court of competent jurisdiction enjoining or prohibiting the Acquisition.

7.2 Conditions to Obligation of the Purchaser

The obligation of the Purchaser to issue the Closing Date Share Consideration in exchange for the Purchased Share and consummate the Acquisition and other transactions contemplated hereby is subject to the satisfaction (or written waiver by the Purchaser) on or prior to the Closing Date of the following additional conditions:

(a) **Representations and Warranties**. (i) Each of the representations and warranties set forth in Sections 3.1 (*Organization, Good Standing and Power*), 3.2 (*Authority; Execution and Delivery; Enforceability*), 3.3 (No Conflicts; Consents) 3.5 (*The Purchased Share*), 3.8 (*Brokers or Finders*) 4.1 (*Organization, Good Standing and Qualification*), 4.2 (*Subsidiaries*), 4.3 (*Capitalization*), 4.4 (*Authorization; Execution and Delivery; Enforceability*), 4.9 (*Taxes*), 4.14 (*Intellectual* Property), 4.18 (*Environmental Matters*) and 4.20 (*Brokers or Finders*) and each of the other representations and warranties of the Seller contained in this Agreement that are qualified or limited by a materiality, or other similar standard shall be true and correct in all respects as of the Closing Date as if made at and as of such time (except that such representations and warranties that are made as of a specific date need only be true and correct as of such date); and (ii) all other representations and warranties set forth in Articles 3 and 4 shall be true and correct in all material respects as of the Closing Date as if made at and as of such date (except that such representations and warranties that are made as of a specific date need only be true and correct as of such date).

(b) **Performance of Obligations of the Seller and the Company**. The Seller shall have performed or complied in all respects with all other obligations and covenants required by this Agreement to be performed or complied with by the Seller on or prior to the Closing.

(c) **Shareholder Approval**. The Purchaser shall have obtained all necessary approvals from its shareholders in order to complete the Acquisition and all matters incidental thereto requiring such approval.

(d) **Receipt of Closing Deliverables**. The Purchaser shall have received (or in the case of clause (iii) below, shall have had made available to it (at the premises of the Company or otherwise)):

(i) a copy of the shareholders register of the Company confirmed its chief executive officer registering the transfer to the Purchaser of the Purchased Share in the Company;

(ii) in respect of the Company, all governing documents, the corporate seal, updated share register and all minute books and other statutory books (which shall record all proceedings up to Closing) or such equivalent items in the relevant jurisdiction as are kept by the Company or that the applicable law requires it to keep;

(iii) certificates, dated as of the Closing Date, executed by the Seller in the form attached hereto as **Exhibit A**, certifying the satisfaction of the conditions set forth in Sections 7.2(a) and (b);

(iv) true and correct copies of the resolution of the shareholder of the Company, authorizing the entry into this Agreement, the consummation of the Acquisition and the other transactions contemplated hereby;

(v) Written evidence confirming the transfer of the Transferred Assets, pursuant to Section 6.2.

7.3 Conditions to Obligation of the Seller

The obligation of the Seller to sell the Purchased Share and consummate the other transactions contemplated hereby is subject to the satisfaction (or written waiver by the Seller) on or prior to the Closing Date of the following additional conditions:

(a) **Representations and Warranties.**

Each of the representations and warranties of the Purchaser contained in Sections 5.1 (*Organization, Good Standing and Power*), 5.2 (*Authority; Execution and Delivery; Enforceability*), 5.7 (*Capitalization*) and each of the other representations and warranties of the Purchaser contained in this Agreement that are qualified or limited by a materiality or other similar standard shall be true and correct in all respects as of the Closing Date as if made at and as of such time (except that such representations and warranties that are made as of a specific date need only be true and correct as of such date); and (ii) all other representations and warranties set forth in Article 5 shall be true and correct in all respects as of the Closing Date as if made at and as of such date (except that such representations and warranties that are made as of a specific date need only be true and correct as of such date), except where the failure of any such representations and warranties to be true and correct has not had, individually or in the aggregate, a material adverse effect on the ability of the Purchaser to consummate the transactions contemplated hereby.

(b) **Continued Listing on the Exchange**

The Ordinary Shares shall remain listed and posted for trading on the Exchange at all times prior to and up to the Closing, save for any temporary suspension not exceeding ten consecutive Business Days in connection with the transactions contemplated by this Agreement, and no indication shall have been received from the Exchange at or before the Closing to the effect of the listing of the Ordinary Shares on the Exchange will or may be withdrawn or objected to as a result of the transactions contemplated by, or connection with the terms of, this Agreement.

(c) **Performance of Obligations of the Purchaser.**

The Purchaser shall have performed or complied in all respects with all other obligations and covenants required by this Agreement to be performed or complied with by the Purchaser on or prior to the Closing.

(d) **Receipt of Closing Deliverables.**

(i) The Seller shall have received such the Closing Date Share Consideration pursuant to Section 2.3; and

(ii) The Seller shall have received: (A) a certificate, dated as of the Closing Date, executed by the Purchaser in the form attached hereto as **Exhibit B**, certifying the satisfaction of the conditions set forth in Sections 7.3(a) and (c); and (B) a counterpart to the Shareholders Agreement, duly executed by the relevant shareholders of the Purchaser.

7.4 Frustration of Closing Conditions

No Party may rely on the failure of any condition set forth in this Article 7 to be satisfied if such failure was caused by such Party's failure to act in good faith or to use the required level of efforts set forth herein to cause the Closing to occur.

8. TERMINATION

8.1 Termination

(a) Notwithstanding anything to the contrary in this Agreement, but subject to Section 7.4, this Agreement may be terminated at any time prior to the Closing:

(i) by mutual written consent of the Seller and the Purchaser;

(ii) by the Seller or the Purchaser, if the Closing does not occur on or prior to July 1, 2022 (the "**Long-Stop Date**"); provided that the party seeking to terminate this Agreement pursuant to this Section 8.1(a)(ii) shall not have breached its obligations under this Agreement in any manner that shall have proximately caused the failure to consummate the Acquisition on or before such date;;

(iii) by the Seller, if the Seller is not then in breach of this Agreement and (A) if any of the conditions set forth in Section 7.1 or 7.3 shall have become incapable of fulfillment by the Long-Stop Date, and such conditions shall not have been waived in writing by the Seller; or (B) if there shall have been a breach, inaccuracy or failure to perform any representations, warranties, covenants or agreements made by the Purchaser in this Agreement that would give rise to the failure of any of the conditions set forth in Section 7.3 (which has not been waived by the Seller) and such breach has not been cured within thirty (30) days of written notice thereof by the Seller; or

(iv) by the Purchaser, if the Purchaser is not then in breach of this Agreement and (A) if any of the conditions set forth in Section 7.1 or 7.2 shall have become incapable of fulfillment by the Long-Stop Date, and such conditions shall not have been waived in writing by the Purchaser; or (B) if there shall have been a breach, inaccuracy or failure to perform any representations, warranties, covenants or agreements made by the Seller or the Company in this Agreement that would give rise to the failure of any of the conditions set forth in Section 7.2 (which has not been waived by the Purchaser) and such breach has not been cured within thirty (30) days of written notice thereof by the Purchaser (other than a breach of any of the obligations of the Seller contained in Section 2.1, as to which no such grace period shall apply).

(b) In the event of termination of this Agreement pursuant to this Article 8, written notice thereof shall forthwith be given by the Party seeking termination to the other Party, and this Agreement, and the transactions contemplated hereby, shall be terminated without further action by any Party.

8.2 Effect of Termination

If this Agreement is terminated and the transactions contemplated hereby are terminated as described in Section 8.1, this Agreement shall become null and void and of no further force and effect, except for the following provisions each of which shall survive termination hereof:

(a) Section 6.7 relating to confidentiality and publicity;

(b) Section 8.1 and this Section 8.2; and

(c) Section 1.1 relating to Definitions and Article 10 relating to Miscellaneous Provisions, in each case, to the extent applicable.

Nothing in this Section 8.2 shall be deemed to release any Party from any liability for any breach by such party of the terms and provisions of this Agreement.

9. LIMITATIONS OF LIABILITY; INDEMNIFICATION

9.1 Indemnification Obligations

(a) From and after the Closing, the Seller shall defend and indemnify the Purchaser Indemnified Parties against, and hold each of the Purchaser Indemnified Parties harmless from, Losses suffered, incurred or paid, directly or indirectly, by them as a result of, arising out of or in connection with:

(i) any breach of any of the representations and warranties of the Seller (whether or not made in Article 3 or Article 4) in this Agreement or in any schedule, exhibit or certificate delivered pursuant to this Agreement to be true and correct other than the Seller Fundamental Representations;

(ii) any breach of any of the Seller Fundamental Representations; and

(iii) any breach of any covenant or agreement of the Seller contained in this Agreement.

(b) From and after the Closing, the Purchaser shall defend and indemnify the Seller Indemnified Parties against, and hold each of the Seller Indemnified Parties harmless from, Losses suffered, incurred or paid, directly or indirectly, by it as a result of, arising out of or in connection with:

(i) any breach of any of the representations and warranties of the Purchaser (whether or not made in Article 5) in this Agreement or in any schedule, exhibit or certificate delivered pursuant to this Agreement to be true and correct; and

(ii) any breach of any covenant or agreement of the Purchaser contained in this Agreement.

9.2 Cap and Basket

(a) Except in the case of fraud or willful misconduct by the Seller in connection with the transactions contemplated by this Agreement, the liability of the Seller to the Purchaser Indemnified Parties pursuant to Section 9.1(a) shall be limited to an amount equal to US$ 2,500,000.00 (the "**General Cap**") and the Purchaser Indemnified Parties shall not be entitled to indemnification pursuant to 9.1(a) for Losses (i) that with respect to any particular claim or series of related claims based on the same or related facts do not exceed $50,000 (the "**De Minimis Claims**") and (ii) until such time that the aggregate amount of the Losses (other than De Minimis Claims) of the Purchaser Indemnified Parties exceed an amount equal to US$ 500,000.00 in the aggregate for all occurrences (the "**Basket**") and, in which event, the Seller shall be required to pay the aggregate amount of such Losses from the first (1^{st}) dollar.

(b) Except in the case of fraud or willful misconduct by the Purchaser in connection with the transactions contemplated by this Agreement, the liability of Purchaser to the Seller Indemnified Parties pursuant to Section 9.1(b) shall be limited to the General Cap, the Seller Indemnified Parties shall not be entitled to indemnification pursuant to pursuant to Section 9.1(b)9.1(b) for Losses until such time that the aggregate amount of all Losses of the Seller Indemnified Parties exceed an amount equal to the Basket and, in which event, the Purchaser shall be required to pay the aggregate amount of such Losses from the first (1^{st}) dollar.

9.3 Claim Procedure and Third-Party Claims

(a) All claims for indemnification pursuant to this Section 9 shall be made in accordance with the procedures set forth in this Section 9.3. A Person entitled to assert a claim for indemnification (a "**Claim**") pursuant to this Section 9 (an "**Indemnified Party**") shall give the give the party from which indemnification is sought (the "**Indemnifying Party**") written notice thereof, which shall describe in reasonable detail (to the extent known or in the possession of the Indemnified Party) the facts and circumstances upon which the asserted claim for indemnification is based and the amount or an estimate of the amount of the liability arising therefrom, together with such documentation reasonably required to evaluate and respond to such Claim (a "**Claim Notice**"); provided, however, that no failure to give such prompt written notice shall relieve the Indemnifying Party of any of its indemnification obligations hereunder except to the extent that the Indemnifying Party is prejudiced by such failure.

(b) Promptly after the receipt by an Indemnified Party of a notice of the commencement of any action, claim or demand involving a third party (a "**Third Party Claim**"), such Indemnified Party shall, if a claim with respect thereto is to be made against an Indemnifying Party, give such Indemnifying Party a Claim Notice with respect to such Third Party Claim; provided, however, that no failure to give such prompt written notice shall relieve the Indemnifying Party of any of its indemnification obligations hereunder except to the extent that the Indemnifying Party is prejudiced by such failure.

(c) If the Indemnifying Party does not deliver a notice accepting the claims (an "**Acceptance Notice**") within thirty (30) days following the receipt of such Claim Notice, or delivers a notice disputing ("**Dispute Notice**") the claims set forth in the Claim Notice to the Indemnified Party, then such Claim Notice or any portion of such Claim Notice which has not been expressly accepted in writing pursuant to an Acceptance Notice served within the said thirty (30) day period, shall be deemed to have been disputed in full by such Indemnifying Party, with the same effect as if such Indemnifying Party had timely delivered a Dispute Notice. Upon the delivery of an Acceptance Notice, the Indemnifying Party shall promptly pay and/or, as applicable, cause the payment of, the undisputed amounts expressly accepted by the Indemnifying Party in writing and due thereunder to the Indemnified Party. If the Indemnifying Party delivers a Dispute Notice (or is deemed as having disputed any Claim), then the Indemnified Party and the Indemnifying Party shall reasonably cooperate to resolve the matters under dispute set forth in such Dispute Notice as promptly as reasonably possible. In the event that the relevant parties fail to settle a Dispute Notice within thirty (30) days following its receipt, the Indemnified Party may proceed and initiate a proceeding to resolve such dispute in accordance with this Section 9 and Section 10.3 below.

(d) The Indemnifying Party shall be entitled to assume the defense of any Third Party Claim, at the Indemnifying Party's sole expense; provided that; (A) the Indemnifying Party shall be fully responsible for paying for the defense of such Third Party Claim, subject to the limitations on liability set out herein; and (B) if the Indemnifying Party assumes the defense of any Third Party Claim, the Indemnified Party shall have the right (but not the obligation) to participate in (but not have conduct of) the defense of such Third Party Claim and to employ, at its own expense, counsel separate from the counsel employed by the Indemnifying Party.

(e) The Indemnified Party shall not settle any Third Party Claim if the Indemnifying Party shall have any obligation as a result of such settlement unless such settlement is consented to in writing by the Indemnifying Party, such consent not to be unreasonably withheld or delayed.

9.4 Survival

The survival periods for submitting a Claim Certificate shall be as follows: (i) for (A) the indemnification under Sections 9.1(a)(ii), and 9.1(a)(iii); or (B) fraudulent breach, intentional misrepresentation or willful misconduct, until the sixtieth (60^{th}) day following the expiration of the statute of limitations for that particular matter that is the subject matter thereof; and (ii) the indemnification under Sections 9.1(a)(i) and 9.1(b), until the third anniversary of the Closing Date. The covenants and agreements made in this Agreement shall survive according to their terms, and if no such term is specified, shall survive indefinitely. If written notice of a claim for indemnification under Section 9.1 shall have been provided to the Indemnifying Party, within the applicable survival period, then any representations, warranties, covenants or agreements that are the subject of such claim for indemnification that would otherwise terminate as set forth above shall survive as to such claim, and that claim only, until such time as such claim is fully and finally resolved

9.5 Certain Additional Matters

(a) Any indemnity payment under this Agreement shall be treated as an adjustment to the Purchase Price for Tax purposes, unless otherwise required by a change in Law occurring after the date hereof, a closing agreement with a Governmental Authority, or a final, non-appealable judgment of a court of competent jurisdiction.

(b) For purposes of determining whether any breach of a representation or warranty has occurred and calculating the amount of any Losses that are the subject matter of a claim for indemnification, each representation and warranty in this Agreement will be read without regard and without giving effect to any "material", "materially", "materiality", "material adverse effect" or similar qualifiers contained in any of such representations and warranties (fully as if any such word or phrase were deleted from such representation and warranty)

9.6 Exclusive Remedy

Each Party acknowledges and agrees that, from and after the Closing (except in the case of fraud or willful misconduct by such party in connection with the transactions contemplated by this Agreement), its sole and exclusive remedy with respect to any and all claims relating to the subject matter of this Agreement and the Disclosure Letter and the transactions contemplated hereby and thereby shall be pursuant to the indemnification provisions set forth in this Article 9, except (i) for claims of, or causes of action for which the sole remedy sought is equitable relief; or (ii) for specific performance of obligations to be performed on or after the Closing Date.

10. MISCELLANEOUS

MISCELLANEOUS

10.1 Amendment

Except as expressly provided herein, neither this Agreement nor any term hereof may be amended, waived, discharged or terminated other than by a written instrument referencing this Agreement and signed, in the case of an amendment, discharge or termination, by the Seller and the Purchaser, or in the case of a waiver, by the Party against whom the waiver is to be effective.

10.2 Notices

All notices, requests, claims, demands, waivers and other communications required or permitted hereunder shall be deemed to have been duly given if in writing and if mailed by registered or certified mail, postage prepaid, sent by facsimile or electronic mail (and in the case of facsimile or electronic mail, with copies by overnight courier service or registered mail) or otherwise delivered by hand or by messenger addressed:

(a) if to the Purchaser, to:

K.B. Recycling Industries Ltd.
3 Ha-Avoda Street
Beit She'an, Israel 1171703
Attn: Mr. Shmuel Porre, CEO
E-mail: [redacted]

or at such other address as the Purchaser shall have furnished to the Seller, with a copy to (which shall not constitute notice):

Gornitzky & Co., Advocates and Notaries
Vitania Tel-Aviv Tower
20 Haharash St.
Tel-Aviv, Israel 6761310
Attn: Timor Belan, Adv.
E-mail: [redacted]

(b) if to the Seller, to:

RAM.ON finance GmbH
Konstanzer Str. 55

10707 Berlin, Germany
Attn: Gat Ramon
E-mail: [redacted]

or at such other address as each Seller shall have furnished to the Purchaser, with a copy to (which shall not constitute notice):

Rechtsanwalt Michael Mueller
Reinsburgstr. 44
70178 Stuttgart, Germany
Attn: Michael Mueller
E-mail: [redacted]

(c) if to the Notary, to:

Notar
Ulrich Feth
Energieallee 1
55286 Wörrstadt, Germany
Attn: Ulrich Feth
E-mail: [redacted]

Each such notice or other communication shall be in writing and shall be deemed to have been given (a) when delivered by hand or by messenger (with written confirmation of receipt); (b) when received by the addressee if sent by an internationally recognized overnight courier (receipt requested); (c) on the date sent by facsimile or e-mail of a PDF document (with confirmation of transmission) if sent during normal business hours of the recipient, and on the next business day if sent after normal business hours of the recipient; or (d) on the third day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid. Notices sent by multiple means, each of which is in compliance with the provisions of this Agreement will be deemed to have been received at the earliest time provided for by this Agreement.

10.3 Governing Law and Venue

This Agreement shall be construed in accordance with, and governed in all respects by, the laws of Israel without giving effect to any choice of law or conflict of law provision or rule (whether of Israel or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than those of Israel. The competent courts of the city of Tel Aviv-Jaffa, Israel shall have exclusive jurisdiction upon any dispute arising hereunder and each of the Parties hereby consents to the jurisdiction of such courts (and of the appropriate appellate courts therefrom) in any such suit, action or proceeding.

10.4 Transaction Expenses

Each of the Purchaser and the Seller shall bear its own direct transaction expenses. The fees, costs and expenses of the Notary and any costs associated with approvals or clearance of the Exchange shall be borne by the Purchaser.

10.5 Successors and Assigns

This Agreement, and any and all rights, duties and obligations hereunder, shall not be assigned, transferred, delegated or sublicensed by any party hereto without the prior written consent of the other. Subject to the foregoing and except as otherwise provided herein, the provisions of this Agreement shall inure to the benefit of, and be binding upon, the successors, assigns, heirs, executors and administrators of the Parties.

10.6 Entire Agreement

This Agreement, including the exhibits, annexes, schedules and the Disclosure Letter attached hereto, constitute the full and entire understanding and agreement among the Parties with regard to the subjects hereof and thereof and supersedes all prior agreements and understandings, oral and written, with respect hereto and thereto. This Section 10.6 shall not be deemed to be an admission or acknowledgement by any of the Parties that any prior agreements or understandings, oral or written, with respect to the subject matter hereof exist. No Party shall be liable or bound to any other Party in any manner with regard to the subjects hereof or thereof, representations or covenants except as specifically set forth herein.

10.7 Severability

If any provision of this Agreement becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable or void, portions of such provision, or such provision in its entirety, to the extent necessary, shall be severed from this Agreement, and this Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable term, provision, covenant or restriction or any portion thereof had never been contained herein. The balance of this Agreement shall be enforceable in accordance with its terms.

10.8 Certified Copies

Every party to this Deed may receive a certified copy of this instrument.

10.9 Delays or Omissions

No failure or delay by any Party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

10.10 Specific Performance

It is agreed and understood that: (i) each Party hereto may be irreparably damaged in the event the provisions of this Agreement to be performed after the Closing are not performed by the Parties in accordance with their specific terms or were otherwise breached or threatened to be breached; (ii) monetary damages may not adequately compensate an injured party for the breach of this Agreement by any other party; (iii) this Agreement shall be specifically enforceable; and (iv) any breach or threatened breach of this Agreement may be the proper subject of a temporary or permanent injunction or restraining order to prevent breaches hereof and to enforce specifically the terms and provisions of this Agreement, in addition to any other remedy to which any party hereto may be entitled at law or in equity as a remedy for any such breach or threatened breach. This Section 10.10 shall not affect or limit, and the injunctive relief provided in this Section 10.10 shall be in addition to, any other remedies available to the

Parties at law or in equity or in arbitration for any breach of this Agreement by any Party hereto, including the right to recover Losses as provided in Article 9.

10.11 No Third-Party Beneficiaries

Except as set forth in Article 9, nothing in this Agreement, express or implied, shall give or confer any rights or remedies to or upon any Person other than the Parties and their respective successors and permitted assigns.

10.12 Waivers

No failure or delay of a Party in exercising any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such right or power, or any course of conduct, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the Parties hereunder are cumulative and are not exclusive of any rights or remedies which they would otherwise have hereunder. Any agreement on the part of any Party to any such waiver shall be valid only if set forth in a written instrument executed and delivered by such Party.

11. COPIES; INSTRUCTIONS BY THE NOTARY; POWER OF ATTORNEY

11.1 Copies

(a) A certified copy of this Agreement is received by:

(i) Each Party to this Deed; and

(ii) the Finance Office (Corporate Income Tax Office)

11.2 Instructions by the Notary

(a) The Notary has not given the Parties any Tax advice. However, he has pointed out that such advice is expedient in the absence of the Parties own knowledge.

(b) The Parties affirm after instruction (from the Notary) that all declarations made herein by such Party are correct and complete.

(c) A complete draft of this Agreement was made available to the Parties prior to notarization.

11.3 Power of Attorney

The Parties authorize each other and the employees of the Notary Public Ulrich Feth in Wörrstadt, i.e. in particular the ladies Monika Dorau, Yvonne Brand and Pinar Kalfabag as well as the gentlemen Martin Emrich and Marcel Niemierza, namely each of them individually, to declare and have notarized all necessary and expedient amendments and supplements to this Agreement as well as to carry out the corresponding Commercial Register applications. Exemption from the restrictions of Section 181 of the German Civil Code (BGB) is expressly granted.

This power of attorney can only be used before the acting Notary.

The Notary repeated the content of this document incl. all Exhibits, Annexes, Schedules and the Disclosure Letter with exception of Schedule 4.7(a), 4.8(balance sheet) and 4.14(a); the person appeared waived to have these Schedules read by the Notary and singed each page of the aforesaid Schedules personally instead; the person appeared made his approval and the person appeared and thc Notary personally signed the document:

[redacted]

[redacted]