

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

**Amendment No. 1 to  
FORM F-1**  
REGISTRATION STATEMENT  
UNDER  
THE SECURITIES ACT OF 1933

**Global-E Online Ltd.**

(Exact Name of Registrant as Specified in its Charter)

State of Israel (State or Other Jurisdiction of Incorporation or Organization)      7372 (Primary Standard Industrial Classification Code Number)      Not Applicable (I.R.S. Employer Identification No.)

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

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

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

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

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

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

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

**CALCULATION OF REGISTRATION FEE**

Title of Each Class of Securities to be Registered	Proposed Maximum Aggregate Offering Price (1)(2)	Amount of Registration Fee (3)
Ordinary shares, no par value	\$100,000,000	\$10,910

- (1) Includes ordinary shares that may be sold upon exercise of the underwriters' option to purchase additional ordinary shares. See "Underwriting."  
 (2) Estimated solely for the purpose of calculating the registration fee pursuant to 457(o) under the Securities Act of 1933, as amended.  
 (3) Of this amount, \$10,910.00 has been previously paid.

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

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The information in this preliminary prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and we are not soliciting offers to buy these securities in any state where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED APRIL 13, 2021

PRELIMINARY PROSPECTUS

Shares



Ordinary Shares

This is the initial public offering of Global-E Online Ltd.

Prior to this offering, there has been no public market for our ordinary shares. We are selling \_\_\_\_\_ ordinary shares. The estimated initial public offering price is between \_\_\_\_\_ and \_\_\_\_\_ per ordinary share.

We have applied to list our ordinary shares on The Nasdaq Global Select Market under the symbol "GLBE."

We are both an "emerging growth company" and a "foreign private issuer" as defined under the U.S. federal securities laws and, as such, may elect to comply with certain reduced public company reporting requirements. See "Summary—Implications of Being an Emerging Growth Company and a Foreign Private Issuer."

	Per Ordinary Share	Total
Public offering price	\$	\$
Underwriting discounts and commissions(1)	\$	\$
Proceeds to us (before expenses)	\$	\$

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

We have granted the underwriters an option to purchase up to \_\_\_\_\_ additional ordinary shares from us at the public offering price, less the underwriting discount, within 30 days from the date of this prospectus.

*Investing in our ordinary shares involves risks. See "[Risk Factors](#)" beginning on page 14 to read about factors you should consider before buying any of our ordinary shares.*

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.**

The underwriters expect to deliver the ordinary shares to purchasers on or about \_\_\_\_\_, 2021.

**Goldman Sachs & Co. LLC**  
**Piper Sandler**

**JMP Securities**

**Morgan Stanley**  
**KeyBanc Capital Markets**

**Jefferies**  
**Raymond James**

Prospectus dated \_\_\_\_\_, 2021

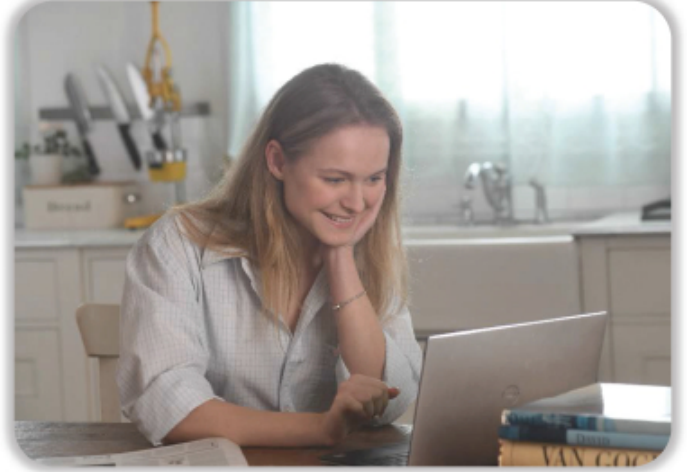


## OUR MISSION

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Making global e-commerce  
**“BORDER AGNOSTIC”**

Go Global. Be Local.



# Smart and seamless **cross-border e-commerce platform** providing a localized experience for merchants and shoppers



Local messaging per market  
**25+ languages**



Local pricing  
**100+ currencies**



Local payment methods  
**150+ payment methods**



Local import D&T calculated and guaranteed  
**170+ markets**



Multiple shipping options  
**20+ providers**



Easy local **returns**



Payment fraud management  
**Zero risk**



Local market know-how and insights  
**Act local**

## Fast growing and positioned to deliver sustainable value creation

**\$736bn**

TAM<sup>(1)</sup>

**\$136m**

Revenues

**>100%**

Revenue Growth

**>9%**

Adj. EBITDA Margin

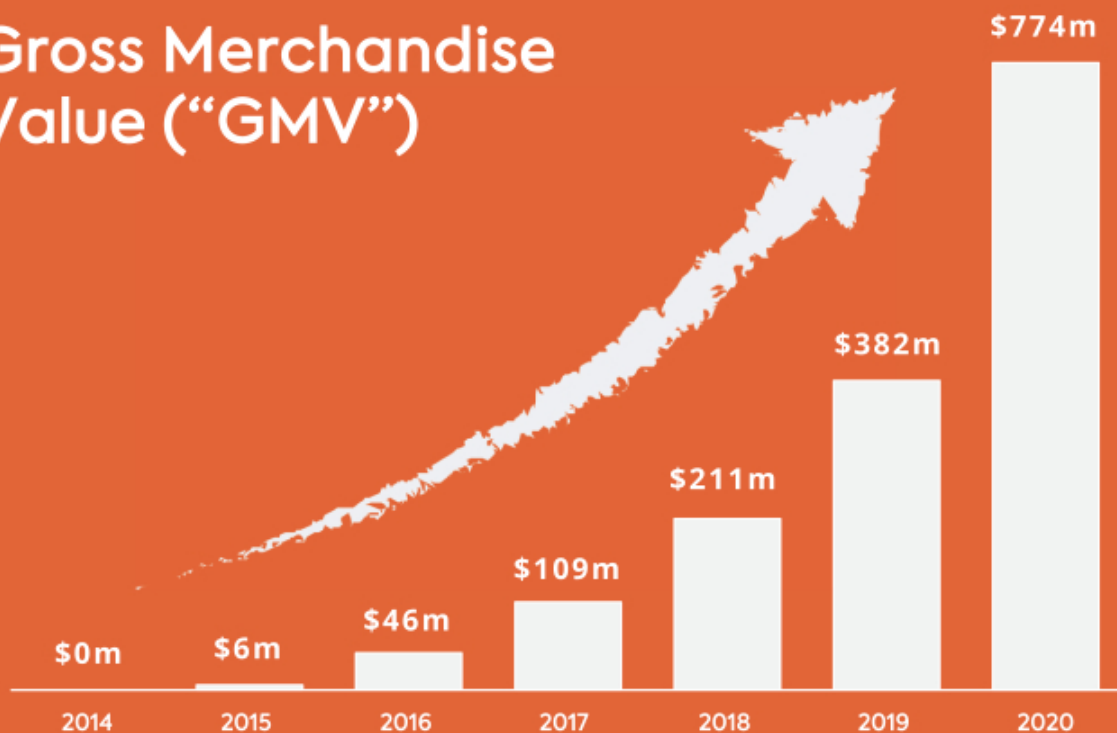
**\$4m**

Net Income

**>140%**

Net Dollar Retention<sup>(2)</sup>

## Gross Merchandise Value (“GMV”)



Note: Revenues, revenue growth, adj. EBITDA and net income figures refer to the year ended 31 December 2020. (1) Forrester estimates for cross-border e-commerce sales in 2023. (2) Net dollar retention represents an average for the period between 2018 and 2020.

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Neither we nor the underwriters have authorized anyone to provide information different from that contained in this prospectus, any amendment or supplement to this prospectus or in any free writing prospectus prepared by us or on our behalf. Neither we nor the underwriters take any responsibility for, and neither we nor the underwriters can provide any assurance as to the reliability of, any information other than the information in this prospectus and any free writing prospectus prepared by us or on our behalf. Neither the delivery of this prospectus nor the sale of our ordinary shares means that information contained in this prospectus is correct after the date of this prospectus. This prospectus is not an offer to sell or the solicitation of an offer to buy these ordinary shares in any circumstances under which such offer or solicitation is unlawful.

For investors outside the United States: Neither we nor any of the underwriters have taken any action that would permit this offering or possession or distribution of this prospectus in any jurisdiction where action for that purpose is required, other than in the United States. You are required to inform yourselves about and to observe any restrictions relating to this offering and the distribution of this prospectus.

**Through and including \_\_\_\_\_, 2021 (the 25th day after the date of this prospectus), all dealers that effect transactions in the ordinary shares, whether or not participating in this offering, may be required to deliver a prospectus. This in addition to the dealer's obligation to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.**

## ABOUT THIS PROSPECTUS

As used in this prospectus, except where the context otherwise requires or where otherwise indicated, references to “Global-e,” the “Company,” “we,” “us,” “our,” “our company” and similar references refer to Global-E Online Ltd., together with its consolidated subsidiaries as a consolidated entity.

## BASIS OF PRESENTATION

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

Our fiscal year ends on December 31 of each year.

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

Throughout this prospectus, we provide a number of key performance indicators used by our management and often used by others in our industry. These and other key performance indicators are discussed in more detail in the section entitled “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Key Performance Indicators and Other Operating Metrics.” We define these key performance indicators as follows:

- “Gross Merchandise Value” or “GMV” is defined as the combined amount we collect from the shopper and the merchant for all components of a given transaction, including products, duties and taxes and shipping;
- “Adjusted EBITDA” is defined as operating profit (loss) adjusted for depreciation and amortization, and stock-based compensation expense; and
- “Net Dollar Retention Rate” for a given period is calculated by dividing the GMV in that period by the GMV in the immediately preceding period of the same length, in each case, from merchants that processed transactions on our platform in the earlier of the two periods.

## MARKET AND INDUSTRY DATA

Unless otherwise indicated, information in this prospectus concerning economic conditions, our industry, our markets and our competitive position is based on a variety of sources, including reports by Accenture (Cross Border the Disruptive Frontier – Accenture Post and Parcel Industry Research (2019)), eMarketer (Global Ecommerce 2020 (Ecommerce Decelerates Amid Global Retail Contraction but Remains a Bright Spot)) and (Chart: US D2C Digital Buyers, 2017-2021), Forrester Analytics (Online Cross-Border Retail Forecast 2018 to 2023 (Global) (2019)), PricewaterhouseCoopers LLC (The Consumer Transformed – Global Consumer Insights Survey 2020), 5W Public Relations (5WPR 2020 Consumer Culture Report) and U.S. Department of Commerce (Quarterly Retail E-Commerce Sales 2<sup>nd</sup> Quarter 2020), information from independent industry analysts and publications, as well as our own estimates and research.

Our estimates are derived from publicly available information released by third-party sources, as well as data from our internal research, which we believe to be reasonable. None of the independent industry publications used in this prospectus were prepared on our behalf.



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Certain estimates of market opportunity and forecasts of market growth included in this prospectus may prove to be inaccurate. The market for e-commerce solutions is relatively new and will experience changes over time. E-commerce market estimates and growth forecasts, whether obtained from third-party sources or developed internally, are uncertain and based on assumptions and estimates that may prove to be inaccurate. The estimates and forecasts in this prospectus relating to the size of our target market, market demand and adoption, capacity to address this demand and pricing may prove to be inaccurate. The addressable market we estimate may not materialize for many years, if ever, and even if the markets in which we compete meet the size estimates in this prospectus, our business could fail to grow at similar rates, if at all.

### **TRADEMARKS**

We or our licensors have proprietary rights to trademarks used in this prospectus. Solely for convenience, trademarks and trade names referred to in this prospectus may appear without the “®” or “™” symbols, but such references are not intended to indicate, in any way, that we will not assert, to the fullest extent possible under applicable law, our rights or the rights of the applicable licensor to these trademarks and trade names. We do not intend our use or display of other companies’ trademarks, trade names or service marks to imply a relationship with, or endorsement or sponsorship of us by, any other companies. Each trademark, trade name or service mark of any other company appearing in this prospectus is the property of its respective holder.

## SUMMARY

*This summary highlights selected information contained elsewhere in this prospectus. This summary does not contain all the information that you should consider before deciding to invest in our ordinary shares. You should read the entire prospectus carefully, including the "Risk Factors," "Business," and "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections and our consolidated financial statements and notes to those consolidated financial statements before making an investment decision.*

### **Our Mission**

Global-e's mission is to make global e-commerce "border-agnostic" – Go global. Be local.

### **Business Overview**

We have built the world's leading platform to enable and accelerate global, direct-to-consumer ("D2C") cross-border e-commerce.

Our platform was purpose-built for international shoppers to buy seamlessly online and for merchants to sell from, and to, anywhere in the world – in short, to "go global." At the same time, to "be local" reflects the localization of the shopper's experience and our effort to make international transactions as seamless as domestic ones.

We increase the conversion of international traffic into sales by removing much of the complexity associated with international e-commerce. Our platform provides a mission-critical, integrated solution that creates a localized and frictionless shopper experience and is simple to manage, flexible to adjust and smart in its local market insights and best practices. The vast capabilities of our end-to-end platform include interaction with shoppers in their native languages, market-adjusted pricing, payment options tailored to local market preferences, compliance with local consumer regulations and requirements such as customs duties and taxes, shipping services, after-sales support and returns management. These elements are unified under the Global-e platform to enhance the shopper experience and enable merchants to capture the cross-border opportunity.

We operate at the forefront of global e-commerce, which is being transformed by technology, internet adoption and the rise of social networks connecting the world. Shopper buying habits are rapidly shifting online, as shoppers expect to be able to purchase any product online – from anywhere in the world. Trends and consumer tastes are becoming increasingly global, driving the expansion of cross-border e-commerce, but the preference remains for an intuitive online shopping experience that feels local. In parallel, the rapid growth in e-commerce has created an opportunity for merchants to build and strengthen a direct relationship with the shopper. Solutions that enable D2C sales have become a strategic priority for brands and retailers as they seek to take advantage of these e-commerce trends, gaining ownership and knowledge of their international shoppers.

Our comprehensive platform creates differentiated benefits for both shoppers and merchants. Shoppers seek competitive, localized and transparent pricing, a seamless and secure order and delivery process, and a painless returns and refunding process. We address these needs through a fully localized experience that removes many of the barriers shoppers face when purchasing from merchants internationally. We integrate with, and enhance the online stores of merchants and localize their shoppers' experience based on the country from which they shop. We support local messaging in over 25 languages, purchases in more than 100 currencies by over 150 payment methods and a

multitude of competitively-priced shipping options. Shoppers enjoy a fully-guaranteed landed price quote, which includes shipping costs, import duties and tax charges, as well as post-sale services, including multi-lingual customer service and a managed returns service. The enhanced shopper experience we enable typically results in improved sales conversion of merchants' international traffic, thereby increasing their cross-border revenues. We have seen merchants experience significant uplift (often exceeding 60%) in international traffic conversion after beginning to use our platform.

For merchants, our platform also removes much of the complexity that is associated with cross-border e-commerce. Sales are reconciled and paid for locally and in the currency of the merchant's domicile. We handle import duties calculation and collection, foreign sales tax remittance as well as tax recovery for returned goods in line with market regulations. We also displace certain fraud and foreign exchange risks that would otherwise be borne by merchants. We allow merchants to expand and scale their cross-border operations rapidly and efficiently, enabling a quick go-to-market with limited investment. We have more than 400 merchants on our platform across diversified verticals and ranging from small, emerging brands to globally-recognized retailers.

The scale and sophistication of our platform rely on the data and insights we have accumulated since our founding more than seven years ago. We refer to the application of our data as "Smart Insights" – country-, price-point- and vertical-specific lessons learned about shopper behavior. These insights are expanded every time a potential shopper enters a merchant's online store – which occurs hundreds of millions of times each year – allowing us to gather additional data points along the purchasing journey. We believe that by leveraging our Smart Insights, merchants can provide highly-optimized experiences for shoppers on a per-market, per-vertical and per-price point basis, driving increased sales conversion and revenues. By providing a superior and seamless shopper experience and empowering merchants to capture the global e-commerce opportunity, we believe that we drive more transactions and thereby accumulate more data, which in turn increases the quality and depth of our Smart Insights. This creates strong flywheel effects that further power our business and that of our merchants.

The merchants' success is our success, and we aspire to become their trusted partner for international sales. The better the outcomes for merchants and the more revenue and growth they achieve, the greater our own revenue and growth. We believe this alignment of interests with merchants is core to our long-term success. This is evidenced by our Gross Dollar Retention Rate, which has consistently been over 98% since 2018, and our Net Dollar Retention Rate, which has typically been over 140% during the same period. These retention rates demonstrate both the strong retention we enjoy among our merchants and the strong growth of GMV from merchants that use our platform.

Since launching our platform in 2013, our business has experienced rapid growth. Our GMV amounted to \$211 million, \$382 million and \$774 million in the years ended December 31, 2018, 2019 and 2020, respectively, representing an increase of 81% and 103% in the years ended December 31, 2019 and 2020, respectively. Our revenues were \$38.6 million, \$65.9 million and \$136.4 million in the years ended December 31, 2018, 2019 and 2020, respectively, representing an increase of 70.4% and 107.1% in the years ended December 31, 2019 and 2020, respectively. We incurred net losses of \$11.6 million and \$7.5 million in the years ended December 31, 2018 and 2019, respectively, representing a decrease in net losses of 35% in the year ended December 31, 2019, and realized net income of \$3.9 million in the year ended December 31, 2020. Our operating efficiency and growing economies of scale have allowed our gross profit growth rates to outpace those of our revenue growth. Our gross profit increased by 117% and 133% in the years ended December 31, 2019 and 2020, respectively, and our gross margin has steadily improved from 22.2% in 2018 to 28.3% in 2019 and to 31.9% in 2020.

## **Our Opportunity**

A number of industry trends are reshaping the business environment in which we operate, leading to what we believe is a significant opportunity:

- Accelerated shift towards e-commerce, with growth in online sales outpacing that of traditional retail;
- Cross-border e-commerce growing faster than domestic e-commerce, propelled by the rise of social media;
- Merchants' strategic focus on D2C sales, maintaining and strengthening the relationship with shoppers worldwide;
- Complexity and limitations of a "do-it-yourself" cross-border strategy, which is typically expensive, time-intensive, inflexible and difficult to scale and maintain; and
- COVID-19 tailwinds which have accelerated existing trends of shoppers moving online and merchants prioritizing digital channels these trends are expected to continue post-pandemic.

As a result of these and other market factors, cross-border e-commerce transactions are expected to continue to grow. Forrester expects that by 2023, the cross-border e-commerce market will reach \$736 billion.

## **Our Solution**

We believe that our solution creates unique benefits for shoppers while at the same time serving the end-to-end needs of the merchants.

### ***For Shoppers***

**We offer an intuitive and frictionless shopper journey, through various features which include the following:**

- **Language** – localized marketing messaging and checkout in over 25 languages.
- **Pricing** – support for more than 100 currencies as well as a sophisticated pricing engine, customizable according to the shopper's location, local market retail pricing conventions and the merchant's pricing strategy.
- **Payments** – over 150 payment methods, with new payment methods being continuously added.
- **Duties and taxes** – the ability to accurately pre-calculate import duties and taxes, and remit them in over 170 destination markets, simplifying the customs clearance process and allowing for a fully-guaranteed landed price quote for both the shopper and the merchant.
- **Delivery** – an extensive network of more than 20 shipping carriers, including market-specific preferred methods, offering multiple shipping modes at attractive rates.
- **After-sale support and returns** – multi-lingual shopper services and multiple returns options, including pre-paid and local returns in relevant markets.

### **For Merchants**

**Our purpose-built platform satisfies merchants' needs by providing the following key benefits:**

- **Increased sales conversion** – we ensure that merchants are able to better capitalize on their valuable international shopper traffic by eliminating friction at every step of the process. This enables merchants to generate an immediate uplift in sales from the conversion of their international traffic. We have seen merchants experience significant uplift (often exceeding 60%) in international traffic conversion after beginning to use our platform.
- **Offloading of complexities** – our handling of the complexities related to local pricing, payment collection, taxes, import duties, fraud and after-sale support allows for a frictionless process and encourages international shopper conversion.
- **Reduction of risk** – we significantly reduce legal complexity for merchants, as we report and forward relevant import duties and taxes as well as handle import compliance in the local market where a purchase is made, in line with specific market regulations. We adapt our systems and operations on an ongoing basis to address the evolving regulatory landscape and technical backdrop.
- **Enabling growth to new markets** – we present merchants with unique flexibility to expand where and when they want to, as they seek to capture the cross-border opportunity. We transform what otherwise would have required significant time and financial investments in proprietary development and go-to-market efforts, into a rapid and efficient expansion solution.
- **Emphasizing merchant branding** – the Global-e platform uses minimal Global-e branding so shoppers primarily face the merchant's existing storefront and brand experience, maintaining the direct merchant-shopper relationship.

### **Smart Insights**

The scale and sophistication of our platform relies on our data and its applications, which we refer to as "Smart Insights." Our Smart Insights are country-, price-point- and vertical-specific and focus on shopper behavior. These insights are deepened every time potential shoppers enter the merchants' online stores, whether or not they make a purchase, allowing us to gather additional data points along their journey. The value of our massive and fast-growing data asset is due to its depth and breadth. Based on this data, and coupled with our operational experience accumulated over the years, we enjoy both *economies of scale* and *economies of skill*, which enable us to optimize merchants' cross-border sales on a market-by-market basis. We believe that by leveraging our Smart Insights, merchants can provide highly-optimized experiences for shoppers, driving increased conversion and revenues.

### **Our Competitive Advantages**

We believe that we have built a leading platform to address merchants' cross-border e-commerce needs, creating a competitive advantage for our business. Our differentiated offering means we are uniquely positioned to cater to shoppers globally, driving meaningful uplifts in international sales conversion rates and revenue growth for our merchants, while also removing much of the complexity and many of the costs inherent to cross-border e-commerce.

- **Purpose-built, end-to-end platform** - we provide merchants with the capabilities required for effective cross-border D2C trade, using a potent combination of our proprietary technology and third-party providers. Our solution is easy to integrate, platform-agnostic, scalable and able to support merchants of all sizes, from small, emerging brands to the world's largest retailers.

- **True global cross-border enabler at scale** - we are diversified by vertical, merchant sector, and end-market. Our wide-reaching scale enables us to provide a solution to merchants in any region of the world. This scale, coupled with strong brand recognition gained since inception, has allowed us to acquire some of the largest merchants in the world as customers.
- **Differentiated and growing data asset driving flywheel effects** – we have a highly differentiated data asset that informs how we make decisions and optimizes how merchants conduct cross-border business on a market-by-market basis. Our rich data serves as the basis for a powerful *flywheel effect*: the uplift we generate for our merchants drives more sales and the ability for them to expand into new geographies, which in turn creates more data, which is then fed back into our systems in order to generate even better conversion rates and more uplift. This in turn drives increased sales for our merchants and attracts new merchants to our platform. Our Smart Insights get even “smarter” with each new merchant, shopper and website visit.
- **Partner network fueling our differentiated go-to-market strategy** - many of our new merchants are referrals from existing merchants, which serve as brand ambassadors for Global-e. In addition, our commerce enabler, marketing, payments, shipping and logistics and social media partners, which include global and regional players, act as a meaningful source of referrals and lead generation. These partnerships are further complemented by our highly efficient sales and marketing efforts.
- **Robust business model with sticky customers and a compelling financial profile** - we recorded a Net Dollar Retention Rate of 134% and 172% in the years ended December 31, 2019 and 2020, respectively, and our Gross Dollar Retention Rate has consistently been over 98% since 2018, reflecting both the strong retention we enjoy due to the mission-critical nature of our platform, as well as the strong growth of GMV from merchants that use our platform.
- **Founder-led management team with a strong customer-centric culture** – since the inception of Global-e, our founders have worked together and have created a strong culture that is customer-obsessed, initiative- and innovation-driven and team-focused. We put our customer first in everything we do. We strive to constantly improve our product offering through investment and by hiring and empowering the right talent. We believe in collaboration and that every employee can and does makes a difference to Global-e.

## Our Growth Opportunities

We intend to grow our business by focusing on the following key areas:

- **Grow within our existing portfolio of merchants** - growing within our existing merchant base, by deepening our relationships with them through superior service and best-in-class performance. As merchants’ sales grow, attributed either to improved conversion or by expanding their offering into additional geographies, our GMV-based revenue grows as well.
- **Acquire new merchants within existing geographies and verticals** - our merchant acquisition is highly efficient, often leading to payback periods of less than six months. We see significant opportunities across multiple existing geographies and brand segments that we believe we are well-positioned to capture.
- **Expand into additional geographies, verticals and brand segments** - expanding our geographic footprint, including growth in geographies such as APAC, as well as new verticals and brand segments. As we continue to grow and expand into new geographies, through both new merchant acquisition and our existing portfolio of merchants expanding their offerings into

additional geographies, we have the ability to reach larger audiences of shoppers as well as new verticals. Our growing brand recognition creates a second flywheel – by leveraging our gained brand recognition and know-how across our trading markets, we can acquire additional merchants more efficiently within current markets as well as new geographies, which further enhances our brand recognition and know-how across our trading markets.

- **Drive continuous innovation on our platform** - we will continue to invest in research and development and operate with an agile approach to address merchants' and shoppers' constantly-evolving needs. We will strive to continue developing new capabilities and add-on offerings, as well as opportunistically look to complement our existing platform and offering through M&A opportunities, to maintain Global-e's position as a leading holistic platform for cross-border e-commerce.
- **Continue to develop and expand our strategic partnerships** - we intend to further strengthen our existing relationships, such as the recently-signed expansion of our partnership with Shopify, and build new strategic partnerships with other key players across the value chain in the different markets in which we operate.

### Recent Developments

We estimate that the GMV processed through our platform for the three months ended March 31, 2021 was between \$ and \$ , compared to \$114.4 million for the three months ended March 31, 2020. We have provided a range for the preliminary estimated GMV described above because our financial closing procedures for the quarter ended March 31, 2021 are not complete, and our results for the three months ended March 31, 2021 may differ materially from our preliminary estimates. The preliminary estimated GMV reflects our preliminary estimates based on information available as of the date of this prospectus and is subject to change. Accordingly, you should not place undue reliance upon these preliminary estimates.

### Risk Factors

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

- if we are unable to retain our existing merchants, or the GMV generated by such merchants on our platform declines;
- if our efforts to attract new merchants are not successful, or the merchants we do attract fail to generate GMV or revenue comparable to our current merchants;
- failing to develop or acquire new functionality or enhance our existing platform to meet the needs of our current and future merchants;
- failing to successfully compete against current and future competition or other competing solutions;
- failing to integrate our platform with e-commerce platforms resulting in reduced attractiveness of our solutions for use by current and future merchants;

- failing to maintain the functionality of our platform, if real or perceived errors, failures, vulnerabilities, or bugs in our platform abound;
- failing to manage our growth effectively;
- difficulty in forecasting our revenue and evaluating our business and future prospects;
- our operating expenses continuing to increase in the future, including significant increases in sales and marketing expenses as a result of the issuance of warrants to Shopify;
- our success being dependent on operating internationally making us susceptible to risks associated with cross-border sales and operations;
- operating as merchant of record for sales conducted using our platform imposes certain obligations and subjects us to certain risks applicable to actors that place products in the market such as product liability, shipping compliance, and waste and packaging compliance;
- the provision of shipment services being dependent on third-party providers of cross-docking services for which we have limited redundancy;
- being subject to governmental export controls that subject us to liability if we are not in full compliance with applicable laws;
- being subject to the import regulations and restrictions of each country to which we ship merchandise to shoppers and the risk of non-compliance with such regulations;
- to the extent our security measures are compromised, our platform may be perceived as not being secure;
- the compromise of personal information of our merchants and shoppers we store;
- failing to enhance our reputation and awareness of our platform;
- our dependency upon merchants' and shoppers' willingness to use the internet for commerce, and upon merchants continuing to pursue D2C sales as they seek to take advantage of e-commerce trends;
- diminished demand for our platform and services as a result of changes in laws and regulations related to the internet or changes in the internet infrastructure itself;
- actual or perceived failure to comply with stringent and changing laws, regulations, standards and contractual obligations related to privacy, data protection and data security;
- payment card transactions on our platform subject us to regulatory requirements, additional fees, and other risks that we must spend significant time and effort to comply with or that could harm our business;
- failing to adequately maintain, protect or enforce our intellectual property rights;
- we use open source software, which may pose particular risks to our proprietary software, technologies, products and services in a manner that could negatively affect our business; and
- the COVID-19 pandemic could materially adversely affect our operations.

#### **Corporate Information**

We are incorporated in Israel under the Israeli Companies Law, 5759-1999 (the "Companies Law"). Our principal executive offices are located at 25 Basel Street, Petah Tikva 4951038, Israel. Our



website address is [www.global-e.com](http://www.global-e.com), and our telephone number is +972-73-2605078. Information contained on, or that can be accessed through, our website does not constitute a part of this prospectus and is not incorporated by reference herein. We have included our website address in this prospectus solely for informational purposes.

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

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

- an exemption to include in an initial public offering registration statement only two years of audited financial statements and selected financial data and only two years of related disclosure;
- reduced executive compensation disclosure; and
- an exemption from the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act of 2002 (the “Sarbanes-Oxley Act”) in the assessment of the emerging growth company’s internal control over financial reporting.

The JOBS Act also permits an emerging growth company such as us to delay adopting new or revised accounting standards until such time as those standards are applicable to private companies. We may choose to take advantage of some but not all of these reduced reporting burdens.

We will remain an emerging growth company until the earliest of:

- the last day of our fiscal year during which we have total annual revenue of at least \$1.07 billion;
- the last day of our fiscal year following the fifth anniversary of the closing of this offering;
- the date on which we have, during the previous three-year period, issued more than \$1.0 billion in non-convertible debt securities; or
- the date on which we are deemed to be a “large accelerated filer” under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), which would occur if the market value of our ordinary shares that are held by non-affiliates exceeds \$700 million as of the last business day of our most recently completed second fiscal quarter.

In addition, upon the closing of this offering, we will report under the Exchange Act as a “foreign private issuer.” As a foreign private issuer, we may take advantage of certain provisions under The Nasdaq Global Select Market (“Nasdaq”) rules that allow us to follow Israeli law for certain corporate governance matters. Even after we no longer qualify as an emerging growth company, as long as we qualify as a foreign private issuer under the Exchange Act, we will be exempt from certain provisions of the Exchange Act that are applicable to U.S. domestic public companies, including:

- the sections of the Exchange Act regulating the solicitation of proxies, consents or authorizations in respect of a security registered under the Exchange Act;
- the sections of the Exchange Act requiring insiders to file public reports of their share ownership and trading activities and liability for insiders who profit from trades made in a short period of time;

- the rules under the Exchange Act requiring the filing with the U.S. Securities and Exchange Commission (the “SEC”) of quarterly reports containing unaudited financial and other specified information, or current reports upon the occurrence of specified significant events; and
- Regulation Fair Disclosure (“Regulation FD”), which regulates selective disclosures of material information by issuers.

Foreign private issuers, like emerging growth companies, also are exempt from certain more stringent executive compensation disclosure rules. Thus, if we remain a foreign private issuer, even if we no longer qualify as an emerging growth company, we will continue to be exempt from the more stringent compensation disclosures required of public companies that are neither an emerging growth company nor a foreign private issuer.

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

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

## THE OFFERING

Ordinary shares offered by us	ordinary shares.
Option to purchase additional ordinary shares	We have granted the underwriters an option for a period of 30 days after the date of this prospectus to purchase up to additional ordinary shares.
Ordinary shares to be outstanding after this offering	ordinary shares (or ordinary shares if the underwriters exercise in full their option to purchase additional ordinary shares).
Use of proceeds	<p>We estimate that the net proceeds to us from this offering will be approximately \$ million (or \$ million if the underwriters exercise in full their option to purchase additional ordinary shares), assuming an initial public offering price of \$ per ordinary share, which is the midpoint of the price range set forth on the cover page of this prospectus, after deducting underwriting discounts and commissions and estimated offering expenses payable by us.</p> <p>The principal purposes of this offering are to obtain additional working capital, to create a public market for our ordinary shares and to facilitate our future access to the public equity markets. We intend to use the net proceeds from this offering for general corporate purposes, including advertising and marketing, technology development, working capital, operating expenses and capital expenditures. We may also use a portion of the proceeds to acquire or invest in businesses, products, services or technologies; however, we do not have agreements or commitments for any material acquisitions or investments at this time. See "Use of Proceeds."</p>
Dividend policy	We do not anticipate paying any dividends in the foreseeable future. Our board of directors has sole discretion whether to pay dividends. See "Dividend Policy."
Risk factors	Investing in our ordinary shares involves a high degree of risk. See "Risk Factors" and other information included in this prospectus for a discussion of factors you should carefully consider before deciding to invest in our ordinary shares.

Listing We have applied to list our ordinary shares on Nasdaq under the symbol "GLBE."

The number of our ordinary shares to be outstanding immediately after this offering is based on 119,486,400 ordinary shares outstanding as of December 31, 2020 and excludes:

- 12,522,600 ordinary shares issuable upon the exercise of options outstanding under our equity incentive plans as of December 31, 2020 at a weighted average exercise price of \$2.04 per ordinary share;
- 7,750,513 ordinary shares issuable upon exercise of warrants which became exercisable on April 12, 2021, at an exercise price of \$0.01 per share;
- 11,853,726 ordinary shares issuable upon exercise of warrants outstanding, which were not exercisable as of April 12, 2021 and will not be automatically exercisable upon the completion of this offering, with a weighted average exercise price of \$0.01 per share; and
- 16,000,000 ordinary shares reserved for future issuance under our equity incentive plans as described in "Management—Share Incentive Plans."

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

- a 600 for 1 split of our ordinary shares, which occurred on March 21, 2021 (the "Share Split");
- no exercise by the underwriters of their option to purchase up to additional ordinary shares;
- no exercise of the outstanding options described above after December 31, 2020;
- the adoption of our amended and restated articles of association prior to the closing of this offering, which will replace our amended and restated articles of association as currently in effect;
- the exercise of a warrant to purchase 774 Series C preferred shares at an exercise price of \$532.95 per share, which will take place automatically upon the closing of this offering, and the immediate conversion of such Series C preferred shares into 464,400 ordinary shares (giving effect to the Share Split) (the "Preferred Warrant Exercise");
- the immediate conversion of 162,101 Series A, A-1, B-1, B-2, C, D-1 and E preferred shares, each of par value NIS 0.01, into 97,260,600 ordinary shares, no par value, upon the closing of this offering (giving effect to the Share Split) (the "Preferred Shares Conversion"); and
- an initial public offering price of \$ per ordinary share, which is the midpoint of the price range set forth on the cover page of this prospectus.

## SUMMARY CONSOLIDATED FINANCIAL AND OTHER DATA

The following tables present our summary consolidated financial and other data. We prepare our consolidated financial statements in accordance with GAAP. The summary historical consolidated financial data as of December 31, 2020 and for the years ended December 31, 2018, 2019 and 2020 has been derived from our audited consolidated financial statements, which are included elsewhere in this prospectus. Our historical results for any prior period are not necessarily indicative of results expected in any future period.

The financial data set forth below should be read in conjunction with, and is qualified by reference to, "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the consolidated financial statements and notes thereto included elsewhere in this prospectus.

	Year ended December 31,		
	2018	2019	2020 (As restated)
<b>(in thousands, except share and per share data)</b>			
<b>Consolidated Statement of Operations Data:</b>			
Revenue	\$ 38,640	\$ 65,852	\$ 136,375
Cost of revenue	30,050	47,188	92,902
Gross profit	8,590	18,664	43,473
Operating expenses:			
Research and development	9,541	12,034	15,400
Sales and marketing	3,667	4,593	9,838
General and administrative	5,760	6,988	9,822
Total operating expenses	18,968	23,615	35,060
Operating profit (loss)	(10,378)	(4,951)	8,413
Financial expenses, net	1,165	2,559	4,339
Profit (loss) before income taxes	(11,543)	(7,510)	4,074
Income taxes	50	34	160
Net profit (loss)	\$ (11,593)	\$ (7,544)	\$ 3,914
Undistributed earnings attributable to participating securities	—	—	3,189
Net earnings (loss) attributable to ordinary shareholders	(11,593)	(7,544)	725
Net earnings (loss) per ordinary share attributable to ordinary shareholders, basic	\$ (0.60)	\$ (0.38)	\$ 0.03
Net earnings (loss) per ordinary share attributable to ordinary shareholders, diluted	(0.60)	(0.38)	0.03
Weighted average shares used in computing basic net earnings (loss) per share	19,366,272	19,654,276	21,120,208
Weighted average shares used in computing diluted net earnings (loss) per share	19,366,272	19,654,276	28,637,801
Pro forma net earnings (loss) per ordinary share attributable to ordinary shareholders, basic			\$ 0.03
Pro forma net earnings (loss) per ordinary share attributable to ordinary shareholders, diluted			0.03
Weighted average ordinary shares used in computing pro forma net earnings (loss) per ordinary share attributable to ordinary shareholders, basic			114,531,493
Weighted average ordinary shares used in computing pro forma net earnings (loss) per ordinary share attributable to ordinary shareholders, diluted			122,049,086

	Year ended December 31,		
	2018	2019	2020 (As restated)
<b>(in thousands)</b>			
<b>Consolidated Statement of Cash Flows Data:</b>			
Net cash (used in) provided by operating activities	\$ (7,987)	\$ 7,028	\$ 29,350
Net cash used in investing activities	(1,612)	(452)	(24,046)
Net cash provided by financing activities	19,972	147	59,360

	Year ended December 31,		
	2018	2019	2020
<b>Selected Other Data:</b>			
Gross Merchandise Value (in millions)(1)	\$ 211	\$ 382	\$ 774
Net Dollar Retention Rate(1)	153%	134%	172%
Adjusted EBITDA(1)(2) (in millions)	\$ (10)	\$ (4.5)	\$12.6

	As of December 31, 2020		
	Actual (As restated)	Pro forma <sup>(3)</sup>	Pro forma as adjusted <sup>(4)</sup>
<b>(in thousands)</b>			
<b>Consolidated Balance Sheet Data:</b>			
Cash and cash equivalents	\$ 68,637	\$ 69,050	\$
Total assets	161,295	161,708	
Total liabilities	93,252	87,514	
Convertible preferred shares	112,553	—	
Additional paid-in capital	8,087	126,791	
Accumulated deficit	(52,708)	(52,708)	
Total shareholders' (deficit) equity	(44,510)	74,194	

- (1) See the definitions of key performance indicators in "Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Performance Indicators and Other Operating Metrics."
- (2) Adjusted EBITDA is a supplemental measure of our performance that is not required by, or presented in accordance with, GAAP. Adjusted EBITDA should not be considered as an alternative to net loss as a measure of financial performance.

We define Adjusted EBITDA as operating profit (loss) adjusted for depreciation and amortization, and stock-based compensation expense. Adjusted EBITDA is included in this prospectus because it is a key metric used by management and our board of directors to assess our financial performance. Adjusted EBITDA is frequently used by analysts, investors and other interested parties to evaluate companies in our industry. Management believes that Adjusted EBITDA is an appropriate measure of operating performance because eliminates the impact of expenses that do not relate directly to the performance of the underlying business.

Adjusted EBITDA is not a GAAP measure of our financial performance or liquidity and should not be considered as an alternative to net loss as a measure of financial performance, as an alternative to cash flows from operations as a measure of liquidity, or as an alternative to any other performance measure derived in accordance with GAAP. Adjusted EBITDA should not be construed as an inference that our future results will be unaffected by unusual or other items. Management compensates for these limitations by relying on our GAAP results in addition to using Adjusted EBITDA as a supplemental measure. Our measure of Adjusted EBITDA is not

necessarily comparable to similarly titled captions of other companies due to different methods of calculation.

The following table reconciles Adjusted EBITDA to the most directly comparable GAAP measure:

(in thousands)	Year ended December 31,		
	2018	2019	2020 (As restated)
Operating profit (loss)	\$ (10,378)	\$ (4,951)	\$ 8,413
Depreciation and amortization	162	171	235
Stock-based compensation(a)	219	221	3,956
Adjusted EBITDA	\$ (9,997)	\$ (4,559)	\$ 12,604

(a) Represents non-cash share-based compensation expense.

- (3) The pro forma consolidated balance sheet information gives effect to the Preferred Shares Conversion and Preferred Warrant Exercise. The pro forma consolidated balance sheet does not give effect to the vesting of warrants to purchase 7,750,513 ordinary shares at an exercise price of \$0.01 per share on April 12, 2021.
- (4) The pro forma as adjusted balance sheet information gives further effect to the issuance of ordinary shares in this offering at the assumed initial public offering price of \$ per ordinary share, which is the midpoint of the price range set forth on the cover page of this prospectus, after deducting underwriting discounts and commissions and estimated offering expenses payable by us. A \$1.00 increase or decrease in the assumed initial public offering price of \$ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase or decrease the as adjusted amount of each of total assets, additional paid-in capital and total shareholders' (deficit) equity by approximately \$ million, assuming the number of ordinary shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting underwriting discounts and commissions and estimated offering expenses payable by us. An increase or decrease of 1,000,000 shares in the number of ordinary shares offered by us, as set forth on the cover page of this prospectus, would increase or decrease the as adjusted amount of each of total assets, additional paid-in capital and total shareholders' (deficit) equity by approximately \$ million, assuming no change in the assumed initial public offering price of \$ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, and after deducting underwriting discounts and commissions and estimated offering expenses payable by us.

## RISK FACTORS

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

### **Risks Relating to our Business and Industry**

***We have experienced rapid growth in recent periods and our recent growth rates may not be indicative of our future growth.***

We have experienced rapid growth in recent periods. Our revenue was \$38.6 million, \$65.9 million and \$136.4 million for the years ended December 31, 2018, 2019 and 2020, respectively, representing an annual growth of 70.4% and 107.1% for the years ended December 31, 2019 and 2020, respectively. GMV processed through our platform during the years ended December 31, 2018, 2019 and 2020 was \$211 million, \$382 million and \$774 million, respectively, representing an annual growth of 81% and 103% for the years ended December 31, 2019 and 2020, respectively. In future periods, we may not be able to sustain revenue or GMV growth consistent with recent history, or at all.

We believe our revenue and GMV growth depends on a number of factors, including, but not limited to, our ability to:

- increase the overall sales volume facilitated by our platform;
- maintain merchant retention rates;
- increase merchants' e-commerce sales conversion rates;
- successfully expand our merchants into new geographies;
- attract new merchants to our platform in existing and new geographies, segments and verticals;
- provide integration with our merchants' online e-commerce web-stores;
- maintain the security, reliability and integrity of our platform;
- maintain compliance with existing and comply with new applicable laws and regulations, including new tax rates and tariffs;
- price our platform effectively so that we are able to attract and retain merchants without compromising profitability;
- successfully compete against our current and future competition and competing solutions; and
- maintain service levels and consistent quality of our platform.

We have also encountered in the past, and expect to encounter in the future, risks and uncertainties frequently experienced by growing companies in rapidly evolving industries. If our assumptions regarding these risks and uncertainties, which we use to plan and operate our business, are incorrect or change, or if we do not address these risks successfully, our growth rates may slow and our business could suffer. Further, our rapid growth may make it difficult to evaluate our future prospects. In addition, a portion of our growth in recent periods may be attributed to trends, including



the increasing adoption of e-commerce, facilitated by the emergence of the COVID-19 pandemic. There is no assurance these trends will continue.

***If we are unable to retain our existing merchants, or the GMV generated by such merchants on our platform declines or does not increase, our business, operating results and financial condition could be adversely affected.***

Our revenues are directly correlated with the level of GMV that is processed through our platform and we expect our future revenue growth to be partially driven by increases to our existing merchants' GMV. We aim to sign contracts with merchants for a minimum term of 12 months and with a minimum committed monthly volume, but our merchants (including our largest merchant, which represented approximately 20% and 15% of total GMV and generated 25% and 18% of our total revenues in the years ended December 31, 2019 and 2020, respectively) typically have the right to terminate their agreements for convenience by providing 30 to 180 days prior written notice, and have no obligation to renew their agreements with us after their terms expire. Even if our agreements with the merchants are renewed or not terminated, they may not be renewed on the same or as profitable terms, and may exclude utilization of our shipping services which may reduce our revenues. Although we typically maintain minimum fee arrangements with the merchants, we cannot guarantee that such minimum fees will be commensurate with revenues earned in previous periods. As a result, if existing merchants terminate their agreements with us, renew them on less favorable terms, or otherwise reduce the scope of their activity through our platform, our operating results and financial condition could suffer.

***The growth of our business depends on our ability to attract new merchants and increase the GMV of transactions processed on our platform.***

Our growth strategies include attracting new merchants to our platform and increasing the GMV processed through our platform. There is no guarantee that we can sustain our historical merchant acquisition rates and if we do, that such new merchants will lead to an increase of the GMV processed through our platform or to an increase in our revenues. Our ability to attract new merchants depends on the success of our platform with existing merchants and the success of our sales and marketing efforts, which may not be successful. Merchants who are not currently engaged in cross-border e-commerce may not be familiar with our solution and those currently engaged in cross-border e-commerce may use other products or services for their cross-border e-commerce needs. In addition, merchants may develop their own solutions to address their cross-border e-commerce needs, purchase competitive product offerings, or engage third-party providers of services and solutions that do not or will not enable the use of our platform and services. It may be difficult to engage and market to merchants who either do not currently have cross-border e-commerce needs, are unfamiliar with our platform and services, or utilize competing solutions and services for their e-commerce needs. This requires us to spend substantial time, effort and resources assisting merchants in evaluating our platform and services, including providing demonstrations, conducting gap analyses and substantiating the value of our platform and services. Furthermore, engaging and marketing to merchants in segments, verticals or new regions where we do not have a presence may also require effort and resources and may not result in the acquisition of new merchants or in increase of GMV. If merchants do not perceive our offerings to be of sufficiently high value and quality, we may not be able to attract new merchants or increase our GMV and our business, operating results and financial condition could be adversely affected.

Additionally, even if we are successful in attracting new merchants, they may not generate GMV or revenue at the same rate or scale as our current or historical merchants. If new merchants that we acquire fail to use our platform to the same extent that our existing merchants do, it would reduce the GMV processed on our platform and therefore our revenue, which could materially adversely affect our operating results and our growth.

***If we fail to develop or acquire new functionality or enhance our existing platform to meet the needs of our current and future merchants, or if we fail to estimate the impact of developing and introducing new functionality or enhanced solutions in response to rapid market or technological changes, our revenue could decline and our expenditures could increase significantly.***

The e-commerce market is characterized by rapid technological changes, frequent new product and service introductions, evolving industry standards and regulations and changing merchant and shopper preferences. To keep pace with technological and regulatory developments, satisfy increasingly sophisticated merchant and shopper needs, achieve market acceptance and maintain the performance and security of our platform, we must continue to adapt, enhance and improve our platform and existing services and we must also continue to introduce new functionality to our platform. Any new solutions or functionality we develop or acquire may not be introduced in a timely manner and may not achieve the broad market acceptance necessary to generate significant revenue. If we are unable to successfully develop or acquire new solutions or enhance our existing solutions, our business, operating results and financial condition could be adversely affected.

We expect to incur significant expenses to develop additional solutions and functionalities and to integrate any acquired solutions or functionalities into our existing platform to maintain our competitive position. These efforts may not result in commercially viable solutions. We may experience difficulties with software development, industry standards, threats to the security and integrity of our technological infrastructure, design, manufacturing or marketing that could delay or prevent our development, introduction or implementation of new solutions and enhancements. If we do not receive significant revenue from these investments, our business, operating results and financial condition could be adversely affected. Merchants may require customized integrations, or features and functions that we do not yet offer or do not intend to offer, which may cause them to choose a competing solution. If we fail to develop solutions that satisfy merchant and shoppers' preferences in a timely and cost-effective manner, our ability to renew our contracts with existing merchants and our ability to create or increase demand for our platform could be harmed, and our business, operating results and financial condition could be materially adversely affected.

***We may not be able to successfully compete against current and future competition or other competing solutions, and we may need to change our pricing and model to remain competitive.***

We face increasing competition in the market of cross-border e-commerce, and we expect competition and alternative and competing solutions to intensify in the future. Increased competition could lead to a decrease in the GMV processed through our platform and could reduce our revenue or margins, any of which could negatively affect our business, financial condition and results of operations. A number of competitive factors could cause merchants to cease using or decline to use our platform and services, or could reduce the transaction volume that they process through our platform, including, among others:

- merchants may choose to develop cross-border e-commerce capabilities internally or choose competing solutions;
- merchants may merge with or be acquired by companies using a competing solution or an internally-developed solution;
- competing solutions may be offered as part of a bundle of e-commerce services;
- current and potential competition and competing solutions may adopt more aggressive pricing policies, offer more attractive sales terms, adapt more quickly to new technologies and changes in merchant requirements or devote greater resources to the promotion and sale of their products and solutions than we can; and

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- current and potential competition may merge or establish cooperative relationships among themselves or with third parties to enhance their products, solutions and expand their markets, forming alliances that rapidly acquire significant market share.

We cannot assure that we will be able to compete successfully against current and future competition or competing solutions. If we cannot compete successfully against our current and future competition or such competing solutions, our business, operating results and financial condition could be materially and negatively impacted.

In addition, as new or existing competing solutions may be offered in competitive prices, we may be unable to retain existing merchants or attract new merchants. Mid-market and large enterprise merchants may demand substantial price discounts as part of the negotiation of contracts. As a result, we could be required to choose either to reduce our prices or otherwise change our pricing model, or both, which could adversely affect our business, operating results, and financial condition.

***We cannot be certain that we will realize the benefits of strategic alliances, joint ventures or partnership arrangements, including with third-party e-commerce platforms. Any failure to manage such strategic alliances, partnerships or joint ventures, or to integrate them with our existing or future business, could have a material adverse effect on us.***

We have entered into partnership arrangements, and in the future may consider opportunities to enter into additional arrangements or strategic alliances that may be beneficial for our operations and the growth of our platform. Our ability to grow through these types of partnerships is subject to a number of risks, including unanticipated costs associated with strategic alliances, issues conforming to standards, procedures and contractual requirements, and diversion of management's attention from our existing business. For example, we have entered into a Services and Partnership Agreement with Shopify Inc. and its affiliate ("Shopify"), dated April 12, 2021 (the "Services and Partnership Agreement"), making our platform services available to certain Shopify merchants through Shopify's e-commerce platform. Entering into such relationship with Shopify will require us to incur non-recurring and other charges, significantly increase our near and long-term expenditures and issue securities that may dilute our existing stockholders. The potential benefits of our relationship with Shopify are hard to estimate or quantify at this time, and we cannot be certain that our arrangement with Shopify will provide the revenue or net income that justifies such a transaction.

The Services and Partnership Agreement is terminable by either party immediately upon notice of certain events, subject to applicable cure periods, or without cause upon prior notice. Any termination of the Services and Partnership Agreement could have a material adverse effect on our business, financial condition or results of operations. In addition, Shopify is permitted to offer its own white label or branded merchant of record solution to any merchants without limitation. These risks could apply to any similar arrangement we may enter into, and any potential future collaborations may be similarly terminable by our collaborators.

***The success of our business model is reliant on our ability to integrate our platform with third-party e-commerce platforms, our ability to operate according to such third parties' terms of use and integration requirements, and our ability to maintain any partnership that we have entered into or may enter into with such third parties. Inability or failure to do so would reduce the attractiveness of our solutions for use by current and future merchants.***

Merchants sometimes carry out e-commerce activity through third-party e-commerce platforms, such as Salesforce Commerce Cloud, Shopify, BigCommerce, Magento Commerce, SAP/Hybris, WooCommerce, PrestaShop and others. Our ability to attract merchants that utilize such platforms to conduct their e-commerce activity is contingent on our ability to integrate our solutions into the

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e-commerce platforms they use. Each of the companies that operates these e-commerce platforms dictates the terms of use of its respective platform, including the manner and procedure by which we integrate to their platform. To the extent any such operators offer or promote alternative products or solutions or would limit or prevent merchants from utilizing our platform, our business, financial condition or results of operations could be materially and adversely affected.

Some of these companies also demand that certain certification processes are satisfied prior to implementing an integration into the e-commerce platform they operate. Compliance with such terms may subject us to waiting periods due to certification and onboarding processes and may require us to modify aspects of our platform's functionality in order to fit applicable technical standards. While we exert substantial efforts to maintain compliance, and although notice of changes and instructions are typically provided in advance, the terms of use and requirements may change unilaterally at the discretion of the e-commerce platform, and none of our efforts as a result would be sufficient. If we fail to maintain certification or compliance, the willingness of merchants to adopt or continue to use our solutions may be reduced.

In addition, in the event that our solutions do not integrate optimally with third-party e-commerce platforms, leading to errors, defects, disruption or other performance problems, shoppers' experience will be adversely affected, our reputation may be harmed and our ability to achieve and maintain growth among merchants on the e-commerce platforms would be adversely affected.

We have recently entered into the Services and Partnership Agreement. If we are unable to perform under the Services and Partnership Agreement, fail to maintain our relationship with Shopify, or the Services and Partnership Agreement is otherwise terminated for any reason, our business, financial condition and results of operation could be materially and adversely effected.

***If we are not successful in maintaining the functionality of our platform or if real or perceived errors, failures, vulnerabilities, or bugs in our platform abound, our business, results of operations, and financial condition could be adversely affected.***

Any errors, defects, or disruptions in our platform, or other performance problems with our platform could harm our reputation and may damage the businesses of our merchants. Our platform could contain undetected errors, "bugs" or misconfigurations that could adversely affect its performance. Additionally, we regularly update and enhance our platform and introduce new versions of our platform and service. These updates may contain undetected errors when introduced or released, which may cause disruptions in our services and may reduce merchants and shoppers satisfaction. Our continued growth depends in part on our ability to maintain the existing functionality of our platform and services, meet our service levels, prevent down time and degradation of services on our platform for both merchants and shoppers. Failure to do so may result in damage to our reputation which may have an adverse effect on our business and results of operation.

We have experienced in the past and may in the future experience disruptions, data loss, outages, and other performance problems with our infrastructure due to a variety of factors, including infrastructure changes, introductions of new functionality, human or software errors, capacity constraints, denial-of-service attacks, ransomware attacks, or other security-related incidents. In some instances, we may not be able to identify the cause or causes of these performance problems immediately or in short order. We may not be able to maintain the level of service uptime and performance required by merchants, especially during peak usage times as traffic and volumes increase. Since our merchants rely on our platform to carry out cross-border e-commerce on an ongoing basis, any outage on our platform would have a direct adverse impact on our merchants business. Our merchants may seek compensation from us for any losses they suffer or cease conducting business with us altogether. Further, a merchant could share information about bad

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experiences, which could result in damage to our reputation and loss of current and future sales. There can be no assurance that provisions typically included in our contracts with our merchants that attempt to limit our exposure to claims would be enforceable or adequate or would otherwise protect us from liabilities or damages with respect to any particular claim. Even if not successful, a claim brought against us by any of our merchants would likely be time-consuming and costly to defend and could seriously damage our reputation and harm our ability to attract new merchants to our platform.

***We have a history of net losses, we anticipate increasing operating expenses in the future, and we may not be able to achieve profitability.***

Although we realized net income of \$3.9 million for the year ended December 31, 2020, we incurred significant net losses in previous years, including net losses of \$11.6 million and \$7.6 million for the years ended December 31, 2018 and, 2019, respectively. Because the market for our platform and services is rapidly evolving, it is difficult for us to predict our future results of operations or the limits of our market opportunity. As a result of our entry into the Services and Partnership Agreement and the related issuance of warrants to purchase 19,604,239 ordinary shares to Shopify, we will recognize a commercial agreement asset which will be recognized upon the vesting of the warrants, and will be amortized over time. We expect this will result in significant increases to sales and marketing expenses in future periods and the reporting of net losses for such periods. We also expect our operating expenses to significantly increase over the next several years as we hire additional personnel, expand into new geographies, expand our partnerships, operations, and infrastructure, continue to enhance our platform, develop and expand its features, integrations and capabilities, expand and improve our service offering and increase our spending on sales and marketing. We intend to continue to build and enhance our platform through internal research and development and we may also selectively pursue acquisitions. In addition, as we grow after becoming a public company, we will incur additional significant legal, accounting, and other expenses that we did not incur as a private company. If we are unable to maintain revenues high enough to offset the expected increases in our operating expenses, we will not be profitable in future periods.

***If we fail to manage our growth effectively, we may be unable to execute our business plan or maintain high levels of service and merchants satisfaction.***

We have experienced, and expect to continue to experience, rapid growth, which has placed, and may continue to place, significant demands on our management and our technological, operational and financial resources. For example, our headcount has grown from 163 employees as at December 31, 2018 to 289 employees as at December 31, 2020. We have established international offices, including offices in Petah Tikva (Israel), New York, Atlanta and London and we plan to continue to expand our international operations into other countries in the future. We have also experienced significant growth in both the number of merchants and the number of transactions facilitated by our platform. For example, during the year ended December 31, 2020, approximately 4.6 million transactions were processed through our platform, generating in the aggregate \$774 million of GMV, representing an increase of 103% relative to the GMV for the year ended December 31, 2019. Additionally, our organizational structure is becoming more complex as we scale our technological, operational, financial and management controls as well as our reporting systems and procedures.

To manage growth in our operations and personnel, we will need to continue to grow and improve our operational, financial, and management controls and our reporting systems and procedures. We will require significant capital expenditures and the allocation of valuable management resources to grow and adapt to our developing needs in these areas without undermining our culture, which has been central to our growth so far. If we fail to manage our anticipated growth and change in a manner that preserves the key aspects of our corporate culture, the quality of our platform and services may suffer, which could negatively affect merchants and shoppers and as a result our reputation.

***Our operations are subject to seasonal fluctuations. If we fail to accommodate increased volumes during peak seasons and events, our results of operations may be adversely affected.***

Our business is seasonal in nature and the fourth quarter is a significant period for our operating results. Our revenue is correlated with the level of GMV that our merchants generate through our platform, and our merchants typically process additional GMV in the fourth quarter, which includes Black Friday, Cyber Monday and the holiday season and other peak events included in the e-commerce calendar, such as Chinese Singles' Day and Thanksgiving. In the years ended December 31, 2018, 2019 and 2020, fourth quarter GMV represented approximately 37%, 38% and 39%, respectively, of our total GMV. As a result, GMV and accordingly our revenue will generally decline in the first quarter of each year relative to the fourth quarter of the previous year.

Any disruption in our ability to process and ship shopper orders, especially during the fourth quarter, could have a negative effect on our quarterly and annual operating results. Surges in volumes during peak periods may strain our technological infrastructure, logistics channels, shopper and merchant support activities as well as our third-party service providers. Inability of any of these components to process increased volumes may prevent us from efficiently processing and shipping orders, which may reduce our GMV and the attractiveness of our platform.

Any disruption to our operations or the operations of our merchants, our shipping and logistics partners, or other service providers could lead to a material decrease in GMV or revenues relative to our expectations for the fourth quarter which could result in a significant shortfall in revenue and operating cash flows for the full year.

***We have a limited operating history, which makes it difficult to forecast our revenue and evaluate our business and future prospects, especially in light of the COVID-19 pandemic and its impact on consumer behavior.***

We launched our operations in 2013 and our growth has occurred primarily in recent periods. As a result of our limited operating history, our ability to forecast our future results of operations and plan for and model future growth is limited and subject to a number of uncertainties. We have encountered and expect to continue to encounter risks and uncertainties frequently experienced by growing companies in rapidly evolving industries, such as the risks and uncertainties described herein.

In addition, while our ongoing operations are impacted by the COVID-19 pandemic and its related restrictions, the onset of the COVID-19 pandemic has greatly accelerated existing trends of shoppers moving online and merchants prioritizing digital channels and D2C, due in part to the shutdown of bricks-and-mortar stores, social distancing measures and travel restrictions which have diverted spending previously conducted in physical stores to the online space. Consumers diverting spending to online stores and e-commerce platforms, as well as merchants recognizing the importance of either transitioning to e-commerce or supplementing their existing efforts with an e-commerce offering, has created a substantial growth opportunity for us to service this newfound demand and interest in both e-commerce generally and cross-border e-commerce specifically. Although to date, the COVID-19 pandemic has had a generally positive impact on our growth and business, there is an uncertainty regarding future developments and whether the increased e-commerce adoption resulting from the COVID-19 pandemic will continue. It is possible that the growth in GMV and revenues in recent periods may not be indicative of future results.

Accordingly, we may be unable to prepare accurate internal financial forecasts or replace anticipated revenue that we do not receive as a result of these factors. If we do not address these risks successfully, our results of operations could differ materially from our estimates and forecasts or the expectations of investors, causing our business to suffer and our ordinary share price to decline.

***Failure to effectively expand our marketing and sales capabilities could harm our ability to increase our merchant base and achieve broader market acceptance of our platform.***

Our ability to increase our merchant base and achieve broader market acceptance of our platform will depend on our ability to expand our marketing and sales operations. We plan to continue expanding our sales force and our reliance on strategic partners. We also plan to dedicate significant resources to sales and marketing programs, including search engine and online advertising. Our business and operating results will be harmed if our sales and marketing efforts do not generate a corresponding increase in GMV and revenue. We may not achieve anticipated GMV and revenue growth from expanding our sales force if we are unable to hire, develop, and retain talented sales personnel, if our new sales personnel are unable to achieve desired productivity levels in a reasonable period of time, or if our sales and marketing programs are not effective. Furthermore, if the cost of marketing our platform increases, our business and operating results could be adversely affected.

***Lengthy sales cycles with enterprise merchants make it difficult to predict our future revenue and cause variability in our operating results.***

Our sales cycle can vary substantially from merchant to merchant, but with enterprise merchants it typically requires 12 to 16 weeks on average. Our ability to accurately forecast revenue is affected by our ability to forecast new merchant acquisition. Lengthy sales cycles make it difficult to predict the quarter in which revenue from a new merchant may first be recognized. If we overestimate new merchant growth, our revenue will not grow as quickly as our estimates, our costs and expenses may continue to exceed our revenue and our profitability will be harmed. In addition, we plan our operating expenses, including sales and marketing expenses, and our hiring needs in part on our forecasts of new merchant growth and future revenue. If new merchant growth or revenue for a particular period is lower than expected, we may not be able to proportionately reduce our operating expenses for that period, which could harm our operating results for that period. Delays in our sales cycles could cause significant variability in our revenue and operating results for any particular period.

***Our long-term success depends on our ability to operate internationally, making us susceptible to risks associated with cross-border sales and operations.***

We currently support cross-border transactions of merchants in multiple countries of origin, mainly the United States, the United Kingdom, France and other Western European markets, to shoppers in over 200 destination markets and territories and settle transactions in more than 100 currencies. We aim to expand our operations to support more outbound countries, and reach new markets and geographies. Conducting international operations subjects us to risks and burdens which include:

- the need to localize our solutions, including product customizations and adaptation for local practices and regulatory requirements;
- lack of familiarity and burdens of ongoing compliance with local laws, legal standards, regulatory requirements, tariffs, customs formalities and other barriers, including restrictions on advertising practices, regulations governing online services, restrictions on importation or shipping of specified or proscribed items, importation quotas, shopper protection laws, enforcement of intellectual property rights, laws dealing with shopper and data protection, privacy, encryption, denied parties and sanctions, and restrictions on pricing or discounts;
- heightened exposure to fraud;
- legal uncertainty in foreign countries with less developed legal systems;
- unexpected changes in regulatory requirements, taxes, trade laws, tariffs, export quotas, custom duties or customs formalities, embargoes, exchange controls, government controls or other trade restrictions;

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- differing technology standards;
- difficulties in managing and staffing international operations and differing employer/employee relationships;
- fluctuations in exchange rates that may increase our foreign exchange exposure;
- potentially adverse tax consequences, including the complexities of foreign tax laws (including with respect to value added taxes) and restrictions on the repatriation of earnings;
- increased likelihood of potential or actual violations of domestic and international anti-money laundering laws and anticorruption laws, such as the U.S. Foreign Corrupt Practices Act and the U.K. Bribery Act, which correlates with the scope of our sales and operations in foreign jurisdictions and operations in certain industries, such that an increase in such operations would increase risk of non-compliance with the aforementioned laws;
- uncertain political and economic climates in foreign markets;
- managing and staffing operations over a broader geographic area with varying cultural norms and customs;
- varying levels of internet, e-commerce and mobile technology adoption and infrastructure;
- reduced or varied protection for intellectual property rights in some countries;
- new and different sources of competition; and
- data privacy laws which may require that merchant and/or shopper data be processed and stored in a designated territory.

These factors may require significant management attention and financial resources. Any negative impact from our international business efforts could adversely affect our business, results of operations and financial condition.

### ***We rely on third-party services, such as shipping partners and payment providers, in our platform and services.***

We rely on third parties, such as our shipping partners, to deliver products from the merchants to the shoppers. Shortages of transportation vessels, transportation disruptions or other adverse conditions in the transportation industry due to shortages of pilots and truck drivers, strikes, slowdowns, piracy, terrorism, disruptions in rail service, closures of shipping routes, unavailability of ports and port service for other reasons, increases in fuel prices and adverse weather conditions, or other adverse changes related to such third-party services, including as a result of the COVID-19 pandemic or the measures attempting to contain and mitigate the effects thereof, could increase our costs and disrupt our operations and our ability to deliver products from the merchants to our shoppers on the timing they expect or at all. The failure of our shipping partners to provide quality customer service when delivering products to shoppers would adversely affect the merchants and our relationship with the merchants which in turn could negatively impact our business and operating results. Furthermore, we rely on third parties to process payments and we cannot guarantee that such providers will perform adequately. Errors made by, or delays in service from, such third-party providers could adversely affect our ability to process payments and process purchases by shoppers on our platform in a timely manner or at all, which could adversely affect our business, operating results and financial condition.

Our success will depend on our ability to build and maintain relationships with these and other third-party service providers on commercially reasonable terms. If we are unable to build and maintain such relationships on commercially reasonable terms, we may have to suspend or cease operations.



Even if we are able to build and maintain such relationships, if these third parties are unable to deliver their services on a timely basis, shoppers could become dissatisfied and decline to make future purchases from the merchants, which would adversely affect our revenue. If the merchants become dissatisfied with the services provided by these third parties, our reputation and our business could suffer.

***Operating as merchant of record for sales conducted using our platform imposes certain obligations and subjects us to certain risks applicable to actors that place products in the market such as product liability, shipping compliance, and waste and packaging compliance.***

Our business model and activities are predicated upon our operating as the merchant of record (“MoR”) of the products sold through our platform. As a result of us being identified as a seller rather than the merchants, we could bear responsibility for the products and may be liable for product liability claims brought by our shoppers or other third parties, and we may be subject to various regulatory compliance requirements, such as waste and packaging compliance. Although we have policies in place crafted to ensure compliance and reduce risk of such liabilities, for example by avoiding the sale of products that we determine to be “high risk,” and although our commercial arrangements with the merchants typically require the merchants to cover such liabilities, it is possible that we may be subject to product liability or other compliance regulations or litigation and may incur various related costs which may or may not be fully covered by our contractual arrangements or insurance coverage. Furthermore, any actual or alleged non-compliance on our part in a specific geography may not be treated by local authorities as an isolated event. Heightened scrutiny by local authorities in a specific geography could impede our local activities irrespective of the product vertical or merchant from which the products originated.

As MoR, we could be adversely affected if the packages provided by the merchants do not contain the correct articles ordered by the shopper, or if articles and the packages provided by the merchants are not shipped in compliance with applicable rules or do not contain all requisite documentation for cross-border shipping. Failure to ensure such compliance may result in shipping delays or diminished shopper satisfaction, result in confiscation or destruction of articles and payment of additional costs, fines or assessments from our fulfillment partners and other third parties, which in turn may adversely affect our results of operations.

While merchandise is in our possession, we bear the risk of loss. While the majority of merchants are responsible for transporting the goods to our facilities, certain of our merchant agreements require us to take possession of products for an extended period of time. To the extent that products are damaged, lost or stolen during the period in which we bear the risk of loss, our business may be adversely affected.

***Our provision of shipping services is dependent on third-party providers of cross-docking services for which we have limited redundancy. To the extent that we may be unable to secure comparable services in the countries in which we operate, the ongoing operation of our business may be adversely affected.***

In the countries in which we operate, we rely on third-party providers of “cross-docking services” to collect, sort and prepare for cross-border shipping the products sold by merchants through our platform. We generally employ a single provider of cross-docking services in each of our outbound markets due to a paucity of providers and minimum volume requirements imposed by such providers. Our ability to ship products in a timely manner is dependent on our ability to secure cross-docking services and in the event that we cannot secure them in specific geographies, or are unable to secure them at competitive prices or with adequate service reliability and availability, our operations may be adversely affected. Moreover, if a cross-docking service provider fails to provide the service, our operations will be adversely affected until such time that we are able to shift to an alternative provider.

***Payment transactions through our e-commerce platform subject us to regulatory requirements, additional fees, and other risks that could be costly and difficult to comply with or that could harm our business.***

Our business depends on our ability to process a wide range of payment methods, including credit and debit cards, as well as other alternative payment methods and this ability is facilitated by the payment card and alternative payment networks. We do not directly acquire the payment card networks that enable our acceptance of payment cards and alternative payment methods. As a result, we must rely on banks, acquiring processors and other third-party payment processors to process transactions on our behalf. These third parties perform the card processing, currency exchange, identity verification and fraud analysis services. These third parties may fail or refuse to process transactions adequately, may breach their agreements with us, or may refuse to renegotiate or renew these agreements on terms that are favorable or commercially reasonable. They might also take actions that degrade the functionality of our services, impose additional costs or requirements on us, or give preferential treatment to competitive competing services, including their own services. If we are unsuccessful in establishing, renegotiating or maintaining mutually beneficial relationships with these payment card networks, banks and acquiring processors, our business may be harmed.

We are required by our third-party payment processors to comply with payment card network operating rules, including the Payment Card Industry Data Security Standard ("PCI DSS"), and we have agreed to reimburse our payment processors for any fees or fines that they are assessed by payment card networks as a result of any rule violations by us or our merchants. The payment card schemes have discretion to determine, change and interpret the card rules, and our third-party payment processors are required to assess our compliance with the card scheme rules, and may make assessments or determinations that are unfavorable to our business model. In past assessments of us operating as MoR, we demonstrated our compliance with MoR operating rules and demonstrated that we should not be subject to compliance with other operating rules (e.g. such as those applicable to "payment facilitators"). There is no assurance that the third-party payment processors or their payment card networks will not re-evaluate that conclusion, or make a different determination in the future. If such third-party payment processors or their payment card networks were to determine that we must comply with other operating rules, we may be subject to additional regulations, might incur higher compliance costs, and may be required to modify certain aspects of our platform and service offering in order to maintain compliance, which may have an adverse impact on our business.

If we fail to comply with the payment card network rules, we would be in breach of our contractual obligations to our third-party payment processors, financial institutions, partners and merchants. Such failure to comply may subject us to fines, penalties, damages, higher transaction fees and civil liability, and could eventually prevent us from processing or accepting payment methods or could lead to a loss of a third-party payment processor. Further, there is no guarantee that, even if we are in compliance with such rules or requirements, such compliance will prevent illegal or improper use of our payment systems or the theft, loss, or misuse of data pertaining to credit and debit cards, credit and debit card holders, and credit and debit card transactions.

In addition, we face the risk that one or more payment card networks or other third-party payment processors may, at any time, assess penalties against us or our merchants, or terminate our ability to accept credit card payments or other forms of online payments from shoppers, which would have an adverse effect on our business, financial condition and operating results.

***We are subject to governmental export controls that may subject us to liability if we are not in full compliance with applicable economic sanctions and export control laws.***

Our activities are subject to certain economic sanctions and export control laws and regulations that prohibit or restrict transactions or dealings with certain countries, regions, governments and

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persons targeted by U.S., Israel, E.U. or other applicable jurisdictions' embargoes or sanctions. As a result, we bear the responsibility for ensuring that transactions processed through our platform are conducted in compliance with such laws and regulations. U.S., Israel and E.U. sanctions may change from time to time, and the countries, regions, governments and persons that are sanctioned by each jurisdiction may be different. Ensuring compliance with applicable export control laws and regulations requires ongoing efforts and resources. Identifying commerce with, or sales made to, sanctioned countries or denied parties and obtaining export licenses or other authorizations for a particular product sale may be time-consuming and may result in the delay or loss of sales opportunities even if the export license ultimately may be granted. We generally apply precautions to prevent sales to sanctioned countries and denied parties, such as screening against listed denied parties and blocking sales at the point of checkout; however, we cannot guarantee that the precautions we take will prevent all violations of applicable export control and sanctions laws. We are aware that certain sales of immaterial value and volume made by certain of our non-Israeli merchants through our platform, operated by one or more of our non-Israeli subsidiaries, to a specific country (not sanctioned under U.S. or E.U. laws), as to which country we apply the foregoing precautions, are not in compliance with certain Israeli export laws. Violations of U.S., Israeli or E.U. sanctions or export control laws may result in penalties and significant fines and possible incarceration of responsible employees and managers could be imposed for criminal violations of these laws.

If our carriers and brokers fail to file or obtain appropriate import, export or re-export declarations, licenses or permits, we may also be adversely affected, through reputational harm as well as other negative consequences, including government investigations and penalties. We presently incorporate export control compliance requirements into our strategic partner agreements; however, no assurance can be given that our partners will comply with such requirements.

***We are subject to the import regulations and restrictions of each country to which we ship merchandise and non-compliance with such regulations may subject us to liability and may impede our ability to provide services in specific geographies in the future.***

Import and export regulations and restrictions vary by country, product and quantity and require costly resources in order to ensure compliance. While we take precautions in order to avoid non-compliance with these restrictions, including focusing on products that carry lower inherent risk of being subject to import/export restrictions and avoiding highly regulated industries, some of the products offered using our platform may be subject to such restrictions. For example, the United States Food and Drug Administration regulates the import of sunglasses as medical devices, and the Australian Department of Agriculture regulates the import of timber, wood articles or bamboo related products. Non-compliance with the local import rules and restrictions applicable to such products may cause our products to be detained, confiscated, or destroyed at the port of entry.

In addition, because we operate as MoR, in the event that we are flagged by a specific country due to non-compliance with import restrictions applicable to a specific product or vertical our ability to continue to import such product in the future may be impeded, regardless of the identity of the merchant from which the product originates. If our service offerings are curtailed to exclude the import of whole verticals to specific countries, or if we are barred from importing products of any vertical to specific countries, our GMV attributable to such destination markets may decrease, our reputation will be harmed, and our platform will become less attractive to our current and future merchants.

***Our business relies on the personal importation model and its applicability to the products provided to shoppers. Any modification of the rules, requirements or applicability of this model may adversely affect our business.***

The products provided by the merchants to shoppers are shipped to and imported by the shopper for personal rather than commercial use. Each country determines its own rules and criteria for an

import to qualify as importation for personal use, and determines which, if any, licenses, certifications, registrations, fees, quantity limitations and obligations apply to such an import. In the event that certain countries modify their personal importation rules, or impose additional compliance requirements or limitations related to this form of import, it could have an adverse effect on the cross-border e-commerce market as a whole, and may reduce the demand for cross-border e-commerce purchases. This in turn would reduce the demand for our platform and services and have an adverse effect on our business and result of operations.

***We store personal information of merchants and shoppers. To the extent our security measures are compromised, our platform may be perceived as not being secure. This may result in merchants curtailing or ceasing their use of our platform, our reputation being harmed, our incurring of significant regulatory and monetary liabilities, and adverse effects on our results of operations and growth prospects.***

Our operations involve the storage and transmission of data, including personal information and other confidential information of our third-party providers, merchants and shoppers. Third-party applications that we rely on for provision of certain services, such as acquiring processors, may also store personal information, credit card information, and other confidential information. Cyberattacks and other malicious internet-based activity continue to increase, and cloud-based platform providers of services are expected to continue to be targeted. Threats include traditional computer “hackers,” malicious code (such as viruses and worms), employee theft or misuse and denial-of-service attacks. Sophisticated nation-states and nation-state supported actors now engage in such attacks, including advanced persistent threat intrusions. Although we do not store payment card information, hackers and adverse third parties may mistake us for the merchants, causing them to target us in order to obtain payment card information. Despite significant efforts to create security barriers to such threats, it is virtually impossible for us to entirely mitigate these risks. If our security measures are compromised as a result of third-party action, employee or merchant error, malfeasance, stolen or fraudulently obtained log-in credentials, technical malfunction or otherwise, our reputation could be damaged, our business may be harmed, and we could incur significant liability (including, but not limited to, fines imposed by data privacy authorities). Moreover, many companies that provide cloud-based services have reported a significant increase in cyberattack activity since the beginning of the COVID-19 pandemic.

Because the techniques used to obtain unauthorized access or sabotage systems change frequently and generally are not identified until they are launched against a target, we may be unable to anticipate these techniques or to implement adequate preventative measures. Additionally, because we rely on third-party and public-cloud infrastructure, we are reliant in part on third-party security measures to protect against unauthorized access, cyberattacks, and the mishandling of shopper and merchant data. Even if such a data breach did not arise out of our action or inaction, or if it were to affect our competition rather than us, the resulting concern could negatively affect merchants, shoppers and our business. Concerns regarding data privacy and security may cause some of our merchants to stop using our platform and fail to renew their agreements with us. In addition, failures to meet merchants’ or shoppers’ expectations with respect to security and confidentiality of their data and information could damage our reputation and affect our ability to retain merchants, attract new merchants, and grow our business. Furthermore, failure to comply with legal or contractual requirements around the security of personal information could lead to significant fines and penalties, as well as claims by merchants and shoppers. These proceedings or violations could force us to spend money in defense or settlement of these proceedings, result in the imposition of monetary liability or injunctive relief, divert management’s time and attention, increase our costs of doing business, and materially adversely affect our reputation and the demand for our platform.

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A cybersecurity event could have significant costs, including regulatory enforcement actions, litigation, litigation indemnity obligations, remediation costs, network downtime, increases in insurance premiums, and reputational damage.

***Interruptions or delays in the services provided by third-party data centers or internet service providers could impair our platform and our business could suffer.***

We rely on the internet and, accordingly, depend upon the continuous, reliable, and secure operation of internet servers, related hardware and software, and network infrastructure. Any damage to, failure or delay of our systems would prevent us from operating our business.

We host our platform using third-party data centers and providers of cloud infrastructure services. We currently use one third-party provider for these data and cloud services. Our operations depend on protecting the virtual cloud infrastructure hosted by this cloud services provider by maintaining its configuration, architecture, and interconnection specifications, as well as the information stored in these virtual data centers and transmitted by third-party internet service providers. Furthermore, we have no physical access to or control over the services provided by our cloud services provider. Although we have disaster recovery plans that utilize multiple locations, the data centers that we use are vulnerable to damage or interruption from human error, intentional bad acts, earthquakes, floods, fires, severe storms, war, terrorist attacks, power losses, hardware failures, systems failures, telecommunications failures, and similar events, many of which are beyond our control, any of which could disrupt our service, destroy our data, or prevent us from being able to continuously back up or record changes in our platform. In the event of significant physical damage to one of these data centers, it may take a significant period of time to achieve full resumption of our services, we may incur data loss during the service resumption process and our disaster recovery planning may not account for all eventualities. Further, a prolonged service disruption to our cloud services provider, affecting our platform for any of the foregoing reasons could damage our reputation with current and potential organizations, expose us to liability, cause us to lose merchants and shoppers, or otherwise harm our business. We may also incur significant costs for using alternative equipment or taking other actions in preparation for, or in reaction to, events that damage the systems we use. Damage or interruptions to these data centers could harm our business. Moreover, negative publicity arising from these types of disruptions could damage our reputation and may adversely impact use of our solutions and platform. We may not carry sufficient business interruption insurance to compensate us for losses that may occur as a result of any events that cause interruptions in our service. Further, the contractual commitments that we provide to merchants on our platform as well as our third-party providers with regard to data privacy are limited by the commitments that our third-party cloud infrastructure services provider has provided us.

Our cloud services provider enables us to order and reserve server capacity in varying amounts and sizes distributed across multiple regions. In addition, our cloud services provider provides us with computing and storage capacity pursuant to terms of service that continue until terminated by either party. If we do not accurately predict our infrastructure capacity requirements, merchants could experience service shortfalls which could interrupt the performance of our platform, which could adversely affect the perception of its reliability and our revenue and harm the sales and business of our merchants. We may also be unable to effectively address capacity constraints, upgrade our systems as needed and continually develop our technology and network architecture to accommodate actual and anticipated changes in technology.

Our platform is utilized by a large number of merchants, and as we continue to expand the number of merchants and shoppers, we may not be able to scale our technology to accommodate the increased capacity requirements, which may result in interruptions or delays in service. Merchants often draw significant numbers of shoppers over short periods of time (typically during events such as

new product releases, holiday shopping season and flash sales). In the event that merchants conduct a high volume of sales in a short period of time, we may not be capable of securing the then-necessary capacity for such traffic which may cause a degradation in the quality of our platform and services. Furthermore, if we are incapable of anticipating high traffic levels and reserving server capacity accordingly, our platform and services may be adversely affected. In addition, the failure of our cloud services provider's data centers or third-party internet service providers to meet our capacity requirements could impede our ability to scale our operations. In some cases, our cloud services provider may terminate the agreement for cause upon 30 days' notice. Termination of the agreement may harm our ability to access data centers we need to host our platform or to do so on terms as favorable as those we currently have in place. We currently rely exclusively on one cloud services provider for our cloud infrastructure and therefore a transition to an alternative provider may take time, cause us to incur additional costs and reduce the quality and functionality of our platform.

***Increases in shipping rates could negatively impact our revenues generated through shipping services.***

Shipping rates and surcharges are volatile and subject to market fluctuations. A portion of our revenues is generated through shipping services provided through our shipping and logistics partners. Therefore, a substantial increase in shipping rates may reduce our margins from shipping services. Although some of such cost would be borne by merchants and shoppers, significant increases of costs may diminish demand for cross-border e-commerce, reduce the attractiveness of our service among merchants and adversely affect our profitability and results of operations. In particular, DHL, (which holds more than 5% of our outstanding ordinary shares) provided shipping services with respect to 59% of the transactions processed on our platform for the year ended December 31, 2020. The terms of our arrangements with DHL may be less favorable than the terms we could have received if entering into similar arrangements with third parties that are not related parties.

***Fluctuations in the exchange rate of foreign currencies could adversely impact our results of operations.***

A majority of our purchase and sale transactions are carried out in different currencies and we bear the risk of diminution in value of the shopper's purchasing currency in the interim periods between the transaction stages (e.g. placement/payment and returns/refund). Despite the natural hedge provided by our bi-directional volume of sales and broad international activity, we may incur additional costs and experience losses resulting from fluctuations in exchange rates.

We currently have revenues denominated in foreign currencies, including Pounds Sterling, Euros, and US Dollars and, may in the future, have significant sales denominated in the currencies of additional countries. We incur a substantial portion of our operating expenses in New Israeli Shekels, Pounds Sterling and US Dollars, and to a lesser extent, other foreign currencies. We may incur additional costs and experience losses resulting from fluctuations in exchange rates for revenues in foreign currencies or upon translation of New Israeli Shekels expenses incurred in Israel, or Pounds Sterling expenses incurred in the United Kingdom, to US Dollars which may negatively impact our operating results.

***If we fail to offer high quality support, our business and reputation could suffer.***

Merchants rely on our personnel for support related to our platform and services. High-quality support is important for maintaining, renewing and expanding our agreements with existing merchants and maintaining our reputation among merchants. As we expand our business and pursue engagements with new merchants, the importance of high-quality support will increase, and we expect to incur additional support related costs in order to meet the requirements of our new and future

merchants. If we do not help merchants and shoppers quickly to resolve issues and provide effective ongoing support, our ability to retain existing merchants and attract new merchants could suffer and our reputation could be harmed.

***If we fail to enhance our reputation and awareness of our platform, our ability to expand the number of merchants using our platform and increase our GMV will be impaired, our reputation may be harmed, and our business, results of operations, and financial condition may suffer.***

We believe that developing and maintaining awareness and a favorable reputation is critical to achieving widespread acceptance of our platform and services and is an important element in attracting new merchants to our platform, and retaining existing merchants. Furthermore, we believe that the importance of brand recognition will increase as competition in our market increases. Our ability to increase awareness will depend largely on the effectiveness of our marketing efforts, our ability to ensure that our platform and services remain of high quality, reliable, and useful at competitive prices, our ability to maintain our merchants' trust, our ability to continue to develop new functionality and solutions, and our ability to successfully differentiate our platform.

Efforts to increase awareness may not yield increased revenue, and even if they do, any increased revenue may not offset the expenses we incur. If we fail to successfully promote our platform, or incur substantial expenses in an unsuccessful attempt to promote our platform, we may fail to attract new merchants or grow or maintain the volume of sales facilitated by our platform to the extent necessary to realize a sufficient return on our marketing efforts, and our business, results of operations, and financial condition could suffer.

***Our reputation may be harmed by our merchants' or third-party service providers' unethical business practices.***

Our emphasis on our values makes our reputation particularly sensitive to allegations of unethical business practices by our merchants or third-party service providers. Our policies promote legal and ethical business practices. However, we do not control our merchants or third-party service providers or their business practices and cannot ensure that they comply with our policies. If our merchants or third-party service providers engage in illegal or unethical business practices or are perceived to do so, we may receive negative publicity and our reputation may be harmed.

***Mobile devices are increasingly being used to conduct e-commerce transactions, and if our platform and services do not operate as effectively when the merchants' sites and checkout pages are accessed through these devices, the merchants' experience will be negatively impacted, reducing merchant satisfaction with our platform and services.***

E-commerce transacted over mobile devices (including tablets and other hand-held devices) continues to grow more rapidly than desktop transactions. We are dependent on the interoperability of our platform with third-party mobile devices, merchants' mobile applications and mobile operating systems as well as web browsers. Changes in such devices, systems, applications or web browsers that degrade the functionality of our platform could adversely affect adoption and usage of our platform and services. For example, we provide our merchants with development libraries which allow for easy implementation of our platform as well as bug and error fixes. Our merchants' ability to timely utilize such libraries in order to fix bugs and errors is contingent on application stores (such as Google Play and Apple App Store) approving our software development kit and libraries. If such approval is not obtained in a timely manner, merchant may be delayed in fixing bugs and errors relating to the use of our platform and may forgo the use of our solutions until an applicable error or bug fix is available. Mobile e-commerce and effective mobile functionality are integral both to our merchants and to our long-term growth strategy. If the functionality of our platform is inhibited when access to our merchants' stores is done through mobile devices, our business and operating results could be adversely affected.

***We are dependent upon the continued use of the internet for commerce.***

Our success depends upon the general public's continued willingness to use the internet as a means to pay for purchases, communicate, access social media, research and conduct commercial transactions, including through mobile devices. Federal, state, or foreign government bodies or agencies have in the past adopted, and may in the future adopt, laws or regulations affecting the use of the internet as a commercial medium. The adoption of any laws or regulations that could reduce the growth, popularity, or use of the internet, including laws or practices limiting internet neutrality, could decrease the demand for, or the usage of, our platform and services, increase our cost of doing business and harm our results of operations. Changes in these laws or regulations could require us to modify our platform, or certain aspects of it, in order to comply with these changes. In addition, government agencies or private organizations have imposed and may impose additional taxes, fees, or other charges for accessing the internet or commerce conducted via the internet. These laws or charges could limit the growth of internet-related commerce or communications generally, or result in reductions in the demand for internet-based platforms such as ours. In addition, the use of the internet could be harmed due to delays in the development or adoption of new standards and protocols to handle increased demands of internet activity, security, reliability, cost, ease-of-use, accessibility, and quality of service. Further, demand for our platform depends on the quality of shoppers' access to the internet. Certain features of our platform may require significant bandwidth and fidelity to work effectively. Internet access is frequently provided by companies that have significant market power that could take actions that degrade, disrupt or increase the cost of access to our platform, which would negatively impact our business. The performance of the internet and its acceptance as a commerce tool has been harmed by "viruses," "worms" and similar malicious programs and the internet has experienced a variety of outages and other delays as a result of damage to portions of its infrastructure. If the use of the internet is adversely affected by these issues, demand for platform and services could decline. Additionally, if merchants or shoppers become unwilling or less willing to use the internet for commerce for any other reason, including lack of access to high-speed communications equipment, congestion of traffic on the internet, internet outages or delays, disruptions or other damage to merchants' and shoppers computers, increases in the cost of accessing the internet and security and privacy risks or the perception of such risks, our business could be adversely affected.

Finally, our success depends upon merchants continuing to pursue D2C sales as they seek to take advantage of e-commerce trends and gain ownership and knowledge of their international customers. If merchants cease to pursue D2C sales for any reason, including if such merchants prefer to sell their products on e-commerce marketplaces, our business could be adversely affected.

***We are subject to stringent and changing laws, regulations, standards, and contractual obligations related to privacy, data protection, and data security. Our actual or perceived failure to comply with such obligations could harm our business.***

We receive, collect, store, process, share, transfer, disclose, and use personal information and other data relating to shoppers, employees, contractors and other persons. We are subject to numerous federal, state, local, and international laws, directives, and regulations regarding privacy, data protection, and data security and the collection, storing, sharing, use, processing, transfer, disclosure, and protection of personal information and other data, the scope of which are changing, subject to differing interpretations, and may be inconsistent among jurisdictions or conflict with other legal and regulatory requirements. We are also subject to certain contractual obligations to third parties related to privacy, data protection and data security. We strive to comply with our policies and applicable laws, regulations, contractual obligations, and other legal obligations relating to privacy, data protection, and data security to the extent possible. However, the regulatory framework for privacy, data protection and data security worldwide is, and is likely to remain for the foreseeable future, uncertain and complex, and it is possible that these or other actual or alleged obligations may be



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interpreted and applied in a manner that we do not anticipate or that is inconsistent from one jurisdiction to another, including across the various jurisdictions in which we operate remotely and may conflict with our other legal obligations or our practices. Further, any significant change to applicable laws, regulations or industry practices regarding the collection, use, processing, storage, sharing, transferring, security or disclosure of data, or their interpretation, or any changes regarding the manner in which the consent of shoppers or other data subjects for the collection, use, processing, storage, sharing, transferring, or disclosure of such data must be obtained, could increase our costs and require us to modify our services and features, possibly in a material manner, which we may be unable to complete, and may limit our ability to collect, use, process, store, share, transfer, or disclose shopper data or develop new services and features.

If we were found in violation of any applicable laws or regulations relating to privacy, data protection, or security, in any jurisdiction, including in jurisdictions where we operate remotely (such as by selling to shoppers residing in such jurisdictions), our business may be materially and adversely affected and we would be liable for any damages and regulatory fines and would likely have to change our business practices and potentially the services and features available through our platform. In addition, these laws and regulations could impose significant costs on us and could constrain our ability to use and process data in manners that may be commercially desirable. In addition, if a breach of data security were to occur or to be alleged to have occurred, if any violation of laws and regulations relating to privacy, data protection or data security were to be alleged, or if we had any actual or alleged defect in our safeguards or practices relating to privacy, data protection, or data security, our platform and services may be perceived as less desirable and our business, prospects, financial condition, and results of operations could be materially and adversely affected.

We also expect that there will continue to be new laws, regulations, and industry standards concerning privacy, data protection, and information security proposed and enacted in various jurisdictions. For example, we are subject to the General Data Protection Regulation, or GDPR, which came into effect in May 2018 and imposes stringent operational requirements regarding, among others, data use, sharing and processing, data breach notifications, data subject rights, documentation, and cross-border data transfers for entities collecting and/or processing personal data of European Union, or EU, residents and significant penalties for non-compliance. Failure to comply with the GDPR could result in penalties for noncompliance (including possible fines of up to the greater of €20 million and 4% of our global annual turnover for the preceding financial year for the most serious violations, as well as the right to compensation for financial or non-financial damages claimed by individuals under Article 82 of the GDPR).

In addition to the GDPR, we are subject to the United Kingdom's privacy regime that imposes obligations and penalties similar to the GDPR including fines up to the greater of £17.5 million or 4% of global turnover. The relationship between the United Kingdom and the EU in relation to certain aspects of data protection law remains unclear, and it is unclear how UK data protection laws and regulations will develop in the medium to longer term. We are also subject to Directive 2002/58 on Privacy and Electronic Communications (the "ePrivacy Directive"), which requires entities to obtain informed and freely given consent for the placement of cookies and similar technologies on shoppers' devices and imposes restrictions on electronic marketing. If and when it comes into effect, proposed legislation known as the Regulation of Privacy and Electronic Communications ("ePrivacy Regulation"), would replace the current ePrivacy Directive.

In addition, we are also subject to Lei Geral de Proteção de Dados, or LGPD, which went into effect in Brazil in August 2020, and that imposes similar requirements to GDPR on the collection and processing of data of Brazilian residents.

Additionally, we are also subject to the California Consumer Privacy Act ("CCPA"), which came into effect in January 2020 and imposes heightened transparency obligations, adds restrictions on the

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“sale” of personal information, and creates new data privacy rights for California residents and carries significant enforcement penalties for non-compliance. The California Attorney General enforces the CCPA and can seek an injunction and civil penalties up to \$7,500 per intentional violation and \$2,500 per other violation. The CCPA also provides California consumers a private right of action for certain data breaches where they can recover up to \$750 per incident, per consumer or actual damages, whichever is greater, and which is expected to increase data breach litigation. The CCPA may require us to modify our data practices and policies and to incur substantial costs and expenses in order to comply. On November 3, 2020, California voters passed the California Privacy Rights Act (“CPRA”) into law, which will take effect in January 2023 and will significantly modify the CCPA, potentially resulting in further uncertainty and requiring us to incur additional costs and expenses in an effort to comply. More generally, some observers have noted the CCPA and CPRA could mark the beginning of a trend toward more stringent United States federal privacy legislation, which could increase our potential liability and adversely affect our business.

In addition, we are also subject to the Israeli Privacy Protection Law 5741-1981 (the “PPL”), and its regulations, including the Israeli Privacy Protection Regulations (Data Security) 2017 (“Data Security Regulations”), which came into effect in Israel in May 2018 and impose obligations with respect to the manner personal data is processed, maintained, transferred, disclosed, accessed and secured, as well as the guidelines of the Israeli Privacy Protection Authority. In this respect, the Data Security Regulations may require us to adjust our data protection and data security practices, information security measures, certain organizational procedures, applicable positions (such as an information security manager) and other technical and organizational security measures. Failure to comply with the PPL, its regulations and guidelines issued by the Privacy Protection Authority, may expose us to administrative fines, civil claims (including class actions) and in certain cases criminal liability. Current pending legislation may result in a change of the current enforcement measures and sanctions. The Israeli Privacy Protection Authority may initiate administrative inspection proceedings, from time to time, without any suspicion of any particular breach of the PPL, as the Authority has done in the past with respect to dozens of Israeli companies in various business sectors. In addition, to the extent that any administrative supervision procedure is initiated by the Israeli Privacy Protection Authority that reveals certain irregularities with respect to our compliance with the PPL, in addition to our exposure to administrative fines, civil claims (including class actions) and in certain cases criminal liability, we may also need to take certain remedial actions to rectify such irregularities, which may increase our costs.

Additionally, some countries such as Australia, Singapore and Hong Kong are considering or have enacted privacy legislation, which could increase the cost and complexity of delivering our services.

Data privacy legislation restricts the cross-border transfer of personal data and some countries introduced data localization into their laws. Specifically, the GDPR, UK GDPR and other European and UK data protection laws generally prohibit the transfer of personal data from the EEA, UK and Switzerland, to the United States and most other countries unless the transfer is to an entity established in a country deemed to provide adequate protection (such as Israel) or the parties to the transfer have implemented specific safeguards to protect the transferred personal data. Where we transfer personal data outside the EEA to a country that is not deemed to be “adequate”, we take steps to comply with applicable laws. In some jurisdictions like the EU and UK, the law and guidance on data transfers is rapidly developing and recent developments will require us to review and may require us to amend the legal mechanisms by which we make and/or receive personal data transfers, which could affect the manner in which we provide our solutions, the geographical location or segregation of our relevant systems and operations, may reduce demand for our solutions from companies subject to these data protection laws and could adversely affect our financial results.

Any failure or perceived failure by us to comply with our posted privacy policies, our privacy-related obligations to merchants or other third parties, or any other legal obligations or regulatory

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requirements relating to privacy, data protection, or data security, may result in governmental investigations or enforcement actions, litigation, claims, or public statements against us by consumer advocacy groups or others and could result in significant liability, cause our merchants to lose trust in us, and otherwise materially and adversely affect our reputation and business. Furthermore, the costs of compliance with, and other burdens imposed by, the laws, regulations, other obligations, and policies that are applicable to the businesses of our merchants may limit the adoption and use of, and reduce the overall demand for, our platform. Additionally, if third parties we work with violate applicable laws, regulations or contractual obligations, such violations may put our data at risk, could result in governmental investigations or enforcement actions, fines, litigation, claims, or public statements against us by consumer advocacy groups or others and could result in significant liability, cause our merchants to lose trust in us, and otherwise materially and adversely affect our reputation and business. Further, public scrutiny of, or complaints about, technology companies or their data handling or data protection practices, even if unrelated to our business, industry or operations, may lead to increased scrutiny of technology companies, including us, and may cause government agencies to enact additional regulatory requirements, or to modify their enforcement or investigation activities, which may increase our costs and risks.

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

The COVID-19 pandemic, the measures attempting to contain and mitigate the effects of the COVID-19 pandemic, including stay-at-home, business closure, social distancing, capsuled labor and other restrictive orders, and the resulting changes in consumer behaviors, have disrupted our normal operations and impacted our employees, suppliers, merchants and shoppers. We expect these disruptions and impacts to continue. In response to the COVID-19 pandemic, we have taken a number of actions that have impacted and continue to impact our business, including transitioning employees across all our offices (including our corporate headquarters) to remote work-from-home arrangements and imposing travel and related restrictions. While we believe these actions were reasonable and necessary as a result of the COVID-19 pandemic, they have been disruptive to our business and could adversely impact our results of operations. In addition, remote work, lockdowns and travel restrictions have added challenges and complexity to the operations of our shipping and logistics partners. As such, continued COVID-19 related restrictions that inhibit the ordinary course operation of our shipping and logistics partners may have an adverse effect on our business.

Given the continued spread of COVID-19 and the resultant personal, economic, and governmental reactions, we may have to take additional actions in the future that could harm our business, financial condition, and results of operations. While we have a distributed workforce and our employees are accustomed to working remotely or working with other remote employees, our workforce has not historically been fully remote. Prior to the COVID-19 pandemic, certain of our employees traveled frequently to establish and maintain relationships with one another and with our merchants, partners, and investors. We continue to monitor the situation and may adjust our current policies as more information and guidance become available. Suspending travel and long-term inability of doing business in-person could negatively impact our marketing efforts, our ability to enter into merchant contracts in a timely manner, our ability to integrate and launch the service for merchants in a timely manner, our international expansion efforts, our ability to recruit and train employees across the organization and our ability to visit and oversee the activity of our third-party service providers and local fulfillment hubs. These changes could negatively impact our operations, sales and marketing in particular, which could have longer-term effects on our sales pipeline, or create operational or other challenges as our workforce remains predominantly remote, any of which could harm our business. In addition, our management team has spent, and will likely continue to spend, significant time, attention, and resources monitoring the COVID-19 pandemic and associated global economic uncertainty and seeking to manage its effects on our business and workforce.

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The degree to which COVID-19 will affect our business and results of operations will depend on future developments that are highly uncertain and cannot currently be predicted. These developments include, but are not limited to, the duration, extent, and severity of the COVID-19 pandemic in different geographies, actions taken to contain the COVID-19 pandemic, the impact of the COVID-19 pandemic and related restrictions on economic activity and domestic and international trade, and the extent of the impact of these and other factors on our employees, suppliers, partners, merchants and shoppers. The COVID-19 pandemic and related restrictions could limit merchants' ability to continue to operate (limiting their abilities to obtain inventory, generate sales, ship and dispatch orders or make timely payments to us). It could disrupt or delay the ability of employees to work because they become sick or are required to care for those who become sick, or for dependents for whom external care is not available. In addition, the COVID-19 pandemic may also result in reduced consumer spending and adverse or uncertain economic conditions globally, which in turn may impact the GMV processed through our platform. See "—General Risks Affecting Our Business and Operations—Unfavorable conditions in our industry, the global economy, or e-commerce in general, could limit our ability to grow our business and negatively affect our results of operations."

***Legal, political, and economic uncertainty surrounding the exit of the United Kingdom from the EU may be a source of instability to international markets, create significant currency fluctuations, create logistic and other customs-related complexities, adversely affect our operations in the United Kingdom and pose additional risks to our business, financial condition, and results of operations.***

In connection with the United Kingdom's withdrawal from the EU ("Brexit"), the United Kingdom ceased to be an EU Member State and ratified a trade and cooperation agreement governing its future relationship with the EU. The agreement, which is being applied provisionally from January 1, 2021 until it is ratified by the European Parliament and the Council of the European Union, addresses trade, economic arrangements, law enforcement, judicial cooperation and a governance framework including procedures for dispute resolution, among other things. Because this agreement merely sets forth a framework in many respects and will require complex additional bilateral negotiations between the United Kingdom and the EU as both parties continue to work on the rules for implementation, significant political and economic uncertainty remains about how the precise terms of the relationship between the parties will differ from the terms before withdrawal. The ongoing uncertainty related to Brexit has negatively impacted the United Kingdom's economy, and will likely continue to have a negative impact until the United Kingdom and EU reach definitive resolutions on any outstanding trade and legal matters. These developments, or the perception that any related developments could occur, have had and may continue to have a material adverse effect on global economic conditions and financial markets, and could significantly reduce global market liquidity and restrict the ability of key market participants to operate in certain financial markets.

Although it is difficult to predict the impact of Brexit on our business and e-commerce conducted between the United Kingdom and the EU, it is likely that the price of goods that are sold cross-border between the United Kingdom and the EU may be subject to additional costs such as customs clearance costs and tariffs which may decrease the attractiveness of such purchases and reduce GMV and revenues relating to these markets. In addition, Brexit may lead to additional complexities and difficulties relating to shipment of products to shoppers, customs formalities and previously inapplicable procedures, resulting in shipping delays and reducing shopper satisfaction.

Additionally, we may face new regulations in numerous fields, including data privacy, shopper rights, trade, aviation, tax, security, and employees, among others, in the United Kingdom which may require us to amend or adjust our platform and service. Compliance with such regulations could be costly, negatively impacting our business, results of operations, and financial condition. Furthermore, rapid change to or uncertainty regarding applicable customs clearance costs, tariffs and tax rates may

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make it difficult to calculate accurate landed costs and which may cause merchants and shopper dissatisfaction from our platform and services.

While Brexit could offer growth opportunities in the form of increased demand for cross-border e-commerce services such as ours by merchants with sales between the United Kingdom and the EU, we may find it difficult to meet such demand due to the aforementioned uncertainties, regulatory and operational difficulties and complexities associated with the transition.

***We are subject to anti-corruption, anti-bribery, anti-money laundering and similar laws, and non-compliance with such laws can subject us to criminal penalties or significant fines and harm our business and reputation.***

We are subject to anti-corruption and anti-bribery and similar laws, such as the U.S. Foreign Corrupt Practices Act of 1977, as amended, or the FCPA, the U.S. domestic bribery statute contained in 18 U.S.C. § 201, U.S. Travel Act, the USA PATRIOT Act, the U.K. Bribery Act 2010, Chapter 9 (sub-chapter 5) of the Israeli Penal Law, 57373-1977, the Israeli Prohibition on Money Laundering Law, 5760–2000 and other anti-corruption, anti-bribery and anti-money laundering laws in countries in which we conduct activities. Anti-corruption and anti-bribery laws have been enforced aggressively in recent years and are interpreted broadly and prohibit companies and their employees and agents from promising, authorizing, making, or offering improper payments or other benefits to government officials and others in the private sector. As we increase our international sales and business, our risks under these laws may increase. Noncompliance with these laws could subject us to investigations, sanctions, settlements, prosecution, other enforcement actions, disgorgement of profits, significant fines, damages, other civil and criminal penalties or injunctions, adverse media coverage, and other consequences. Any investigations, actions or sanctions could harm our business, results of operations, and financial condition.

In addition, we use, and may continue to use, third parties to sell access to our platform and conduct business on our behalf abroad, in particular carriers and other freight forwarders who perform customs-clearance and related services and functions as our service providers, and in our own name and instructions. We or such current and future third-party intermediaries may have direct or indirect interactions with officials and employees of government agencies or state-owned or affiliated entities, and we can be held liable for the corrupt or other illegal activities of such future third-party intermediaries, and our employees, representatives, contractors, partners, and agents, even if we do not explicitly authorize such activities. We have implemented an anti-corruption compliance program but cannot assure you that all our employees and agents, as well as those companies to which we outsource certain of our business operations, will not take actions in violation of our policies and applicable law, for which we may be ultimately held responsible. Any violation of the FCPA, other applicable anti-corruption laws, or anti-money laundering laws could result in whistleblower complaints, adverse media coverage, investigations, loss of export privileges, severe criminal or civil sanctions and, in the case of the FCPA, suspension or debarment from U.S. government contracts, any of which could have a materially adverse effect on our reputation, business, results of operations, and prospects.

***We act as a service provider and part of the fulfilment chain of the merchants, and while our legal and functional roles are defined, third parties may confuse us with the merchants resulting in claims and liabilities relating to the merchants' activities.***

We operate largely as a “white label” solution which enables the merchants to offer their products through our platform, while maintaining their own brand experience. Due to our nearly transparent integration with such merchants' shopper experience, claims arising from the actions of the merchants may be unduly addressed to us by virtue of our perceived affiliation with the merchants and our role in

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the shopper experience. To the extent that we are not successful in demonstrating that we are distinct from such merchants, we may be subject to misdirected claims and associated liabilities. Although we include indemnification provisions in the merchant agreements, such provisions may not be enforced in certain circumstances, certain jurisdictions or may not be sufficient to fully cover potential liabilities arising from such claims.

***If we fail to adequately maintain, protect or enforce our intellectual property rights, our competitive position could be impaired and we may lose valuable assets, generate reduced revenue, and incur costly litigation to protect our rights.***

Our success is dependent, in part, upon protecting our intellectual property rights, including those in our know-how and proprietary technology. We rely on a combination of copyrights, trade secret and other intellectual property laws and contractual restrictions to establish and protect our intellectual property rights. While it is our policy to protect and defend our rights to our intellectual property, we cannot predict whether steps taken by us will be adequate to prevent infringement, misappropriation or other violation of our intellectual property rights.

Policing unauthorized use of our know-how, technology and intellectual property is difficult and may not be effective. We will not be able to protect our intellectual property if we are unable to enforce our rights or if we do not detect unauthorized use of our intellectual property. Despite our precautions, it may be possible for unauthorized third parties to copy our platform or technology and use information that we regard as proprietary to create products or services that compete with our offerings. Some of the provisions of our service agreements that protect us against unauthorized use, copying, transfer, and disclosure of our platform, may be unenforceable under the laws of certain jurisdictions and foreign countries. Further, the laws of some countries do not protect intellectual property to the same extent as the laws of the United States, and mechanisms for enforcement of intellectual property rights in some foreign countries may be inadequate. To the extent we expand our international activities, our exposure to unauthorized copying and use of our platform and proprietary information may increase. Further, our competition, foreign governments, foreign government-backed actors, criminals, or other third parties may gain unauthorized access to our confidential information and technology. Accordingly, despite our efforts, we may be unable to prevent third parties from infringing upon or misappropriating our intellectual property rights. If we are unable to protect our intellectual property rights or prevent unauthorized use, infringement or misappropriation thereof by third parties, the value of our intellectual property and intellectual property rights may be diminished, and our competition may be able to more effectively mimic our offerings and service. In addition, our know-how is derived in part from insights we obtain from the historical individual and aggregate transactions that take place on our platform. If the availability, security or integrity of such data is lost or compromised due to a technology failure, cyberattack or similar event, our know-how could be lost or diminished, and this could materially adversely affect our ability to serve our merchants. For more information, see *“Risk Factors—Risks Relating to our Business and Industry—To the extent our security measures are compromised, our platform may be perceived as not being secure. This may result in merchants curtailing or ceasing their use of our platform, our reputation being harmed, our incurring of significant regulatory and monetary liabilities and adverse effects on our results of operations and growth prospects.”*

While software and other of our proprietary works may be protected under copyright law, we have not registered any copyrights in these works, and instead, primarily rely on protecting our software as a trade secret. In order to bring a copyright infringement lawsuit in the United States, the copyright must be registered. Accordingly, the remedies and damages available to us for unauthorized use of our software may be limited.

Although we attempt to protect our intellectual property, technology and confidential information by entering into confidentiality and invention assignment agreements with our employees and

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consultants and entering into confidentiality agreements with the parties with whom we have strategic relationships and business alliances, these agreements may not effectively grant all necessary rights to any inventions that may have been developed by the employees or consultants party thereto, and may not be effective in controlling access to and distribution of our platform, technology and confidential information or provide an adequate remedy in the event of unauthorized use of our platform or technology or unauthorized access, use or disclosure of our confidential information. Additionally, employees and consultants may choose to violate the terms of their confidentiality agreements.

Further, these agreements do not prevent our competitors from independently developing technologies that are substantially equivalent or superior to ours. We cannot guarantee that others will not independently develop technology with the same or similar functions to any proprietary technology we rely on to conduct our business and differentiate ourselves from our competitors.

We may be required to spend significant resources to monitor and protect our intellectual property rights, and we may or may not be able to detect infringement, misappropriation or other violation of our intellectual property rights by third parties. Litigation may be necessary in the future to enforce our intellectual property rights and to protect our trade secrets. Such litigation could be costly, time consuming, and distracting to management and could result in the impairment or loss of portions of our intellectual property. Furthermore, our efforts to enforce our intellectual property rights may be met with defenses, counterclaims, and countersuits attacking the validity and enforceability of our intellectual property rights. Our inability to protect our proprietary technology against unauthorized copying or use, as well as any costly litigation or diversion of our management's attention and resources, could delay further sales or the implementation of our platform, impair its functionality, delay introductions of new features, integrations, and capabilities, result in our substituting inferior or more costly technologies into our platform, or injure our reputation. In addition, we may be required to license additional technology from third parties to develop and market new features, integrations, and capabilities, and we cannot assure you that we could license that technology on commercially reasonable terms or at all, and our inability to license this technology could harm our ability to compete. Any one or more of the foregoing could harm our business, results of operations, and financial condition.

### ***We may incur costs to defend against, face liability for or be vulnerable to intellectual property infringement claims brought against us by others.***

There is considerable intellectual property development and enforcement activity in our industry. We expect that software developers in our industry will increasingly be subject to infringement claims as the number of competing solutions grows and the functionality of platforms and services in different industries overlap. Our future success depends in part on not infringing upon or misappropriating the intellectual property rights of others. There is a risk that our operations, platforms and services may infringe or otherwise violate, or be alleged to infringe or otherwise violate, the intellectual property rights of third parties. Other companies have claimed in the past, and may claim in the future, that we infringe upon or otherwise violate their intellectual property rights. A claim may also be made relating to technology or intellectual property that we acquire or license from third parties. If we were subject to a claim of infringement, regardless of the merit of the claim or our defenses, the claim could:

- require costly litigation to resolve and the payment of substantial royalty or license fees, lost profits or other damages;
- require and divert significant management time;
- cause us to enter into unfavorable royalty or license agreements;
- require us to discontinue some or all of the features, integrations, and capabilities available on our platform;
- require us to indemnify our merchants or third-party service providers; and/or

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- require us to expend additional development resources to redesign our platform.

Any one or more of the above could harm our business, results of operations, and financial condition.

### ***We use open source software, which may pose particular risks to our proprietary software, technologies, products and services in a manner that could negatively affect our business.***

We use open source software in our platform and expect to use more open source software in the future. From time to time, there have been claims challenging both the ownership of open source software against companies that incorporate open source software into their products and whether such incorporation is permissible under various open source licenses. There is a risk that these licenses could be construed in a way that could impose unanticipated conditions or restrictions on our ability to commercialize our platform. As a result, we could be subject to lawsuits by parties claiming ownership of what we believe to be open source software, or breach of open source licenses. Litigation could be costly for us to defend, have a negative effect on our business, results of operations, and financial condition, or require us to devote additional research and development resources to change our platform. In addition, if we were to combine our proprietary source code or software with open source software in a certain manner, we could, under certain open source licenses, be required to release the source code of our proprietary software to the public. This would allow our competition to create similar products with less development effort and time. If we inappropriately use open source software, or if the license terms for open source software that we use change, we may be required to re-engineer our platform, or certain aspects of it, incur additional costs, discontinue the availability of certain features, or take other remedial actions.

In addition to risks related to license requirements, usage of open source software can lead to greater risks than use of third-party commercial software, as open source licensors generally do not provide warranties support, indemnification, assurance of title or controls on origin of the software or other contractual protections regarding infringement claims or the quality of the code. In addition, many of the risks associated with usage of open source software, such as the lack of warranties or assurances of title, cannot be eliminated, and could, if not properly addressed, negatively affect our business. We have established processes to help alleviate these risks, but we cannot be sure that all of our use of open source software is in a manner that is consistent with our current policies and procedures, or will not subject us to liability.

In addition, open source libraries incorporated in our platform must be constantly updated in order to avoid security vulnerabilities that may be present in an outdated version of the software. Updating the open source libraries we use in a timely manner requires ongoing development efforts, and any delay relating to this process may expose us to risk of security breach. To the extent that our platform depends upon the successful operation of open source software, any undetected errors or defects in this open source software could prevent the deployment or impair the functionality of our platform, delay new solutions introductions, result in a failure of our platform, and injure our reputation. For example, undetected errors or defects in open source software could render it vulnerable to breaches or security attacks, and, in conjunction, make our systems more vulnerable to data breaches. In addition, the public availability of such software may make it easier for others to compromise our platform.

### ***We depend on our executive officers and other key employees, and the loss of one or more of these employees could harm our business.***

Our success depends largely upon the continued services of our executive officers and other key employees. From time to time, there may be changes in our executive management team resulting from the hiring or departure of executives, which could disrupt our business. We do not have



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employment agreements with our executive officers or other key personnel that require them to continue to work for us for any specified period and, therefore, they could terminate their employment with us at any time subject only to the notice periods prescribed by their respective executive agreements. The loss of one or more of our executive officers, or key employees could harm our business.

### ***Inability to attract and retain other highly skilled employees could harm our business.***

To execute our growth plan, we must attract and retain highly qualified personnel. Competition where we maintain offices is intense, especially for engineers experienced in designing and developing software and experienced sales professionals. We have from time to time experienced, and we expect to continue to experience, difficulty in hiring and retaining employees with appropriate qualifications. Many of the companies with which we compete for experienced personnel have greater resources than we have. In addition, certain domestic immigration laws restrict or limit our ability to recruit internationally. Any changes to Israeli, United Kingdom, European or the U.S. immigration policies that restrain the flow of technical and professional talent may inhibit our ability to recruit and retain highly qualified employees.

In addition, job candidates and existing employees often consider the value of the equity awards they receive in connection with their employment. If the perceived value of our equity awards declines, it may harm our ability to recruit and retain highly skilled employees.

Volatility or lack of appreciation in the price of our ordinary shares may also affect our ability to attract and retain our key employees. Many of our senior personnel and other key employees have become, or will soon become, vested in a substantial amount of options. Employees may be more likely to leave us if the shares they own or the shares underlying their vested options or restricted share units have significantly appreciated in value relative to the original purchase price of the shares or the exercise price of the options, or conversely, if the exercise price of the options that they hold are significantly above the market price of our ordinary shares.

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

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

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

***Our management team has limited experience managing a public company.***

Our management team has limited experience managing a publicly-traded company, interacting with public company investors and complying with the increasingly complex laws pertaining to public companies. Our management team may not successfully or efficiently manage our transition to being a public company that is subject to significant regulatory oversight and reporting obligations under the federal securities laws and the continuous scrutiny of securities analysts and investors. These new obligations and constituents will require significant attention from our senior management and could divert their attention away from the day-to-day management of our business, which could harm our business, results of operations, and financial condition.

***We may be subject to litigation for a variety of claims, which could harm our reputation and adversely affect our business, results of operations, and financial condition.***

In the ordinary course of business, we may be involved in and subject to litigation for a variety of claims or disputes and receive regulatory inquiries. These claims, lawsuits, and proceedings could include labor and employment, wage and hour, commercial, antitrust, alleged securities law violations or other investor claims, and other matters. The number and significance of these potential claims and disputes may increase as our business expands. Further, our general liability insurance may not cover all potential claims made against us or be sufficient to indemnify us for all liability that may be imposed. Any claim against us, regardless of its merit, could be costly, divert management's attention and operational resources, and harm our reputation. As litigation is inherently unpredictable, we cannot assure you that any potential claims or disputes will not have a material adverse effect on our business, results of operations, and financial condition.

***Contractual arrangements between merchants and local distributors may impede the adoption by merchants of a D2C model and diminish the adoption of our platform and services as a result.***

A significant segment of our merchants are international brands with a strategic focus on transitioning to a D2C model through the use of e-commerce. Despite making this transition, some brands maintain contractual relationships with distributors of their products such as wholesalers, local webstore operators, marketplaces and franchises in various geographies which our platform makes accessible for D2C sales. Contractual arrangements between brands and their local distributors that provide for exclusivity terms, volume restrictions on alternate distribution channels or most favored client pricing may slow or restrict adoption of our platform and services. Even absent such contractual obligations, local distributors may still petition the brand to cease its operations through our platform if the brand's D2C sales adversely impact their local distributor sales. Although we believe that our platform and services provide functionality, tools and advantages that match or outweigh the local distributor model and therefore justify their use on a standalone or supplemental basis, resistance on behalf of such distributors and the resulting friction may slow or restrict adoption of our platform and services by such brands in certain locations and diminish our growth in this segment.

***Our failure to raise additional capital or generate cash flows necessary to expand our operations and invest in new technologies in the future could reduce our ability to compete successfully and harm our results of operations.***

Historically, we have funded our operations and capital expenditures primarily through equity issuances and cash generated from our operations. Although we currently anticipate that our existing cash and cash equivalents, and cash flow from operations will be sufficient to meet our cash needs for the foreseeable future, we may require additional financing, and we may not be able to obtain debt or equity financing on favorable terms, if at all. If we raise equity financing to fund operations or on an

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opportunistic basis, our shareholders may experience significant dilution of their ownership interests. If we need additional capital and cannot raise it on acceptable terms, or at all, we may not be able to, among other things:

- develop new features, integrations, capabilities, and enhancements;
- continue to expand our product development, sales, and marketing organizations;
- respond to competitive pressures or unanticipated working capital requirements; or
- pursue acquisition opportunities.

***Our corporate culture has contributed to our success, and if we cannot maintain this culture as we grow, we could lose the innovative approach, creativity, and teamwork fostered by our culture and our business could be harmed.***

We believe that an important contributor to our success has been our corporate culture, which we believe creates an environment that drives and perpetuates our strategy to create a better, more productive way to work and focuses on driving success for our customers. As we continue to grow, including geographically, and develop the infrastructure of a public company, we may find it difficult to maintain our corporate culture. If we do not maintain and continue to develop our corporate culture as we grow and evolve, it could harm our ability to foster the innovation, craftsmanship, teamwork, curiosity, and diversity, we believe that we need to support our growth. Any failure to preserve our culture could also harm our ability to retain and recruit personnel, innovate and operate effectively, and execute on our business strategy.

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

The Sarbanes-Oxley Act requires, among other things, that we maintain effective disclosure controls and procedures and internal control over financial reporting. We are continuing to develop and refine our disclosure controls and other procedures that are designed to ensure that information required to be disclosed by us in the reports that we will file with the SEC is recorded, processed, summarized, and reported within the time periods specified in SEC rules and forms and that information required to be disclosed in reports under the Securities Exchange Act of 1934, as amended, or the Exchange Act, is accumulated and communicated to our principal executive and financial officers. We are also continuing to improve our internal control over financial reporting. For example, as we have prepared to become a public company, we have worked to improve the controls around our key accounting processes and our quarterly close process, we have implemented a number of new systems to supplement our core enterprise resource planning, or ERP, system as part of our control environment, and we have hired additional accounting and finance personnel to help us implement these processes and controls. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, we have expended, and anticipate that we will continue to expend, significant resources, including accounting-related costs and significant management oversight. If any of these new or improved controls and systems do not perform as expected, we may experience material weaknesses in our controls. In addition to our results determined in accordance with GAAP, we believe certain non-GAAP measures and key metrics may be useful in evaluating our operating performance. We present certain non-GAAP financial measures and key metrics in this prospectus and intend to continue to present certain non-GAAP financial measures and key metrics in future filings with the SEC and other public statements. Any failure to accurately report and present our non-GAAP financial measures and key metrics could cause

investors to lose confidence in our reported financial and other information, which would likely have a negative effect on the trading price of our ordinary shares.

Our current controls and any new controls that we develop may become inadequate because of changes in conditions in our business. Further, weaknesses in our disclosure controls and internal control over financial reporting may be discovered in the future. Any failure to develop or maintain effective controls or any difficulties encountered in their implementation or improvement could harm our results of operations or cause us to fail to meet our reporting obligations and may result in a restatement of our consolidated financial statements for prior periods. Any failure to implement and maintain effective internal control over financial reporting also could adversely affect the results of periodic management evaluations and annual independent registered public accounting firm attestation reports regarding the effectiveness of our internal control over financial reporting that we will eventually be required to include in our periodic reports that will be filed with the SEC. Ineffective disclosure controls and procedures and internal control over financial reporting could also cause investors to lose confidence in our reported financial and other information, which would likely have a negative effect on the trading price of our ordinary shares. In addition, if we are unable to continue to meet these requirements, we may not be able to remain listed on Nasdaq. We are not currently required to comply with the SEC rules that implement Section 404 of the Sarbanes-Oxley Act and are therefore not required to make a formal assessment of the effectiveness of our internal control over financial reporting for that purpose. As a public company, and a foreign-private issuer in particular, we will be required to provide an annual management report on the effectiveness of our internal control over financial reporting commencing with our second annual report on Form 20-F.

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

***If our estimates or judgments relating to our critical accounting policies prove to be incorrect, our results of operations could be adversely affected.***

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in our consolidated financial statements and related notes. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances, as provided in the section titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations.” The results of these estimates form the basis for making judgments about the carrying values of assets, liabilities and equity, and the amount of revenue and expenses that are not readily apparent from other sources. Significant assumptions and estimates used in preparing our consolidated financial statements include those related to revenue recognition, share based compensation including the estimation of fair value of ordinary shares, valuation of strategic investments, period of benefit for deferred costs, and uncertain tax positions. Our results of operations may be adversely affected if our assumptions change or if actual circumstances differ from those in our assumptions, which could cause our results of operations to fall below the expectations of securities analysts and investors, resulting in a decline in the trading price of our ordinary shares.

***Changes in tax laws or regulations to which we are subject could have an adverse effect on us, our merchants or their shoppers and could increase the costs and reduce the attractiveness of our platform and harm our business.***

New income, sales, use or other tax laws, regulations, or ordinances could be enacted and new interpretations of existing tax laws, regulations or ordinances could be adopted at any time. Those changes could adversely affect our domestic and international business operations, and our business, results of operations, and financial condition. These events could require us, our merchants or their shoppers to pay additional tax amounts on a prospective or retroactive basis, as well as require us, our merchants or their shoppers to pay fines and/or penalties and interest for past amounts deemed to be due. If we are required to collect such additional tax amounts from either our merchants or their shoppers and are unsuccessful in collecting such taxes due from our merchants or their shoppers, we could be held liable for such costs, thereby adversely affecting our results of operations and harming our business. If we raise our prices to offset the costs of these changes, merchants may elect not to use our platform and services in the future. Additionally, new, changed, modified, or newly interpreted or applied tax laws could increase our merchants', our shoppers' and our compliance, operating, and other costs. Further, these events could decrease the capital we have available to operate our business. Any or all of these events could harm our business, results of operations, and financial condition.

In addition, we are subject to taxation in several jurisdictions around the world with increasingly complex tax laws, the application of which can be uncertain. The tax authorities in these jurisdictions could review our tax returns and impose additional tax, interest, and penalties, assert that various withholding requirements apply to us or our subsidiaries or that benefits of tax treaties are not available to us or our subsidiaries, any of which could harm us and our results of operations.

***Our results of operations may be harmed if we are required to collect sales or other taxes relating to the use of our platform and services in jurisdictions where we have not historically done so.***

States and local taxing jurisdictions may impose sales and use taxes, including on services provided electronically or goods sold via the internet. The applicability of sales taxes related to the use of our platform in various jurisdictions is unclear. We collect and remit sales and value-added tax, or VAT or goods and services tax, or GST, in a number of jurisdictions (including in the U.S.). It is possible, however, that we could face sales tax, VAT or GST audits and that our liability for these taxes could exceed our estimates as state tax authorities could still assert that we are obligated to collect additional tax amounts from merchants and remit those taxes to those tax authorities. Further, one or more U.S. state or non-U.S. authorities could seek to impose additional sales, use or other tax collection and record-keeping obligations on us or may determine that such taxes should have, but have not been, paid by us. We could also be subject to audits in U.S. states and non-U.S. jurisdictions for which we have not accrued tax liabilities. A successful assertion that we should be collecting additional sales or other taxes on our services and/or on goods sold in jurisdictions where we have not historically done so and do not accrue for sales taxes could result in substantial tax liabilities for past sales (including substantial interest and penalties), discourage organizations from utilizing our platform and services, or otherwise harm our business, results of operations, and financial condition.

***The enactment of legislation implementing changes in taxation of international business activities, the adoption of other corporate tax reform policies, or changes in tax legislation or policies could impact our future financial position and results of operations.***

Corporate tax reform, base-erosion efforts and tax transparency continue to be high priorities in many tax jurisdictions where we have business operations. As a result, policies regarding corporate

income and other taxes in numerous jurisdictions are under heightened scrutiny and tax reform legislation is being proposed or enacted in a number of jurisdictions.

In 2015, the Organization for Economic Co-operation and Development (the "OECD") released various reports under its Base Erosion and Profit Shifting ("BEPS") action plan to reform international tax systems and prevent tax avoidance and aggressive tax planning. These actions aim to standardize and modernize global corporate tax policy, including cross-border taxes, transfer-pricing documentation rules and nexus-based tax incentive practices which in part are focused on challenges arising from the digitalization of the economy. The reports have a very broad scope including, but not limited to, neutralizing the effects of hybrid mismatch arrangements, limiting base erosion involving interest deductions and other financial payments, countering harmful tax practices, preventing the granting of treaty benefits in inappropriate circumstances and imposing mandatory disclosure rules. It is the responsibility of OECD members to consider how the BEPS recommendations should be reflected in their national legislation. Many countries are beginning to implement legislation and other guidance to align their international tax rules with the OECD's BEPS recommendations, for example, by signing up to the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent BEPS (the "MLI") which currently has been signed by over 85 jurisdictions, including Israel who ratified the MLI on September 13, 2018. The MLI implements some of the measures that the BEPS initiative proposes to be transposed into existing treaties of participating states. Such measures include the inclusion in tax treaties of one, or both, of a "limitation-on-benefit" ("LOB") rule and a "principle purposes test" ("PPT") rule. The application of the LOB rule or the PPT rule could deny the availability of tax treaty benefits (such as a reduced rate of withholding tax) under tax treaties. There are likely to be significant changes in the tax legislation of various OECD jurisdictions during the period of implementation of BEPS. Such legislative initiatives may materially and adversely affect our plans to expand internationally and may negatively impact our financial condition, tax liability, results of operations and could increase our administrative efforts.

### **General Risks Affecting Our Business and Operations**

***Unfavorable conditions in our industry, the global economy, e-commerce or particular verticals within e-commerce, could limit our ability to grow our business and negatively affect our results of operations.***

Our results of operations may vary based on the impact of changes in our industry or the global economy on us or our merchants. The revenue growth and potential profitability of our business depend on demand for our platform and services, as well as demand for the products offered by our merchants. Therefore, current or future economic uncertainties or downturns could adversely affect our business and results of operations. Negative conditions in the global economy or individual markets, including changes in gross domestic product growth, financial and credit market fluctuations, political turmoil, natural catastrophes, warfare and terrorist attacks, could cause a decrease in business investments, consumer spending, e-commerce generally and negatively affect our business. A percentage of our merchants are luxury fashion brands, and the adverse impact to our business resulting from any of the foregoing factors could be magnified to the extent that it disproportionately affects merchants in verticals from which our merchants derive a significant amount of their GMV.

The COVID-19 pandemic also has caused heightened uncertainty in the global economy. If economic conditions further deteriorate, shoppers may not have the financial means to make purchases from our merchants and may delay or reduce discretionary purchases, negatively impacting our merchants and our results of operations.

Uncertainty from the pandemic may also cause prospective or existing merchants to defer investment in e-commerce. Our smaller merchants may be more susceptible to general economic

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conditions than larger businesses, which may have greater liquidity and access to capital. Uncertain and adverse economic conditions also may lead to increased refunds and chargebacks. Since the impact of COVID-19 is ongoing, the effect of the COVID-19 pandemic and the related impact on the global economy may not be fully reflected in our results of operations until future periods. Volatility in the capital markets has been heightened during recent months and such volatility may continue, which may cause declines in the price of our ordinary shares.

To the extent our platform is perceived by merchants as costly, or too difficult to launch or migrate to, it would negatively affect our growth. Our revenue may be disproportionately affected by delays or reductions in general IT spending and reduction in investments in cross-border expansion by merchants. Our competition may respond to market conditions by lowering prices or otherwise bundling their competing solutions with other of their offerings which are widely used by merchants in a way that may make it difficult to attract merchants to our platform and services and may offer more competitive prices (including by way of strategic partnerships, collaborations or otherwise), in order to lure away our merchants. We cannot predict the timing, strength, or duration of any economic slowdown, instability or recovery, generally or within any particular industry. If the economic conditions of the general economy or markets in which we operate worsen from present levels, our business, results of operations and financial condition could be adversely affected.

### **Risks Relating to Our Ordinary Shares and the Offering**

#### ***Our share price may be volatile, and you may lose all or part of your investment.***

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

- actual or anticipated fluctuations in our results of operations;
- variance in our financial performance from the expectations of market analysts;
- announcements by us or our direct or indirect competition of significant business developments, changes in service provider relationships, acquisitions or expansion plans;
- the impact of the COVID-19 pandemic on our management, employees, partners, merchants, and operating results;
- changes or proposed changes in laws or regulations or differing interpretations or enforcement of laws or regulations affecting our business;
- changes in our pricing model;
- our involvement in litigation or regulatory actions;
- our sale of ordinary shares or other securities in the future;
- market conditions in our industry;
- changes in key personnel;
- the trading volume of our ordinary shares;
- publication of research reports or news stories about us, our competition or our industry, or positive or negative recommendations or withdrawal of research coverage by securities analysts;
- changes in the estimation of the future size and growth rate of our markets; and

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- general economic and market conditions.

In addition, the stock markets have experienced extreme price and volume fluctuations. Broad market and industry factors may materially harm the market price of our ordinary shares, regardless of our operating performance. In the past, following periods of volatility in the market price of a company's securities, securities class action litigation has often been instituted against that company. If we were involved in any similar litigation we could incur substantial costs and our management's attention and resources could be diverted.

***The concentration of our share ownership with insiders may limit your ability to influence corporate matters, including the ability to influence the outcome of director elections and other matters requiring shareholder approval.***

Our executive officers, directors, current 5% or greater shareholders and affiliated entities together beneficially owned approximately 89.7% of our ordinary shares outstanding as of February 28, 2021, and, assuming the sale by us of shares in this offering, based on the initial public offering price of \$ \_\_\_\_\_ per share, and not accounting for any ordinary shares purchased in this offering by certain of our existing shareholders or their affiliates, we anticipate the same group will hold approximately \_\_\_\_\_ % of our ordinary shares following this offering (assuming no exercise of the underwriters' option to purchase additional shares). As a result, these shareholders, acting together, will have control over most matters that require approval by our shareholders, including the appointment and dismissal of directors, the terms of compensation of our directors and chief executive officer, certain other related party transactions, capital increases, and amendments to our amended and restated articles of associations. Corporate action might be taken even if other shareholders oppose them. This concentration of ownership might also have the effect of delaying or preventing a change of control of us that other shareholders may view as beneficial.

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

Prior to this offering, there has been no public market for our ordinary shares. An active trading market may not develop following the closing of this offering or, if developed, may not be sustained. The lack of an active market may impair your ability to sell your shares at the time you wish to sell them or at a price that you consider reasonable. An inactive market may also impair our ability to raise capital by selling ordinary shares and may impair our ability to acquire other companies by using our shares as consideration.

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

The trading market for our ordinary shares will rely in part on the research and reports that equity research analysts publish about us and our business. The analysts' estimates are based upon their own opinions and are often different from our estimates or expectations. If our results of operations are below the estimates or expectations of public market analysts and investors, the price of our ordinary shares could decline. Moreover, the price of our ordinary shares could decline if one or more securities analysts downgrade our ordinary shares or if those analysts issue other unfavorable commentary or cease publishing reports about us or our business.



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

We are eligible to be treated as an emerging growth company, as defined in Section 2(a) of the Securities Act of 1933, as amended (the "Securities Act"), as modified by the JOBS Act. Under the JOBS Act, emerging growth companies can delay adopting new or revised financial accounting standards until such time as those standards apply to private companies. We intend to take advantage of this extended transition period under the JOBS Act for adopting new or revised financial accounting standards.

For as long as we continue to be an emerging growth company, we may also take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not emerging growth companies, including presenting only limited selected financial data and not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act. As a result, our shareholders may not have access to certain information that they may deem important. We could be an emerging growth company for up to five years, although circumstances could cause us to lose that status earlier, including if our total annual revenue exceeds \$1.07 billion, if we issue more than \$1.0 billion in non-convertible debt securities during any three-year period, or if before that time we are a "large accelerated filer" under U.S. securities laws. We cannot predict if investors will find our ordinary shares less attractive because we may rely on these exemptions. If some investors find our ordinary shares less attractive as a result, there may be a less active trading market for our ordinary shares and our share price may be more volatile.

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

Upon the closing of this offering, we will report under the Exchange Act as a non-U.S. company with foreign private issuer status. Because we qualify as a foreign private issuer under the Exchange Act. We are exempt from certain provisions of the Exchange Act that are applicable to U.S. domestic public companies, including (1) the sections of the Exchange Act regulating the solicitation of proxies, consents or authorizations in respect of a security registered under the Exchange Act, (2) the sections of the Exchange Act requiring insiders to file public reports of their share ownership and trading activities and liability for insiders who profit from trades made in a short period of time and (3) the rules under the Exchange Act requiring the filing with the SEC of quarterly reports on Form 10-Q containing unaudited financial and other specified information, although we are subject to Israeli laws and regulations with regard to certain of these matters and intend to furnish comparable quarterly information on Form 6-K. In addition, foreign private issuers are not required to file their annual report on Form 20-F until 120 days after the end of each fiscal year, while U.S. domestic issuers that are accelerated filers are required to file their annual report on Form 10-K within 75 days after the end of each fiscal year and U.S. domestic issuers that are large accelerated filers are required to file their annual report on Form 10-K within 60 days after the end of each fiscal year. Foreign private issuers are also exempt from Regulation FD, which is intended to prevent issuers from making selective disclosures of material information. As a result of all of the above, you may not have the same protections afforded to shareholders of a company that is not a foreign private issuer.

***We may lose our foreign private issuer status in the future, which could result in significant additional costs and expenses.***

As discussed above, we are a foreign private issuer, and therefore, we are not required to comply with all of the periodic disclosure and current reporting requirements of the Exchange Act.

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The determination of foreign private issuer status is made annually on the last business day of an issuer's most recently completed second fiscal quarter, and, accordingly, the next determination will be made with respect to us on June 30, 2021. In the future, we would lose our foreign private issuer status if (1) more than 50% of our outstanding voting securities are owned by U.S. residents and (2) a majority of our directors or executive officers are U.S. citizens or residents, or we fail to meet additional requirements necessary to avoid loss of foreign private issuer status. If we lose our foreign private issuer status, we will be required to file with the SEC periodic reports and registration statements on U.S. domestic issuer forms, which are more detailed and extensive than the forms available to a foreign private issuer. We will also have to mandatorily comply with U.S. federal proxy requirements, and our officers, directors and principal shareholders will become subject to the short-swing profit disclosure and recovery provisions of Section 16 of the Exchange Act. In addition, we will lose our ability to rely upon exemptions from certain corporate governance rules of Nasdaq. As a U.S. listed public company that is not a foreign private issuer, we will incur significant additional legal, accounting and other expenses that we will not incur as a foreign private issuer.

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

As a foreign private issuer, we have the option to follow certain home country corporate governance practices rather than those of Nasdaq, provided that we disclose the requirements we are not following and describe the home country practices we are following. We intend to rely on this "foreign private issuer exemption" with respect to Nasdaq rules for shareholder meeting quorums. We may in the future elect to follow home country practices with regard to other matters. As a result, our shareholders may not have the same protections afforded to shareholders of companies that are subject to all corporate governance rules of Nasdaq.

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

After this offering, there will be                      ordinary shares outstanding, as well as warrants to purchase an aggregate of 19,604,239 ordinary shares at an exercise price of \$0.01 per share, 7,750,513 of which vested and were exercisable as of April 12, 2021. Sales by us or our shareholders of a substantial number of ordinary shares in the public market following this offering, or the perception that these sales might occur, could cause the market price of our ordinary shares to decline or could impair our ability to raise capital through a future sale of, or pay for acquisitions using, our equity securities. Of our issued and outstanding shares, all the ordinary shares sold in this offering will be freely transferable, except for any shares acquired by our "affiliates," as that term is defined in Rule 144 under the Securities Act.

We, our executive officers and directors, and the holders of substantially all of our outstanding ordinary shares, have agreed with the underwriters that, subject to limited exceptions (including the release of ordinary shares held by certain holders subject to lock-up agreements in specified circumstances), for a period of 180 days after the date of this prospectus, we and they will not directly or indirectly offer, pledge, sell, contract to sell, grant any option to purchase or otherwise dispose of any ordinary shares or any securities convertible into or exercisable or exchangeable for ordinary shares, or in any manner transfer all or a portion of the economic consequences associated with the ownership of ordinary shares, or cause a registration statement covering any ordinary shares to be filed except for the ordinary shares offered in this offering, without the prior written consent of Goldman Sachs & Co. LLC and Morgan Stanley & Co. LLC, who may, in their sole discretion and at any time without notice, release all or any portion of the ordinary shares subject to these lock-up agreements. See "Underwriting."

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Following the expiration of the 180-day period, the ordinary shares not sold in this offering will be available for sale in the public markets subject to the requirements of Rule 144. See “Shares Eligible for Future Sale.”

As of December 31, 2020, we had 3,366,000 ordinary shares available for future grant under our equity incentive plans and 12,522,600 ordinary shares that were subject to share options outstanding. Substantially all of the outstanding share options are subject to market standoff agreements with us pursuant to the terms of our equity incentive plans and will be available for sale starting 180 days after the date of this prospectus. Following this offering, we intend to file a registration statement on Form S-8 under the Securities Act registering the shares under our equity incentive plans. Subject to the market standoff agreements, shares included in such registration statement will be available for sale in the public market immediately after such filing, subject to vesting provisions, except for shares held by affiliates who will have certain restrictions on their ability to sell.

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

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

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

If a United States person is treated as owning (directly, indirectly, or constructively) at least 10% of the value or voting power of our ordinary shares, such person may be treated as a “United States shareholder” with respect to each controlled foreign corporation (“CFC”) in our group (if any). Because our group includes a U.S. subsidiary, certain of our non-U.S. subsidiaries will be treated as CFCs

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(regardless of whether or not we are treated as a CFC). A United States shareholder of a CFC may be required to report annually and include in its U.S. taxable income its pro rata share of "Subpart F income," "global intangible low-taxed income," and investments in U.S. property by CFCs, regardless of whether we make any distributions. An individual that is a United States shareholder with respect to a CFC generally would not be allowed certain tax deductions or foreign tax credits that would be allowed to a United States shareholder that is a U.S. corporation. Failure to comply with these reporting obligations may subject a United States shareholder to significant monetary penalties and may prevent the statute of limitations with respect to such shareholder's U.S. federal income tax return for the year for which reporting was due from starting. We cannot provide any assurances that we will assist investors in determining whether we are or any of our non-U.S. subsidiaries is treated as CFC or whether any investor is treated as a United States shareholder with respect to any such CFC or furnish to any United States shareholders information that may be necessary to comply with the aforementioned reporting and tax paying obligations. The United States Internal Revenue Service has provided limited guidance on situations in which investors may rely on publicly available information to comply with their reporting and tax paying obligations with respect to foreign-controlled CFCs. A United States investor should consult its advisors regarding the potential application of these rules to an investment in our ordinary shares.

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

The initial public offering price of our ordinary shares substantially exceeds the net tangible book value per ordinary share immediately after this offering. Therefore, if you purchase our ordinary shares in this offering, you will suffer, as of December 31, 2020, immediate dilution of \$ \_\_\_\_\_ per ordinary share or \$ \_\_\_\_\_ per ordinary share if the underwriters exercise in full their option to purchase additional ordinary shares, in net tangible book value after giving effect to the sale of ordinary shares in this offering at an assumed initial public offering price of \$ \_\_\_\_\_ per ordinary share, which is the midpoint of the price range set forth on the cover page of this prospectus. If outstanding options to purchase our ordinary shares are exercised in the future, you will experience additional dilution. See "Dilution."

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

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

- Israeli corporate law regulates mergers and requires that a tender offer be effected when more than a specified percentage of shares in a company are purchased;
- Israeli corporate law requires special approvals for certain transactions involving directors, officers or significant shareholders and regulates other matters that may be relevant to these types of transactions;
- Israeli corporate law does not provide for shareholder action by written consent for public companies, thereby requiring all shareholder actions to be taken at a general meeting of shareholders;
- our amended and restated articles of association to be effective upon the closing of this offering divide our directors into three classes, each of which is elected once every three years;

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- our amended and restated articles of association to be effective upon the closing of this offering generally require a vote of the holders of a majority of our outstanding ordinary shares entitled to vote present and voting on the matter at a general meeting of shareholders (referred to as simple majority), and the amendment of a limited number of provisions, such as the provision dividing our directors into three classes, requires a vote of the holders of at least 70% of our voting power;
- our amended and restated articles of association to be effective upon the closing of this offering restrict us, subject to certain exceptions, from engaging in certain business combination transactions, with any shareholder who holds 20% or more of our voting power. The transactions subject to such restrictions include mergers, consolidations and dispositions of our assets with a market value of 10% or more of our assets or outstanding shares. Subject to certain exceptions, such restrictions will apply for a period of three years following each time a shareholder became the holder of 20% or more of our voting power;
- our amended and restated articles of association to be effective upon the closing of this offering do not permit a director to be removed except by a vote of the holders of at least 70% of our voting power; and
- our amended and restated articles of association to be effective upon the closing of this offering provide that director vacancies may be filled by our board of directors.

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

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

Our management will have broad discretion in the application of the net proceeds from this offering and, as a result, you will have to rely upon the judgment of our management with respect to the use of these proceeds. Our management may spend a portion or all of the net proceeds in ways that not all shareholders approve of or that may not yield a favorable return. The failure by our management to apply these funds effectively could harm our business.

***We do not expect to pay any dividends in the foreseeable future.***

We have never declared or paid any dividends on our ordinary shares. We do not anticipate paying any dividends in the foreseeable future. We currently intend to retain future earnings, if any, to finance operations and expand our business. Consequently, investors who purchase ordinary shares in this offering may be unable to realize a gain on their investment except by selling such shares after price appreciation, which may never occur.

Our board of directors has sole discretion whether to pay dividends. If our board of directors decides to pay dividends, the form, frequency and amount will depend upon our future operations and earnings, capital requirements and surplus, general financial condition, contractual restrictions and other factors that our directors may deem relevant. The Companies Law imposes restrictions on our ability to declare and pay dividends. See “Description of Share Capital and Articles of Association— Dividend and Liquidation Rights” for additional information.

Payment of dividends may also be subject to Israeli withholding taxes. See "Taxation" for additional information.

***We will incur increased costs as a result of operating as a public company, and our management will be required to devote substantial time to new compliance initiatives and corporate governance practices.***

As a public company, and particularly after we are no longer an emerging growth company, we will incur significant legal, accounting and other expenses that we did not incur as a private company. The Sarbanes-Oxley Act, the Dodd-Frank Wall Street Reform and Consumer Protection Act, the listing requirements of Nasdaq and other applicable securities rules and regulations impose various requirements on public companies, including establishment and maintenance of effective disclosure and financial controls and corporate governance practices. Our management and other personnel will need to devote a substantial amount of time to these compliance initiatives. Moreover, these rules and regulations will increase our legal and financial compliance costs and will make some activities more time-consuming and costly. For example, we expect that these rules and regulations may make it more difficult and more expensive for us to obtain director and officer liability insurance, and could also make it more difficult for us to attract and retain qualified members of our board.

We are evaluating these rules and regulations and cannot predict or estimate the amount of additional costs we may incur or the timing of such costs. These rules and regulations are often subject to varying interpretations, in many cases due to their lack of specificity, and, as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. This could result in continuing uncertainty regarding compliance matters and higher costs necessitated by ongoing revisions to disclosure and governance practices.

***We have not yet determined whether our existing internal controls over financial reporting are compliant with Section 404 of the Sarbanes-Oxley Act or National Instrument 52-109.***

We are not currently required to comply with the rules of the SEC implementing Section 404 of the Sarbanes-Oxley Act ("Section 404") and therefore are not required to make a formal assessment of the effectiveness of our internal control over financial reporting for that purpose. Upon becoming a publicly traded company, we will be required to comply with the SEC's rules implementing Sections 302 and 404 of the Sarbanes-Oxley Act, which will require management to certify financial and other information in our annual reports and provide an annual management report on the effectiveness of control over financial reporting. Though we will be required to disclose material changes in internal control over financial reporting on an annual basis, we will not be required to make our first annual assessment of our internal control over financial reporting pursuant to Section 404 until the year following our first annual report required to be filed with the SEC. Additionally, while we remain an emerging growth company, we will not be required to include an attestation report on internal control over financial reporting issued by our independent registered public accounting firm. To achieve compliance with Section 404 within the prescribed period, we will be engaged in a process to document and evaluate our internal control over financial reporting, which is both costly and challenging. In this regard, we will need to continue to dedicate internal resources, potentially engage outside consultants and adopt a detailed work plan to assess and document the adequacy of internal control over financial reporting, continue steps to improve control processes as appropriate, validate through testing that controls are functioning as documented and implement a continuous reporting and improvement process for internal control over financial reporting. We currently have limited accounting personnel and we have begun the process of evaluating the adequacy of our accounting personnel staffing level and other matters related to our internal control over financial reporting. Despite our efforts, there is a risk that we will not be able to conclude, within the prescribed timeframe or at all, that our internal control over financial reporting is effective as required by Section 404. If we identify one or

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more material weaknesses once we are a public company, it could result in an adverse reaction in the financial markets due to a loss of confidence in the reliability of our financial statements. As a result, the market price of our ordinary shares could be negatively affected, and we could become subject to investigations by Nasdaq, the SEC or other regulatory authorities, which could require additional financial and management resources.

***Our amended and restated articles of association provide that unless we consent to an alternate forum, the federal district courts of the United States shall be the exclusive forum of resolution of any claims arising under the Securities Act which may impose additional litigation costs on our shareholders.***

Our amended and restated articles of association provide that the federal district courts of the United States shall be the exclusive forum for the resolution of any claims arising under the Securities Act or the Federal Forum Provision. While the Federal Forum Provision does not restrict the ability of our shareholders to bring claims under the Securities Act, nor does it affect the remedies available thereunder if such claims are successful, we recognize that it may limit shareholders ability to bring a claim in the judicial forum that they find favorable and may increase certain litigation costs which may discourage the filing of claims under the Securities Act against the Company, its directors and officers.

### **Risks Relating to Our Incorporation and Location in Israel**

***Conditions in Israel could materially and adversely affect our business.***

Many of our employees, including certain management members operate from our offices that are located in Petah Tikva, Israel. In addition, a number of our officers and directors are residents of Israel. Accordingly, political, economic, and military conditions in Israel and the surrounding region may directly affect our business and operations. In recent years, Israel has been engaged in sporadic armed conflicts with Hamas, an Islamist terrorist group that controls the Gaza Strip, with Hezbollah, an Islamist terrorist group that controls large portions of southern Lebanon, and with Iranian-backed military forces in Syria. In addition, Iran has threatened to attack Israel and may be developing nuclear weapons. Some of these hostilities were accompanied by missiles being fired from the Gaza Strip against civilian targets in various parts of Israel, including areas in which our employees and some of our consultants are located, and negatively affected business conditions in Israel. Any hostilities involving Israel or the interruption or curtailment of trade between Israel and its trading partners could adversely affect our operations and results of operations

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

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

In addition, many Israeli citizens are obligated to perform several days, and in some cases more, of annual military reserve duty each year until they reach the age of 40 (or older, for reservists who are

military officers or who have certain occupations) and, in the event of a military conflict, may be called to active duty. In response to increases in terrorist activity, there have been periods of significant call-ups of military reservists. It is possible that there will be military reserve duty call-ups in the future. Our operations could be disrupted by such call-ups, which may include the call-up of members of our management. Such disruption could materially adversely affect our business, prospects, financial condition and results of operations.

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

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

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

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

We are incorporated under Israeli law. The rights and responsibilities of holders of our ordinary shares are governed by our amended and restated articles of association to be effective upon the closing of this offering and the Israeli Companies Law, 5759-1999. These rights and responsibilities differ in some respects from the rights and responsibilities of shareholders in typical U.S. corporations. In particular, pursuant to the Companies Law each shareholder of an Israeli company has to act in good faith and in a customary manner in exercising his, her or its rights and fulfilling his, her or its obligations toward the Company and other shareholders and to refrain from abusing his, her or its power in the Company, including, among other things, in voting at the general meeting of shareholders, on amendments to a company's articles of association, increases in a company's authorized share capital, mergers and certain transactions requiring shareholders' approval under the Companies Law. In addition, a controlling shareholder of an Israeli company or a shareholder who knows that it possesses the power to determine the outcome of a shareholder vote or who has the power to appoint or prevent the appointment of a director or officer in the Company, or has other powers toward the



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Company has a duty of fairness toward the Company. However, Israeli law does not define the substance of this duty of fairness. There is little case law available to assist in understanding the implications of these provisions that govern shareholder behavior.

***Our amended and restated articles of association provide that unless the Company consents otherwise, the competent courts of Tel Aviv, Israel shall be the sole and exclusive forum for substantially all disputes between the Company and its shareholders under the Companies Law and the Israeli Securities Law, which could limit its shareholders ability to brings claims and proceedings against, as well as obtain favorable judicial forum for disputes with the Company, its directors, officers and other employees.***

The competent courts of Tel Aviv, Israel shall be the exclusive forum for (i) any derivative action or proceeding brought on behalf of the Company, (ii) any action asserting a claim of breach of fiduciary duty owed by any director, officer or other employee of the Company to the Company or the Company's shareholders, or (iii) any action asserting a claim arising pursuant to any provision of the Companies Law or the Israeli Securities Law. This exclusive forum provisions is intended to apply to claims arising under Israeli Law and would not apply to claims brought pursuant to the Securities Act or the Exchange Act or any other claim for which federal courts would have exclusive jurisdiction. Such exclusive forum provision in our amended and restated articles of association will not relieve the Company of its duties to comply with federal securities laws and the rules and regulations thereunder, and shareholders of the Company will not be deemed to have waived the Company's compliance with these laws, rules and regulations. This exclusive forum provision may limit a shareholders ability to bring a claim in a judicial forum of its choosing for disputes with the Company or its directors or other employees which may discourage lawsuits against the Company, its directors, officers and employees.

## SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus contains estimates and forward-looking statements. In some cases, these forward-looking statements can be identified by words or phrases such as “may,” “might,” “will,” “could,” “would,” “should,” “expect,” “plan,” “anticipate,” “intend,” “seek,” “believe,” “estimate,” “predict,” “potential,” “continue,” “contemplate,” “possible” or the negative of these terms or similar expressions. Forward-looking statements contained in this prospectus include, but are not limited to, statements about:

- our ability to retain existing, and attract new, merchants;
- our expectations regarding our revenue, expenses and operations;
- anticipated trends and challenges in our business and the markets in which we operate;
- our ability to compete in our industry;
- our ability to anticipate merchant needs or develop or acquire new functionality or enhance our existing platform to meet those needs;
- our ability to manage our growth and manage expansion into additional markets;
- our ability to establish and protect intellectual property rights;
- our ability to hire and retain key personnel;
- our expectations regarding the use of proceeds from this offering;
- our ability to adapt to emerging or evolving regulatory developments, technological changes, and cybersecurity needs;
- our anticipated cash needs and our estimates regarding our capital requirements and our needs for additional financing; and
- other statements described in this prospectus under “Risk Factors,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” and “Business.”

The forward-looking statements in this prospectus are only predictions. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our business, financial condition and results of operations. Forward-looking statements involve known and unknown risks, uncertainties and other important factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. We believe that these factors include, but are not limited to the factors set forth under “Risk Factors.” Because forward-looking statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified, you should not rely on these forward-looking statements as predictions of future events. The events and circumstances reflected in our forward-looking statements may not be achieved or occur and actual results could differ materially from those projected in the forward-looking statements.

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

These statements are inherently uncertain and investors are cautioned not to unduly rely upon these statements.

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You should read this prospectus and the documents that we reference in this prospectus and have filed as exhibits to the registration statement of which this prospectus forms a part with the understanding that our actual future results, levels of activity, performance and achievements may be materially different from what we expect. We qualify all of our forward-looking statements by these cautionary statements.

The estimates and forward-looking statements contained in this prospectus speak only as of the date of this prospectus. Except as required by applicable law, we undertake no obligation to publicly update or revise any estimates or forward-looking statements whether as a result of new information, future events or otherwise, or to reflect the occurrence of unanticipated events.

## USE OF PROCEEDS

We estimate that the net proceeds to us from this offering, after deducting underwriting discounts and commissions and estimated offering expenses payable by us, will be approximately \$            million (or approximately \$            million if the underwriters exercise in full their option to purchase additional ordinary shares), assuming an initial public offering price of \$            per ordinary share, which is the midpoint of the price range set forth on the cover page of this prospectus.

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

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

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

## DIVIDEND POLICY

We have never declared or paid any dividends on our ordinary shares. We do not anticipate paying any dividends in the foreseeable future. We currently intend to retain future earnings, if any, to finance operations and expand our business. Our board of directors has sole discretion whether to pay dividends. If our board of directors decides to pay dividends, the form, frequency and amount will depend upon our future operations and earnings, capital requirements and surplus, general financial condition, contractual restrictions and other factors that our directors may deem relevant. The Companies Law imposes restrictions on our ability to declare and pay dividends. See “Description of Share Capital and Articles of Association—Dividend and Liquidation Rights” for additional information.

Payment of dividends may be subject to Israeli withholding taxes. See “Taxation —Israeli Tax Considerations” for additional information.

## CAPITALIZATION

The following table sets forth our cash and cash equivalents and total capitalization as of December 31, 2020, as follows:

- on an actual basis, giving effect to the Share Split;
- on a pro forma basis, giving effect to the adoption of our amended and restated articles of association immediately prior to the closing of this offering, the Preferred Shares Conversion and the Preferred Warrant Exercise; and
- on a pro forma as adjusted basis, giving effect to the pro forma adjustments set forth above and the issuance and sale of ordinary shares in this offering at the assumed initial public offering price of \$ \_\_\_\_\_ per ordinary share, which is the midpoint of the price range set forth on the cover page of this prospectus, after deducting underwriting discounts and commissions and estimated offering expenses payable by us.

You should read this information in conjunction with our consolidated financial statements and the related notes appearing at the end of this prospectus and the “Management’s Discussion and Analysis of Financial Condition and Results of Operations” section and other financial information contained in this prospectus.

	As of December 31, 2020		
	Actual	Pro Forma <sup>(1)</sup>	Pro Forma As Adjusted <sup>(2)</sup>
	(As restated) (in thousands, except share and per share amounts)		
Cash and cash equivalents	\$ 68,637	\$ 69,050	\$ _____
Ordinary shares, 5,902,275,000 ordinary shares, NIS 0.01 par value, authorized, actual; 300,000,000 ordinary shares, no par value authorized, pro forma; 300,000,000 ordinary shares, no par value, authorized, pro forma as adjusted; 21,761,400 ordinary shares, NIS 0.01 par value, issued and outstanding, actual; ordinary shares, no par value issued and outstanding, pro forma; ordinary shares, no par value issued and outstanding, pro forma as adjusted	—	—	
Series A, A-1, B-1, B-2, C, D-1 and E preferred shares, no par value: 162,875 shares authorized, actual; zero shares authorized, pro forma and pro forma as adjusted; 162,101 shares issued and outstanding, actual; zero shares issued and outstanding, pro forma and pro forma as adjusted	112,553	—	
Warrants liabilities to preferred shares	5,738	—	
Additional paid-in capital	8,087	126,791	
Accumulated comprehensive income	111	111	
Accumulated deficit	(52,708)	(52,708)	
Total shareholders’ (deficit) equity	(44,510)	74,194	
Total capitalization	\$ (44,510)	\$ 74,194	\$ _____

- (1) Pro forma information does not give effect to the vesting of on April 12, 2021 warrants to purchase 7,750,513 ordinary shares at an exercise price of \$0.01 per share.
- (2) A \$1.00 increase (decrease) in the assumed initial public offering price of \$ \_\_\_\_\_ per ordinary share, which is the midpoint of the price range set forth on the cover page of this prospectus,

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would increase (decrease) the pro forma as adjusted amount of each of cash and cash equivalents, additional paid-in capital, total shareholders' (deficit) equity and total capitalization by approximately \$            million, assuming the number of ordinary shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting underwriting discounts and commissions. An increase (decrease) of 1,000,000 shares in the number of ordinary shares offered by us, as set forth on the cover page of this prospectus, would increase (decrease) the pro forma as adjusted amount of each of cash and cash equivalents, additional paid-in capital, total shareholders' (deficit) equity and total capitalization by approximately \$            million, assuming the assumed initial public offering price per ordinary share remains the same and after deducting underwriting discounts and commissions and estimated offering expenses payable by us.

## DILUTION

If you invest in our ordinary shares in this offering, your ownership interest will be immediately diluted to the extent of the difference between the initial public offering price per ordinary share and the net tangible book value per ordinary share after this offering. Our net tangible book value as of December 31, 2020 was \$3.13 per ordinary share. Historical net tangible book value per ordinary share as of any date represents the amount of our total tangible assets less our total liabilities, divided by the total number of ordinary shares outstanding as of such date.

Our pro forma net tangible book value as of December 31, 2020 was \$73.8 million, or \$0.62 per ordinary share. Pro forma net tangible book value represents the amount of our total tangible assets less our total liabilities, after giving effect to the Preferred Shares Conversion and the Warrant Exercise. Pro forma net tangible book value per ordinary share as of any date represents pro forma net tangible book value divided by the total number of ordinary shares outstanding as of such date, after giving effect to the pro forma adjustments described above.

After giving effect to the sale of \_\_\_\_\_ ordinary shares in this offering at an assumed initial public offering price of \$ \_\_\_\_\_ per ordinary share, after deducting underwriting discounts and commissions and estimated offering expenses payable by us, our pro forma as adjusted net tangible book value as of December 31, 2020 would have been \$ \_\_\_\_\_ million, or \$ \_\_\_\_\_ per ordinary share. This amount represents an immediate increase in net tangible book value of \$ \_\_\_\_\_ per ordinary share to our existing shareholders and an immediate dilution of \$ \_\_\_\_\_ per ordinary share to new investors purchasing ordinary shares in this offering. We determine dilution by subtracting the pro forma as adjusted net tangible book value per ordinary share after this offering from the amount of cash that a new investor paid for an ordinary share.

The following table illustrates this dilution:

Assumed initial public offering price per ordinary share		\$
Historical net tangible book value per ordinary share as of December 31, 2020	\$ 3.13	
Decrease per ordinary share attributable to the pro forma adjustments described above	<u>2.51</u>	
Pro forma net tangible book value per share as of December 31, 2020	0.62	
Increase in pro forma net tangible book value per ordinary share attributable to this offering	<u>          </u>	<u>          </u>
Pro forma as adjusted net tangible book value per ordinary share after this offering		<u>          </u>
Dilution per ordinary share to new investors in this offering		<u>\$</u>

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

If the underwriters exercise in full their option to purchase additional ordinary shares in this offering, the pro forma as adjusted net tangible book value after the offering would be \$ \_\_\_\_\_ per



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ordinary share, the increase in net tangible book value to existing shareholders would be \$ \_\_\_\_\_ per ordinary share, and the dilution to new investors would be \$ \_\_\_\_\_ per ordinary share, in each case assuming an initial public offering price of \$ \_\_\_\_\_ per ordinary share, which is the midpoint of the price range set forth on the cover page of this prospectus.

The following table summarizes, on the pro forma as adjusted basis described above as of December 31, 2020, the differences between the number of ordinary shares purchased from us, the total consideration paid to us in cash and the average price per ordinary share paid, in each case by existing shareholders, on the one hand, and new investors in this offering, on the other hand. The calculation below is based on an assumed initial public offering price of \$ \_\_\_\_\_ per ordinary share, which is the midpoint of the price range set forth on the cover page of this prospectus, before deducting underwriting discounts and commissions and estimated offering expenses payable by us.

	Ordinary Shares Purchased		Total Consideration		Average Price Per Ordinary Share
	Number	Percent	Amount	Percent	Share
Existing shareholders		%	\$	%	\$
New investors					
<b>Total</b>		%	\$	%	\$
		%	\$	%	\$

To the extent any of our outstanding options is exercised, there will be further dilution to new investors.

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

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

## SELECTED CONSOLIDATED FINANCIAL DATA

We prepare our consolidated financial statements in accordance with GAAP. The selected consolidated financial data as of December 31, 2018, 2019 and 2020, and for the years ended December 31, 2018, 2019 and 2020 have been derived from our audited consolidated financial statements, which are included elsewhere in this prospectus. Our historical results for any prior period are not necessarily indicative of results expected in any future period.

The financial data set forth below should be read in conjunction with, and is qualified by reference to “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and the consolidated financial statements and notes thereto included elsewhere in this prospectus.

	Year ended December 31,		
	2018	2019	2020 (As restated)
<b>(in thousands, except share and per share data)</b>			
<b>Consolidated Statement of Operations Data:</b>			
Revenue	\$ 38,640	\$ 65,852	\$ 136,375
Cost of revenue	30,050	47,188	92,902
Gross profit	8,590	18,664	43,473
Operating expenses:			
Research and development	9,541	12,034	15,400
Sales and marketing	3,667	4,593	9,838
General and administrative	5,760	6,988	9,822
Total operating expenses	18,968	23,615	35,060
Operating profit (loss)	(10,378)	(4,951)	8,413
Financial expenses net	1,165	2,559	4,339
Profit (loss) before income taxes	(11,543)	(7,510)	4,074
Income taxes	50	34	160
Net profit (loss)	\$ (11,593)	\$ (7,544)	\$ 3,914
Undistributed earnings attributable to participating securities	—	—	3,189
Net earnings (loss) attributable to ordinary shareholders	(11,593)	(7,544)	725
Net earnings (loss) per ordinary share attributable to ordinary shareholders, basic	\$ (0.60)	\$ (0.38)	\$ 0.03
Net earnings (loss) per ordinary share attributable to ordinary shareholders, diluted	(0.60)	(0.38)	0.03
Weighted average shares used in computing basic net earnings (loss) per share	19,366,272	19,654,276	21,120,208
Weighted average shares used in computing diluted net earnings (loss) per share	19,366,272	19,654,276	28,637,801
Pro forma net earnings (loss) per ordinary share attributable to ordinary shareholders, basic			\$ 0.03
Pro forma net earnings (loss) per ordinary share attributable to ordinary shareholders, diluted			0.03
Weighted average ordinary shares used in computing pro forma net earnings (loss) per ordinary share attributable to ordinary shareholders, basic			114,531,493
Weighted average ordinary shares used in computing pro forma net earnings (loss) per ordinary share attributable to ordinary shareholders, diluted			122,049,086

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	Year ended December 31,	
	2019	2020
		(As restated)
<b>(in thousands)</b>		
<b>Consolidated Statement of Cash Flows Data:</b>		
Net cash (used in) provided by operating activities	\$ 7,028	\$ 29,350
Net cash used in investing activities	(452)	(24,046)
Net cash provided by financing activities	147	59,360
<b>Consolidated Balance Sheet Data:</b>		
Cash and cash equivalents	\$ 5,034	\$ 68,637
Total assets	43,599	161,295
Total liabilities	42,897	93,252
Additional paid-in capital	3,592	8,087
Accumulated deficit	(56,622)	(52,708)
Total shareholders' (deficit) equity	(53,030)	(44,510)

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

*You should read the following discussion together with "Selected Consolidated Financial Data" and the consolidated financial statements and related notes included elsewhere in this prospectus. This discussion contains forward-looking statements regarding industry outlook and our expectations regarding our future performance, liquidity and capital resources, as well as other non-historical statements. These forward-looking statements are subject to numerous risks and uncertainties, including, but not limited to, the risks and uncertainties described in "Risk Factors" and "Special Note Regarding Forward-Looking Statements." Our actual results may differ materially from those contained in or implied by any forward-looking statements.*

### Overview

We have built the world's leading platform to enable and accelerate global, direct-to-consumer cross-border e-commerce.

Our platform was purpose-built for international shoppers to buy seamlessly online and for merchants to sell from, and to, anywhere in the world – in short, to "go global." At the same time, to "be local" reflects the localization of the shopper's experience and our efforts to make international transactions as seamless as domestic ones.

We increase the conversion of international traffic into sales by removing much of the complexity associated with international e-commerce. Our platform provides a mission-critical, integrated solution that creates a localized and frictionless shopper experience and is simple to manage, flexible to adjust and smart in its local market insights and best practices. The vast capabilities of our end-to-end platform include interaction with shoppers in their native languages, market-adjusted pricing, payment options tailored to local market preferences, compliance with local consumer regulations and requirements such as customs duties and taxes, shipping services, after-sales support and returns management. These elements are unified under the Global-e platform to enhance the shopper experience and enable merchants to capture the cross-border opportunity.

We operate at the forefront of global e-commerce, which is being transformed by technology, internet adoption and the rise of social networks connecting the world. Shopper buying habits are rapidly shifting online and shoppers expect to be able to purchase any product online – from anywhere in the world. Trends and consumer tastes are becoming increasingly global, driving the expansion of cross-border e-commerce, but the preference remains for an intuitive online shopping experience that feels local. In parallel, the rapid growth in e-commerce has created an opportunity for merchants to build and strengthen a direct consumer relationship with the shopper. Solutions that enable D2C sales have become a strategic priority for brands and retailers as they seek to take advantage of these e-commerce trends, gaining ownership and knowledge of their international shoppers.

Our comprehensive platform creates differentiated benefits for both shoppers and merchants. Shoppers seek competitive, localized and transparent pricing, a seamless and secure order and delivery process, and a painless returns and refunding process. We address these needs through a fully localized experience that removes many of the barriers shoppers face when purchasing from merchants internationally. We integrate with, and enhance the online stores of merchants and localize the shoppers' experience based on the country from which they shop. We support local messaging in over 25 languages, purchases in more than 100 currencies by over 150 payment methods and a multitude of shipping options. Shoppers enjoy a fully-guaranteed landed price quote, which includes shipping costs, import duties and tax charges, as well as post-sale services, including multi-lingual customer service and a managed returns service. The enhanced shopper experience we enable

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typically results in improved sales conversion of our merchants' international traffic, thereby increasing their cross-border revenues. We have seen merchants experience significant uplift (often exceeding 60%) in international traffic conversion after beginning to use our platform.

For merchants, our platform also removes much of the complexity that is associated with cross-border e-commerce. Sales are reconciled and paid for locally and in the merchant's native currency. We handle import duties calculation and collection, foreign sales tax remittance as well as tax recovery for returned goods in line with market regulations. We also displace certain fraud and foreign exchange risks that would otherwise be borne by merchants. We allow merchants to expand and scale their cross-border operations rapidly and efficiently, enabling a quick go-to-market with limited investment. We have more than 400 merchants on our platform across diversified verticals and ranging from small emerging brands to globally-recognized retailers.

The scale and sophistication of our platform rely on the data and insights we have accumulated since our founding more than seven years ago. We refer to the application of our data as "Smart Insights" – country-, price-point- and vertical-specific lessons learned about shopper behavior. These insights are expanded every time a potential shopper enters a merchants' online store – which occurs hundreds of millions of times each year – allowing us to gather additional data points along the purchasing journey. We believe that by leveraging our Smart Insights, merchants can provide highly-optimized experiences for shoppers on a per-market, per-vertical and per-price point basis, driving increased sales conversion and revenues. By providing a superior and seamless shopper experience and empowering merchants to capture the global e-commerce opportunity, we believe that we drive more transactions and thereby accumulate more data, which in turn increases the quality and depth of our Smart Insights. This creates strong flywheel effects that further power our business and that of our merchants.

The merchants' success is our success, and we aspire to become their trusted partner for international sales. The better the outcomes for merchants and the more revenue and growth they achieve, the greater our own revenue and growth. We believe this alignment of interests with merchants is core to our long-term success. This is evidenced by our Gross Dollar Retention Rate which has consistently been over 98% since 2018, and our Net Dollar Retention Rate, which has historically been over 140% during the same period.

## Our History

Since our launch in 2013, we have achieved several key business, operational, and financial milestones:



## Our Business Model

We have an attractive volume-based revenue model, driven by shopper order activity on our merchants' websites. As a result, our revenues, which are generated from the fees charged for the use of our integrated platform solution and provision of fulfillment services, are directly correlated with the level of GMV (as defined under "—Key Performance Indicators and Other Operating Metrics") that flows through our platform. We offer a fully integrated platform solution to merchants, and derive revenues by charging fees that vary depending on the transaction volume processed, outbound countries and destination markets, level of customer service provided and shipping options, among other variables.

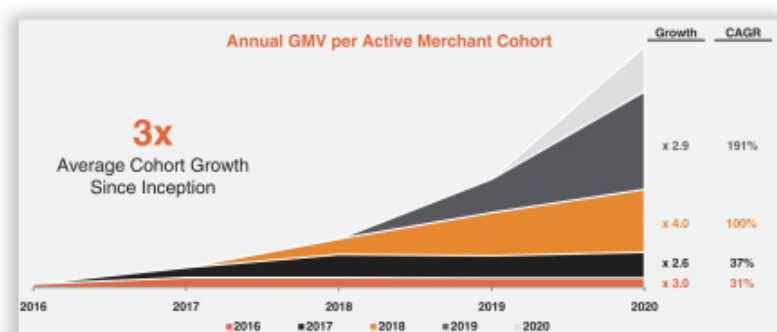
Service fees revenue is generated as a percentage of the GMV that flows through our platform. Fulfillment services revenue is generated through our offerings of shipping and handling. We mandatorily bundle components of our integrated platform solution that we believe are essential to achieving improved sales conversion of our merchants' international traffic. Our fulfillment services are offered on an optional basis, and thus merchants may choose to utilize or cease utilizing our fulfillment services, either in whole or for select markets, at any time and from time to time. Many merchants use our fulfillment services alongside our integrated platform solution due to convenience and competitive pricing achieved due to our economies of scale, while some merchants choose to use our integrated platform solution on a standalone basis. Service fees revenue generated from the use of our integrated platform solution on a standalone basis has increased over time, equaling \$0.2 million (or 1.4% of service fees revenue), \$1.0 million (or 4.3% of service fees revenue) and \$2.6 million (or 5.2% of service fees revenue) for the years ended December 31, 2018, 2019 and 2020, respectively.

Over and above the revenues generated, we view shopper traffic and GMV as critical to our success because they generate valuable data, further fueling our Smart Insights. These data-driven insights are an integral part of the integrated solutions we provide to our merchants and a key driver in the growth of their cross-border revenue. During the year ended December 31, 2020 shoppers that visited e-commerce websites powered by our platform generated 4.6 million orders and \$136.4 million of revenue.

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An important component of our revenue growth is the retention and expansion of our existing merchant base. Our revenue model is driven by the ability to retain and grow our business with existing merchants and attract new merchants from new geographies, segments and verticals. Revenue from our existing merchant base has grown significantly over time as our merchants' cross-border revenues have grown, the volume of transactions that our merchants process through our platform has increased and we have expanded to additional geographic corridors. The revenue growth from our existing merchants that continue to process transactions on our platform has historically exceeded any lost revenue from merchants that discontinued their use of our platform. We measure the revenue growth from our existing merchant base using Net Dollar Retention Rate, and we measure the lost revenue from merchants that discontinue their use of our platform using Gross Dollar Retention Rate.

We aim to sign contracts with merchants for a minimum term of 12 months and with a minimum committed monthly volume. The vast majority of our merchants choose to stay on our platform beyond the initial term and trade at larger volumes than the contractually agreed minimum. The chart below demonstrates the GMV for each annual merchant cohort from 2016 to 2019. Each annual merchant cohort is comprised of merchants that completed their first shopper transaction on our platform during the corresponding year. For example, the 2019 merchant cohort includes all merchants that completed their first shopper transaction on our platform between January 1, 2019 and December 31, 2019. Our GMV from these merchants grew 194% for the year ended December 31, 2020 relative to our GMV from these same merchants for the year ended December 31, 2019.



(1) To calculate the growth rate for each cohort, full year 2020 GMV is compared to the GMV generated by such cohort in their initial year on our platform, without annualizing GMV for any single merchant.

Our existing merchant base is critical to our success, generating approximately 74% and 85% of our GMV in the year ended December 31, 2019 and 2020, respectively. Our Net Dollar Retention Rate for the years ended December 31, 2019 and 2020 was 134% and 172%, respectively. Our high Net Dollar Retention Rate is driven both by strong retention and by the growth of our merchants' transaction volumes processed on our platform. We believe this highlights the mission-critical nature of our platform for merchants that continue to grow with us over time.

As of December 31, 2020, we had a diversified base of 442 merchants, up 56% from 283 merchants as of December 31, 2019, and up 175% from 161 merchants as of December 31, 2018. These merchants range from globally-recognized retailers to small, emerging brands located across 11 countries. In the years ended December 31, 2019 and 2020, our largest merchant represented approximately 20% and 15% of total GMV, respectively, and generated 25% and 18% of our total revenues, respectively, while our top ten merchants represented 44% and 37% of our total revenues for the years ended December 31, 2019 and 2020, respectively. We expect the percentage of our revenue represented by our largest merchants to continue decreasing in future years as our existing merchants continue to grow and we onboard new merchants.

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Our significant scale and growth means we also enjoy increasing geographic diversification in terms of both “outbound” sales, which term refers to sales from the merchant’s country of origin, and “destination market” sales, which term refers to sales made to shoppers various markets. The United Kingdom has historically been our largest outbound market. However, outbound sales from the United Kingdom as a percentage of total revenue have been decreasing over time as we developed additional outbound markets, namely the United States and the EU. For the year ended December 31, 2020, the United Kingdom represented 58.8% of our revenues, with North America, the EU, and Israel representing 25%, 15.6% and 0.6%, respectively. While we expect our outbound sales from the United Kingdom to continue growing in absolute terms, we expect that outbound sales from the United Kingdom as a percentage of total revenue will continue to decrease in future periods. We expect to continue attracting new merchants in geographies outside of the United Kingdom, including countries in which we have existing operations as well as new markets. For example, we are beginning to establish a presence in the Asia-Pacific (“APAC”) region, which we believe represents a significant opportunity. Of the 442 merchants served by our platform as of December 31, 2020, 53.4% were located in the United Kingdom, while 33.0% and 12.4% were located in North America and Europe, respectively, and 1.1% were located in other geographies. With regards to the destination markets from which shoppers make purchases through our platform, the United States, the largest destination market, represented 16% of our total revenue for the year ended December 31, 2020, and no other destination market represented more than 10% of our total revenue for such period.

In addition to retaining and growing our existing merchant base, we are able to efficiently acquire new merchants. In the years ended December 31, 2019 and 2020, we added 141 and 204 new merchants to our platform, respectively. We have developed an effective go-to-market strategy leveraging a dedicated team of sales executives. We also plan to continue leveraging our mutually-beneficial channel partnerships, which broaden our merchant base and generate significant leads for our sales team. For example, we recently entered into a Services and Partnership Agreement with Shopify to jointly cooperate in offering e-commerce cross-border solutions to Shopify merchants. As our scale grows, so does our own brand equity, which leads to more inbound prospects as well as stronger word-of-mouth-based sales whereby an existing Global-e merchant recommends our solution to other players in the market. We view our ability to efficiently acquire merchants at scale as a differentiated competitive advantage. We measure the efficiency of our merchant acquisition strategy by tracking payback period, or the amount of time required to recover merchant acquisition costs in a given year from the merchants acquired in that year, based on the gross profit realized from such merchants in the following year. For merchants acquired in the year ended December 31, 2019, our payback period was less than six months. Furthermore, thanks to our highly efficient merchant acquisition and retention strategy, our sales and marketing expenses totaled only 7.2% of our revenues for the year ended December 31, 2020.

## **Key Performance Indicators and Other Operating Metrics**

### ***Key Performance Indicators***

We review the following indicators to measure our performance, identify trends affecting our business, formulate business plans, and make strategic decisions. Increases or decreases in our key performance indicators may not correspond with increases or decreases in our revenue.

The following table summarizes the key performance indicators that we use to evaluate our business for the years ended December 31, 2018, 2019 and 2020.



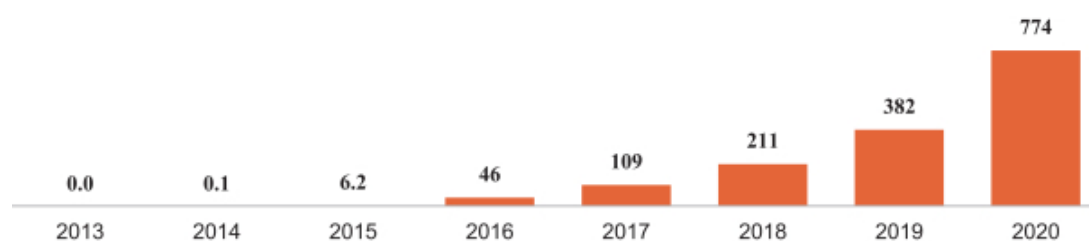
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(\$ in millions)	Year Ended December 31,		
	2018	2019	2020
Gross Merchandise Value	\$ 211	\$ 382	\$ 774
Net Dollar Retention Rate	153%	134%	172%
Revenue	\$ 38.6	\$65.9	\$136.4
Gross Profit	\$ 8.6	\$18.7	\$ 43.5
Gross Profit as % of Revenue	22.2%	28.3%	31.9%
Adjusted EBITDA <sup>(1)</sup>	\$ (10)	\$ (4.6)	\$ 12.6
Adjusted EBITDA as % of Revenue	(25.9)%	(6.9)%	9.2%

(1) For a reconciliation of Adjusted EBITDA to its most directly comparable GAAP financial measure, net (loss) income, and why we consider Adjusted EBITDA useful, see “Prospectus Summary—Summary Consolidated Financial and Other Data.”

### *Gross Merchandise Value*

We derive the substantial part of our revenue from fees we charge for the use of our integrated platform solution. These fees are generally correlated with the total value of transactions processed through our platform. We assess the growth in transaction volume using a metric we refer to as Gross Merchandise Value (“GMV”) which is defined as the combined amount we collect from the shopper and the merchant for all components of a given transaction, including products, duties and taxes and shipping. GMV does not represent revenue earned by us; however, the GMV processed through our platform is an indicator of the volume of cross-border transactions processed through our platform by our merchants.



(GMV, USD in millions)

### *Net Dollar Retention Rate*

We assess our performance in retaining and expanding relationships with our existing merchant base using a metric we refer to as Net Dollar Retention Rate, which compares our GMV from the same set of merchants across comparable periods. We calculate Net Dollar Retention Rate for a given period as the GMV in that period divided by the GMV in the immediately preceding period of the same length, in each case, from merchants that processed transactions on our platform in the earlier of the two periods. Our Net Dollar Retention Rate therefore includes the effect on GMV of any merchant renewals, expansion, contraction and churn but excludes the effect of revenue from merchants that contributed to our GMV in the current period but not in the earlier period. A Net Dollar Retention Rate greater than 100% for a given period implies overall growth in GMV from merchants that were already processing transactions on our platform prior to that period.

Our Net Dollar Retention Rate for the years ended December 31, 2018, 2019 and 2020 was 153%, 134% and 172%, respectively. Our Net Dollar Retention Rate may fluctuate in future periods due to a number of factors, including the expansion of our revenue base, the level of penetration within our merchant base, enhancements made to our existing platform and our ability to retain our existing merchant base.

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### *Revenue*

We generate revenues by charging merchants fees for the use of our integrated platform. Our revenues are directly correlated with the level of GMV that flows through our platform. We have experienced rapid revenue growth in recent years, growing 70.4% and 107.1% in the years ended December 31, 2019 and 2020, respectively.

### *Gross Profit and Gross Margin*

Our cost of revenue consists primarily of costs associated with payment acquiring fees, shipping and logistic costs, and operational merchant support expenses, such as customer service. Our gross profit represents our revenue less our cost of revenue. In recent years, we have consistently increased our gross profit as a percentage of revenue, or our gross margin, mainly due to economies of scale resulting from growth in GMV and revenue, as well as efficiencies stemming from our optimization. For the years ended December 31, 2018, 2019, and 2020, our gross margin was 22.2%, 28.3%, and 31.9%, respectively.

### *Adjusted EBITDA*

Adjusted EBITDA is defined as operating profit (loss) adjusted for depreciation and amortization and stock-based compensation expense. Adjusted EBITDA is a non-GAAP financial metric. Our Adjusted EBITDA grew from \$(4.6) million for the year ended December 31, 2019 to \$12.6 million for the year ended December 31, 2020. This increase was primarily driven by growth in revenues and gross margin, as well as operating leverage. See "Prospectus Summary—Summary Consolidated Financial and Other Data" for information regarding the limitations of using Adjusted EBITDA as a financial measure and for a reconciliation of Adjusted EBITDA to its most directly comparable GAAP measure.

### **Other Operating Metrics**

#### *Gross Dollar Retention Rate*

In addition to tracking our key performance indicators above, we also periodically measure our Gross Dollar Retention Rate to further assess our performance in retaining our existing customer base. Gross Dollar Retention Rate measures revenue lost from merchants that discontinue their use of our platform, but does not reflect the benefit of customer expansion, contraction or additions. Gross Dollar Retention Rate may therefore never exceed 100%. We believe our high gross retention rates demonstrate that we serve a vital role for our merchants, as the vast majority of our merchants continue to use our platform.

To calculate the Gross Dollar Retention Rate for a particular quarter, we first calculate the total seasonality adjusted annualized GMV for that quarter. We then calculate the value of GMV from any merchants who discontinued their use of our platform during that quarter, or churned, based on their total GMV from the four quarters preceding such quarter, which we refer to as churned GMV. We then divide (a) the churned GMV by (b) the total seasonality adjusted annualized GMV to calculate the percentage churn for that quarter. Gross Dollar Retention Rate for a particular year is calculated by aggregating the percentage churn of the four quarters within that year and subtracting the result from 100%.

Our Gross Dollar Retention Rate has consistently been over 98% since 2018.

### **Key Factors Affecting Our Performance**

We believe our future performance will continue to depend on many factors, including the following:

- **Continued Growth in Cross-Border E-commerce:** We expect to benefit from significant tailwinds including strong growth in global e-commerce, the continued rise in the influence of

social media on shopper spending habits worldwide, the increasing relevance of D2C, as well as increased cross-border e-commerce. The rise in complexity of cross-border trade, stemming from constantly-changing regulations and technology, serves as an additional tailwind by driving merchant demand for third-party solutions with the relevant expertise and infrastructure, such as Global-e.

- **Increasing Existing Merchant Retention and Expansion:** We care deeply about the merchants we serve. Our commitment to their success, we believe, increases retention and likelihood of expanding their activity on our platform. Supporting our merchants begins with enhancing both the shopper and the merchant experience; as such, we focus our efforts on developing products and functionality to ease the complexity they face when engaging in cross-border e-commerce. We provide customer support services to their shoppers, take full responsibility for processing duties and taxes, employ dedicated teams to optimize their offering and increase their sales conversion and continue to take steps to boost retention. Our effectiveness in retaining and expanding our existing merchants' sales is a critical component of our revenue growth and operating results.
- **New Merchant Acquisition:** Our growth depends in part on our ability to attract new merchants and add their GMV to our platform. Over the past seven years, we have experienced substantial expansion in the number of merchants served by our platform, which totaled 442 as of December 31, 2020. New merchant acquisition is a key to scaling our platform. We have historically achieved efficient payback periods driven by a combination of direct sales, inbound inquiries, word-of-mouth referrals and channel partnerships. Continuing to add merchants to our platform in an efficient manner is a key component of our ability to grow our revenues. As a result of the recently signed expansion of our partnership with Shopify, we expect that we will be able to accelerate the growth of our merchant base.
- **Successful Expansion to Additional Geographies:** We believe our platform can compete successfully around the world, as it enables merchants, regardless of geography, to expand their market footprint to more shoppers by selling globally. In order to successfully acquire merchants across geographies, Global-e has local sales teams in the United States, the United Kingdom and the EU. We plan to add local sales support in further select international markets over time to support our growth. Specifically, we are putting efforts into expanding into the APAC region where we see a significant opportunity.
- **Investing to Scale Our Platform and Merchant Base:** We have made, and will continue to make, significant investments in our platform to retain and scale our merchant base and enhance their experiences. In the years ended December 31, 2018, 2019 and 2020, we spent \$9.5 million (or 24.7% of revenue), \$12.0 million (or 18.3% of revenue) and \$15.4 million (or 11.3% of revenue), respectively, on research and development. These amounts represent year over year increases of 26.1% and 28.0% in the years ended December 31, 2019 and 2020, respectively. In the years ended December 31, 2018, 2019 and 2020, we spent \$3.7 million (or 9.5% of revenue), \$4.6 million (or 7.0% of revenue) and \$9.8 million (or 7.2% of revenue), respectively, on sales and marketing. These amounts represent year over year increases of 25.3% and 114.2% in the years ended December 31, 2019 and 2020, respectively. We plan to continue to invest significantly in go-to-market and innovation to address the needs of merchants. We also plan to increase headcount. The resources we commit to, and the investments we make in, our platform are designed to retain and expand the sales of our merchants, expand into new geographies and acquire new merchants, fuel our "Smart Insights" data set and improve our operating results in the long term. These investments may however reduce our profitability in the near term.
- **Revenue Seasonality:** Our revenue is correlated with the level of GMV that our merchants generate through our platform. Our merchants typically process additional GMV each year in the fourth quarter, which includes Black Friday, Cyber Monday and the holiday season, driven by an

uptick in e-commerce sales. As a result, we historically have generated higher revenues in the fourth quarter than in other quarters. In the years ended December 31, 2018, 2019 and 2020, fourth quarter GMV represented approximately 37%, 38% and 39%, respectively, of our total GMV. We believe that similar seasonality trends will affect our future quarterly performance.

- **Increased Efficiency from Economies of Scale:** Given our cost base has a significant fixed-cost component, as our GMV scales, we achieve margin expansion due to operating leverage. In addition, our larger size allows us to negotiate better terms with our suppliers allowing us to further optimize our cost base. As the number of merchants on our platform grows, we also generate increasing amounts of data which in turn enable smarter decisions and optimizations that further increase efficiency.
- **COVID-19:** The global pandemic resulting from the spread of COVID-19 increased e-commerce volumes in the first nine months of 2020, a trend that we believe has had a positive impact on our business. Lockdown restrictions contributed to an increased shift of shoppers to online retail activity. In addition, store closures and social distancing requirements accelerated the transition of merchants to focusing on D2C e-commerce in general, and cross-border e-commerce in particular. Our platform remained active, with no material outages or service disruptions. We successfully navigated elevated global order volumes as well as the need to rapidly adapt to changing circumstances such as temporary closures due to lockdowns, demonstrating our platform's resilience, flexibility and effectiveness during the period of global volatility. While we cannot estimate the duration or scope of the crisis, or the potential effect it may have on our operations, we anticipate that our business will be positively affected by the lasting impact of COVID-19 on physical stores and shopper preferences and the resulting increase in e-commerce sales. While revenue may be more variable in the near-term, we believe we are well-positioned to continue to benefit from the macro-economic shift to e-commerce that COVID-19 has accelerated.

## Components of Our Results of Operations

*Revenue.* Our revenue is comprised of service fees and fulfillment services.

Service fees revenue is generated as a percentage of the GMV that flows through our platform. Fulfillment services revenue is generated through the Company's offerings of shipping and handling services. Revenue is recognized at the time the related performance obligation is satisfied by transferring the promised product or delivery of service. The amount of revenue recognized reflects the consideration that the Company expects to receive in exchange for these products or services.

*Cost of revenue.* Cost of revenue primarily consists of payment acquiring fees, fulfillment costs, including shipping and logistic costs, operational merchant support expenses, such as customer service, payroll and allocated overhead. Overhead is allocated to cost of revenue based on applicable headcount. We expect cost of revenue to increase in absolute dollars in future periods due to our expected expansion. The level and timing of all of these items could fluctuate and affect our cost of revenue in the future.

*Gross profit and gross margin.* Our gross profit and gross margin may fluctuate from period to period. Such fluctuations may be influenced by our revenue, including the seasonality of our revenues, changes in cost of goods sold, our continued investments in our platform, our expected expansion into additional geographies and the growth of our merchant base.

*Research and development expenses.* Research and development expenses include personnel-related expenses associated with development personnel responsible for the design, development and testing of Company products, other development-related expenses, including cost of development environments and tools, and allocated overhead. Research and development costs are expensed as

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incurred. We expect these costs to increase as we continue to hire new employees in order to support the growing scale and feature set of our platform. We believe continued investments in research and development are important to attain our strategic objectives and maintain our market leadership position. As such, we expect research and development costs to increase in absolute dollars, but this expense is expected to decrease as a percentage of total revenue.

*Sales and marketing expenses.* Sales and marketing expenses primarily consist of costs of our marketing and merchant success personnel, sales commissions, marketing activities, merchant acquisition costs and allocated overhead. Overhead is allocated to sales and marketing based on applicable headcount. We intend to continue to invest in our sales and marketing capabilities in the future to continue to increase our brand awareness and to grow our merchant base. We expect these costs to increase on an absolute dollar basis as we grow our business. Sales and marketing expense in absolute dollars and as a percentage of total revenue may fluctuate from period-to-period based on total revenue levels and the timing of our investments in our sales and marketing functions as these investments may vary in scope and scale over future periods. As a result of our entry into the Services and Partnership Agreement and the related issuance of warrants to purchase 19,604,239 ordinary shares to Shopify, we will recognize a commercial agreement asset which will be recognized upon the vesting of the warrants, and will be amortized over time.

*General and administrative expenses.* General and administrative expenses primarily consist of costs of personnel-related expenses, including share-based compensation, associated primarily with our finance, legal, human resources and other operational and administrative functions, external professional services and allocated overhead. We expect that our general and administrative expenses will increase in absolute dollars for the foreseeable future as we increase the size of our general and administrative function to support the growth of our business, as well as to cover the additional cost and expenses associated with becoming a publicly listed company.

*Financial expenses, net.* Financial expenses, net primarily includes interest income (expense), currency conversion and other bank related fees and income and gains (losses) from foreign exchange fluctuations.

*Income taxes.* Income taxes consist primarily of income taxes related to the jurisdictions in which we conduct business. Our effective tax rate is affected by tax rates in jurisdictions and the relative amounts of income we earn in those jurisdictions, changes in the valuation of our deferred tax assets and liabilities, applicability of any valuation allowances, and changes in tax laws in jurisdictions in which we operate. As of December 31, 2020, our net operating loss carry forwards for Israeli tax purposes amounted to approximately \$24 million.

We expect to realize net losses in future periods as a result of the significant increase in sales and marketing expenses in connection with the vesting of the warrants issued to Shopify.

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**Results of Operations**

The following tables set forth our results of operations in U.S. dollars and as a percentage of revenue for the periods indicated:

	Year Ended December 31,		
	2018	2019	2020 (As restated)
<b>(in thousands)</b>			
Revenue	\$ 38,640	\$ 65,852	\$ 136,375
Cost of revenue	30,050	47,188	92,902
Gross profit	8,590	18,664	43,473
Operating expenses:			
Research and development	9,541	12,034	15,400
Sales and marketing	3,667	4,593	9,838
General and administrative	5,760	6,988	9,822
Total operating expenses	18,968	23,615	35,060
Operating profit (loss)	(10,378)	(4,951)	8,413
Financial expenses, net	1,165	2,559	4,339
Profit (loss) before income taxes	(11,543)	(7,510)	4,074
Income taxes	50	34	160
Net profit (loss)	<u>\$ (11,593)</u>	<u>\$ (7,544)</u>	<u>\$ 3,914</u>
	<u>2018</u>	<u>2019</u>	<u>2020</u> (As restated)
<b>(as a % of revenue)</b>			
Revenue	100.0%	100.0%	100.0%
Cost of revenue	77.8	71.7	68.1
Gross profit	22.2	28.3	31.9
Operating expenses:			
Research and development	24.7	18.3	11.3
Sales and marketing	9.5	7.0	7.2
General and administrative	14.9	10.6	7.2
Total operating expenses	49.1	35.9	25.7
Operating profit (loss)	(26.9)	(7.5)	6.2
Financial expenses, net	3.0	3.9	3.2
Profit (loss) before income taxes	(29.9)	(11.4)	3.0
Income taxes	0.0	0.0	0.1
Net profit (loss)	<u>(30.0)%</u>	<u>(11.5)%</u>	<u>2.9%</u>

**Year ended December 31, 2020 compared to year ended December 31, 2019**

*Revenue*

Revenue increased by \$70.5 million, or 107.1%, to \$136.4 million for the year ended December 31, 2020 from \$65.9 million for the year ended December 31, 2019, consisting of increases in service fees revenue of \$26.4 million, or 112%, to \$49.9 million from \$23.5 million, and fulfillment revenue of \$44.1 million, or 104%, to \$86.4 million from \$42.4 million.

The increase in service fees revenue resulted primarily from growth of GMV from \$382 million in the year ended December 31, 2019 to \$774 million in the year ended December 31, 2020. GMV

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generated from existing merchants increased by \$274 million, primarily attributable to growth in cross-border sales and an increase in the use of our platform to support additional inbound markets. In the year ended December 31, 2020, 204 new merchants were onboarded to our platform and generated GMV of \$118 million in such period. The increase in fulfillment revenue resulted primarily from an increase of transactions processed through our platform from approximately 2.4 million in 2019 to approximately 4.6 million in 2020, and was slightly offset by an increase in the number of merchants using our platform services on a standalone basis.

### *Cost of revenue and gross profit margin*

Cost of revenue increased by \$45.7 million, or 96.9%, to \$92.9 million for the year ended December 31, 2020 from \$47.2 million for the year ended December 31, 2019, consisting of increases in service fees costs of \$6.1 million, or 65%, to \$15.4 million from \$9.3 million, and fulfillment costs of \$39.7 million, or 105%, to \$77.5 million from \$37.8 million. The increase in service fees costs was primarily driven by the increased cost of serving the higher value of transactions processed through our platform, partially offset by optimization and cost reduction of service fees related costs. The increase in fulfillment costs was primarily driven by the growth in volume of transactions processed through our platform.

### *Research and development expenses*

Research and development expenses increased by \$3.4 million, or 28.0%, to \$15.4 million for the year ended December 31, 2020 from \$12.0 million for the year ended December 31, 2019. This increase was primarily driven by the expansion of our research and development personnel and platform capacity to further develop our platform capabilities and support the growth of transaction volume. Total headcount within research and development expenses increased by 30 from December 31, 2019 to December 31, 2020.

### *Sales and marketing expenses*

Sales and marketing expenses increased by \$5.2 million, or 114.2%, to \$9.8 million for the year ended December 31, 2020 from \$4.6 million for the year ended December 31, 2019. This increase was primarily driven by expansion of our sales and marketing personnel to support our expansion efforts. Total headcount within sales and marketing increased by 23 from December 31, 2019 to December 31, 2020.

### *General and administrative expenses*

General and administrative expenses increased by \$2.8 million, or 40.6%, to \$9.8 million for the year ended December 31, 2020 from \$7.0 million for the year ended December 31, 2019. This increase was primarily driven by an increase in stock-based compensation expenses of \$2.9 million, most of which were related to secondary transactions, expansion of our general and administrative personnel, as well as increased expense incurred in connection with supplementing our general and administrative function with third-party consultants. The increase in general and administrative expenses was partially offset by a reduction in travel and other expenses due to restrictions related to the COVID-19 pandemic. Total headcount within general and administrative increased by 3 from December 31, 2019 to December 31, 2020.

### *Financial expenses, net*

Financial expenses, net increased by \$1.8 million, or 70%, to \$4.3 million for the year ended December 31, 2020 from \$2.6 million for the year ended December 31, 2019, primarily driven by revaluation of warrants to purchase convertible preferred shares of the Company, offset by fluctuations in exchange rates and income generated from deposits and marketable securities.

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### *Income taxes*

Income taxes increased by \$126 thousand to \$160 thousand for the year ended December 31, 2020 from \$34 thousand for the year ended December 31, 2019, primarily driven by an increase in deferred tax liability.

### **Year ended December 31, 2019 compared to year ended December 31, 2018**

#### *Revenue*

Revenue increased by \$27.2 million, or 70.4%, to \$65.9 million for the year ended December 31, 2019 from \$38.6 million for the year ended December 31, 2018, consisting of increases in service fees revenue of \$10.7 million, or 84%, to \$23.5 million from \$12.8 million and fulfillment revenue of \$16.5 million, or 64%, to \$42.4 million from \$25.8 million.

The increase in service fees revenue resulted primarily from growth in GMV from \$211 million in the year ended December 31, 2018 to \$382 million in the year ended December 31, 2019. GMV generated from existing merchants increased by \$71 million, primarily attributable to growth in cross-border sales and an increase in the use of our platform to support additional inbound markets. In the year ended December 31, 2019 141 new merchants were onboarded to our platform and generated GMV of \$99 million in such period. The increase in fulfillment revenue resulted primarily from an increase of transactions processed through our platform from approximately 1.4 million in 2018 to approximately 2.4 million in 2019, and was slightly offset by an increase in the number of merchants using our platform services on a standalone basis.

#### *Cost of revenue and gross profit margin*

Cost of revenue increased by \$17.1 million, or 57%, to \$47.2 million for the year ended December 31, 2019 from \$30.1 million for the year ended December 31, 2018, consisting of increases in service fees costs of \$4.4 million, or 89%, to \$9.3 million from \$4.9 million, and fulfillment costs of \$12.7 million, or 51%, to \$37.8 million from \$25.1 million. The increase in service fees costs were primarily driven by the increased cost of serving the higher value of transactions processed through our platform. The increase in fulfillment costs were primarily driven by the growth in volume of transactions processed through our platform, partially offset by lower average shipping costs achieved due to economies of scale.

#### *Research and development expenses*

Research and development costs increased by \$2.5 million, or 26.1%, to \$12 million for the year ended December 31, 2019 from \$9.5 million for the year ended December 31, 2018. This increase was primarily driven by the expansion of our research and development personnel and platform capacity to further develop our platform capabilities and support the growth of transaction volume. Total headcount within research and development increased by 24 from December 31, 2018 to December 31, 2019.

#### *Sales and marketing expenses*

Sales and marketing expenses increased by \$0.9 million, or 25%, to \$4.6 million for the year ended December 31, 2019 from \$3.7 million for the year ended December 31, 2018. This increase was primarily driven by expansion of our sales and marketing personnel to support our expansion efforts. Total headcount within sales and marketing increased by 15 from December 31, 2018 to December 31, 2019.

#### *General and administrative expenses*

General and administrative expenses increased by \$1.2 million, or 21%, to \$7 million for the year ended December 31, 2019 from \$5.8 million for the year ended December 31, 2018. This increase was



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primarily driven by expansion of our general and administrative personnel to support our business expansion, as well as increased expense incurred in connection with supplementing our general and administrative function with third-party consultants. Total headcount within general and administrative increased by 3 from December 31, 2018 to December 31, 2019.

### *Financial expenses, net*

Financial expenses, net increased by \$1.4 million, or 120%, to \$2.6 million for the year ended December 31, 2019 from \$1.2 million for the year ended December 31, 2018, primarily driven by fluctuations in exchange rates and increased foreign currency conversion costs as a result of the growth in value of the transactions processed on our platform.

### *Income taxes*

Income taxes decreased by \$16 thousand to \$34 thousand for the year ended December 31, 2019 from \$50 thousand for the year ended December 31, 2018, primarily driven by a decrease in deferred tax liability.

## Quarterly Results of Operations

The following tables present our unaudited consolidated quarterly results of operations in U.S. dollars and as a percentage of revenue for the periods indicated. This information should be read in conjunction with our consolidated financial statements and related notes included elsewhere in this prospectus. We have prepared the unaudited consolidated quarterly financial information for the quarters presented on the same basis as our audited consolidated financial statements. The historical quarterly results presented are not necessarily indicative of the results that may be expected for any future quarters or periods.

	Three Months Ended							
	Mar. 31, 2019	June 30, 2019	Sept. 30, 2019	Dec. 31, 2019	Mar. 31, 2020	June 30, 2020	Sept. 30, 2020	Dec. 31, 2020
(in thousands)								
Other Operating Metrics:								
GMV	68,782	75,167	94,549	143,287	114,439	167,008	188,749	303,647
<b>Consolidated Statements of Operations Data:</b>								
Revenue	12,511	12,690	16,149	24,502	19,689	29,787	33,325	53,574
Cost of revenue	9,571	9,749	11,451	16,416	13,907	20,122	23,269	35,604
Gross profit	2,940	2,941	4,698	8,085	5,782	9,665	10,056	17,970
Operating expenses:								
Research and development	2,642	2,840	3,141	3,412	3,215	3,606	3,707	4,872
Sales and marketing	974	868	1,191	1,560	1,852	1,924	2,168	3,894
General and administrative	1,645	1,690	1,540	2,113	1,277	2,683	2,077	3,785
Total operating expenses	5,260	5,398	5,872	7,085	6,343	8,214	7,952	12,551
Operating profit (loss)	(2,320)	(2,457)	(1,173)	1,000	(561)	1,451	2,104	5,419
Financial expenses, net	131	1,067	(343)	1,704	702	1,847	850	940
Income taxes	—	1	—	33	4	5	5	146
Net profit (loss)	(2,451)	(3,526)	(830)	(737)	(1,267)	(401)	1,249	4,333

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	Three Months Ended							
	Mar. 31, 2019	June 30, 2019	Sept. 30, 2019	Dec. 31, 2019	Mar. 31, 2020	June 30, 2020	Sept. 30, 2020	Dec. 31, 2020
(as a % of revenue)								
<b>Consolidated Statements of Operations Data:</b>								
Revenue	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Cost of revenue	76.5	76.8	70.9	67.0	70.6	67.6	69.8	66.5
Gross profit	23.5	23.2	29.1	33.0	29.4	32.4	30.2	33.5
Operating expenses:	42.0	42.5	36.4	28.9	32.2	27.6	23.9	23.4

	Three Months Ended							
	Mar. 31, 2019	June 30, 2019	Sept. 30, 2019	Dec. 31, 2019	Mar. 31, 2020	June 30, 2020	Sept. 30, 2020	Dec. 31, 2020
(as a % of revenue)								
Research and development	21.1	22.4	19.4	13.9	16.3	12.1	11.1	9.1
Sales and marketing	7.8	6.8	7.4	6.4	9.4	6.5	6.5	7.3
General and administrative	13.1	13.3	9.5	8.6	6.5	9.0	6.2	7.1
Total operating expenses	42.0	42.5	36.4	28.9	32.2	27.6	23.9	23.4
Operating profit (loss)	(18.5)	(19.4)	(7.3)	4.1	(2.9)	4.9	6.3	10.1
Financial expenses, net	1.1	8.4	(2.1)	7.0	3.6	6.2	2.6	1.8
Income taxes	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.3
Net profit (loss)	(19.6)	(27.8)	(5.1)	(3.0)	(6.4)	(1.3)	3.7	8.1

## Liquidity and Capital Resources

Since our inception, we have financed our operations primarily through private placements of our equity securities. Our cash and cash equivalents were \$68.6 million as of December 31, 2020 compared to \$5.0 million and \$9.5 million as of December 31, 2019 and 2018, respectively. Cash and cash equivalents consist(s) of cash in banks. These amounts do not include cash of \$3.9 million, \$15.1 million and \$16.2 million as of December 31, 2018, 2019 and 2020, respectively, that we received or settled from shoppers via third-party payment service providers and which flows through our bank account for payment to merchants, recorded separately on our balance sheet in funds receivable, including cash in banks with a corresponding liability in funds payable to customers.

Our primary requirement for liquidity and capital resources is to finance working capital and capital expenditures, and for general corporate purposes. We believe that our sources of liquidity and capital resources will be sufficient to meet our business needs for at least the next 12 months. Our future financing requirements will depend on many factors including our growth rate, levels of revenue, the expansion of sales and marketing activities, market acceptance of our platform, and the timing and extent of spending to support expansion of our platform.

The following table presents the summary consolidated cash flow information for the periods presented.

	Year ended December 31,		
	2018	2019	2020 (As restated)
(in thousands)			
Net cash (used in) provided by operating activities	\$ (7,987)	\$ 7,028	\$ 29,350
Net cash used in investing activities	(1,612)	(452)	(24,046)
Net cash provided by financing activities	19,972	147	59,360

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### **Net cash provided by (used in) operating activities**

Net cash used in operating activities was \$8 million for the year ended December 31, 2018, and was primarily comprised of net loss of \$11.6 million, \$2.6 million of prepaid expenses and other assets and \$1.3 million of funds receivable, offset by funds payable of \$4.2 million, accounts payable of \$1.3 million and accrued expenses and other liabilities of \$2.1 million.

Net cash provided by operating activities was \$7 million for the year ended December 31, 2019, and was primarily comprised of net loss of \$7.5 million and prepaid expenses and other assets of \$3.9 million, offset by funds payable of \$12.5 million, accounts payable of \$4.1 million and accrued expenses and other liabilities of \$4.2 million.

Net cash provided by operating activities was \$29.3 million for the year ended December 31, 2020, and was primarily comprised of net profit of \$3.9 million, funds payable of \$12.9 million, accounts payable of \$10.0 million and accrued expenses and other liabilities of \$18.9 million, offset by prepaid expenses and other assets of \$12.3 million and funds receivable of \$11.8 million.

### **Net cash used in investing activities**

Net cash used in investing activities was \$1.6 million for the year ended December 31, 2018, and was primarily comprised of purchases of long-term investments.

Net cash used in investing activities was \$0.5 million for the year ended December 31, 2019, and was primarily comprised of investments in property and equipment.

Net cash used in investing activities was \$24.0 million for the year ended December 31, 2020, and was primarily comprised of marketable securities and short term investments.

### **Net cash provided by financing activities**

Net cash provided by financing activities was \$20 million for the year ended December 31, 2018, comprised of proceeds of preferred equity financing.

Net cash provided by financing activities was \$0.1 million for the year ended December 31, 2019, and was primarily comprised of proceeds derived from the exercise of share options.

Net cash provided by financing activities was \$59.4 million for the year ended December 31, 2020, and was primarily comprised of proceeds of preferred equity financing.

### **Contractual Obligations**

Our significant contractual obligations as of December 31, 2020 are summarized in the following table:

(in thousands)	Payments Due by Period				
	Total	Less than 1 Year	1 to 3 years	3 to 5 Years	Thereafter
Short term operating lease obligations	941	941	—	—	—
Long term operating lease obligations	3,692	—	1,530	732	1,430
<b>Total</b>	<b>4,633</b>	<b>941</b>	<b>1,530</b>	<b>732</b>	<b>1,430</b>

### **Off-Balance Sheet Arrangements**

We have no off-balance sheet arrangements.

## Recently Issued Accounting Pronouncements

A description of recently issued accounting pronouncements that may potentially impact our financial position, results of operations or cash flows is disclosed in Note 2 to our audited consolidated financial statements included elsewhere in this prospectus.

## Application of Critical Accounting Policies and Estimates

Our consolidated financial statements have been prepared in accordance with GAAP. The preparation of these financial statements requires us to make estimates and assumptions that amounts reported in our consolidated financial statements and accompanying notes. Our estimates are based on our historical experience and on various other factors that we believe are reasonable under the circumstances. The Company is subject to uncertainties such as the impact of future events, economic and political factors, and changes in the Company's business environment; therefore, actual results could differ from these estimates. Accordingly, the accounting estimates used in the preparation of the Company's consolidated financial statements will change as new events occur, as more experience is acquired, as additional information is obtained, and as the Company's operating environment evolves.

We believe that the accounting policies discussed below are critical to understanding our historical and future performance, as these policies relate to the more significant areas involving management's judgments and estimates. See Note 2 to our consolidated financial statements appearing at the end of this prospectus for a description of our other significant accounting policies.

## Revenue Recognition

The Company's revenues are comprised of:

1. Service Fees –The Company provides merchants a cross-border e-commerce platform which enables to sell their products to consumers worldwide. Revenue is generated as a percentage of the value of transactions that flow through the Company's platform.
2. Fulfillment services – The Company offers shipping, handling, and other global delivery services in order to deliver merchants' goods to consumers.

The Company elected to adopt Accounting Standards Codification ("ASC") Topic 606, Revenue from Contracts with Customers ("ASC 606"), effective as of January 1, 2018, utilizing the full retrospective method of adoption. Accordingly, the consolidated financial statements for the years ended December 31, 2018 and 2019 are presented under ASC 606.

There was no material impact to the Company's consolidated financial statements as a result of this adoption.

In accordance with ASC 606, revenue is recognized when a customer obtains control of promised goods or services are delivered. The amount of revenue recognized reflects the consideration that the Company expects to receive in exchange for these goods or services. To achieve the core principle of this standard, the Company applied the following five steps:

### *1. Identification of the contract, or contracts, with the customer*

The Company determines that it has a contract with a customer when each party's rights regarding the products or services to be transferred can be identified, the payment terms for the services can be identified, the Company has determined the customer has the ability and intent to pay, and the contract has commercial substance. At contract inception, the Company evaluates whether two or more contracts should be combined and accounted for as a single contract and whether the combined or single contract includes more than one performance obligation.

*2. Identification of the performance obligations in the contract*

Performance obligations promised in a contract are identified based on the products and services that will be transferred to the customer that are both capable of being distinct, whereby the customer can benefit from the products or services either on their own or together with other resources that are readily available from third parties or from the Company, and are distinct in the context of the contract, whereby the transfer of the products and services is separately identifiable from other promises in the contract. The Company identified two distinct performance obligations: service fees and fulfillment services.

*3. Determination of the transaction price*

The transaction price is determined based on the consideration to which the Company expects to be entitled in exchange for transferring products or delivery of services to the customer. The Company applied the practical expedient in ASC 606 and did not evaluate payment terms of one year or less for the existence of a significant financing component. Revenue is recognized net of any taxes collected from customers which are subsequently remitted to governmental entities (e.g., sales tax and other indirect taxes).

*4. Allocation of the transaction price to the performance obligations in the contract*

Contracts that contain multiple performance obligations require an allocation of the transaction price to each performance obligation based on each performance obligation's relative standalone selling price ("SSP"). To determine SSP, the Company maximizes the use of observable standalone sales and observable data, where available. In instances where performance obligations do not have observable standalone sales, the Company utilizes available information that may include market conditions, pricing strategies, and other observable inputs.

*5. Recognition of the revenue when, or as, a performance obligation is satisfied*

Revenue is recognized at the time the related performance obligation is satisfied by transferring the promised product or delivery of service to the customer. Revenue is recognized in an amount that reflects the consideration that the Company expects to receive in exchange for those products or services.

For each performance obligation identified, the Company is required to determine whether control of the good or service transfers to the customer over time or at a point in time. The assessment of whether control transfers over time or at a point in time is critical to the timing of revenue recognition. The control over the promised services for each of the components is transferred as follow:

1. Service Fees—the revenues are recognized once the transaction is considered completed, when the payment is processed by the Company, and the merchant goods arrive at the Company's hub. The Company determined it acts as an agent since it does not have control over the goods provided to the shopper, based on the agreement with the merchant. The Company is not primarily responsible for the acceptability of the goods (for example - the quality of the goods provided to the consumer). Furthermore, the Company has no discretion in determining the prices paid by the consumer for the goods. The Company earns a fee based on a fixed percentage of the total amount of the goods. Therefore, revenues derived from the service fees are presented on a net basis.
2. Fulfillment services—the service is recognized over the shipment period starting upon the dispatch to the carrier until it reaches the consumer. The Company determined it acts as a principal since it is the primary obligor to fulfill its promise to its customers, controls the

services (i.e., the Company directs other parties to provide services on its behalf), has discretion in determining the carrier it uses to provide the service and bears the risk of loss if the actual cost of the fulfillment service exceed the fee. Therefore, revenues derived from the fulfillment services are presented on a gross basis.

The Company elected to apply the optional exemption under ASC 606 not to disclose the remaining performance obligations that relate to contracts with an original expected duration of one year or less.

### **Share-Based Compensation**

Share-based compensation expense related to share awards is recognized based on the fair value of the awards granted. The fair value of each option award is estimated on the grant date using the Black-Scholes option pricing model. The Black-Scholes option pricing model requires the input of highly subjective assumptions, including the fair value of the underlying ordinary shares, the expected term of the option, the expected volatility of the price of the Company's ordinary shares, risk-free interest rates, and the expected dividend yield of ordinary shares. The assumptions used to determine the fair value of the option awards represent management's best estimates. These estimates involve inherent uncertainties and the application of management's judgment. The related share-based compensation expense is recognized on a straight-line basis over the requisite service period of the awards, including awards with graded vesting and no additional conditions for vesting other than service conditions. Forfeitures are accounted for as they occur.

The Company uses of the Black-Scholes option-pricing model requires the input of highly subjective assumptions. If factors change and different assumptions are used, the Company's share-based compensation expense could be materially different in the future.

These assumptions and estimates were determined as follows:

- **Fair Value of Ordinary Shares.** As the Company's ordinary shares are not publicly traded, the fair value was determined by the Company's board of directors, with input from management and valuation reports prepared by third-party valuation specialists.
- **Risk-Free Interest Rate.** The risk-free rate for the expected term of the options is based on the Black-Scholes option-pricing model on the yields of U.S. Treasury securities with maturities appropriate for the expected term of employee share option awards.
- **Expected Term.** The expected term represents the period that options are expected to be outstanding. For option grants that are considered to be "plain vanilla," the Company determines the expected term using the simplified method. The simplified method deems the term to be the average of the time-to-vesting and the contractual life of the options.
- **Expected Volatility.** Since the Company has no trading history of its ordinary shares, the expected volatility is derived from the average historical share volatilities of several unrelated public companies within the Company's industry that the Company considers to be comparable to its own business over a period equivalent to the option's expected term.
- **Expected Dividend Yield.** The Company has never declared or paid any cash dividends and does not presently plan to pay cash dividends in the foreseeable future. As a result, an expected dividend yield of zero percent was used.

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The Black-Scholes assumptions used to value the employee options at the grant dates are as follows:

	Year Ended December 31,		
	2018	2019	2020
Expected term (years)	6.11	6.11	6.11
Expected volatility	72.7%	70.0%	70.0%
Risk-free interest rate	2.6% -3.0%	1.7% -2.6%	0.37%-1.45%
Expected dividend yield	0.0%	0.0%	0.0%

The Company will continue to use judgment in evaluating the assumptions related to the Company's share-based compensation on a prospective basis. As the Company continues to accumulate additional data related to its ordinary shares, the Company may refine its estimation process, which could materially impact its future share-based compensation expense.

### **Ordinary Shares Valuations**

The fair value of the ordinary shares underlying the Company's equity awards was determined by the Company's board of directors, after considering contemporaneous third-party valuations and input from management. The valuations of the Company's ordinary shares were determined in accordance with the guidelines outlined in the American Institute of Certified Public Accountants Practice Aid, Valuation of Privately-Held-Company Equity Securities Issued as Compensation. In the absence of a public trading market, the Company's board of directors, with input from management, exercised significant judgment and considered various objective and subjective factors to determine the fair value of the Company's ordinary shares as of the date of each option grant, including the following factors:

- the nature and history of the Company's business;
- the general economic conditions and the Company's industry outlook;
- the Company's book value and overall financial condition;
- the Company's earning capacity;
- the company's dividend history;
- the existence of goodwill or other intangible value within the Company's business;
- prior interest sales and the size of the interests being valued; and
- the market price of companies engaged in the same or a similar line of the Company's business having their equity securities actively traded in a free and open market, either on an exchange or over-the-counter.

In valuing the Company's ordinary shares, the Company used current/recent round of financing, to determine the fair value of the business, or equity value.

The resulting equity value was then allocated to each share class using an Option Pricing Model ("OPM"). The OPM allocates the overall company value to the various share classes based on differences in liquidation preferences, participation rights, dividend policy, and conversion rights, using a series of call options. The OPM is appropriate to use when the range of possible future outcomes is difficult to predict. Beginning in April 2020, the Company utilized a probability-weighted expected return method ("PWERM") to allocate value among the various share classes. The PWERM involves the estimation of the value of the Company under multiple future potential outcomes and estimates the probability of each potential outcome. The per-share value of the Company's ordinary shares as determined through the PWERM was ultimately based upon probability-weighted per share values

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resulting from the various future scenarios, which include an initial public offering or continued operation as a private company. After the ordinary share value was determined, a discount for lack of marketability (“DLOM”) was applied to arrive at the fair value of the ordinary shares on a non-marketable basis. A DLOM is applied in order to reflect the lack of a recognized market for a closely held interest and the fact that a non-controlling equity interest may not be readily transferable. A market participant purchasing this share would recognize this illiquidity associated with the shares, which would reduce the overall fair market value.

In addition, the Company also considered any secondary transactions involving its capital shares. In its evaluation of those transactions, the Company considered the facts and circumstances of each transaction to determine the extent to which they represented a fair value exchange. Factors considered include transaction volume, proximity to other transactions as well as the valuation date, frequency of similar transactions, whether the transactions occurred between willing and unrelated parties, and whether the transactions involved parties with sufficient access to the Company’s financial information from which to make an informed decision on price.

In some cases, the Company considered the amount of time between the valuation date and the grant date to determine whether to use the latest ordinary share valuation determined pursuant to the method described above or a straight-line calculation between two valuation dates. This determination included an evaluation of whether the subsequent valuation indicated that any significant change in valuation had occurred between the previous valuation and the grant date.

In connection with the preparation of our financial statements for the year ended December 31, 2020, we re-evaluated our estimate of the fair value of our ordinary shares for financial reporting purposes as a result of our rapidly improving financial prospects, our evolving belief that an initial public offering was increasingly viable and the generally improving conditions in the capital markets in the fourth quarter of 2020. As a result of our reevaluation, we determined that, solely for financial reporting purposes, the fair values of our ordinary shares were higher than the fair values of our ordinary shares determined in good faith by our board of directors for option grant dates in May, August, October and December 2020. As a result, we retrospectively adjusted the fair value per share of our ordinary shares for financial reporting purposes as of these grant dates and recognized additional stock-based compensation expense for the year ended December 31, 2020.

Upon completion of this offering, the Company’s ordinary shares will be publicly traded, and the Company will rely on the closing price of the Company’s ordinary shares as reported on the date of grant to determine the fair value of its ordinary shares.

### **Quantitative and Qualitative Disclosure about Market Risk**

#### ***Interest rate risk***

We believe that we have no significant exposure to interest rate risk as we have no significant long-term loans. However, our future interest income may fall short of expectations due to changes in market interest rates.

#### ***Foreign currency exchange risk***

A majority of our purchase and sale transactions are carried out in different currencies, including the U.S. Dollar, Euro and Pounds Sterling, and we bear the risk of diminution in value of the relevant shopper’s purchasing currency in the interim periods between the various transaction stages (e.g. placement/payment and returns/refund). Additionally, we incur a substantial portion of our operating expenses in New Israeli Shekels, Pounds Sterling and U.S. Dollars, and to a lesser extent, other



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foreign currencies. Our results of operations and cash flows are, therefore, subject to fluctuations due to changes in foreign currency exchange rates. However, we believe we have a certain level of built-in “natural currency hedge” provided by our bi-directional volume of sales and broad international activity.

Despite this natural hedge, we may incur additional costs and experience losses resulting from fluctuations in exchange rates for revenues in foreign currencies or upon translation of New Israeli Shekels expenses incurred in Israel, or Pounds Sterling expenses incurred in the United Kingdom, to U.S. Dollars.

During the year ended December 31, 2020, we did not hedge our foreign currency exchange risk.

**JOBS Act**

We qualify as an “emerging growth company” pursuant to the provisions of the JOBS Act. Section 107 of the JOBS Act provides that an “emerging growth company” can take advantage of the extended transition period provided in Section 7(a)(2)(B) of the Securities Act for complying with new or revised accounting standards. We have elected to use this extended transition period, which allows us to delay adoption of new or revised accounting pronouncements applicable to public companies until such pronouncements are made applicable to private companies, until the earlier of the date we (i) are no longer an emerging growth company or (ii) affirmatively and irrevocably opt out of the extended transition period provided in the JOBS Act. As a result, our consolidated financial statements may not be comparable to companies that comply with new or revised accounting pronouncements as of public company effective dates.

## BUSINESS

### Our Mission

Global-e's mission is to make global e-commerce "border agnostic" – Go global. Be local.

### Overview

We have built the world's leading platform to enable and accelerate global, direct-to-consumer ("D2C") cross-border e-commerce.

Our platform was purpose-built for international shoppers to buy seamlessly online and for merchants to sell from, and to, anywhere in the world – in short, to "go global." At the same time, to "be local" reflects the localization of the shopper's experience and our effort to make international transactions as seamless as domestic ones.

We increase the conversion of international traffic into sales by removing much of the complexity associated with international e-commerce. Our platform provides a mission-critical, integrated solution that creates a localized and frictionless shopper experience and is simple to manage, flexible to adjust and smart in its local market insights and best practices. The vast capabilities of our end-to-end platform include interaction with shoppers in their native languages, market-adjusted pricing, payment options tailored to local market preferences, compliance with local consumer regulations and requirements such as customs duties and taxes, shipping services, after-sales support and returns management. These elements are unified under the Global-e platform to enhance the shopper experience and enable merchants to capture the cross-border opportunity.

We operate at the forefront of global e-commerce, which is being transformed by technology, internet adoption and the rise of social networks connecting the world. Shopper buying habits are rapidly shifting online, as shoppers expect to be able to purchase any product online – from anywhere in the world. Trends and consumer tastes are becoming increasingly global, driving the expansion of cross-border e-commerce, but the preference remains for an intuitive online shopping experience that feels local. In parallel, the rapid growth in e-commerce has created an opportunity for merchants to build and strengthen a direct relationship with the shopper. Solutions that enable D2C sales have become a strategic priority for brands and retailers as they seek to take advantage of these e-commerce trends, gaining ownership and knowledge of their international shoppers.

Our comprehensive platform creates differentiated benefits for both shoppers and merchants. Shoppers seek competitive, localized and transparent pricing, a seamless and secure order and delivery process, and a painless returns and refunding process. We address these needs through a fully localized experience that removes many of the barriers shoppers face when purchasing from merchants internationally. We integrate with, and enhance the online stores of merchants and localize the shoppers' experience based on the country from which they shop. We support local messaging in over 25 languages, purchases in more than 100 currencies by over 150 payment methods and a multitude of shipping options. Shoppers enjoy a fully-guaranteed landed price quote, which includes shipping costs, import duties and tax charges, as well as post-sale services, including multi-lingual customer service and a managed returns service. The enhanced shopper experience we enable typically results in improved sales conversion of our merchants' international traffic, thereby increasing their cross-border revenues. We have seen merchants experience significant uplift (often exceeding 60%) in international traffic conversion after beginning to use our platform.

For merchants, our platform also removes much of the complexity that is associated with cross-border e-commerce. Sales are reconciled and paid for locally and in the currency of the merchant's

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domicile. We handle import duties calculation and collection, foreign sales tax remittance as well as tax recovery for returned goods in line with market regulations. We also displace certain fraud and foreign exchange risks that would otherwise be borne by merchants. We allow merchants to expand and scale their cross-border operations rapidly and efficiently, enabling a quick go-to-market with limited investment. We have more than 400 merchants on our platform across diversified verticals and ranging from small, emerging brands to globally-recognized retailers.

The scale and sophistication of our platform rely on the data and insights we've accumulated since our founding more than seven years ago. We refer to the application of our data as "Smart Insights" – country-, price- point- and vertical-specific lessons learned about shopper behavior. These insights are expanded every time a potential shopper enters a merchant's online store – which occurs hundreds of millions of times each year – allowing us to gather additional data points along the purchasing journey. We believe that by leveraging our Smart Insights, merchants can provide highly-optimized experiences for shoppers on a per-market, per-vertical and per-price point basis, driving increased sales conversion and revenues. By providing a superior and seamless shopper experience and empowering merchants to capture the global e-commerce opportunity, we believe that we drive more transactions and thereby accumulate more data, which in turn increases the quality and depth of our Smart Insights. This creates strong flywheel effects that further power our business and that of merchants.

The merchants' success is our success, and we aspire to become their trusted partner for international sales. The better the outcomes for the merchants and the more revenue and growth they achieve, the greater our own revenue and growth. We believe this alignment of interests with the merchants is core to our long-term success. This is evidenced by our Gross Dollar Retention Rate, which has consistently been over 98% since 2018, and our Net Dollar Retention Rate, which has typically been over 140% during the same period. These retention rates demonstrate both the strong retention we enjoy among our existing merchants and the strong growth of GMV from merchants that use our platform.

Since launching our platform in 2013, our business has experienced rapid growth. Our GMV amounted to \$211 million, \$382 million and \$774 million in 2018, 2019 and 2020, respectively, representing an increase of 81% and 103% in the years ended December 31, 2019 and 2020, respectively. Our revenues were \$38.6 million, \$65.9 million and \$136.4 million in the years ended December 31, 2018, 2019 and 2020, respectively, representing an increase of 70.4% and 107.1% in the years ended December 31, 2019 and 2020, respectively. We incurred net losses of \$11.6 million and \$7.5 million in the years ended December 31, 2018 and 2019, respectively, representing a decrease in net losses of 35% in the year ended December 31, 2019, and realized net income of \$3.9 million in the year ended December 31, 2020. Our operating efficiency and growing economies of scale have allowed our gross profit growth rates to outpace those of our revenue growth. Our gross profit increased by 117% and 133% in the years ended December 31, 2019 and 2020, respectively, and our gross margin has steadily improved from 22.2% in 2018 to 28.3% in 2019 and to 31.9% in 2020.

### **Trends in Our Favor**

A number of industry trends are reshaping the business environment in which we operate, leading to what we believe is a unique opportunity. Key market dynamics include:

- *Transformation of retail to be online-focused* – The retail market is undergoing an accelerated shift towards e-commerce, with growth in online sales outpacing that of traditional retail.
- *Rise of cross-border e-commerce* – Cross-border e-commerce growth rates are outpacing domestic growth rates, propelled by the rise of social media and global influencers, resulting in globalization of consumer tastes and increased cross-border demand.

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- *Emphasis on D2C sales* – e-commerce enables a stronger model of D2C sales for traditional and new merchants, which paves a strategic route for merchants to take ownership of shopper relationships worldwide.
- *Difficulty in executing on a Do-It-Yourself (“DIY”) strategy* – Managing a D2C cross-border network is capital-intensive, requires deep local know-how, and a complex combination of features and capabilities to navigate across markets, further exacerbated by local on-going regulatory changes.
- *Tailwinds from COVID-19* – The COVID-19 pandemic accelerated existing trends of shoppers moving online and merchants prioritizing digital channels; these trends are expected to continue post-pandemic.

### ***Shift to e-commerce with runway for sustained growth***

Over the course of the last several decades, retail has undergone a historic transformation. The market presence of bricks-and-mortar stores has declined as consumers increasingly shop online.

As shopper adoption of e-commerce has increased rapidly, merchants have followed suit and diverted attention and resources from traditional storefronts to online channels. Merchants have placed heightened focus on their online presences, driving a digital transformation. Social media in particular is playing an increasingly critical role in how brands market themselves and how shoppers discover and interact with brands. Merchants are thus intently focused on making their websites approachable, inviting, intuitive and user-friendly.

As a result, global e-commerce is expected to reach \$3.9 trillion in sales in 2020, representing approximately 17% of total retail sales, according to research firm eMarketer. In the U.S., the share of D2C shoppers was just 30% of total online buyers in 2017, but is expected to surpass 45% in 2021, according to eMarketer. Global online penetration is anticipated to grow to approximately 21%, leading to approximately \$5.8 trillion in e-commerce sales by 2023, a 13% CAGR from 2020.

### ***Growth in cross-border online transactions outpacing that of domestic volumes***

Shoppers' buying habits are not only rapidly shifting towards online but trends and consumer tastes are also turning increasingly global, driving cross-border online volumes. This trend is further accelerated by the rise in social media, which has created a significant marketing channel for merchants to reach new audiences in foreign markets through targeted ads and influencers. Facebook has more than 2.7 billion monthly average users according to the most recent publicly available data, and the top 10 Instagram influencers reach nearly 1.6 billion potential shoppers. According to research by 5WPR social media influences the purchasing behavior of 72% of individuals between the ages of 18 and 34. Forrester expects that by 2023, the cross-border e-commerce market will reach \$736 billion.

### ***Merchants are increasingly choosing to sell direct-to-consumer***

While consumer brands may have historically relied on third parties for the distribution of their products, in particular outside their home countries or regions, including through local franchisees, distributors, department stores and retail chains, we believe global e-commerce enables a new enhanced model of D2C sales for merchants.

The rapid evolution of e-commerce enablement platforms and global logistics networks has increased the ease of setting up a digital D2C presence. This has both enabled traditional players to shift their distribution channels to D2C given the opportunity to directly acquire shoppers on a global scale as well as driven emerging digital-native merchants to gain a global presence from day-one.

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D2C holds many benefits for merchants over alternative channels, such as marketplaces or local distributors, by enabling them to create and maintain long-term direct relationships with shoppers, retain full control over the brand experience, gain data-based insights into their shoppers, and typically drive higher margins. Shoppers also benefit from the D2C model, which typically allows for better pricing, wider product assortments, guaranteed product authenticity and a tailored user experience.

### ***Limitations of the Do-It-Yourself approach for cross-border e-commerce***

Some merchants manage cross-border e-commerce in-house. Running the entire process on a DIY basis requires the merchant to perform tasks including the management of multiple website and local capabilities (messaging, currencies, pricing and duties), local marketing proposition, local market promotions, international shipping, customer service, and returns. Such an approach requires the upfront expenditure of significant resources as well as required support for ongoing capital needs. Markets are increasingly complex and may be difficult to navigate when multiple international locations are targeted in parallel. Each market requires its own specialized capabilities, know-how, and flexibility to adjust to local shoppers' changes in tastes as well as local market regulatory changes (such as sales tax adjustments, Brexit, trade agreements, etc.). The complexity and resource allocation may end up with low projected return on investment and slow time-to-market. Based on data collected from select merchants, we estimate that while approximately 30% of all e-commerce traffic is international, only 5% to 10% of e-commerce monetization is international, due in large part to this complexity. According to research by eMarketer, over 79 million shoppers made purchases on D2C e-commerce sites in the United States in 2019, representing approximately 40% of all e-commerce shoppers in 2019 and a 10 percentage point increase in representation from the 56 million D2C e-commerce shoppers in 2017. D2C e-commerce shoppers in the United States are expected to increase to 95 million by 2021.

Building a rich data set as a DIY operator is difficult. A dearth of data on local market shopper behavior and market common proposition standards can also lead to suboptimal conversion of shopper traffic to sales under the DIY model. We believe shoppers today expect that all merchants – even small, local ones – will offer the same high-quality experience to which they have grown accustomed from the leading and largest local players in their markets. Such large local players often have deep insight into local market characteristics as well as the resources to continue developing their offering to provide a superior shopper journey relative to peers. International merchants competing with such large local players but failing to meet shopper expectations, may experience the permanent loss of shoppers and potential damage to their brand equity and shopper trust.

### ***COVID-19 has further accelerated trends observed in e-commerce globally and is expected to have a long-lasting impact on growth in the future***

The ongoing shift to shopping online has been further accelerated by the global COVID-19 pandemic. Lockdown and social-distancing measures to prevent and slow the spread of COVID-19 diverted shoppers to online channels and resulted in rapid e-commerce growth, with e-commerce penetration reaching 16% of total retail sales in the United States in the second quarter of 2020, according to the U.S. Department of Commerce. The COVID-19 pandemic is expected to create shopper stickiness beyond its duration, resulting in a material change in e-commerce adoption. A survey conducted by PricewaterhouseCoopers reported that with respect to non-grocery purchases, over 90% of shoppers intend to maintain their increased use of online shopping channels when social distancing/social isolation measures are removed.

### **Our Opportunity**

We strive to make international sales as simple as domestic ones for our merchants, while also ensuring their shoppers enjoy an intuitive and frictionless shopper journey, making both shoppers and

merchants “abroad-agnostic”. We believe that our scalable platform enables our merchants to capture the large and growing cross-border e-commerce market. We serve over 440 merchants across 11 countries, mainly in the United States, the United Kingdom, France, and other Western European markets; overall, we sell to shoppers in over 200 destination markets worldwide. Forrester expects that by 2023, the cross-border e-commerce market will reach \$736 billion. For the year ended December 31, 2020, our merchants’ transactions amounted to a GMV of \$774 million. We believe that only a small number of all e-commerce merchants have a meaningful cross-border footprint, presenting a significant opportunity for further growth. We believe we have the potential to become an industry-defining player that enables merchants to capture the cross-border e-commerce opportunity.

### **The Global-e Solution**

Global-e is a leader in cross-border e-commerce enablement. We offer a full end-to-end platform built on a highly scalable technology stack. Our comprehensive solution provides merchants with mission-critical tools that enable them to sell and scale globally.

We believe our offering is a result of a potent combination of key components that will help further fuel the growth of cross-border e-commerce by:

#### ***Offering an intuitive and frictionless shopper journey***

Through a combination of proprietary capabilities and useful third-party integrations, Global-e is able to create a localized and efficient experience for shoppers regardless of the country they are shopping from. Our platform is able to support:

- **Language** – localized marketing messaging and checkout in over 25 languages.
- **Pricing** –support for more than 100 currencies as well as a sophisticated pricing engine customizable according to the shopper’s location, local market retail pricing conventions and the merchant’s pricing strategy.
- **Payments** – over 150 payment methods, with new payment methods being continuously added.
- **Duties and taxes** – the ability to accurately pre-calculate import duties and taxes and remit them in over 170 destination markets, simplifying the customs clearance process and allowing for a guaranteed landed price quote for both the shopper and the merchant. We also ensure we are addressing local market import restrictions.
- **Delivery** – an extensive network of more than 20 shipping carriers, offering multiple shipping modes at attractive rates, including specialized shipping options such as Pick-Up & Drop-Off where applicable. We have found that shopper preferences for shipping modes and pricing vary significantly among markets, and are an important driver of conversion rates.
- **After-sale support and returns** – multi-lingual shopper services and multiple returns options, including pre-paid and local returns in relevant markets.

The combination of these extensive international capabilities embeds a highly-localized shopper journey into the framework of a merchant’s e-commerce store. This creates benefits for shoppers, who enjoy an efficient and familiar experience, while gaining direct access to the merchant’s full and original e-commerce website. Their positive experience allows us to significantly increase the conversion of our merchants’ international traffic and, consequently, their revenue.

#### ***Solving the merchants’ needs through our purpose-built end-to-end platform***

Our platform includes mission-critical tools, from local pricing and payments capabilities to after-sales support. We also simplify the international order flow – regardless of shopper and merchant

origin, currency and payment method used, whether duties and taxes were pre-paid and which shipping option was chosen – making it as simple to complete as a domestic order.

- **Increased sales conversion:** we enable the merchants to scale internationally in a rapid, efficient manner through our platform. We ensure that the merchants are able to capitalize on their valuable international shopper traffic and growth potential by eliminating friction to close the gap between international markets' share of *traffic* and *monetization*. This enables the merchants to generate an uplift in sales from the conversion of their international shopper conversion. We have seen merchants experience significant uplift (often exceeding 60%) in international traffic conversion after beginning to use our platform.
- **Enabling expansion flexibility:** Global-e presents merchants with flexibility to expand where and when they want to, as they seek to capture the cross-border opportunity. We transform what otherwise would have required significant time and financial investments in proprietary development and go-to-market efforts into an efficient expansion solution managed by adjusting mere configurations on the Global-e platform per market.
- **Reducing merchant complexity:** Global-e assumes the role of merchant of record ("MoR") vis-à-vis the shopper. We believe that taking on such responsibility significantly reduces legal complexity for the merchants, as we report and forward relevant import taxes and handle import compliance in the local market where a purchase is made, in line with specific market regulations. Our MoR status allows us to handle tax recovery for returned goods, with no hassle to the merchant. We bear certain fraud and foreign exchange risks that would otherwise be borne by the merchants and offer simple access to dozens of local payment methods, which further reduces potential frictions that could deter both merchants and shoppers from engaging in cross-border transactions. We also adapt our systems and operations on an ongoing basis to address the evolving regulatory landscape and technical backdrop. Vis-à-vis the merchant, we streamline order processing by periodically reconciling all international orders in bulk and in the merchant's native currency. In short, we aim to provide an experience that is akin to a domestic transaction.
- **Emphasizing merchant branding:** maintaining the direct shopper relationships is of strategic importance to the merchants, and we are deeply committed to preserving that connection. All throughout the process, the merchants preserve the integrity of the brand experience and enhance their brand equity. Our platform uses minimal Global-e branding – and only where required to do so – so shoppers primarily face the merchant's existing storefront and brand experience.

### ***Combining our access to data and know-how to generate Smart Insights***

We are well-positioned to provide insights to our merchants thanks to both the breadth and depth of the data we generate, on the basis of the significant international traffic on our merchants' websites and the millions of transactions we facilitate on a yearly basis. For the year ended December 31, 2020, there were approximately 367 million visits across our over 400 merchants' e-commerce sites, and we enabled approximately 4.6 million transactions across 10 different origin countries and over 200 destination markets. We gather extensive data along the entire value chain and lifecycle of an order – from the initial visit to the e-commerce store through the actual purchase, delivery and returns.

Our proprietary models use this wealth of information to generate curated and actionable Smart Insights for our merchants, advising them on how certain changes to their online value proposition would potentially affect shopper conversion rates. We also provide detailed business analytics on a market-per-market basis, leveraging our know-how, tools and data. Such Smart Insights enable the merchants to optimize their offering to the shoppers by location, alleviating the need for trial and error in order to assess customer preferences on a standalone basis.

Our holistic approach – coupling our localization capabilities and market know-how with our data driven Smart Insights – enables the merchants to unlock their potential for cross-border, D2C sales by means of a localized and optimized offering for each individual market, vertical and price segment.

## Our Merchants

### *We serve a fast-growing and diverse portfolio of merchants around the globe*

As of December 31, 2020, we had 442 merchants using our platform, up 56% from 283 merchants as of December 31, 2019. During the year ended December 31, 2020, merchants using our platform made transactions at a total GMV of \$774 million, up 103% from \$382 million in the year ended December 31, 2019. The merchants we serve are highly diverse across:

- **Multiple origin countries** – we serve merchants from the United Kingdom, United States, France, and other Western European markets.
- **Multiple product verticals** – fashion and apparel, luxury, footwear, cosmetics, accessories, children's fashion, watches and jewelry, sporting equipment, toys and hobbies, automotive spare parts, and others.
- **Multiple product price points** – ranging from everyday fashion retailers such as Forever 21 and Marks and Spencer, to ultra-high-end brands such as Hugo Boss, Cartier and Versace.
- **Multiple merchant sizes** – from multi-billion dollar global high-street brands to niche small and medium businesses.
- **Multiple merchant types** – from traditional bricks-and-mortar retailers who have been transitioning to the digital D2C realm to emerging digital-native brands.

We believe that our large and highly diverse portfolio of merchants presents several key advantages:

- A rich, diverse and fast-growing data asset of international transactions, enabling us to produce Smart Insights.
- Vertical-level as well as geographical expertise, yielding a competitive advantage when approaching prospective merchants as part of our sales process.
- Strong network and word-of-mouth effects within specific verticals and/or geographies.
- High business resilience due to steadily decreasing merchant concentration.
- A certain level of built-in “natural currency hedge” as a result of our business activity being conducted in a large number of different base currencies.

### *We have a highly efficient sales and go-to-market strategy*

We establish partnerships with new merchants through several sales channels:

- **Direct sales** – We have a dedicated team of sales executives that use various data sources to screen, qualify, identify and directly approach prospective merchants.
- **Inbound and word-of-mouth** – As our scale and the number of merchants we have in each individual market grows, so does our own brand equity. This leads to more inbound prospects as well as stronger word-of-mouth-based sales, whereby an existing Global-e merchant recommends our solution to other players in the market.
- **Channel partnerships** – We have established mutually-beneficial strategic partnerships with a range of third parties, including leading e-commerce and technology platforms, shipping providers, third-party logistics providers, payment providers, system integrators and others.



In the context of such relationships, our partners pass on leads to our sales teams and provide us with access to merchants. We recently entered into a Services and Partnership Agreement with Shopify to jointly cooperate in offering e-commerce cross-border solutions to Shopify merchants.

Sale cycle length depends on several parameters, such as merchant size, vertical, and type of technical integration but takes between three weeks and six months, depending on the size of the client, vertical and readiness for international project. Once the sales cycle is completed, implementation periods vary, depending on technical complexity, level of granularity of the merchant's intended international marketing proposition and operational complexity. Implementation projects for large merchants take approximately 12-16 weeks on average while implementation for small businesses take approximately three to six weeks depending on the client internal team engagement.

Our consistent historical performance yields high merchant satisfaction levels, as evident from our strong retention rates. Our Net Dollar Retention Rate was 134% and 172%, for the years ended December 31, 2019 and 2020, respectively, and our Gross Dollar Retention Rate has consistently been over 98% since 2018. High merchant retention, coupled with our reliance on multiple and robust sales channels, generates a highly efficient sales and marketing operation. For merchants acquired in the year ended December 31, 2019, our payback period, which measures the amount of time required to recover merchant acquisition costs in a given year from the merchants acquired in that year, based on the gross profit realized from such merchants in the following year, was less than six months.

### Merchant Case Studies

By using our platform, merchants achieve considerable uplift (often exceeding 60%) in international traffic conversion. We have highlighted below some actual use cases from our merchants. The case studies below illustrate the results some of our merchants have achieved through the use of our platform. These are individual experiences with our platform and not all merchants may experience all of the benefits described below.

- **Marc Jacobs** – among the world's leading luxury fashion brands, had been transacting online with their shoppers worldwide for some time. However, in the cross-border interactions with their shoppers, they were generally unable to support pricing, presentation and payments capabilities tailored to regional preferences. They sought a cross-border e-commerce solution that would enable them to offer a localized shopping experience, and in turn better capture their full international opportunity. Marc Jacobs engaged Global-e in September 2018 and in just three weeks' time was able to implement a cross-border solution that enabled them to offer their shoppers the improved and localized shopping experience sought. When comparing the three months immediately prior to engaging Global-e to the same three-month period in the following year, Marc Jacobs realized the following results:
  - ; 77% increase in the number of international orders as compared to the same period in the prior year;
  - ; 130% increase in e-commerce revenues; and
  - ; superior performance in previously average-performing markets, such as France, where e-commerce revenues increased by 484%.
- **Etam** - a leading lingerie brand based in France, was selling its products to shoppers in dozens of countries, but was struggling to capture the full potential of its international reach due to common cross-border e-commerce hurdles. These hurdles included the inability to offer multiple payment methods or to present prices in multiple currencies. They therefore sought to engage Global-e as an experienced cross-border solutions provider to help grow cross-border sales through an improved shopping and localized shopper experience. With Global-e, Etam was able to overcome their cross-border e-commerce challenges and achieve the superior shopping experience they sought for their shoppers. Etam engaged Global-e in September

2017, and in the period from December 2017 to April 2018, they realized the following results relative to the same period in the year before engaging Global-e:

- ı 77% increase in the number of international orders;
- ı 91% increase in e-commerce revenues; and
- ı conversion rates were doubled.

Since partnering with Global-e, Etam has successfully sold products online to more than 65 countries worldwide.

- **Iconic** – a leading cosmetics brand based in the United Kingdom, had sold its products both domestically and internationally since its launch in 2015. However, the brand's cross-border offering was limited, as it was only able to display prices in a few currencies, provide few payment options and offer expensive and lengthy shipping options. These limitations collectively resulted in low cross-border conversion rates. Iconic engaged Global-e in June 2017 in an effort to better capture their international opportunity. When comparing the eight months immediately prior to engaging Global-e to the same eight-month period in the second year following engagement with Global-e, Iconic realized the following results:
  - ı 143% increase in the number of international orders;
  - ı 138% increase in international conversion rates; and
  - ı successfully completing sales to more than 120 countries.
- **Vincero Watches** – a luxury watch brand based in the U.S., had cross-border sales accounting for 30% to 40% of their business. However, the brand was seeking to combat some of the obstacles presented by the COVID-19 pandemic, as well as increase global shopper satisfaction, capitalize on international traffic, increase conversion rates and grow sales in key markets, in each case, by offering a premium and localized e-commerce experience. Vincero Watches engaged Global-e in April 2020 and in the four month period from May 2020 to August 2020 following the implementation of Global-e's cross-border e-commerce solution, realized the following results relative to the same period in the prior year:
  - ı 31% increase in international conversion rates as compared to the same period in the prior year; and
  - ı significant revenue increase in key markets, including 159% increase in the United Kingdom and 183% increase in the UAE, where conversion rates also were doubled.
- **Hackett London** – a luxury clothing brand based in the United Kingdom, was selling its products online internationally, but faced several barriers that impacted its ability to fully realize its cross-border e-commerce potential. These barriers included a lack of support for calculating and pre-paying duties and taxes at checkout, and limited payment options. Hackett London therefore sought an advanced cross-border e-commerce solution to enable it to optimize their online international sales and provide shoppers with an enhanced online shopping experience. Hackett London engaged Global-e in June 2019 and in the following three months realized the following results relative to the same period in the prior year:
  - ı 77% increase in conversion rates
  - ı 75% increase in online international orders; and
  - ı 97% increase in international revenues.

Since engaging Global-e, Hackett London has also increased its global reach and is now actively selling to more than 70 international destinations.

## **Our Competitive Advantages**

We believe that we have built a leading platform to address merchants' cross-border e-commerce needs, creating a competitive advantage for our business. We believe our combination of capabilities and expertise uniquely positions us to cater to shoppers globally, driving significant uplifts in international sales conversion rates and revenue growth for our merchants, while also removing much of the complexity and many of the costs inherent to cross-border e-commerce.

Key elements of our competitive advantage include the following:

### ***Purpose-built, end-to-end platform***

We understand the challenges and the strategic objectives of our merchants engaging in cross-border e-commerce. We provide merchants with the capabilities required for effective cross-border D2C trade, using a potent combination of our proprietary technology and third-party providers. Our solution is easy to integrate, platform-agnostic, scalable and able to support merchants of all sizes from small, emerging brands to the world's largest retailers. We aspire to be inclusive and far-reaching in scope. We thus enable our merchants to expand internationally effectively, and to do so much more efficiently than previously possible.

### ***True global cross-border enabler at scale***

We believe we are uniquely positioned to capture the cross-border e-commerce opportunity as a stand-out global, cross-border e-commerce enabler.

We believe we are the only player with truly global scale. We have an extensive footprint in North America, the United Kingdom and across the EU, and we are penetrating the Asia Pacific ("APAC") region. We are diversified by vertical and end-market. Our wide-reaching scale enables us to provide a solution to merchants across the globe. This scale, coupled with strong brand recognition gained since inception, has allowed us to acquire some of the largest merchants in the world as customers.

### ***Differentiated and growing data asset driving flywheel effects***

The Global-e platform is based on more than a technical solution and associated capabilities. It is based on data-driven know-how. Data permeates every layer of the Global-e platform. Data drives how we make decisions, how we develop and improve our offering, and how we make the shopper experience efficient and intuitive. We refer to this as "Smart Insights", which enjoy strong flywheel effects as we continue to grow at pace driven by:

- **"Economies of scale"** – Our platform facilitates millions of international transactions each year across hundreds of merchants, spread across multiple geographies, product verticals, price levels, and shopper demographics. We thus accumulate a vast and rich data set and are able to benefit from *economies of scale*.
- **"Economies of skill"** – Our massive and fast-growing data is a key asset due to the "richness" of its content. Based on this data, and coupled with our operational experience accumulated over years, we are able to generate what we call *economies of skill*, which enable us to ensure that cross-border sales are optimized for the merchants on a market-by-market basis.
- **Flywheel Effects.** Our rich data serves as the basis for a powerful *flywheel effect*: the uplift we generate for our merchants drives more sales and the ability for them to expand into new geographies, which in turn creates more data, which is then fed back into our systems in order to generate even better conversion rates and more uplift. This in turn drives increased sales for our merchants and attracts new merchants to our platform. Our data engine gets "smarter" with each new site visit, each merchant and each new shopper.

### ***Partner network fueling our differentiated go-to-market strategy***

Our go-to-market strategy targets merchants that want to establish or expand their cross-border e-commerce business. The effectiveness, prominence and stickiness of our platform have enabled us to acquire many of our merchants organically, supplementing the efforts of our professional salesforce. Many of our new merchants are referrals from existing merchants, which serve as brand ambassadors for Global-e. In addition, our commerce enabler, marketing, payments, shipping and logistics and social media partners, which include global and regional players, act as a meaningful source of referrals and lead generation. Our ability to leverage these relationships is an important source of inbound interest. This is further complemented by our highly efficient sales and marketing efforts. Our salespeople and account managers build intimate relationships with our merchant partners and are crucial in further expanding our merchant network.

### ***Robust business model with sticky customers and a compelling financial profile***

Global-e is a cross-border e-commerce enabler covering the entire shopper journey. Our platform is deeply integrated within merchants' existing technology stack providing the core tools to power their day-to-day cross-border operations. As a result, we retain significant "stickiness" within our customer base. Not only do we retain our merchants – our merchants also grow with our platform, and we grow with them. Merchants process large and growing order volumes through our platform as we become increasingly integral to their daily business operations and as they realize the benefits of using the Global-e platform. An important component of our growth is our existing merchant base, which grows organically each year. Due to our consistently high retention rates, we have strong visibility into the subsequent year's revenue by looking to our current merchants, in a given period. Attracting new merchants is also critical to the scale of our platform. We have developed a highly efficient marketing model where, for the year ended December 31, 2019 our payback period, or the amount of time required to recover merchant acquisition costs in a given year from the merchants acquired in that year, based on the gross profit realized from such merchants in the following year, was less than six months. We continue to build our capabilities to further strengthen our model.

### ***Founder-led management team***

We are a founder-led management team with a strong corporate culture. We are privileged to be led by our founders, Amir Schlachet, Nir Debbi, and Shahar Tamari, who set the tone for our people:

- **Customer-Obsessed:** We are firm believers in putting our customers first in everything we do. This is a principal tenet of our business. We view the merchants as long-term partners and hold their satisfaction as our guiding principle. Our customer success teams have invaluable tools and data to support the merchants' ongoing needs, as well as direct access to the senior leadership team, including our founders, to leverage on behalf of our merchant partners.
- **Initiative and innovation driven:** Our goal is to enable merchants to break geographic boundaries and become globally successful businesses. As such, we invest millions in research and development each year, track trends in the e-commerce world across geographies and constantly improve our product offering. Similarly, we encourage our employees to expand the scope of their defined roles, to take initiative, and to elevate Global-e to the next level – every employee can, and does make a difference.
- **Team-Focused:** We are a team. We believe in collaboration, from our founding team that has been working together since our inception to our employees across all our offices worldwide. Our hiring decisions are based on attracting people whose values align with ours: creating real, meaningful and sustainable value for our merchants.

## **Our Growth Strategy**

### ***Grow within our existing portfolio of merchants***

The merchants' success is our success. We help merchants both grow revenues in their existing markets as well as expand into additional ones. As our merchants' cross-border sales generated through our platform grow, attributed either to improved conversion or by expanding their offering into additional geographies, our revenues grow in tandem. Thus, we increase the "stickiness" of our solutions and become increasingly integral to our merchants' daily businesses as they realize the benefits of using the Global-e platform. We also have a strong track record of merchants acting as ambassadors for Global-e, referring us to other portfolio brands, as applicable, and more generally, to other potential merchants. We intend to continue deepening our relationships with existing merchants through service and performance of the highest quality, allowing them to continue to serve as our brand ambassadors within and outside their organizations.

### ***Acquire new merchants within existing geographies and verticals***

We have a significant opportunity to continue acquiring new merchants over time. Our strong revenue growth, coupled with our lean sales team, underscores the efficiency with which we are able to attract and retain merchants. Our merchant acquisition is highly efficient, leading to very attractive returns on marketing expense of less than six months. Further, we have proven the ability to rapidly integrate potential merchants with implementation cycles of 12 to 16 weeks on average, and as short as three weeks. We will continue to invest in our marketing and sales teams to enhance awareness of our solutions and to drive lead generation with our strategic partners. We see significant opportunities across multiple existing geographies and brand segments that we believe we are well-positioned to capture.

### ***Expand into additional geographies, verticals and brand segments***

We will seek to further expand our geographic footprint and boost our presence across merchant verticals, as well as brand segments. We believe that markets in the vicinity of regions where we already have a strong presence, in particular Europe and North America, and newer markets, such as APAC, are highly relevant for our business. While historically we have held a strong position in the mass market beauty and fashion segments, we have also achieved significant success with merchants in other segments, in particular, within the luxury segment, that we believe we can continue to capitalize on. As we continue to grow and expand into new geographies, through both new merchant acquisition and our existing portfolio of merchants expanding their offerings into additional geographies, we have the ability to reach new audiences in terms of sizes and verticals. Our growing brand recognition and know-how across our trading markets, enables us to acquire additional merchants more efficiently within current markets as well as new geographies.

### ***Drive continuous innovation on our platform***

We will continue to invest in research and development and operate with an agile approach to address our merchants' and shoppers' constantly-evolving needs. We will strive to continue developing new capabilities and add-on offerings, as well as opportunistically look to complement our existing platform and offering through M&A opportunities, to maintain Global-e's position as a leading holistic platform for cross-border e-commerce, enabling efficient selling and purchasing processes for our stakeholders. For example, Global-e recently introduced to shoppers the ability to pay with cash upon delivery of the ordered goods or to collect shipped items at the merchant's local store. Our ability to provide preferred payment and delivery methods in select geographies, such as Cash-on-Delivery-based payments and in-store pickup, contributes to higher conversion rates of shoppers from these geographies.

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We also believe that our differentiated data capabilities and constantly-improving data models will allow us to stay at the forefront of e-commerce solutions. We believe our unique, big data-driven Smart Insights enable us to help our merchants deliver more precise, targeted, localized shopper experiences driving conversion and revenues and also manage their operations more efficiently through our superior ability to forecast and predict trends. We believe that data will be a key driver of future optimization and shopper monetization.

### **Continue to develop and expand our strategic partnerships**

We have established mutually beneficial strategic partnerships with a range of key players in the broader e-commerce ecosystem, including global technology groups, e-commerce platforms, shipping providers, third-party logistics providers, payment providers and system integrators. Our channel partners have been a very important lead generation engine providing our sales team with a strong pipeline of prospective merchants. We intend to further strengthen our existing relationships, such as the recently-signed Services and Partnership Agreement with Shopify, and build new strategic partnerships with other key players across the value chain and in the different markets in which we operate.

### **Products and Technology**

Our end-to-end platform helps merchants remove cross-border e-commerce complexity by empowering merchants with powerful and extensive localization capabilities embedded directly within their websites. Our technology creates a highly-localized shopper experience, which in turn drives increased sales conversion and revenue growth.

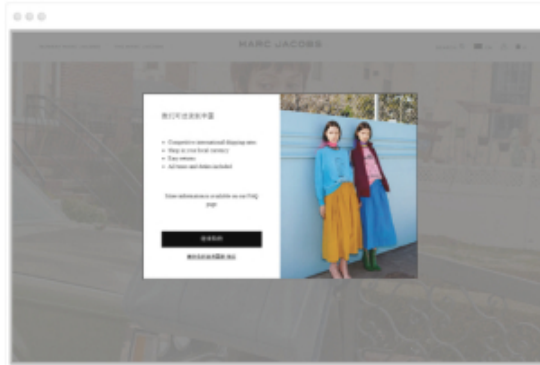
The platform is built on a highly scalable tech stack which is powered by a robust layer of application programming interfaces (“APIs”) and data models, powering the shopper journey and allowing us to support a fast-growing and rapidly expanding merchant base.

Through a single, frictionless integration, the merchants’ websites can leverage the power of our platform. The integration technology, either through pre-fabricated e-commerce platform plug-ins, through the implementation of our API’s or through our generic script-based integration, which we refer to as Global-e Module, is based on a simple lightweight integration effort. Such integration effort ranges from a code snippet that is placed into a merchant’s existing online platform enabling us to deploy and integrate with minimal friction, to installation of our plug-ins and/or the implementation of a few of our API’s. After integration, shoppers continue to face the merchant’s existing storefront, and Global-e remains as a “white label” in the background



**Shopping experience features**

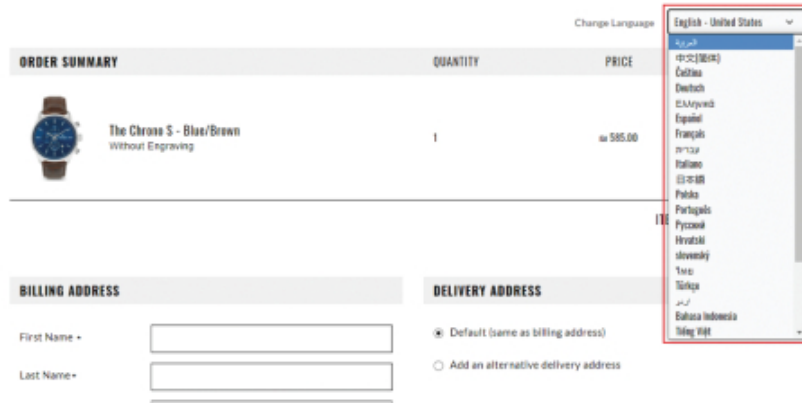
- **Localized browsing** – We offer localized browsing features, such as a configurable welcome message or a top-line marketing banner that can be customized by market and presented in the local language. Customization breeds familiarity, reducing bounce rates, increasing conversion and improving shopper confidence through a local shopping experience.



- **Local market pricing** – We offer dynamic price translation to the shopper's local currency based on market-specific business goals and in accordance with local pricing conventions (e.g. presenting prices in "dollar-ninety-nine" terms, such as \$4.99 instead of \$5.00, in relevant markets). Global-e offers support for payment in 100 global currencies, and we have found that more than 95% of shoppers choose to pay in their local currency when given the option. The below image shows examples of localized pricing in markets across the globe.

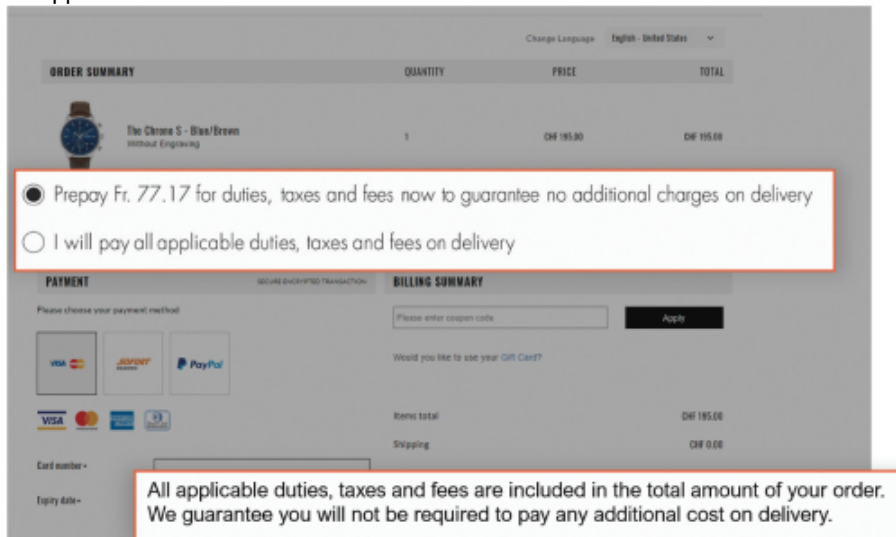


- **Localized checkout** – Embedded within the brand's e-commerce store, the Global-e checkout system supports over 25 different languages, enabling shoppers to switch the checkout language to their own native tongue for a more customized and local experience. We have found that in some markets, approximately 20% of shoppers choose to switch to their local language at checkout, even if their native language wasn't supported during browsing. Further, shoppers checkout within the merchant website without being redirected to a third-party site. The below image shows an example of a language menu.



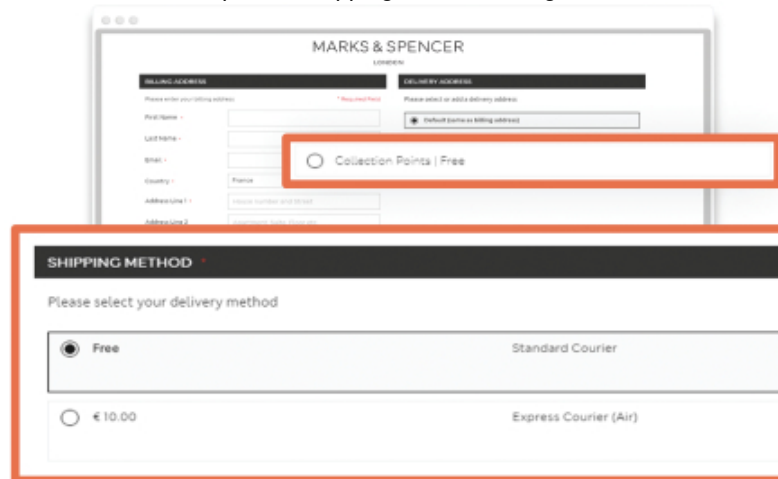
- **Guaranteed landed cost** – We provide shoppers with a “no-surprises” and guaranteed fully-landed cost. We offer multiple options, configurable by market, for handling import duties and taxes. For example, shoppers may select the option to prepay duties and/or taxes at checkout. We have found that on average more than 80% of shoppers from developed markets choose to pre-pay when given such option, despite the fact that it requires payment of a higher price at checkout. Alternatively, our platform has the capability to already embed this cost into the product price within the browsing journey (in full or partially), in order to facilitate an intuitive and frictionless smooth and user-friendly shopper journey. We believe this feature and options are critical in achieving high conversion rates across markets and promoting repeat shoppers.

In addition to achieving shopper confidence, pre-collection of import duties and taxes enables orders to be dispatched to shoppers under a “Delivery Duties Paid” scheme through relevant shipping carriers. This serves to greatly simplify and streamline the process of releasing the goods from customs at the destination market, in turn contributing to a quicker and simpler delivery experience for the shopper.



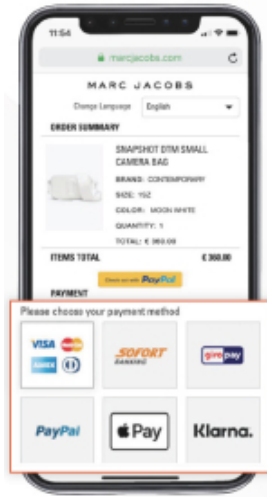


- **Multiple shipping options** – Global-e's platform allows merchants to choose from a menu of shipping options, offering shoppers multiple delivery alternatives, depending on the destination market: mail, express courier, Cash-on-Delivery, store delivery, drop point delivery and more. As part of its market-specific value proposition, merchants can decide which shipping methods to offer and how to price them, based on Global-e's competitive shipping rates or through their own contracted shipping carriers.



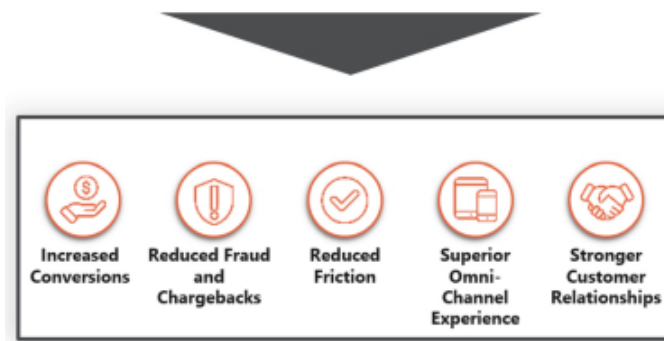
- **Localized alternative payment methods** – Preferred payment methods of shoppers differ from market to market. In some markets, such as the United States and United Kingdom, the use of global cards (Visa, MasterCard, etc.) is the most common payment method used. In others, local card, or universal alternative payment methods, such as PayPal, prevail. There are markets, both in developed and developing countries, where alternative payment methods are used more frequently than cards. For example, iDeal has the largest market share in the Netherlands; while the majority of online payments in China are carried out through AliPay, WeChatPay, and the UnionPay card scheme. In other countries, payment options such as Cash-On-Delivery are popular.

In order to remove payment friction and ensure higher conversion rates, Global-e supports the use of a network of over 150 payment providers globally, granting shoppers in each market the ability to pay with their preferred local option.

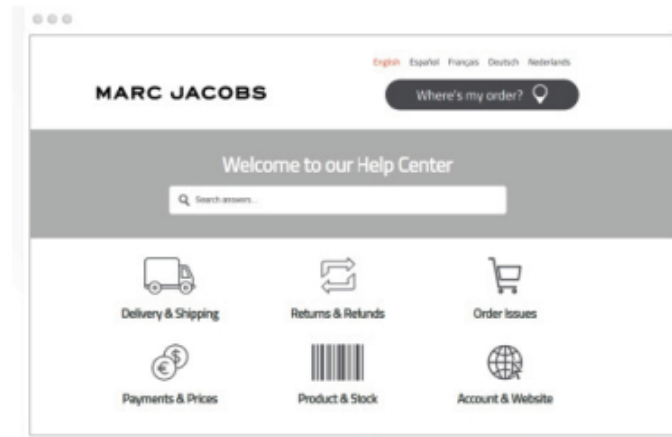


- **Real-time anti-fraud screening** – Each order is scanned in real-time for potential payment fraud. Global-e utilizes advanced third-party screening services, coupled with proprietary algorithms and processes – all managed by a team of anti-fraud specialists. These capabilities enable Global-e to achieve high payment acceptance rates and low chargeback rates across international markets. The authorization/rejection decision is made in real time without the delays and costs associated with manual or semi-automatic transaction screening. This further contributes to a streamlined and satisfying shopper experience.

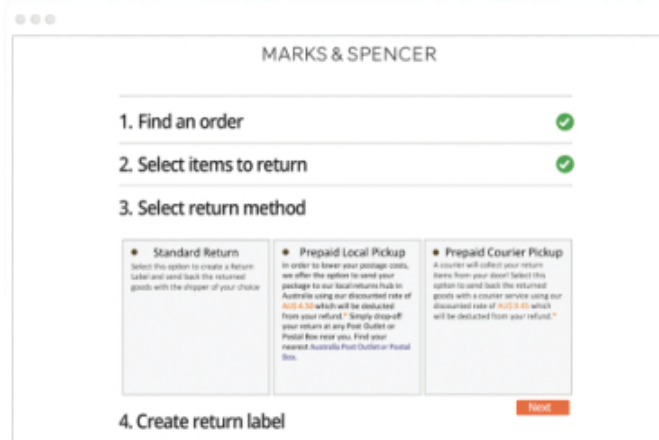
Fraud engine customized to merchant's profile,  
markets, countries, products and shoppers



- **International customer services** – Global-e operates a branded self-service and multi-lingual online customer service portal, which contains answers to many frequently-asked questions that are typically raised post-sale by international shoppers regarding their orders. In addition, Global-e operates a manned contact center that serves to augment the brand's own customer services team. Global-e's contact center can provide either "behind the scenes" support for the merchant's customer services team, or it can be in touch directly with the brand's shoppers to handle their queries.



- **Returns process** – Global-e offers a comprehensive and efficient solution for product return management. Through Global-e's proprietary branded and multi-lingual returns portal, shoppers are presented with multiple return options, according to the various returns services that the merchant enables for a given market. Returns options include self-postage, local return addresses, pre-paid postal labels and courier pick-ups. In addition, merchants set for each option an associated cost. Global-e deducts the return cost from the amount refunded to the shopper once merchants confirm successful receipt of the returned product.



### **Packaging and pricing**

We support merchants of all sizes, and at various lifecycles, from small, emerging brands to the world's globally-recognized retailers and high-end brands. Our platform offers a range of differentiated service levels, enabling us to cater to the different – and constantly evolving – needs of the merchants we serve.

### **Technology, infrastructure and operations**

We have designed our platform with enterprise-grade security, reliability, and scalability as top priorities. Core contributors to our strengths in these areas include:

- **Application architecture.** We operate a proprietary and modern technology platform, organically developed by our in-house R&D teams over a period of seven years, leveraging leading third-party software where applicable.
- **Infrastructure.** Our platform is deployed via market standard cloud computing infrastructure, allowing us to easily scale our platform globally while maintaining optimal performance.
- **Disaster Recovery.** We maintain a secondary cloud-based data center, holding a full stack of updated applications, which is fully tested at least once a year, with the aim of ensuring the highest reliability for our shoppers.
- **Security.** We employ a multi-layer security approach utilizing both cloud infrastructure security and endpoint protection to enforce the highest degree of security. We adhere with all major security standards, including: PCI/DSS, GDPR and Privacy Shield. We perform penetration tests continuously throughout the year by external vendors to identify any vulnerabilities.
- **Uptime.** Our platform maintains excellent service levels. Across all sites, our platform achieved over 99.9% average uptime for the year ended December 31, 2020.

### **Competition**

The market for cross-border e-commerce enablement solutions is competitive, rapidly-evolving, highly fragmented, and subject to changing regulation, technology, merchant preferences and shopper demands. Our solution and platform compete with other online and offline services, and other solutions. While among them exist several direct competing solutions, many of these solutions and services only handle a specific section of the cross-border e-commerce value chain.

As such, we believe that our existing direct competition fails to offer the same holistic solution based on our combination of global reach, end-to-end advanced feature set, number of merchant partners, accumulated data and insights, quality-of-service and local expertise as embedded in our platform. We are the chosen partner of some globally-recognized retailers and brands as well as some rapidly-growing emerging brands.

We consider the following categories of services and solutions to be our primary and direct competition:

- **In-House D2C.** Some merchants have built and managed international stores and prefer to maintain these operations in-house supported by third-party cross-border components. This DIY approach is expensive and complex to maintain, while also lacking the flexibility and know-how of local preferences that a specialized cross-border provider, such as Global-e, can provide. We believe that with the growing importance to merchants of cross-border D2C, coupled with market awareness of the advantages of using reputable and experienced cross border third parties, such as Global-e, the trend of shifting towards a third-party cross-border enabler will accelerate – with Global-e as the distinguished front runner.
- **Alternative, Cross-Border End-to-End Platforms.** There are a limited number of cross-border platforms offering solutions similar in nature and breadth to those offered by Global-e. However, we believe that none of these providers have the combination of track record, variety of merchants, scale, feature set and data, to match Global-e's overall offering. The level of sophistication embedded in our platform and solutions stemming from executing millions of

transactions annually, across over 400 merchants in over 200 destination markets is what makes us a leader in the world of cross-border ecommerce.

Though to a lesser extent, we believe our platform also indirectly competes with two primary categories of services and providers:

- **Legacy Players and Local Distributors.** Merchants expanding abroad may partner with local distributors, granting them licenses to operate in a given market. Licenses typically include an arrangement to sell goods through bricks-and-mortar locations as well as digital rights to the brand, effectively allowing the local licensee to manage the full client-facing relationship with international shoppers. This may cause frustration among shoppers, as local selection may be limited to best-selling products, and interactions with the merchant are routed through a middle-man. As merchants increasingly understand the value of their digital channels and leverage social media to interact directly with shoppers, we believe wide-ranging agreements with local distributors will continue to become less common, especially for digital D2C e-commerce. Nevertheless, some merchants are constrained by long-term, legacy agreements with distributors, preventing the merchant from directly selling to and interacting with shoppers in select (or all) foreign markets, at least for a certain period of time.
- **Non-D2C Online Channels.** Non-D2C online channels, such as marketplaces, represent digital alternatives to the traditional distributor model. Such online channels are varied, ranging from local, multi-local, regional and global platforms. They generate online traffic from shoppers by marketing *under the marketplace's own brand* and command a fee, or "take rate" that may represent a meaningful percentage of the merchant's revenue. To facilitate the transaction between shopper and seller, online channels may provide complimentary services such as payment acquiring, fraud protection, order management, and access to shipping providers. Merchants do not have direct access to shoppers; rather, they must list their products through the intermediary – i.e., the marketplace – to gain exposure. As such, by selling through non-D2C online channels, merchants often expose their brand to direct competition from other brands sold in parallel through such online channels (e.g. a common feature of marketplaces is "people who bought this also bought this" lists which may include different brands).

## Our Employees

As of December 31, 2020, we had 289 employees worldwide, including 141 in research and development. Of these employees, 181 are in Israel and 108 are in our international locations. As of December 31, 2020, our single employee located in Spain was covered by a collective bargaining agreement.

In regards to our Israeli employees, Israeli labor laws govern the length of the workday, minimum wages for employees, procedures for hiring and dismissing employees, determination of severance pay, annual leave, sick days, convalescence, advance notice of termination of employment, equal opportunity and anti-discrimination laws and other conditions of employment.

Subject to certain exceptions, Israeli law generally requires severance pay upon the retirement, death or dismissal of an employee, without due cause, and requires us and our employees to make payments to the National Insurance Institute, which is similar to the U.S. Social Security Administration. Pursuant to Section 14 of the Israeli Severance Pay Law, 5723-1963 ("Section 14"), our executive officers and key employees in Israel are entitled to monthly deposits, at a rate of 8.33% of their monthly salary, made in their name with insurance companies. Payments under Section 14 relieve us from any of the aforementioned future severance payment obligations with respect to those employees and, as such, we may only utilize the insurance policies for the purpose of disbursement of severance pay. As a result, we do not recognize an asset nor liability for these employees.

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Extension orders issued by the Israeli Ministry of Economy and Industry apply to us and affect matters such as cost of living adjustments to salaries, length of working hours and week, recuperation pay, travel expenses and pension rights.

We have never experienced labor-related work stoppages or strikes and believe that our relations with our employees are satisfactory.

### **Intellectual Property**

We consider our intellectual property rights, including those in our know-how and the software code of our proprietary technology, to be, in the aggregate, material to our business. We rely on a combination of contractual commitments and statutory and common law rights to protect our intellectual property rights in our technology and know-how. We seek to control access to our trade secrets and other confidential information related to our proprietary technology by entering into confidentiality agreements with our employees, consultants, merchants, vendors and business partners who have access to our confidential information, and we maintain policies and procedures designed to control access to and distribution of our confidential information.

Our know-how is an important element of our business. The development and management of our platform requires sophisticated coordination among many skilled and specialized employees. Despite our efforts to protect our intellectual property rights in our technology and know-how, unauthorized parties may attempt to copy or obtain and use our technology to develop products and services with the same functionality as our platform. Policing unauthorized access to and use of our technology is difficult. Our competition could also independently develop technologies like ours, and our intellectual property rights may not be broad enough for us to prevent our competition from selling products and services incorporating those technologies. For more information, see “Risk Factors—Risks Relating to our Business and Industry—If we fail to adequately maintain, protect or enforce our intellectual property rights, our competitive position could be impaired and we may lose valuable assets, generate reduced revenue, and incur costly litigation to protect our rights.”

We own and use unregistered common law marks and service marks on or in connection with our proprietary technology and related services. While most of the intellectual property we use is owned by us, we have obtained rights to use intellectual property of third parties through licenses and services agreements. Although we believe these licenses are sufficient for the operation of our business, these licenses typically limit our use of the third parties’ intellectual property to specific uses and for specific time periods.

From time to time, we may become involved in legal proceedings relating to intellectual property arising in the ordinary course of our business, including challenges to the validity of our intellectual property rights and claims of intellectual property infringement. For more information, see “Risk Factors—Risks Relating to our Business and Industry—We may incur costs to defend against, face liability for or be vulnerable to intellectual property infringement claims brought against us by others.” We are not presently and have never been a party to any such legal proceedings that, in the opinion of our management, would individually or taken together have a material adverse effect on our business, financial condition, results of operations or cash flows.

### **Government Regulation**

As with any company operating on the internet, we grapple with a growing number of local, national and international laws and regulations. These laws are often complex, sometimes contradict other laws, and are frequently evolving. Laws may be interpreted and enforced in different ways in various locations around the world, posing a significant challenge to our global business. This

ambiguity includes laws and regulations possibly affecting our business, such as those related to data privacy and security, pricing, taxation, content regulation, intellectual property ownership and infringement, anti-money laundering, anti-corruption, product liability, consumer protection and export control. Changes to such laws and regulations could cause us or third-party partners on which we rely to incur additional costs and change our or their respective business practices in order to comply.

#### *Data Protection and Privacy*

We are subject to laws across several jurisdictions regarding privacy and protection of data. Data protection, privacy, cybersecurity, consumer protection, content regulation, and other laws and regulations can be very stringent and vary from jurisdiction to jurisdiction. These laws govern how companies collect, process, and share data, grant rights to data subjects, and require that companies implement specific information security controls to protect certain types of information.

For example, we are subject to Israel's Privacy Protection Act, 5741-1981 (the "Privacy Protection Act"), and the more recent Privacy Protection Regulations (Data Security) 2017, which imposes obligations on how personal data is processed, maintained, transferred, disclosed, accessed and secured. The regulations may require us to adjust our data protection and data security practices, information security measures, certain organizational procedures, applicable positions (such as an information security manager) and other technical and organizational security measures. In addition, to the extent that any administrative supervision procedure is initiated by the Israeli Privacy Protection Authority that reveals certain irregularities with respect to our compliance with the Privacy Protection Act, in addition to our exposure to administrative fines, civil claims (including class actions) and in certain cases criminal liability, we may also need to take certain remedial actions to rectify such irregularities, which may increase our costs.

We are also subject to the General Data Protection Regulation ("GDPR"), as well as its implementing legislation in the EU member states. The GDPR implements stringent operational requirements regarding, among others, data use, sharing and processing, data breach notifications, data subject rights, and cross-border data transfers for entities collecting and/or processing personal data of EU residents and imposes significant penalties for non-compliance (up to EUR 20 million or up to 4% of the total worldwide annual turnover of the preceding financial year, whichever is higher). We are subject to a similar legal regime in the United Kingdom under the UK GDPR, which, together with the amended UK Data Protection Act 2018, retains the GDPR in UK national law. The UK GDPR mirrors the fines under the GDPR. The United Kingdom may also implement new or amended data protection legislation. We are also subject to Directive 2002/58 of the European Parliament on Privacy and Electronic Communications (the "ePrivacy Directive"), which requires entities to obtain informed and freely given consent for the placement of cookies and similar technologies on a user's device and imposes restrictions on electronic marketing. We are also subject to Lei Geral de Proteção de Dados, which imposes similar requirements to the GDPR on the collection and processing of data of Brazilian residents. We are also subject to the California Consumer Privacy Act ("CCPA"), which imposes heightened transparency obligations, creates new data privacy rights for California residents, and carries significant enforcement penalties for non-compliance (up to \$7,500 per intentional violation and \$2,500 per other violation) as well as a private right of action for certain data breaches (\$750 per incident, per consumer or actual damages, whichever is greater). We will also be subject to the California Privacy Rights Act ("CPRA"), which was passed into law on November 3, 2020 but which will not take substantial effect until January 1, 2023. Similar laws coming into effect in U.S. states, adoption of a comprehensive U.S. federal data privacy law, and new legislation in international jurisdictions may continue to change the data protection landscape globally and could result in us expending considerable resources to meet these requirements. See "Risk Factors—Risks Related to our Business and Industry—We are subject to stringent and changing laws, regulations, standards and contractual obligations related to privacy, data protection, and data security. Our actual or perceived failure to comply with such obligations could harm our business."

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While it is generally the laws of the jurisdiction in which a business is located that apply, there is a risk that data protection regulators of other countries may seek jurisdiction over our activities in locations in which we process data or serve merchants or shoppers but do not have an operating entity. Where the local data protection and privacy laws of a jurisdiction apply, we may be required to register our operations in that jurisdiction or make changes to our business so that shopper data is only collected and processed in accordance with applicable local law. In addition, because our services are accessible worldwide, certain foreign jurisdictions may claim that we are required to comply with their privacy and data protection laws, including in jurisdictions where we have no local entity, employees or infrastructure. In such cases, we may require additional legal review and resources to ensure compliance with any applicable privacy or data protection laws and regulations. In addition, in many jurisdictions there may in the future be new legislation that may affect our business and require additional legal review.

We are subject to laws and regulations related to payments which are complex and vary across different jurisdictions. We are also subject to payment card association operating rules, certification requirements, and rules governing electronic funds transfers, including the PCI DSS, which could change or be reinterpreted to make it more difficult for us to comply. Any failure to comply with these rules or requirements may subject us to higher transaction fees, fines, penalties, damages, and civil liability, and may result in the loss of our ability to accept credit and debit card payments. Depending on how our platform evolves, we may be subject to additional laws in other jurisdictions across the world.

### *Anti-Corruption and Sanctions*

We are subject to laws and regulations of the jurisdictions in which we operate, including the United States, United Kingdom, EU and Israel, that govern or restrict our business and activities in certain countries and with certain persons, including the economic sanctions regulations administered by the U.S. Treasury Department's Office of Foreign Assets Control, and the export control laws administered by the U.S. Commerce Department's Bureau of Industry and Security and the U.S. State Department's Directorate of Defense Trade Controls. See "Risk Factors—Risks Related to our Business and Industry—We are subject to governmental export controls that may subject us to liability if we are not in full compliance with applicable economic sanctions and export control laws."

Additionally, we are subject to anti-corruption, anti-bribery, anti-money laundering and similar laws, such as the FCPA, U.S. domestic bribery statute contained in 18 U.S.C. 201, U.S. Travel Act, the USA PATRIOT Act, the U.K. Bribery Act 2010, Chapter 9 (sub-chapter 5) of the Israeli Penal Law, 1977, the Israeli Prohibition on Money Laundering Law–2000 and other applicable laws in the jurisdictions in which we operate. Historically, technology companies have been the target of FCPA and other anti-corruption investigations and penalties. See "Risk Factors—Risks Related to our Business and Industry—We are subject to anti-corruption, anti-bribery, anti-money laundering and similar laws, and non-compliance with such laws can subject us to criminal penalties or significant fines and harm our business and reputation."

Further, we are currently subject to a variety of laws and regulations related specifically to payment processing, including those governing cross-border and domestic money transmission, gift cards and other prepaid access instruments, electronic funds transfers, foreign exchange, counter-terrorist financing, banking and import and export restrictions.

Concern about the use of e-commerce platforms for illegal conduct, such as money laundering or to support terrorist activities, may in the future result in legislation or other governmental action that could require changes to our platform or impose additional compliance burdens and costs on us. See "Risk Factors—Risks Related to our Business and Industry—Changes in laws and regulations related



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to the internet or changes in the internet infrastructure itself may diminish the demand for our platform and services, and could harm our business.”

Depending on how our platform evolves, we may become subject to additional laws in the United States, the United Kingdom, the EU, Israel and elsewhere.

### **Legal Proceedings**

From time to time, we may become involved in legal or regulatory proceedings arising in the ordinary course of our business. We are not currently a party to any material litigation or regulatory proceeding and we are not aware of any pending or threatened litigation or regulatory proceeding against us that could have a material adverse effect on our business, operating results, financial condition or cash flows.

### **Facilities**

We are headquartered in Petah-Tikva, Israel, where we occupy approximately 17,425 square feet of office space pursuant to a lease that expires on September 30, 2023. We currently lease additional office space in Petah-Tikva, Israel, London and New York, and we are party to agreements whereby we have access to and the right to use certain office space in Atlanta and Paris. We do not own any real property.

We intend to procure additional space as we continue to add employees, expand geographically and expand our work spaces. We believe that our facilities are adequate to meet our needs for the immediate future, and that, should it be needed, suitable additional space will be available to accommodate any such expansion of our operations.

## MANAGEMENT

### Executive Officers and Directors

The following table sets forth the name and position of each of our executive officers and directors as of the date of this prospectus:

<b>Name</b>	<b>Position</b>
<i>Executive Officers</i>	
Amir Schlachet	Co-Founder, Chief Executive Officer, Director
Shahar Tamari	Co-Founder, Chief Operations Officer, Director
Nir Debbi	Co-Founder, Chief Marketing Officer, Director
Ofer Koren	Chief Financial Officer
Eden Zaharoni	Chief Technology Officer
<i>Directors</i>	
Yaniv Stern(1)	Director
Zehavit Cohen(2)	Director
Thomas Studd	Director
Miguel Angel Parra	Director
Tzvia Broida	Director Nominee
Anna Bakst	Director Nominee
Iris Epple-Righi	Director Nominee

- 1) Mr. Stern is expected to resign from our board of directors effective as of immediately prior to and conditioned upon the closing of this offering.
- 2) Ms. Cohen is expected to resign from our board of directors effective as of immediately prior to and conditioned upon the closing of this offering.

### Executive Officers

*Amir Schlachet* is our Co-Founder and has served as our Chief Executive Officer since May 1, 2013. Mr. Schlachet has also served as a member of our board of directors since February 20, 2013. Prior to co-founding Global-e, Mr. Schlachet served as SVP and strategic advisor to the chief executive officer of Bank Hapoalim, after serving several years as a management consultant with McKinsey & Company. Mr. Schlachet holds an M.B.A. from INSEAD, an M.Sc. in Electrical Engineering from Tel-Aviv University and a B.Sc. in Mathematics, Physics and Computer Science from the Hebrew University of Jerusalem.

*Shahar Tamari* is our Co-Founder and has served as our Chief Operations Officer since May 1, 2013. Mr. Tamari has also served as a member of our board of directors since February 21, 2013. Mr. Tamari previously served as the VP and Head of e-payments for 888 Holdings from February 2009 until May 2013. Prior to that, he served as Head of e-Banking Business Development with Bank Hapoalim for seven years, from October 2001 until January 2009. Mr. Tamari received an M.Sc. in Technology Management and Information Systems, and a B.A. in Business Administration, both from Tel Aviv University.

*Nir Debbi* is our Co-Founder and has served as our Chief Marketing Officer since May 1, 2013. Mr. Debbi has also served as member of our board of directors since February 20, 2013. Prior to co-founding Global-e, Mr. Debbi served as SVP and Head of Strategy and Business Development at Bank Hapoalim, following a term as Head of Retail Strategy. Mr. Debbi holds an M.B.A and a B.Sc. in Economics, both from Tel-Aviv University.

*Ofer Koren* has served as our Chief Financial Officer since August 1, 2020. Prior to joining us, Mr. Koren served as chief financial officer and deputy chief executive officer at Bank Hapoalim as well

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as in various strategy and business development roles. Prior to that, Mr. Koren was a partner with Deloitte-Monitor Management Consulting (previously Trigger-Foresight). Mr. Koren holds an M.B.A. from Tel-Aviv University and a B.Sc. in Economics from Haifa University.

*Eden Zaharoni* has served as our Chief Technology Officer since August 11, 2013 and as our Vice President, Research & Development since August 2013. Mr. Zaharoni served as the Chief Technology Officer of Snoox, a platform that was founded by BBDO group, from March 2012 until August 2013. Prior to that, he served as the Vice President, Research & Development of Cent2Cent from January 2011 to February 2012 and held several management positions at 888 Holdings.

### **Non-Executive Directors**

*Yaniv Stern* has served as a member of our board of directors since July 30, 2019. Mr. Stern is the co-founder and Managing Partner of Red Dot Capital Partners, an expansion and early growth stage venture capital fund. Prior to founding Red Dot, Mr. Stern served as an Executive Chairman of Eccentex Corporation, as a Vice President at Adama Partners, a venture firm in the luxury space, and as an Engagement Manager at McKinsey & Company. Mr. Stern's current board positions include Puls Technologies, Inc., since 2017, CTERA Networks Ltd., since 2018, and Codefresh Inc., since January 2020, where he has also served on the compensation committee since April 2020. He previously served as a director of Armis Security Ltd. from 2018 to 2020. Mr. Stern holds a B.Sc. in Computer & Software Engineering from the Technion Israel Institute of Technology and an M.B.A. from Harvard Business School. Mr. Stern is expected to resign from our board of directors effective as of immediately prior to and conditioned upon the closing of this offering.

*Zehavit Cohen* has served as a member of our board of directors since April 17, 2018. Ms. Cohen has served as the Managing Director of Apax Partners Israel Ltd. since 2006. Ms. Cohen is a director of many privately and publicly held companies, including Attenti Electric Monitoring Group, Max Stock Ltd. and Zap Group Ltd, and has served as a director and member of the audit and compensation committees of Gazit Globe Ltd. since 2016. Ms. Cohen holds a B.S. in Business Administration from Duquesne University, an M.B.A in Financing from the University of Pittsburgh and a M.A. in Accounting from The Wharton School, University of Pennsylvania. Ms. Cohen is expected to resign from our board of directors effective as of immediately prior to and conditioned upon the closing of this offering.

*Thomas Studd* has served as the representative of Vitruvian Directors I Limited on our board of directors since April 30, 2020. Mr. Studd has been a Partner at Vitruvian Partners LLP since 2016, prior to which he served as Principal from 2013 to 2016 and Vice President from 2009 to 2013. Mr. Studd has served as a director of Carwow Ltd. since 2017, and previously served as the representative of Vitruvian Directors I Limited on the Vestiaire Collective SA from 2016 to 2017, JacTravel Group from 2014 to 2017 and Lausanne Toa Co Ltd. from 2011 to 2016. Mr. Studd holds a MPhys in Physics from the University of Oxford and an M.B.A. from INSEAD.

*Miguel Angel Parra* has served as a member of our board of directors since January 1, 2020. Mr. Parra currently serves as the Chief Executive Officer of DHL Express since 2014, prior to which he served in numerous management positions, since 1997. Prior to that, from 1986 to 1997, Mr. Parra served as a general manager of TNT Express Worldwide. Mr. Parra holds an associate's degree in Business from Miami-Dade Community College and is a graduate of the Advanced Management Program of Fuqua School of Business Duke University.

*Tzvia Broida* will become a member of our board of directors upon the closing of this offering. Since December 2013, Ms. Broida has served on the board of directors and as chairperson of the audit committee of Jacada Ltd. (JCDAF). Since 2021, Ms. Broida has also served as the Chief Financial Officer of NeuroBlade Ltd. Before joining NeuroBlade, Ms. Broida served as the Chief Financial Officer of Sensible Medical Innovations Ltd from 2011 to 2021. Prior to that, Ms. Broida served in various

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positions at Jacada Ltd, including as Chief Financial Officer from 2005 to 2009, and before that she worked as an accountant at Yehuda Ehrlich & Partners and Vexler, Kodenzick & Partners. Ms. Broida received a B.A. in Accounting & Economics from the Hebrew University of Jerusalem.

*Anna Bakst* will become a member of our board of directors upon the closing of this offering. From 2018 to 2019, Ms. Bakst served as Brand President and Chief Executive Officer of Kate Spade. Before that, Ms. Bakst served as Group President at Michael Kors from 2003 to 2017. Prior to Michael Kors, Ms. Bakst served in various positions at Donna Karan International from 1990 to 2001. Ms. Bakst received an M.B.A from Stanford University and a B.S. in Industrial Engineering from Purdue University. Ms. Bakst is also a Visiting Associate Professor at Pratt Institute's Design Management Program.

*Iris Epple-Righi* will become a member of our board of directors upon the closing of this offering. Ms. Epple-Righi has served on the board of directors and as a member of the working committee of Hugo Boss since 2020. From 2016 to 2019, Ms. Epple-Righi served as Chief Executive Officer of Escada SE. Before that, Ms. Epple-Righi served in various positions in Calvin Klein from 2013 to 2016 and Tommy Hilfiger from 2003 to 2013. Ms. Epple-Righi received an M.B.A from the University of Tübingen.

### **Corporate Governance Practices**

As an Israeli company, we are subject to various corporate governance requirements under the Companies Law. However, pursuant to regulations promulgated under the Companies Law, companies with shares traded on certain U.S. stock exchanges, including Nasdaq, may, subject to certain conditions, "opt out" from the Companies Law requirements to appoint external directors and related Companies Law rules concerning the composition of the audit committee and compensation committee of the board of directors (other than the gender diversification rule under the Companies Law, which requires the appointment of a director from the other gender if at the time a director is appointed all members of the board of directors are of the same gender). In accordance with these regulations, we elected to "opt out" from such requirements of the Companies Law. Under these regulations, the exemptions from such Companies Law requirements will continue to be available to us so long as: (i) we do not have a "controlling shareholder" (as such term is defined under the Companies Law), (ii) our shares are traded on certain U.S. stock exchanges, including Nasdaq, and (iii) we comply with the director independence requirements and the audit committee and compensation committee composition requirements under U.S. laws (including applicable rules of Nasdaq) applicable to U.S. domestic issuers.

After the closing of this offering, we will be a "foreign private issuer" (as such term is defined in Rule 405 under the Securities Act). As a foreign private issuer we will be permitted to comply with Israeli corporate governance practices instead of the corporate governance rules of Nasdaq, provided that we disclose which requirements we are not following and the equivalent Israeli requirement.

We intend to rely on this "foreign private issuer exemption" with respect to the quorum requirement for shareholder meetings. Whereas under the corporate governance rules of Nasdaq, a quorum requires the presence, in person or by proxy, of holders of at least 33 $\frac{1}{3}$ % of the total issued outstanding voting power of our shares at each general meeting of shareholders, pursuant to our amended and restated articles of association to be effective upon the closing of this offering, and as permitted under the Companies Law, the quorum required for a general meeting of shareholders will consist of at least two shareholders present in person or by proxy in accordance with the Companies Law, who hold or represent at least 33 $\frac{1}{3}$ % of the total voting power of our shares, except if (i) any such general meeting of shareholders was initiated by and convened pursuant to a resolution adopted by the board of directors and (ii) at the time of such general meeting, we qualify as a "foreign private issuer," in which case the requisite quorum will consist of two or more shareholders present in person or by proxy who hold or represent at least 25% of the total voting power of our shares (and if the

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meeting is adjourned for a lack of quorum, the quorum for such adjourned meeting will be, subject to certain exceptions, any number of shareholders). We otherwise intend to comply with the rules generally applicable to U.S. domestic companies listed on Nasdaq. We may, however, in the future decide to use the "foreign private issuer exemption" and opt out of some or all of the other corporate governance rules.

### **Board of Directors**

Under the Companies Law and our amended and restated articles of association to be effective upon the closing of this offering, our business and affairs will be managed under the direction of our board of directors. Our board of directors may exercise all powers and may take all actions that are not specifically granted to our shareholders or to executive management. Our Chief Executive Officer (referred to as a "general manager" under the Companies Law) is responsible for our day-to-day management. Our Chief Executive Officer is appointed by, and serves at the discretion of, our board of directors, subject to the employment agreement that we have entered into with him. All other executive officers are appointed by the Chief Executive Officer, subject to applicable corporate approvals, and are subject to the terms of any applicable employment or consulting agreements that we may enter into with them.

Under our amended and restated articles of association to be effective upon the closing of this offering, the number of directors on our board of directors will be determined by our board of directors and will be no less than three and no more than eleven directors divided into three classes with staggered three-year terms. Each class of directors consists, as nearly as possible, of one-third of the total number of directors constituting the entire board of directors. At each annual general meeting of our shareholders, the election or re-election of directors following the expiration of the term of office of the directors of that class of directors will be for a term of office that expires on the third annual general meeting following such election or re-election, such that from the annual general meeting of 2022 and after, each year the term of office of only one class of directors will expire.

Our directors will be divided among the three classes as follows:

- the Class I directors will be Amir Schlachet, Miguel Angel Parra and Iris Epple-Right, and their terms will expire at our annual general meeting of shareholders to be held in 2022;
- the Class II directors, will be Nir Debbi and Anna Jain Bakst, and their terms will expire at our annual meeting of shareholders to be held in 2023; and
- the Class III directors will be Shahar Tamari, Thomas Studd and Tzvia Broida, and their terms will expire at our annual meeting of shareholders to be held in 2024.

Our directors will be appointed by a simple majority vote of holders of our ordinary shares, participating and voting at an annual general meeting of our shareholders, provided that (i) in the event of a contested election, the method of calculation of the votes and the manner in which the resolutions will be presented to our shareholders at the general meeting shall be determined by our board of directors in its discretion, and (ii) in the event that our board of directors does not or is unable to make a determination on such matter, then the directors will be elected by a plurality of the voting power represented at the general meeting in person or by proxy and voting on the election of directors. Each director will hold office until the annual general meeting of our shareholders for the year in which such director's term expires, unless the tenure of such director expires earlier pursuant to the Companies Law or unless such director is removed from office as described below.

Under our amended and restated articles of association to be effective upon the closing of this offering, the approval of the holders of at least 70% of the total voting power of our shareholders is

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generally required to remove any of our directors from office or amend the provision requiring the approval of at least 70% of the total voting power of our shareholders to remove any of our directors from office, or certain other provisions regarding our staggered board, shareholder proposals, the size of our board and plurality voting in contested elections. In addition, vacancies on our board of directors may be filled by a vote of a simple majority of the directors then in office. A director so appointed will hold office until the next annual general meeting of our shareholders for the election of the class of directors in respect of which the vacancy was created, or in the case of a vacancy due to the number of directors being less than the maximum number of directors stated in our amended and restated articles of association to be effective upon the closing of this offering, until the next annual general meeting of our shareholders for the election of the class of directors to which such director was assigned by our board of directors.

### ***Chairperson of the Board***

Our amended and restated articles of association to be effective upon the closing of this offering provide that the Chairperson of the board of directors is appointed by the members of the board of directors from among them. Under the Companies Law, the chief executive officer of a public company, or a relative of the chief executive officer, may not serve as the chairperson of the board of directors of such public company, and the chairperson of the board of directors of a public company, or a relative of the chairperson, may not be vested with authorities of the chief executive officer of such public company, without shareholder approval consisting of a majority vote of the shares present and voting at a shareholders meeting, and in addition, either:

- at least a majority of the shares of non-controlling shareholders and shareholders that do not have a personal interest in the approval voted at the meeting are voted in favor (disregarding abstentions); or
- the total number of shares of non-controlling shareholders and shareholders who do not have a personal interest in such appointment that re voted against such appointment does not exceed two percent (2%) of the aggregate voting rights in the company.

In addition, a person who is subordinated, directly or indirectly, to the chief executive officer may not serve as the chairperson of the board of directors, the chairperson of the board of directors may not be vested with authorities that are granted to persons who are subordinated to the chief executive officer and the chairperson of the board of directors may not serve in any other position in the company or in a controlled subsidiary, but may serve as a director or chairperson of a controlled subsidiary.

During a special and annual general meeting of our shareholders held on March 21, 2021, our shareholders approved the appointment of Amir Schlachet as Chairperson of our board of directors in addition to his role as our Chief Executive Officer. According to the Companies Law and the regulations promulgated thereunder, such appointment is valid for an initial term of five years following the closing of this offering. Following such initial term, each renewal of the appointment of our Chief Executive Officer as Chairperson of the board of directors will be subject to the shareholder approval described above and will be limited to a three-year term.

### ***External Directors***

Under the Companies Law, companies incorporated under the laws of the State of Israel that are “public companies,” including companies with shares listed on Nasdaq, are required to appoint at least two external directors. Pursuant to regulations promulgated under the Companies Law, companies with shares traded on certain U.S. stock exchanges, including Nasdaq, which do not have a “controlling shareholder,” may, subject to certain conditions, “opt out” from the Companies Law requirements to appoint external directors and related Companies Law rules concerning the composition of the audit

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committee and compensation committee of the board of directors. In accordance with these regulations, we have elected to “opt out” from the Companies Law requirement to appoint external directors and related Companies Law rules concerning the composition of the audit committee and compensation committee of our board of directors.

### **Appointment Rights**

Pursuant to our articles of association in effect prior to this offering, certain of our shareholders had rights to appoint members of our board of directors. All rights to appoint directors will terminate upon the closing of this offering. Our currently serving directors are:

- Amir Schlachet, Nir Debbi and Shahar Tamari;
- Yaniv Stern who was appointed by Red Dot Capital Partners, L.P.;
- Miguel Angel Parra who was appointed by Deutsche Post Beteiligungen Holding GmbH;
- Zehavit Cohen who was appointed by Goor HoldCo Ltd.; and
- Vitruvian Directors I Limited (represented by Thomas Joseph Benjamin Studd) that was appointed by Cross Ship S.à r.l.

### **Audit Committee**

#### **Companies Law Requirements**

Under the Companies Law, the board of directors of a public company must appoint an audit committee. The audit committee must be comprised of at least three directors.

#### **Listing Requirements**

Under the corporate governance rules of Nasdaq, we are required to maintain an audit committee consisting of at least three independent directors, each of whom is financially literate and one of whom has accounting or related financial management expertise.

Upon the closing of this offering, our audit committee will consist of Tzvia Broida, Anna Bakst and Iris Epple-Righi. Tzvia Broida will serve as the chairperson of the audit committee. All members of our audit committee meet the requirements for financial literacy under the applicable rules and regulations of the SEC and the corporate governance rules of Nasdaq. Our board of directors has determined that Tzvia Broida is an audit committee financial expert as defined by the SEC rules and has the requisite financial experience as defined by the corporate governance rules of Nasdaq.

Our board of directors has determined that each member of our audit committee is “independent” as such term is defined in Rule 10A-3(b)(1) under the Exchange Act, which is different from the general test for independence of board and committee members.

#### **Audit Committee Role**

Our board of directors has adopted an audit committee charter setting forth the responsibilities of the audit committee, which are consistent with the Companies Law, the SEC rules and the corporate governance rules of Nasdaq and include:

- retaining and terminating our independent auditors, subject to ratification by the board of directors, and in the case of retention, to ratification by the shareholders;
- pre-approving audit and non-audit services to be provided by the independent auditors and related fees and terms;

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- overseeing the accounting and financial reporting processes of our company and audits of our financial statements, the effectiveness of our internal control over financial reporting and making such reports as may be required of an audit committee under the rules and regulations promulgated under the Exchange Act;
- reviewing with management and our independent auditor our annual and quarterly financial statements prior to publication or filing (or submission, as the case may be) to the SEC;
- recommending to the board of directors the retention and termination of the internal auditor, and the internal auditor's engagement fees and terms, in accordance with the Companies Law as well as approving the yearly or periodic work plan proposed by the internal auditor;
- reviewing with our general counsel and/or external counsel, as deemed necessary, legal and regulatory matters that could have a material impact on the financial statements;
- identifying irregularities in our business administration, inter alia, by consulting with the internal auditor or with the independent auditor, and suggesting corrective measures to the board of directors;
- reviewing policies and procedures with respect to transactions (other than transactions related to the compensation or terms of services) between the Company and officers and directors, or affiliates of officers or directors, or transactions that are not in the ordinary course of the Company's business and deciding whether to approve such acts and transactions if so required under the Companies Law; and
- establishing procedures for the handling of employees' complaints as to the management of our business and the protection to be provided to such employees.

### **Compensation Committee**

#### ***Companies Law Requirements***

Under the Companies Law, the board of directors of a public company must appoint a compensation committee, which must be comprised of at least three directors.

#### ***Listing Requirements***

Under the corporate governance rules of Nasdaq, we are required to maintain a compensation committee consisting of at least two independent directors.

Upon the closing of this offering, our compensation committee will consist of Anna Bakst, Iris Epple-Righi and Thomas Studd. Anna Bakst will serve as chairperson of the committee. Our board of directors has determined that each member of our compensation committee is independent under the corporate governance rules of Nasdaq, including the additional independence requirements applicable to the members of a compensation committee.

#### ***Compensation Committee Role***

In accordance with the Companies Law, the roles of the compensation committee are, among others, as follows:

- making recommendations to the board of directors with respect to the approval of the compensation policy for office holders and, once every three years, regarding any extensions to a compensation policy that was adopted for a period of more than three years;
- reviewing the implementation of the compensation policy and periodically making recommendations to the board of directors with respect to any amendments or updates of the compensation policy;



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- resolving whether or not to approve arrangements with respect to the terms of office and employment of office holders; and
- exempting, under certain circumstances, a transaction with our Chief Executive Officer from the approval of our shareholders.

Our board of directors has adopted a compensation committee charter setting forth the responsibilities of the committee, which are consistent with the corporate governance rules of Nasdaq and include among others:

- recommending to our board of directors for its approval a compensation policy in accordance with the requirements of the Companies Law as well as other compensation policies, incentive-based compensation plans and equity-based compensation plans, and overseeing the development and implementation of such policies and recommending to our board of directors any amendments or modifications to such policies the committee deems appropriate, including as required under the Companies Law;
- reviewing and approving the granting of options and other incentive awards to our Chief Executive Officer and other executive officers, including reviewing and approving corporate goals and objectives relevant to the compensation of our Chief Executive Officer and other executive officers;
- approving and exempting certain transactions regarding office holders' compensation pursuant to the Companies Law; and
- administering our equity-based compensation plans, including without limitation, approving the adoption of such plans, amending and interpreting such plans and the awards and agreements issued pursuant thereto, and making awards to eligible persons under the plans and determining the terms of such awards.

### ***Compensation Policy under the Companies Law***

In general, under the Companies Law, a public company must have a compensation policy approved by the board of directors after receiving and considering the recommendations of the compensation committee. In addition, our compensation policy must be approved at least once every three years, first, by our board of directors, upon recommendation of our compensation committee, and second, by a simple majority of the ordinary shares present, in person or by proxy, and voting (excluding abstentions) at a general meeting of shareholders, provided that either:

- such majority includes at least a majority of the shares held by shareholders who are not controlling shareholders and shareholders who do not have a personal interest in such compensation policy; or
- the total number of shares of non-controlling shareholders and shareholders who do not have a personal interest in the compensation policy and who vote against the policy does not exceed two percent (2%) of the aggregate voting rights in the Company.

Under special circumstances, the board of directors may approve the compensation policy despite the objection of the shareholders on the condition that the compensation committee and then the board of directors decide, on the basis of detailed grounds and after discussing again the compensation policy, that approval of the compensation policy, despite the objection of shareholders, is for the benefit of the company.

If a company that initially offers its securities to the public, like us, adopts a compensation policy in advance of its initial public offering, and describes it in its prospectus for such offering, then such

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compensation policy shall be deemed a validly adopted policy in accordance with the Companies Law requirements described above. Furthermore, if the compensation policy is established in accordance with the aforementioned relief, then it will remain in effect for a term of five years from the date such company becomes a public company.

The compensation policy must be based on certain considerations, include certain provisions and reference certain matters as set forth in the Companies Law. The compensation policy must serve as the basis for decisions concerning the financial terms of employment or engagement of office holders, including exculpation, insurance, indemnification or any monetary payment or obligation of payment in respect of employment or engagement. The compensation policy must be determined and later reevaluated according to certain factors, including: the advancement of the company's objectives, business plan and long-term strategy; the creation of appropriate incentives for office holders, while considering, among other things, the company's risk management policy; the size and the nature of the company's operations; and with respect to variable compensation, the contribution of the office holder towards the achievement of the company's long-term goals and the maximization of its profits, all with a long-term objective and according to the position of the office holder. The compensation policy must furthermore consider the following additional factors:

- the education, skills, experience, expertise and accomplishments of the relevant office holder;
- the office holder's position and responsibilities;
- prior compensation agreements with the office holder;
- the ratio between the cost of the terms of employment of an office holder and the cost of the employment of other employees of the company, including employees employed through contractors who provide services to the company, in particular the ratio between such cost to the average and median salary of such employees of the company, as well as the impact of disparities between them on the work relationships in the company;
- if the terms of employment include variable components — the possibility of reducing variable components at the discretion of the board of directors and the possibility of setting a limit on the value of non-cash variable equity-based components; and
- if the terms of employment include severance compensation — the term of employment or office of the office holder, the terms of the office holder's compensation during such period, the company's performance during such period, the office holder's individual contribution to the achievement of the company goals and the maximization of its profits and the circumstances under which he or she is leaving the company.

The compensation policy must also include, among other things:

- with regards to variable components:
  - o with the exception of office holders who report to the chief executive officer, a means of determining the variable components on the basis of long-term performance and measurable criteria; provided that the company may determine that an immaterial part of the variable components of the compensation package of an office holder shall be awarded based on non-measurable criteria, or if such amount is not higher than three months' salary per annum, taking into account such office holder's contribution to the company;
  - o the ratio between variable and fixed components, as well as the limit of the values of variable components at the time of their payment, or in the case of equity-based compensation, at the time of grant;
- a condition under which the office holder will return to the company, according to conditions to be set forth in the compensation policy, any amounts paid as part of the office holder's terms of

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employment, if such amounts were paid based on information later to be discovered to be wrong, and such information was restated in the company's financial statements;

- the minimum holding or vesting period of variable equity-based components to be set in the terms of office or employment, as applicable, while taking into consideration long-term incentives; and
- a limit to retirement grants.

Our compensation policy, which will become effective immediately prior the closing of this offering, is designed to promote retention and motivation of directors and executive officers, incentivize superior individual excellence, align the interests of our directors and executive officers with our long-term performance and provide a risk management tool. To that end, a portion of our executive officer compensation package is targeted to reflect our short and long-term goals, as well as the executive officer's individual performance. On the other hand, our compensation policy includes measures designed to reduce the executive officer's incentives to take excessive risks that may harm us in the long-term, such as limits on the value of cash bonuses and equity-based compensation, limitations on the ratio between the variable and the total compensation of an executive officer and minimum vesting periods for equity-based compensation.

Our compensation policy also addresses our executive officers' individual characteristics (such as their respective position, education, scope of responsibilities and contribution to the attainment of our goals) as the basis for compensation variation among our executive officers and considers the internal ratios between compensation of our executive officers and directors and other employees. Pursuant to our compensation policy, the compensation that may be granted to an executive officer may include: base salary, annual bonuses and other cash bonuses (such as a signing bonus and special bonuses with respect to any special achievements, such as outstanding personal achievement, outstanding personal effort or outstanding company performance), equity-based compensation, benefits and retirement and termination of service arrangements. All cash bonuses are limited to a maximum amount linked to the executive officer's base salary.

An annual cash bonus may be awarded to executive officers upon the attainment of pre-set periodic objectives and individual targets. The annual cash bonus that may be granted to our executive officers other than our Chief Executive Officer will be based on performance objectives and a discretionary evaluation of the executive officer's overall performance by our Chief Executive Officer and subject to minimum thresholds. The annual cash bonus that may be granted to executive officers other than our Chief Executive Officer may alternatively be based entirely on a discretionary evaluation. Furthermore, our Chief Executive Officer will be entitled to approve performance objectives for executive officers who report to him.

The measurable performance objectives of our Chief Executive Officer will be determined annually by our compensation committee and board of directors. A non-material portion of the Chief Executive Officer's annual cash bonus, as provided in our compensation policy, may be based on a discretionary evaluation of the Chief Executive Officer's overall performance by the compensation committee and the board of directors.

The equity-based compensation under our compensation policy for our executive officers (including members of our board of directors) is designed in a manner consistent with the underlying objectives in determining the base salary and the annual cash bonus, with its main objectives being to enhance the alignment between the executive officers' interests with our long-term interests and those of our shareholders and to strengthen the retention and the motivation of executive officers in the long term. Our compensation policy provides for executive officer compensation in the form of share options or other equity-based awards, such as restricted shares and restricted share units, in accordance with

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our equity incentive plan then in place. All equity-based incentives granted to executive officers shall be subject to vesting periods in order to promote long-term retention of the awarded executive officers. The equity-based compensation shall be granted from time to time and be individually determined and awarded according to the performance, educational background, prior business experience, qualifications, role and the personal responsibilities of the executive officer.

In addition, our compensation policy contains compensation recovery provisions which allow us under certain conditions to recover bonuses paid in excess, enable our Chief Executive Officer to approve an immaterial change in the terms of employment of an executive officer who reports directly him (provided that the changes of the terms of employment are in accordance with our compensation policy) and allow us to exculpate, indemnify and insure our executive officers and directors to the maximum extent permitted by Israeli law subject to certain limitations set forth therein.

Our compensation policy also provides for compensation to the members of our board of directors either (i) in accordance with the amounts provided in the Companies Regulations (Rules Regarding the Compensation and Expenses of an External Director) of 2000, as amended by the Companies Regulations (Relief for Public Companies Traded in Stock Exchange Outside of Israel) of 2000, as such regulations may be amended from time to time, or (ii) in accordance with the amounts determined in our compensation policy.

Our compensation policy, which will be approved by our board of directors and shareholders prior to the closing of this offering, will become effective immediately prior to the closing of this offering and will be filed as an exhibit to the registration statement of which this prospectus forms a part.

### **Nominating, Governance and Sustainability Committee**

Upon the closing of this offering, our nominating, governance and sustainability committee will consist of Iris Epple-Righi, Anna Bakst and Thomas Studd. Iris Epple-Righi will serve as chairperson of the committee. Our board of directors has adopted a nominating, governance and sustainability committee charter setting forth the responsibilities of the committee, which include:

- overseeing and assisting our board in reviewing and recommending nominees for election as directors;
- assisting our board in its oversight relating to corporate responsibility and environmental, social and governance matters;
- assessing the performance of the members of our board; and
- establishing and maintaining effective corporate governance policies and practices, including, but not limited to, developing and recommending to our board a set of corporate governance guidelines applicable to our business.

### **Code of Conduct**

Our board of directors has adopted a written code of conduct that applies to our directors, officers and employees, including our principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions. Following this offering, a current copy of the code will be posted on the investor section of our website.

### **Compensation of Directors and Executive Officers**

#### ***Directors***

Under the Companies Law, the compensation of our directors requires the approval of our compensation committee, the subsequent approval of the board of directors and, unless exempted

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under regulations promulgated under the Companies Law, the approval of the shareholders at a general meeting. If the compensation of our directors is inconsistent with our stated compensation policy, then those provisions that must be included in the compensation policy according to the Companies Law must have been considered by the compensation committee and board of directors, and shareholder approval will also be required, provided that:

- at least a majority of the shares held by all shareholders who are not controlling shareholders and do not have a personal interest in such matter, present and voting at such meeting, are voted in favor of the compensation package, excluding abstentions; or
- the total number of shares of non-controlling shareholders and shareholders who do not have a personal interest in such matter voting against the compensation package does not exceed two percent (2%) of the aggregate voting rights in the Company.

### ***Executive Officers other than the Chief Executive Officer***

The Companies Law requires the approval of the compensation of a public company's executive officers (other than the chief executive officer) in the following order: (i) the compensation committee, (ii) the company's board of directors, and (iii) if such compensation arrangement is inconsistent with the company's stated compensation policy, the company's shareholders (by a special majority vote as discussed above with respect to the approval of director compensation). However, if the shareholders of the company decline to approve a compensation arrangement with an executive officer that is inconsistent with the company's stated compensation policy, the compensation committee and board of directors may override the shareholders' decision if each of the compensation committee and the board of directors provide detailed reasons for their decision.

An amendment to an existing arrangement with an office holder (who is not a director) requires only the approval of the compensation committee, if the compensation committee determines that the amendment is not material in comparison to the existing arrangement. However, according to regulations promulgated under the Companies Law, an amendment to an existing arrangement with an office holder (who is not a director) who is subordinate to the chief executive officer shall not require the approval of the compensation committee, if (i) the amendment is approved by the chief executive officer, (ii) the company's compensation policy provides that a non-material amendment to the terms of service of an office holder (other than the chief executive officer) may be approved by the chief executive officer and (iii) the engagement terms are consistent with the company's compensation policy.

### ***Chief Executive Officer***

Under the Companies Law, the compensation of a public company's chief executive officer is required to be approved by: (i) the company's compensation committee; (ii) the company's board of directors, and (iii) the company's shareholders (by a special majority vote as discussed above with respect to the approval of director compensation). However, if the shareholders of the company decline to approve the compensation arrangement with the chief executive officer, the compensation committee and board of directors may override the shareholders' decision if each of the compensation committee and the board of directors provide a detailed report for their decision. The approval of each of the compensation committee and the board of directors should be in accordance with the company's stated compensation policy; however, in special circumstances, they may approve compensation terms of a chief executive officer that are inconsistent with such policy provided that they have considered those provisions that must be included in the compensation policy according to the Companies Law and that shareholder approval was obtained (by a special majority vote as discussed above with respect to the approval of director compensation). In addition, the compensation committee may waive the shareholder approval requirement with regards to the approval of the engagement terms of a

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candidate for the chief executive officer position, if they determine that the compensation arrangement is consistent with the company's stated compensation policy and that the chief executive officer candidate did not have a prior business relationship with the company or a controlling shareholder of the company and that subjecting the approval of the engagement to a shareholder vote would impede the company's ability to employ the chief executive officer candidate. In the event that the chief executive officer candidate also serves as a member of the board of directors, his or her compensation terms as chief executive officer will be approved in accordance with the rules applicable to approval of compensation of directors.

### **Aggregate Compensation of Office Holders**

The aggregate compensation, including share-based compensation, paid by us and our subsidiaries to our executive officers and directors for the year ended December 31, 2020 was approximately \$2.4 million. This amount includes approximately \$0.4 million set aside or accrued to provide pension, severance, retirement or similar benefits or expenses, but does not include business travel, relocation, professional and business association dues and expenses reimbursed to office holders, and other benefits commonly reimbursed or paid by companies in Israel.

As of December 31, 2020, options to purchase 6,260,400 ordinary shares granted to our executive officers and directors were outstanding under our equity incentive plans at a weighted average exercise price of \$2.69 per ordinary share.

After the closing of this offering, we intend to pay each of our non-employee directors, other than individuals serving on our board of directors immediately prior to the consummation of this offering, who serves on a board committee an annual retainer of \$35,000, with additional annual payment for service on board committees as follows: \$10,000 (or \$20,000 for the chairperson) per membership of the audit committee, or \$7,500 (or \$15,000 for the chairperson) per membership of the compensation committee and \$4,250 (or \$8,500 for the chairperson) per membership of the nominating and governance committee. In addition, upon election, nonemployee directors, other than individuals serving on our board of directors immediately prior to the consummation of this offering, shall be granted with restricted share unit awards under our incentive plan at a value of \$250,000 which shall vest on an annual basis over a period of three years. In addition, each nonemployee director, other than individuals serving on our board of directors immediately prior to the consummation of this offering, shall be granted with annual restricted share unit awards under our incentive plan (provided the director is still in office) at a value of \$150,000 which shall vest on the first anniversary of the grant date.

### **Internal Auditor**

Under the Companies Law, the board of directors of a public company must appoint an internal auditor based on the recommendation of the audit committee. The role of the internal auditor is, among other things, to examine whether a company's actions comply with applicable law and orderly business procedure. Under the Companies Law, the internal auditor cannot be an interested party or an office holder or a relative of an interested party or an office holder, nor may the internal auditor be the company's independent auditor or its representative. An "interested party" is defined in the Companies Law as (i) a holder of 5% or more of the issued share capital or voting power in a company, (ii) any person or entity who has the right to designate one or more directors or to designate the chief executive officer of the company or (iii) any person who serves as a director or as chief executive officer of the company. We have not yet appointed our internal auditor, but we intend to appoint an internal auditor following the closing of this offering.

## **Approval of Related Party Transactions under Israeli Law**

### ***Fiduciary Duties of Directors and Executive Officers***

The Companies Law codifies the fiduciary duties that office holders owe to a company. An office holder is defined in the Companies Law as a general manager, chief business manager, deputy general manager, vice general manager, any other person assuming the responsibilities of any of these positions regardless of such person's title, a director and any other manager directly subordinate to the general manager. Each person listed in the table under "Management—Executive Officers and Directors" is an office holder under the Companies Law.

An office holder's fiduciary duties consist of a duty of care and a duty of loyalty. The duty of care requires an office holder to act with the level of care with which a reasonable office holder in the same position would have acted under the same circumstances. The duty of care includes, among other things, a duty to use reasonable means, in light of the circumstances, to obtain:

- information on the business advisability of a given action brought for his, her or its approval or performed by virtue of his, her or its position; and
- all other important information pertaining to such action.

The duty of loyalty requires that an office holder act in good faith and in the best interests of the company, and includes, among other things, the duty to:

- refrain from any act involving a conflict of interest between the performance of his, her or its duties in the company and his, her or its other duties or personal affairs;
- refrain from any activity that is competitive with the business of the company;
- refrain from exploiting any business opportunity of the company for the purpose of gaining a personal advantage for himself, herself or itself or others; and
- disclose to the company any information or documents relating to the company's affairs which the office holder received as a result of his, her or its position as an office holder.

Under the Companies Law, a company may approve an act specified above which would otherwise constitute a breach of the office holder's fiduciary duty, provided that the office holder acted in good faith, neither the act nor its approval harms the company and the office holder discloses his, her or its personal interest a sufficient time before the approval of such act. Any such approval is subject to the terms of the Companies Law setting forth, among other things, the appropriate bodies of the company required to provide such approval and the methods of obtaining such approval.

### ***Disclosure of Personal Interests of an Office Holder and Approval of Certain Transactions***

The Companies Law requires that an office holder promptly disclose to the board of directors any personal interest that such office holder may have and all related material information known to such office holder concerning any existing or proposed transaction with the company. A personal interest includes an interest of any person in an act or transaction of a company, including a personal interest of one's relative or of a corporate body in which such person or a relative of such person is a 5% or greater shareholder, director or general manager or in which such person has the right to appoint at least one director or the general manager, but excluding a personal interest stemming solely from one's ownership of shares in the company. A personal interest includes the personal interest of a person for whom the office holder holds a voting proxy or the personal interest of the office holder with respect to the officer holder's vote on behalf of a person for whom he or she holds a proxy even if such shareholder has no personal interest in the matter.

If it is determined that an office holder has a personal interest in a non-extraordinary transaction, meaning any transaction that is in the ordinary course of business, on market terms or that is not likely

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to have a material impact on the company's profitability, assets or liabilities, approval by the board of directors is required for the transaction unless the company's articles of association provide for a different method of approval. Any such transaction that is adverse to the company's interests may not be approved by the board of directors.

Approval first by the company's audit committee and subsequently by the board of directors is required for an extraordinary transaction (meaning any transaction that is not in the ordinary course of business, not on market terms or that is likely to have a material impact on the company's profitability, assets or liabilities) in which an office holder has a personal interest.

A director and any other office holder who has a personal interest in a transaction which is considered at a meeting of the board of directors or the audit committee may generally (unless it is with respect to a transaction which is not an extraordinary transaction) not be present at such a meeting or vote on that matter unless a majority of the directors or members of the audit committee, as applicable, have a personal interest in the matter. If a majority of the members of the audit committee or the board of directors have a personal interest in the matter, then all of the directors may participate in deliberations of the audit committee or board of directors, as applicable, with respect to such transaction and vote on the approval thereof and, in such case, shareholder approval is also required.

Certain disclosure and approval requirements apply under Israeli law to certain transactions with controlling shareholders, certain transactions in which a controlling shareholder has a personal interest and certain arrangements regarding the terms of service or employment of a controlling shareholder. For these purposes, a controlling shareholder is any shareholder that has the ability to direct the company's actions, including any shareholder holding 25% or more of the voting rights if no other shareholder owns more than 50% of the voting rights in the company. Two or more shareholders with a personal interest in the approval of the same transaction are deemed to be one shareholder.

For a description of the approvals required under Israeli law for compensation arrangements of officers and directors, see "— Compensation of Directors and Executive Officers."

### **Shareholder Duties**

Pursuant to the Companies Law, a shareholder has a duty to act in good faith and in a customary manner toward the company and other shareholders and to refrain from abusing his or her power with respect to the company, including, among other things, in voting at a general meeting and at shareholder class meetings with respect to the following matters:

- an amendment to the company's articles of association;
- an increase of the company's authorized share capital;
- a merger; or
- interested party transactions that require shareholder approval.

In addition, a shareholder has a general duty to refrain from discriminating against other shareholders.

Certain shareholders also have a duty of fairness toward the company. These shareholders include any controlling shareholder, any shareholder who knows that it has the power to determine the outcome of a shareholder vote and any shareholder who has the power to appoint or to prevent the appointment of an office holder of the company or exercise any other rights available to it under the company's articles of association with respect to the company. The Companies Law does not define



the substance of this duty of fairness, except to state that the remedies generally available upon a breach of contract will also apply in the event of a breach of the duty of fairness.

### **Exculpation, Insurance and Indemnification of Office Holders**

Under the Companies Law, a company may not exculpate an office holder from liability for a breach of the duty of loyalty. An Israeli company may exculpate an office holder in advance from liability, in whole or in part, for damages caused as a result of a breach of duty of care but only if a provision authorizing such exculpation is included in its articles of association. Our amended and restated articles of association to be effective upon the closing of this offering include such a provision. An Israeli company may not exculpate a director from liability arising out of a prohibited dividend or distribution to shareholders.

An Israeli company may indemnify an office holder in respect of the following liabilities and expenses incurred for acts performed as an office holder, either in advance of an event or following an event, provided a provision authorizing such indemnification is contained in its articles of association:

- a financial liability imposed on him or her in favor of another person pursuant to a judgment, including a settlement or arbitrator's award approved by a court. However, if an undertaking to indemnify an office holder with respect to such liability is provided in advance, then such an undertaking must be limited to events which, in the opinion of the board of directors, can be foreseen based on the company's activities when the undertaking to indemnify is given, and to an amount or according to criteria determined by the board of directors as reasonable under the circumstances, and such undertaking shall detail the abovementioned events and amount or criteria;
- reasonable litigation expenses, including legal fees, incurred by the office holder (1) as a result of an investigation or proceeding instituted against him or her by an authority authorized to conduct such investigation or proceeding, *provided* that (i) no indictment was filed against such office holder as a result of such investigation or proceeding; and (ii) no financial liability, such as a criminal penalty, was imposed upon him or her as a substitute for the criminal proceeding as a result of such investigation or proceeding or, if such financial liability was imposed, it was imposed with respect to an offense that does not require proof of criminal intent; and (2) in connection with a monetary sanction;
- reasonable litigation expenses, including legal fees, incurred by the office holder or imposed by a court in proceedings instituted against him or her by the company, on its behalf or by a third-party or in connection with criminal proceedings in which the office holder was acquitted or as a result of a conviction for an offense that does not require proof of criminal intent; and
- expenses, including reasonable litigation expenses and legal fees, incurred by an office holder in relation to an administrative proceeding instituted against such office holder, or certain compensation payments made to an injured party imposed on an office holder by an administrative proceeding, pursuant to certain provisions of the Israeli Securities Law, 1968 (the "Israeli Securities Law").

An Israeli company may insure an office holder against the following liabilities incurred for acts performed as an office holder if and to the extent provided in the company's articles of association:

- a breach of the duty of loyalty to the company, to the extent that the office holder acted in good faith and had a reasonable basis to believe that the act would not prejudice the company;
- a breach of the duty of care to the company or to a third-party, including a breach arising out of the negligent conduct of the office holder;
- a financial liability imposed on the office holder in favor of a third-party;

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- a financial liability imposed on the office holder in favor of a third-party harmed by a breach in an administrative proceeding; and
- expenses, including reasonable litigation expenses and legal fees, incurred by the office holder as a result of an administrative proceeding instituted against him or her, pursuant to certain provisions of the Israeli Securities Law.

An Israeli company may not indemnify or insure an office holder against any of the following:

- a breach of the duty of loyalty, except to the extent that the office holder acted in good faith and had a reasonable basis to believe that the act would not prejudice the company;
- a breach of the duty of care committed intentionally or recklessly, excluding a breach arising out of the negligent conduct of the office holder;
- an act or omission committed with intent to derive illegal personal benefit; or
- a fine, monetary sanction or forfeit levied against the office holder.

Under the Companies Law, exculpation, indemnification and insurance of office holders must be approved by the compensation committee and the board of directors (and, with respect to directors and the chief executive officer, by the shareholders). However, under regulations promulgated under the Companies Law, the insurance of office holders does not require shareholder approval and may be approved by only the compensation committee, if the engagement terms are determined in accordance with the company's compensation policy, which was approved by the shareholders by the same special majority required to approve a compensation policy, provided that the insurance policy is on market terms and the insurance policy is not likely to materially impact the company's profitability, assets or obligations.

Our amended and restated articles of association to be effective upon the closing of this offering allow us to exculpate, indemnify and insure our office holders for any liability imposed on them as a consequence of an act (including any omission) which was performed by virtue of being an office holder. Our office holders are currently covered by a directors and officers' liability insurance policy.

We intend to enter into agreements with each of our directors and executive officers exculpating them in advance, to the fullest extent permitted by law, from liability to us for damages caused to us as a result of a breach of duty of care, and undertaking to indemnify them to the fullest extent permitted by law. This indemnification is limited to events determined as foreseeable by the board of directors based on our activities, and to an amount or according to criteria determined by the board of directors as reasonable under the circumstances.

The maximum indemnification amount set forth in such agreements is limited to an amount equal to the higher of \$250,000,000, 25% of our total shareholders' equity as reflected in our most recent consolidated financial statements prior to the date on which the indemnity payment is made, and 10% of our total market cap calculated based on the average closing prices of our ordinary shares over the 30 trading days prior to the actual payment, multiplied by the total number of our issued and outstanding shares as of the date of the payment (other than indemnification for an offering of securities to the public, including by a shareholder in a secondary offering, in which case the maximum indemnification amount is limited to the gross proceeds raised by us and/or any selling shareholder in such public offering). The maximum amount set forth in such agreements is in addition to any amount paid (if paid) under insurance and/or by a third-party pursuant to an indemnification arrangement.

In the opinion of the SEC, indemnification of directors and office holders for liabilities arising under the Securities Act, however, is against public policy and therefore unenforceable.

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There is no pending litigation or proceeding against any of our office holders as to which indemnification is being sought, nor are we aware of any pending or threatened litigation that may result in claims for indemnification by any office holder.

### **Employment and Consulting Agreements with Executive Officers**

We have entered into written employment agreements with each of our executive officers. These agreements provide for notice periods of varying duration for termination of the agreement by us or by the relevant executive officer, during which time the executive officer will continue to receive salary and benefits. These agreements also contain customary provisions regarding non-competition, non-solicitation confidentiality of information and assignment of inventions. However, the enforceability of the non-competition provisions may be limited under applicable law.

### **Share Incentive Plans**

#### **2013 Share Option Plan**

The 2013 Share Incentive Plan, or the 2013 Plan, was adopted by our board of directors on May 13, 2013 and amended on April 2, 2019. The 2013 Plan provides for the grant of equity-based incentive awards to our employees, directors, office holders, service providers and consultants in order to incentivize them to increase their efforts on behalf of the Company and to promote the success of the Company's business.

*Shares Available for Grants.* As of December 31, 2020, there were 3,366,000 ordinary shares reserved and available for issuance under the 2013 Plan. Following the closing of this offering, we will no longer grant any awards under the 2013 Plan, though previously granted awards under the 2013 Plan will remain outstanding and governed by such plan. Ordinary shares subject to options granted under the 2013 Plan that expire or become unexercisable without having been exercised in full will become available again for future grant under our 2021 Share Incentive Plan.

*Administration.* Our board of directors, or a duly authorized committee of our board of directors, or the administrator, administer the 2013 Plan. Under the 2013 Plan, the administrator has the authority, subject to applicable law, to interpret the terms of the 2013 Plan and any option agreements or awards granted thereunder, designate recipients of awards, determine and amend the terms of awards, including, but not limited to, the number and class of ordinary shares underlying each option award, the time of grant of an option award, the exercise price of an option award, the fair market value of an ordinary share, the time and vesting schedule applicable to an award, the tax track for the purpose of 102 Awards (as defined below), or the method of payment for an award, accelerate or amend the vesting schedule applicable to an award, prescribe the forms of agreement for use under the 2013 Plan and take all other actions and make all other determinations necessary for the administration of the 2013 Plan.

The administrator also has the authority to approve the conversion, substitution, cancellation or suspension under and in accordance with the 2013 Plan of any or all option awards or ordinary shares, and the authority to modify option awards to eligible individuals who are foreign nationals or are individuals who are employed outside Israel to recognize differences in local law, tax policy or custom, in order to effectuate the purposes of the 2013 Plan but without amending the 2013 Plan.

The administrator also has the authority to amend and rescind rules and regulations relating to the 2013 Plan or terminate the 2013 Plan at any time before the date of expiration of its ten year term.

*Eligibility.* The 2013 Plan provides for granting awards under various tax regimes, including, without limitation, in compliance with Section 102 of the Israeli Income Tax Ordinance (New Version),

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5721-1961 (the "Ordinance" and "102 Awards", respectively), and Section 3(i) of the Ordinance and for awards granted to our United States employees or service providers, including those who are deemed to be residents of the United States for tax purposes, in compliance with Section 422 of the United States Internal Revenue Code of 1986 (the "Code") and Section 409A of the Code ("Incentive Stock Options").

Section 102 of the Ordinance allows employees, directors and officers who are not controlling shareholders and are considered Israeli residents to receive favorable tax treatment for compensation in the form of shares or options. Our non-employee service providers and controlling shareholders may only be granted options under section 3(9) of the Ordinance, which does not provide for similar tax benefits.

*Grants.* All awards granted pursuant to the 2013 Plan are evidenced by an option agreement, in a form approved, from time to time, by the administrator in its sole discretion. The option agreement sets forth the terms and conditions of the award, including the type of option, number of shares subject to such option, vesting schedule and conditions (including performance goals or measures), manner of exercise and the exercise price, if applicable and other terms and conditions not inconsistent with the 2013 Plan as the administrator may determine. Certain awards under the 2013 Plan may constitute or provide for a deferral of compensation, subject to Section 409A of the Code, which may impose additional requirements on the terms and conditions of such awards.

Unless otherwise determined by the administrator and stated in the option agreement, and subject to the conditions of the 2013 Plan, options vest and become exercisable under the following schedule: twenty-five percent (25%) of the shares covered by the option, on the first anniversary of the vesting commencement date determined by the administrator, and six and one-quarter percent (6.25%) of the shares covered by the award at the end of each subsequent three-month period thereafter over the course of the following three (3) years; provided that the grantee remains continuously as an employee or provides services to the Company throughout such vesting dates.

The Exercise Period of an option under the 2013 Plan is seven (7) years from the date of the grant thereof, unless otherwise determined by the administrator, but in no event shall exceed ten (10) years from the date of grant. In the case of an Incentive Stock Option granted to a ten percent stockholder, within the meaning of Section 422(b)(6) of the Code, the exercise period shall not exceed five (5) years from the effective date of grant of such Incentive Stock Option.

*Awards.* The 2013 Plan provides for the grant of stock options (including Incentive Stock Options and nonqualified stock options), ordinary shares, restricted shares, restricted share units and other share-based awards. Options granted under the 2013 Plan to our employees who are U.S. residents may qualify as Incentive Stock Options within the meaning of Section 422 of the Code, or may be non-qualified stock options. The exercise price of an option may not be less than the par value of the shares for which such option is exercisable. The exercise price of an Incentive Stock Option may not be less than 100% of the fair market value of the underlying share on the date of grant or such other amount as may be required pursuant to the Code, and in the case of Incentive Stock Options granted to ten percent stockholders, not less than 110%.

*Exercise.* An award under the 2013 Plan may be exercised by providing the Company with a written notice of exercise, specifying the number of shares with respect to which the option is being exercised and full payment of the exercise price for such shares, if applicable, in such form and method as may be determined by the administrator and permitted by applicable law. An award may not be exercised for a fraction of a share. With regard to tax withholding, exercise price and purchase price obligations arising in connection with awards under the 2013 Plan, the administrator may, in its discretion, accept cash, provide for net withholding of shares in a cashless exercise mechanism or direct a securities broker to sell shares and deliver all or a part of the proceeds to the Company or the

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trustee, or direct to pledge shares to a securities broker or lender, as security for a loan, and to deliver all or part of the loan proceeds to the Company or the trustee.

*Transferability.* Other than by will, the laws of descent and distribution or as otherwise provided under the 2013 Plan or determined by the administrator, neither the options nor any right in connection with such options are assignable or transferable.

*Termination of Employment.* Unless otherwise determined by the administrator and subject to the conditions of the 2013 Plan, an option may only be exercised for as long as the grantee is an employee or provides services to the Company. In the event of termination of a grantee's employment or service with the Company or any of its affiliates, all vested and exercisable options held by such grantee as of the date of termination may be exercised within ninety (90) days after such date of termination, unless otherwise determined by the administrator and subject to the conditions of the 2013 Plan. After such ninety (90) day period, all such unexercised options will terminate and the shares covered by such options shall again be available for issuance under the 2013 Plan.

In the event of termination of a grantee's employment or service with the Company or any of its affiliates due to such grantee's death, permanent disability all vested and exercisable options held by such grantee as of the date of termination may be exercised by the grantee or the grantee's legal guardian, estate, or by a person who acquired the right to exercise the option by bequest or inheritance, as applicable, within one (1) year after such date of termination, unless otherwise provided by the administrator and in the event of termination due to such grantee's retirement, within three (3) months of such termination. Any awards which are unvested as of the date of such termination or which are vested but not then exercised within the one (1) year period following such date, will terminate and the shares covered by such options shall again be available for issuance under the 2013 Plan.

Notwithstanding any of the foregoing, if a grantee's employment or services with the Company or any of its affiliates is terminated for "cause" (as defined in the 2013 Plan), all outstanding options held by such grantee (whether vested or unvested) will terminate on the date of such termination and the shares covered by such options shall again be available for issuance under the 2013 Plan,) unless otherwise determined by the administrator.

*Transactions.* In the event of a share split, reverse share split, share dividend, recapitalization, combination or reclassification of our shares, merger, consolidation, a reorganization or other similar occurrences, the administrator in its sole discretion shall make an appropriate adjustment in the number and class of shares related to each outstanding award and to the number of shares reserved for issuance under the 2013 Plan, to the class and kind of shares subject to the 2013 Plan, as well as the exercise price per share of each outstanding award, as applicable, the terms and conditions concerning vesting and exercisability and the term and duration of outstanding awards, or any other terms that the administrator adjusts in its discretion; provided that any fractional shares resulting from such adjustment shall be rounded to the nearest whole share unless otherwise determined by the administrator.

In the event of a merger or consolidation of our Company, or a sale of all, or substantially all, of the Company's shares or assets or other transaction having a similar effect on the Company, or liquidation or dissolution, or such other transaction or circumstances that the board of directors determines to be a relevant transaction, then without the consent of the grantee, the administrator may but is not required to (i) cause any outstanding award to be assumed or substituted by such successor corporation or any parent or affiliate thereof and (ii) in the event that the awards are not assumed or substituted by an equivalent award (a) provide the grantee with the option to exercise the award as to all or part of the shares, and may provide for an acceleration of vesting of unvested awards, or

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(b) cancel the award and pay in cash, shares of the Company, the acquirer or other corporation which is a party to such transaction or other property as determined by the administrator as fair in the circumstances.

### *2021 Employee Share Purchase Plan*

The 2021 Employee Share Purchase Plan (the “ESPP”) was adopted by our board of directors on March 1, 2021. The ESPP is comprised of two distinct components: (1) the component intended to qualify for favorable U.S. federal tax treatment under Section 423 of the Code (the “Section 423 Component”) and (2) the component not intended to be tax qualified under Section 423 of the Code to facilitate participation for employees who are not eligible to benefit from favorable U.S. federal tax treatment and, to the extent applicable, to provide flexibility to comply with non U.S. law and other considerations (the “Non Section 423 Component”).

*Authorized Shares.* A total of 2,500,000 of our ordinary shares will be available for sale under our ESPP, subject to adjustment as provided for in the ESPP. In addition, on the first day of each fiscal year beginning with our 2022 fiscal year and ending on and including the fiscal year of 2029, such pool of ordinary shares shall be increased by that number of our ordinary shares equal to the lesser of:

- 0.5% of the outstanding ordinary shares as of the last day of the immediately preceding fiscal year, determined on a fully diluted basis; or
- such other amount as our board of directors may determine.

In no event will more than 2,750,000 ordinary shares be available for issuance under the Section 423 Component.

*ESPP Administration.* Unless otherwise determined by our board of directors, the compensation committee of our board of directors, or the administrator, will administer the ESPP and will have the authority to interpret the terms of the ESPP and determine eligibility under the ESPP, to impose a mandatory holding period under which employees may not dispose or transfer shares under the ESPP, prescribe, revoke and amend forms, rules and procedures relating to the ESPP, and otherwise exercise such powers and to perform such acts as the administrator deems necessary or expedient to promote the best interests of the Company and its subsidiaries and to carry out the intent that the ESPP be treated as an “employee stock purchase plan” within the meaning of Section 423 of the Code for the Section 423 Component.

*Eligibility.* Participation in the Section 423 Component may be limited in the terms of any offering to employees of the Company and any of its designated subsidiaries (a) who customarily work 20 hours or more per week, (b) whose customary employment is for more than five months per calendar year, and (c) who satisfy the procedural enrollment and other requirements set forth in the ESPP. Under the Section 423 Component, designated subsidiaries include any subsidiary (within the meaning of Section 424(f) of the Code) of the Company that has been designated by our board of directors or the compensation committee as eligible to participate in the ESPP (and if an entity does not so qualify within the meaning of Section 424(f) of the Code, it shall automatically be deemed to be a designated subsidiary in the Non-Section 423 Component). In addition, with respect to the Non-Section 423 Component, designated subsidiaries may include any corporate or noncorporate entity in which the Company has a direct or indirect equity interest or significant business relationship. Under the Section 423 Component, no employee may be granted a purchase right if, immediately after the purchase right is granted, the employee would own (or, under applicable statutory attribution rules, would be deemed to own) shares possessing 5% or more of the total combined voting power or value of all classes of shares of the Company or any of its subsidiaries. In addition, in order to facilitate participation in the ESPP, the compensation committee may provide for such special terms applicable to participants who

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are citizens or residents of a non-U.S. jurisdiction, or who are employed by a designated subsidiary outside of the U.S., as the compensation committee may consider necessary or appropriate to accommodate differences in local law, tax policy or custom. Except as permitted by Section 423 of the Code, with respect to the Section 423 Component, such special terms may not be more favorable than the terms of rights granted under the Section 423 Component to eligible employees who are residents of the United States.

*Offering Periods.* The ESPP provides for offering periods, not to exceed 27 months each, during which we will grant rights to purchase our ordinary shares to our employees. The timing of the offering periods will be determined by the administrator. The terms and conditions applicable to each offering period will be set forth in an offering document adopted by the administrator for the particular offering period. The provisions of offerings during separate offering periods under the ESPP need not be identical.

*Contributions.* Our ESPP will permit participants to purchase our ordinary shares through contributions (in the form of payroll deductions, or otherwise, to the extent permitted by the administrator). The percentage of compensation designated by an eligible employee as payroll deductions for participation in an offering may not be less than 1% and may not be more than the maximum percentage specified by the administrator in the applicable offering document (which maximum percentage shall be 20% in the absence of any such specification). A participant may increase or decrease the percentage of compensation designated in his or her subscription agreement, or may suspend his or her payroll deductions, at any time during an offering period; provided, however, that the administrator may limit the number of changes a participant may make in the applicable offering document. In the absence of any specific designation by the administrator, a participant may decrease (but not increase) his or her payroll deduction elections one time during each offering period.

*Exercise of Purchase Right.* Amounts contributed and accumulated by the participant will be used to purchase our ordinary shares at the end of each offering period. Unless otherwise determined by the administrator, the purchase price of the shares will be 85% of the lower of the fair market value of our ordinary shares on (i) the first trading day of the offering period or (ii) the last trading day of the offering period (and may not be lower than such amount with respect to the Section 423 Component). Participants may end their participation at any time during an offering period and will be paid their accrued contributions that have not yet been used to purchase our ordinary shares. Participation ends automatically upon termination of employment with us.

*Non-Transferability.* A participant may not transfer contributions credited to his or her account nor any rights granted under our ESPP other than by will, the laws of descent and distribution or as otherwise provided under our ESPP.

*Corporate Transactions.* In the event of certain transactions or events such as a consolidation, merger or similar transaction, a sale or transfer of all or substantially all of the Company's assets, or a dissolution or liquidation of the Company, the administrator may, in its discretion, provide that (i) each outstanding purchase right will be (a) assumed or substituted for a right granted by the acquiror or successor corporation or by a parent or subsidiary of such entity, (b) terminated in exchange for cash or other property as determined by the administrator, or (c) cancelled with accumulated payroll deductions returned to each participant, or (ii) the participant's accumulated payroll deductions may be used to purchase shares prior to the end of the offering period and before the date of the proposed sale, merger or similar transaction.

*Amendment; Termination.* The administrator will have the authority to amend, suspend or terminate our ESPP. Our ESPP is not subject to a specific termination date.

## **2021 Share Incentive Plan**

The 2021 Share Incentive Plan, or the 2021 Plan, was adopted by our board of directors on March 1, 2021. The 2021 Plan provides for the grant of equity-based incentive awards to our employees, directors, office holders, service providers and consultants in order to incentivize them to increase their efforts on behalf of the Company and to promote the success of the Company's business.

**Shares Available for Grants.** The maximum number ordinary shares available for issuance under the 2021 Plan is equal to the sum of (i) 13,500,000 shares, (ii) any shares subject to awards under the 2013 Plan which have expired, or were cancelled, terminated, forfeited or settled in cash in lieu of issuance of shares or became unexercisable without having been exercised, and (iii) an annual increase on the first day of each year beginning in 2022 and on January 1st of each calendar year thereafter during the term of the Plan, equal to five percent (5%) of the outstanding ordinary shares of the Company on the last day of the immediately preceding calendar year. No more than 13,500,000 ordinary shares may be issued upon the exercise of incentive stock options, or ISOs. If permitted by our board of directors, shares tendered to pay the exercise price or withholding tax obligations with respect to an award granted under the 2021 Plan or the 2013 Plan may again be available for issuance under the 2021 Plan. Our board of directors may also reduce the number of ordinary shares reserved and available for issuance under the 2021 Plan in its discretion.

**Administration.** Our board of directors, or a duly authorized committee of our board of directors, or the administrator, will administer the 2021 Plan. Under the 2021 Plan, the administrator has the authority, subject to applicable law, to interpret the terms of the 2021 Plan and any award agreements or awards granted thereunder, designate recipients of awards, determine and amend the terms of awards, including the exercise price of an option award, the fair market value of an ordinary share, the time and vesting schedule applicable to an award or the method of payment for an award, accelerate or amend the vesting schedule applicable to an award, prescribe the forms of agreement for use under the 2021 Plan and take all other actions and make all other determinations necessary for the administration of the 2021 Plan.

The administrator also has the authority to approve the conversion, substitution, cancellation or suspension under and in accordance with the 2021 Plan of any or all option awards or ordinary shares, and the authority to modify option awards to eligible individuals who are foreign nationals or are individuals who are employed outside Israel to recognize differences in local law, tax policy or custom, in order to effectuate the purposes of the 2021 Plan but without amending the 2021 Plan.

The administrator also has the authority to amend and rescind rules and regulations relating to the 2021 Plan or terminate the 2021 Plan at any time before the date of expiration of its ten year term.

**Eligibility.** The 2021 Plan provides for granting awards under various tax regimes, including, without limitation, in compliance with Section 102 of the Ordinance, and Section 3(i) of the Ordinance and for awards granted to our United States employees or service providers, including those who are deemed to be residents of the United States for tax purposes, Section 422 of the Code and Section 409A of the Code.

**Grants.** All awards granted pursuant to the 2021 Plan will be evidenced by an award agreement, in a form approved, from time to time, by the administrator in its sole discretion. The award agreement will set forth the terms and conditions of the award, including the type of award, number of shares subject to such award, vesting schedule and conditions (including performance goals or measures) and the exercise price, if applicable. Certain awards under the 2021 Plan may constitute or provide for a deferral of compensation, subject to Section 409A of the Code, which may impose additional requirements on the terms and conditions of such awards.



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Unless otherwise determined by the administrator and stated in the award agreement, and subject to the conditions of the 2021 Plan, awards vest and become exercisable under the following schedule: 25% of the shares covered by the award, on the first anniversary of the vesting commencement date determined by the administrator (and in the absence of such determination, the date on which such award was granted), and 6.25% of the shares covered by the award at the end of each subsequent three-month period thereafter over the course of the following three years; provided that the grantee remains continuously as an employee or provides services to the company throughout such vesting dates.

Each award will expire ten years from the date of the grant thereof, unless such shorter term of expiration is otherwise designated by the administrator.

*Awards.* The 2021 Plan provides for the grant of stock options (including incentive stock options and nonqualified stock options), ordinary shares, restricted shares, restricted share units, stock appreciation rights and other share-based awards.

Options granted under the 2021 Plan to the Company employees who are U.S. residents may qualify as “incentive stock options” within the meaning of Section 422 of the Code, or may be non-qualified stock options. The exercise price of an option may not be less than the par value of the shares (if the shares bear a par value) for which such option is exercisable. The exercise price of an Incentive Stock Option may not be less than 100% of the fair market value of the underlying share on the date of grant or such other amount as may be required pursuant to the Code, and in the case of Incentive Stock Options granted to ten percent stockholders, not less than 110%.

*Exercise.* An award under the 2021 Plan may be exercised by providing the Company with a written or electronic notice of exercise and full payment of the exercise price for such shares underlying the award, if applicable, in such form and method as may be determined by the administrator and permitted by applicable law. An award may not be exercised for a fraction of a share. With regard to tax withholding, exercise price and purchase price obligations arising in connection with awards under the 2021 Plan, the administrator may, in its discretion, accept cash, provide for net withholding of shares in a cashless exercise mechanism or direct a securities broker to sell shares and deliver all or a part of the proceeds to the Company or the trustee.

*Transferability.* Other than by will, the laws of descent and distribution or as otherwise provided under the 2021 Plan, neither the options nor any right in connection with such options are assignable or transferable.

*Termination of Employment.* In the event of termination of a grantee's employment or service with the Company or any of its affiliates, all vested and exercisable awards held by such grantee as of the date of termination may be exercised within three months after such date of termination, unless otherwise determined by the administrator. After such three month period, all such unexercised awards will terminate and the shares covered by such awards shall again be available for issuance under the 2021 Plan.

In the event of termination of a grantee's employment or service with the Company or any of its affiliates due to such grantee's death or permanent disability, or in the event of the grantee's death within the three month period (or such longer period as determined by the administrator) following his or her termination of service, all vested and exercisable awards held by such grantee as of the date of termination may be exercised by the grantee or the grantee's legal guardian, estate, or by a person who acquired the right to exercise the award by bequest or inheritance, as applicable, within one year after such date of termination, unless otherwise provided by the administrator. Any awards which are

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unvested as of the date of such termination or which are vested but not then exercised within the one year period following such date, will terminate and the shares covered by such awards shall again be available for issuance under the 2021 Plan.

Notwithstanding any of the foregoing, if a grantee's employment or services with the Company or any of its affiliates is terminated for "cause" (as defined in the 2021 Plan), all outstanding awards held by such grantee (whether vested or unvested) will terminate on the date of such termination and the shares covered by such awards shall again be available for issuance under the 2021 Plan.

*Voting Rights.* Except with respect to restricted share awards, grantees will not have the rights as a shareholder of the Company with respect to any shares covered by an award until the award has vested and/or the grantee has exercised such award, paid any exercise price for such award and becomes the record holder of the shares. With respect to restricted share awards, grantees will possess all incidents of ownership of the restricted shares, including the right to vote and receive dividends on such shares.

*Dividends.* Grantees holding restricted share awards will be entitled to receive dividends and other distributions with respect to the shares underlying the restricted share award. Any stock split, stock dividend, combination of shares or similar transaction will be subject to the restrictions of the original restricted share award. Grantees holding restricted share units will not be eligible to receive dividend but may be eligible to receive dividend equivalents.

*Transactions.* In the event of a share split, reverse share split, share dividend, recapitalization, combination or reclassification of the Company's shares, the administrator in its sole discretion may, and where required by applicable law shall, without the need for a consent of any holder, make an appropriate adjustment in order to adjust (i) the number and class of shares reserved and available for the outstanding awards, (ii) the number and class of shares covered by outstanding awards, (iii) the exercise price per share covered by any award, (iv) the terms and conditions concerning vesting and exercisability and the term and duration of the outstanding awards, and (v) the type or class of security, asset or right underlying the award (which need not be only that of the Company, and may be that of the surviving corporation or any affiliate thereof or such other entity party to any of the above transactions), and (vi) any other terms of the award that in the opinion of the administrator should be adjusted; provided that any fractional shares resulting from such adjustment shall be rounded to the nearest whole share unless otherwise determined by the administrator. In the event of a distribution of a cash dividend to all shareholders, the administrator may determine, without the consent of any holder of an award, that the exercise price of an outstanding and unexercised award shall be reduced by an amount equal to the per share gross dividend amount distributed by the Company, subject to applicable law.

In the event of a merger or consolidation of the Company, or a sale of all, or substantially all, of the Company's shares or assets or other transaction having a similar effect on the Company, or change in the composition of the board of directors, or liquidation or dissolution, or such other transaction or circumstances that the board of directors determines to be a relevant transaction, then without the consent of the grantee, (i) unless otherwise determined by the administrator, any outstanding award will be assumed or substituted by such successor corporation, or (ii) regardless of whether or not the successor corporation assumes or substitutes the award (a) provide the grantee with the option to exercise the award as to all or part of the shares, and may provide for an acceleration of vesting of unvested awards, (b) cancel the award and pay in cash, shares of the Company, the acquirer or other corporation which is a party to such transaction or other property as determined by the administrator as fair in the circumstances, or (c) provide that the terms of any award shall be otherwise amended, modified or terminated, as determined by the administrator to be fair in the circumstances.

## PRINCIPAL SHAREHOLDERS

The following table sets forth information with respect to the beneficial ownership of our ordinary shares as of February 28, 2021 both before and as adjusted to give effect to this offering by:

- each person or group of affiliated persons known by us to own beneficially more than 5% of our outstanding ordinary shares;
- each of our directors, director nominees and executive officers individually; and
- all of our executive officers, director nominees and directors as a group.

The beneficial ownership of ordinary shares is determined in accordance with the SEC rules and generally includes any ordinary shares over which a person exercises sole or shared voting or investment power.

For purposes of the table below, we deem ordinary shares subject to options or warrants that are exercisable within 60 days of February 28, 2021 to be outstanding and to be beneficially owned by the person holding the options or warrants for the purposes of computing the ownership and percentage ownership of that person but we do not treat them as outstanding for the purpose of computing the ownership or percentage ownership of any other person, except with respect to the ownership and percentage ownership of all executive officers and directors as a group.

The percentage of ordinary shares beneficially owned prior to the offering is based on 119,564,400 ordinary shares outstanding as of February 28, 2021.

As of February 28, 2021, 802,800 ordinary shares, representing 0.7% of our issued and outstanding ordinary shares, were held by two holders of record in the United States.

All of our shareholders, including the shareholders listed below, have the same voting rights attached to their ordinary shares. See “Description of Share Capital and Articles of Association—Amended and Restated Articles of Association—Voting.” Following the closing of this offering, neither our principal shareholders nor our directors and executive officers will have different or special voting rights with respect to their ordinary shares. Unless otherwise noted below, the address of each shareholder listed below is 25 Basel Street, Petah Tikva, 4951038, Israel.

A description of any material relationship that our principal shareholders have had with us or any of our affiliates within the past three years is included under “Certain Relationships and Related Party Transactions.”

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Name of Beneficial Owner	Shares Beneficially Owned Prior to Offering		Shares Beneficially Owned After Offering			
			Assuming Underwriters' Option to Purchase Additional Ordinary Shares is Not Exercised		Assuming Underwriters' Option to Purchase Additional Ordinary Shares is Exercised in Full	
	Number	%	Number	%	Number	%
<b>Principal Shareholders</b>						
Red Dot Capital Partners(1)	18,620,400	15.6				
Deutsche Post Beteiligungen Holding GmbH(2)	21,423,600	17.9				
Goor HoldCo. Ltd(3)	13,821,600	11.6				
Cross Ship S. à r.l.(4)	26,216,400	21.9				
Shopify Inc.(5)	7,750,513	6.5				
<b>Directors, Director Nominees and Executive Officers</b>						
Amir Schlachet(6)	6,376,800	5.3				
Shahar Tamari(7)	6,376,800	5.3				
Nir Debbi(8)	6,641,400	5.6				
Ofer Koren	—	—				
Eden Zaharoni(9)	—	—				
Yaniv Stern(10)	—	—				
Zehavit Cohen(11)	—	—				
Thomas Studd(12)	—	—				
Miguel Angel Parra(13)	—	—				
Tzvia Broida	—	—				
Anna J. Bakst	—	—				
Iris Epple-Righi	—	—				
<b>All executive officers, directors and director nominees as a group (12 persons)</b>	<b>19,395,000</b>	<b>16.2</b>				

\* Indicates ownership of less than 1%.

- (1) Represents 18,620,400 ordinary shares held by Red Dot Capital Partners L.P. Red Dot General Partner L.P. is the general partner of Red Dot Capital Partners L.P (collectively, "Red Dot Capital Partners") and manages its investments and has voting power over the ordinary shares of the Company held by Red Dot Capital Partners L.P. Yaniv Stern disclaims beneficial ownership of the ordinary shares held by Red Dot Capital Partners, except to the extent of his pecuniary interest, if any, in such ordinary shares by virtue of his interest in Red Dot Capital Partners. The address for Red Dot Capital Partners is 1 Ha'Shikma st. P.O.B 89 Savyon 5691502 Israel.
- (2) Represents 21,423,600 ordinary shares held by Deutsche Post Beteiligungen Holding GmbH which is affiliated with DHL International GmbH. The address for the Deutsche Post Beteiligungen Holding GmbH is Charles-de-Gaulle-Straße 20, 53113 Bonn. Federal Republic of Germany.
- (3) Represents 13,821,600 ordinary shares held by Goor HoldCo Ltd. which is affiliated with AMI GP Co. Limited, being the General Partner of AMI Opportunities Fund which is part of the AMI group (collectively, the "AMI Group") which is advised by Apax Partners. Zehavit Cohen disclaims beneficial ownership of the ordinary shares held by the AMI Group, except to the extent of her pecuniary interest, if any, in such ordinary shares by virtue of her interest in the AMI Group. The address for Goor HoldCo Ltd. is Museum Tower 4 Berkowitz Street Tel Aviv.
- (4) Represents 26,216,400 ordinary shares held by Cross Ship S. à r.l. Cross Ship S. à r.l. is wholly owned by Vitruvian Investment Partners III ("VIP III"). VIP III is a fund managed by Vitruvian Partners LLP (collectively, the "Vitruvian Group"). Thomas Studd, a partner of Vitruvian Partners LLP, disclaims beneficial ownership of the ordinary shares held by the Vitruvian Group, except to

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the extent of his pecuniary interest, if any, in such ordinary shares by virtue of his interest in the Vitruvian Group. The address for the Vitruvian Group is 21, rue Philippe II, L-2340 Luxembourg, Grand Duchy of Luxembourg.

- (5) Includes 7,750,513 ordinary shares underlying warrants exercisable within 60 days of February 28, 2021.
- (6) Includes 4,890,000 ordinary shares that Mr. Schlachet holds directly and 1,486,800 ordinary shares underlying options that will become exercisable upon completion of this offering.
- (7) Includes 4,890,000 ordinary shares that Mr. Tamari holds directly and 1,486,800 ordinary shares underlying options that will become exercisable upon completion of this offering.
- (8) Includes 5,154,600 ordinary shares that Mr. Debbi holds directly and 1,486,800 ordinary shares underlying options that will become exercisable upon completion of this offering.
- (9) Includes 731,400 ordinary shares underlying options that are exercisable within 60 days of December 31, 2020.
- (10) Mr. Stern holds no shares directly. Mr. Stern is a managing partner at Red Dot General Partner, which manages funds that collectively own ordinary shares. See note 1 above. Mr. Stern disclaims beneficial ownership of the ordinary shares held by Red Dot General Partner, except to the extent of his pecuniary interest, if any, in such ordinary shares by virtue of his interest in Red Dot General Partner and his indirect limited partnership interest in Red Dot General Partner.
- (11) Mrs. Cohen holds no shares directly. Mrs. Cohen is a managing partner at the AMI Group, which manages funds that collectively own ordinary shares. See note 3 above. Mrs. Cohen disclaims beneficial ownership of the ordinary shares held by the Goor HoldCo. Ltd., except to the extent of her pecuniary interest, if any, in such ordinary shares by virtue of her interest in the AMI Group and her indirect limited partnership interest in the AMI Group.
- (12) Mr. Studd holds no shares directly. Mr. Studd is a partner at the Vitruvian Group, which manages funds that collectively own ordinary shares. See note 4 above. Mr. Studd disclaims beneficial ownership of the ordinary shares held by the Cross Ship S. à r.l., except to the extent of his pecuniary interest, if any, in such ordinary shares by virtue of his interest in the Vitruvian Group and his indirect limited partnership interest in the Vitruvian Group.
- (13) Mr. Parra holds no shares directly. Mr. Parra serves as the Chief Executive Officer of DHL Express which is affiliated with Deutsche Post Beteiligungen Holding GmbH.

## CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

Share and per share amounts in this section do not give effect to the Share Split or the Preferred Shares Conversion.

Our policy is to enter into transactions with related parties on terms that, on the whole, are no more or less favorable than those available from unaffiliated third parties. Based on our experience in the business sectors in which we operate and the terms of our transactions with unaffiliated third parties, we believe that all of the transactions described below met this policy standard at the time they occurred.

### Rights of Appointment

Our current board of directors consists of seven directors. Pursuant to our articles of association in effect prior to this offering, certain of our shareholders had rights to appoint members of our board of directors. See “Management—Board of Directors.”

All rights to appoint directors and observers will terminate upon the closing of this offering, although currently serving directors that were appointed prior to this offering will continue to serve pursuant to their appointment until the annual meeting of shareholders at which the term of their class of director expires.

We are not a party to, and are not aware of, any voting agreements among our shareholders.

### Agreements with Directors and Officers

*Employment Agreements.* We have entered into written employment agreements with each of our executive officers. See “Management—Employment and Consulting Agreements with Executive Officers.”

*Options.* Since our inception, we have granted to our executive officers and certain of our directors options to purchase our ordinary shares. Such option agreements may contain acceleration provisions upon certain transactions, including the closing of this offering. See “Management—Share Incentive Plans.”

*Exculpation, Indemnification and Insurance.* Our amended and restated articles of association to be effective upon the closing of this offering permit us to exculpate, indemnify and insure certain of our office holders to the fullest extent permitted by the Companies Law. We intend to enter into agreements with each of our directors and executive officers, exculpating them in advance from a breach of their duty of care to the fullest extent permitted by law and undertaking to indemnify them to the fullest extent permitted by law, subject to certain exceptions, including with respect to liabilities resulting from this offering to the extent that these liabilities are not covered by insurance. See “Management—Exculpation, Insurance and Indemnification of Office Holders.”

### Equity Financing

#### *Series D Preferred Share Financing*

On April 17, 2018 and July 16, 2018, we sold an aggregate of 27,758 of Series D-1 preferred shares, each having par value of NIS 0.01 at a price per share of \$720.52 for an aggregate purchase price of \$20,000,000. Goor Holdco Ltd. purchased all of the 27,758 Series D-1 preferred shares. Goor Holdco Ltd. was also granted an option to purchase additional Series D-2 preferred shares, which option was not exercised and has expired.

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### **Series E Preferred Share Primary Financing and Secondary Sale**

On April 20, 2020, we sold an aggregate of 23,706 Series E preferred shares, each having a par value of NIS 0.01 at a price per share of \$2,498.65 for an aggregate purchase price of \$59,232,997. The following table summarizes purchases of our Series E preferred shares by related persons:

<b>Shareholder</b>	<b>Series E Preferred Shares</b>	<b>Total Purchase Price (\$)</b>
Cross Ship S.à.r.l.	20,011	50,000,485.15
Deutsche Post Beteiligungen Holdings GmbH	3,695	9,232,511.75

In conjunction with the foregoing issuance of Series E preferred shares, certain of our shareholders (including Amir Schlachet, Nir Debbi, Shahar Tamari, Goor Holdco Ltd. and Red Dot Capital Partners, L.P.) sold to Cross Ship S.à r.l. an aggregate of 5,547 ordinary shares and 11,179 preferred shares for an aggregate purchase price of approximately \$35.3 million.

### **Investors' Rights Agreement**

We are party to a third amended and restated investors' rights agreement from March 2021 (the "Investors' Rights Agreement"), which provides, among other things, that certain holders of our ordinary shares, including Goor HoldCo Ltd., Cross Ship S.à r.l., Deutsche Post Beteiligungen Holding GmbH and Red Dot Capital Partners, L.P., each of which holds more than 5% of our outstanding ordinary shares, have the right to demand that we file a registration statement or request that their shares be covered by a registration statement that we are otherwise filing. Yaniv Stern, Zehavit Cohen, Miguel Angel Parra and Thomas Joseph Benjamin Studd, members of our board of directors as of the date of this prospectus and certain of their affiliated entities, are affiliated with Red Dot Capital Partners, L.P., Goor HoldCo Ltd., Deutsche Post Beteiligungen Holding GmbH and Cross Ship S.à r.l., respectively. See "Description of Share Capital and Articles Of Association—Registration Rights."

### **DHL Service Agreement and Commercial Letter**

We are party to a Commercial Letter with DHL International GmbH ("DHL International"), dated March 27, 2017 and amended on December 7, 2020, pursuant to which we use DHL International exclusively for the provision of express shipping services to our merchants, subject to certain exclusions described therein, and DHL International has undertaken certain commitments relating to the prices under which its services are offered to us. The current term of the Commercial Letter ends on March 27, 2022 and shall renew automatically thereafter until terminated by either us or DHL International upon twelve (12) months' notice.

In addition, we are party to a services agreement with DHL International (UK) Limited ("DHL UK"), dated May 21, 2019, under which DHL UK provides us with express shipping services relating to the purchase and sale of our merchants' products. The service agreement continues until terminated by either us or DHL UK in accordance with its terms. The consideration paid by us to DHL UK pursuant to the service agreement is contingent upon the extent of the shipping services provided. We have entered similar arrangements with other DHL affiliated entities in the Netherlands, the United States, France and Spain.

See Note 11 to our audited consolidated financial statements appearing elsewhere in this prospectus.

### **Services and Partnership Agreement**

We are party to a Services and Partnership Agreement with Shopify Inc. and its affiliate (“Shopify”), dated April 12, 2021 (the “Services and Partnership Agreement”), pursuant to which we will be an exclusive third-party provider of an end-to-end cross-border solution that includes localization, merchant of record, duty and tax calculation and remittance, and shipping services for merchants in a single solution with permissions to access and integrate into the Shopify platform checkout. Shopify however will be entitled to offer its own native, whitelabel, or branded partnership merchant of record solution to any merchants without limitation. We will pay Shopify a percentage based fee of GMV for all transactions processed through our platform for applicable Shopify merchants.

The agreement has an initial three-year term ending in April 2024, which automatically renews for additional and successive one-year terms unless either party provides the other party with written notice of election to terminate the agreement at least 180 days prior to the end of any such term. Either party may immediately terminate the agreement without cause by providing at least 180 days’ prior written notice to the other party. In addition, upon the occurrence of certain events, either party may terminate the agreement immediately upon notice to the other party.

See Note 15 to our audited consolidated financial statements appearing elsewhere in this prospectus.

### **Warrant Agreement**

On April 12, 2021, we entered into a warrant agreement (the “Shopify Warrant”) with Shopify pursuant to which we issued warrants to purchase up to an aggregate of 19,604,239 of our ordinary shares at a price of \$0.01 per share expiring upon the earliest of (i) April 12, 2031, (ii) immediately prior to consummation of a merger and acquisition and (iii) immediately prior to the completion of an initial public offering other than the offering contemplated hereby (which clause (iii) will cease to apply upon the completion of this offering). The Shopify Warrant was issued in connection with the Services and Partnership Agreement with Shopify, and 7,750,513 of the shares issuable under the Shopify Warrant were vested and became exercisable upon the entry into the Services and Partnership Agreement on April 12, 2021. The remaining 11,853,726 ordinary shares issuable under the Shopify Warrant vest monthly, in equal amounts over a 24-month period, commencing on the second monthly anniversary of the effective date of the Services and Partnership Agreement, and are subject to accelerated vesting (i) upon termination of the Services and Partnership Agreement by us for convenience, (ii) immediately prior to a merger and acquisition, and (iii) immediately prior to consummation of an initial public offering other than the offering contemplated hereby (which clause (iii) will cease to apply upon the completion of this offering). The Shopify Warrant contains customary provisions for the adjustment of the exercise price and the number of ordinary shares issuable upon the exercise of the warrant in the event of certain share dividends, share splits, reorganizations, recapitalizations, consolidations, mergers, or similar events affecting our ordinary shares and diluting issuances.

The ordinary shares issuable to Shopify upon exercise of the warrant are entitled to certain registration rights under the Investors’ Rights Agreement as described in greater detail below in the section titled “Description of Share Capital and Articles Of Association—Registration Rights.”

### **Policies and Procedures for Related Party Transactions**

Our board of directors intends to adopt a written related party transaction policy, to be effective upon the closing of this offering, to set forth the policies and procedures for the review and approval or ratification of related person transactions. This policy will cover any transaction, arrangement or relationship, or any series of similar transactions, arrangements or relationships, in which we were or are to be a participant, where the related person had or will have a direct or indirect material interest, including, without limitation, purchases of goods or services by or from the related person or entities in which the related person has a material interest, indebtedness, guarantees of indebtedness and employment by us of a related person.



## DESCRIPTION OF SHARE CAPITAL AND ARTICLES OF ASSOCIATION

The following is a description of the material terms of our amended and restated articles of association as they will be in effect upon the closing of this offering. The following descriptions of share capital and provisions of our amended and restated articles of association to be effective upon the closing of this offering are summaries and are qualified by reference to our amended and restated articles of association to be effective upon the closing of this offering, a copy of which is filed with the SEC as an exhibit to the registration statement of which this prospectus forms a part. The description of the ordinary shares reflects changes to our capital structure that will occur upon the closing of this offering.

### Share Capital

Our authorized share capital upon the closing of this offering will consist of 300,000,000 ordinary shares, no par value, of which shares will be issued and outstanding.

Our board of directors may determine the issue prices and terms for such shares or other securities, and may further determine any other provision relating to such issue of shares or securities. We may also issue and redeem redeemable securities on such terms and in such manner as our board of directors shall determine.

As of December 31, 2020, we had 38 holders of record of our ordinary shares.

All of our outstanding ordinary shares are validly issued, fully paid and non-assessable. Our ordinary shares are not redeemable and do not have any preemptive rights.

### Registration Number and Purposes of the Company

We are registered with the Israeli Registrar of Companies. Our registration number is 51-488953-4. Our affairs are governed by our amended and restated articles of association, applicable Israeli law and Companies Law. Our purpose as set forth in our amended and restated articles of association to be effective upon the closing of this offering is to engage in any lawful act or activity.

### Voting Rights

All ordinary shares will have identical voting and other rights in all respects.

### Transfer of Shares

Our fully paid ordinary shares are issued in registered form and may be freely transferred under our amended and restated articles of association to be effective upon the closing of this offering, unless the transfer is restricted or prohibited by another instrument, applicable law or the rules of The Nasdaq Global Select Market. The ownership or voting of our ordinary shares by non-residents of Israel is not restricted in any way by our amended and restated articles of association or the laws of the State of Israel, except for ownership by nationals of some countries that are, have been, or will be, in a state of war with Israel.

### Election of Directors

Under our amended and restated articles of association to be effective upon the closing of this offering, our board of directors must consist of not less than three but no more than eleven directors. Pursuant to our amended and restated articles of association to be effective upon the closing of this

offering, each of our directors will be appointed by a simple majority vote of holders of our ordinary shares, participating and voting at an annual general meeting of our shareholders, provided that (i) in the event of a contested election, the method of calculation of the votes and the manner in which the resolutions will be presented to our shareholders at the general meeting shall be determined by our board of directors in its discretion, and (ii) in the event that our board of directors does not or is unable to make a determination on such matter, then the directors will be elected by a plurality of the voting power represented at the general meeting in person or by proxy and voting on the election of directors. In addition, our directors are divided into three classes, one class being elected each year at the annual general meeting of our shareholders, and serve on our board of directors until the third annual general meeting following such election or re-election or until they are removed by a vote of at least 70% of the total voting power of our shareholders at a general meeting of our shareholders or upon the occurrence of certain events in accordance with the Companies Law and our amended and restated articles of association to be effective upon the closing of this offering. In addition, our amended and restated articles of association to be effective upon the closing of this offering provide that vacancies on our board of directors may be filled by a vote of a simple majority of the directors then in office. A director so appointed will hold office until the next annual general meeting of our shareholders for the election of the class of directors in respect of which the vacancy was created, or in the case of a vacancy due to the number of directors being less than the maximum number of directors stated in our amended and restated articles of association to be effective upon the closing of this offering, until the next annual general meeting of our shareholders for the election of the class of directors to which such director was assigned by our board of directors.

### **Dividend and Liquidation Rights**

We may declare a dividend to be paid to the holders of our ordinary shares in proportion to their respective shareholdings. Under the Companies Law, dividend distributions are determined by the board of directors and do not require the approval of the shareholders of a company unless the company's articles of association provide otherwise. Our amended and restated articles of association to be effective upon the closing of this offering do not require shareholder approval of a dividend distribution and provide that dividend distributions may be determined by our board of directors.

Pursuant to the Companies Law, the distribution amount is limited to the greater of retained earnings or earnings generated over the previous two years, according to our then last reviewed or audited financial statements (less the amount of previously distributed dividends, if not reduced from the earnings), provided that the end of the period to which the financial statements relate is not more than six months prior to the date of the distribution. If we do not meet such criteria, then we may distribute dividends only with court approval. In each case, we are only permitted to distribute a dividend if our board of directors and, if applicable, the court determines that there is no reasonable concern that payment of the dividend will prevent us from satisfying our existing and foreseeable obligations as they become due.

In the event of our liquidation, after satisfaction of liabilities to creditors, our assets will be distributed to the holders of our ordinary shares in proportion to their shareholdings. This right, as well as the right to receive dividends, may be affected by the grant of preferential dividend or distribution rights to the holders of a class of shares with preferential rights that may be authorized in the future.

### **Exchange Controls**

There are currently no Israeli currency control restrictions on remittances of dividends on our ordinary shares, proceeds from the sale of the ordinary shares or interest or other payments to non-residents of Israel, except for shareholders who are subjects of countries that are, have been, or will be, in a state of war with Israel.

## Registration Rights

Our amended and restated investors' rights agreement entitles certain of our shareholders to certain registration rights following the closing of this offering, as set forth below. In accordance with this agreement, and subject to conditions listed below, the following entities which as of the date of this prospectus beneficially own more than 5% of our ordinary shares, assuming the Preferred Shares Conversion immediately prior thereto, are entitled to registration rights: entities affiliated with each of Red Dot Capital Partners, DHL, Goor HoldCo. Ltd., and Cross Ship S. à r.l.

### *Form F-1 Demand Rights.*

At any time after the six (6) month anniversary of the date of this prospectus, the holders of at least 30% of the registrable securities then outstanding may request that we register all or a portion of their shares. Such request for registration must cover securities the aggregate offering price of which, after payment of the underwriting discount and commissions, would exceed \$5,000,000. We will not be required to effect more than two registrations on Form F-1 that have been declared effective. The company has the right to defer such registration under certain circumstances.

In addition, at any time after the date of this prospectus and until six (6) months hereafter, subject to any lock-up restrictions imposed by the underwriters in this offering (whether such restrictions terminate by their terms or are waived by the underwriters), the holders of at least 75% of the registrable securities then outstanding may request that we register all or a portion of their shares. Such request for registration must cover securities the aggregate offering price of which, after payment of the underwriting discount and commissions, would exceed \$50,000,000.

We will not be required to effect more than one registration on Form F-1 in any calendar year if a Form F-1 registration statement was effected during the three (3) months prior to the date of the receipt of request from the holders to file the additional Form F-1. In addition, we will not be required to effect more than one registration on Form F-1 during the first six (6) months following the date of this prospectus. The company has the right to defer such registrations under certain circumstances.

### *Form F-3 Demand Rights.*

At any time after the six (6) month anniversary of the date of this prospectus, the holders of at least 30% of the registrable securities then outstanding can make a request that we register their shares on Form F-3 if we are qualified to file a registration statement on Form F-3 and if the offering price, after payment of the underwriting discount and commissions, would equal or exceed \$5,000,000. The company has the right to defer such registration under certain circumstances.

### *Piggyback Registration Rights.*

In the event that we propose to register any of our securities under the Securities Act, either for our own account or for the account of other security holders, then certain holders of our ordinary shares will be entitled, subject to any lock-up restrictions imposed by the underwriters in connection with this offering (whether such restrictions terminate by their terms or are waived by the underwriters), to certain piggyback registration rights with respect to such offering, allowing such holders to include their shares in such registration, subject to certain marketing and other limitations. As a result, whenever we propose to file a registration statement under the Securities Act, other than with respect to (i) a registration relating solely to the sale of securities to participants in a company stock plan, (ii) a registration relating to a corporate reorganization or other transaction listed in Rule 145 under the Securities Act and (iii) a registration on any form that does not include substantially the same information as would be required to be included in a registration statement covering the sale of the registrable securities, the holders of these shares are entitled to notice of the registration and have the right, subject to certain limitations, to include their shares in the registration.

## Shareholder Meetings

Under Israeli law, we are required to hold an annual general meeting of our shareholders once every calendar year and no later than 15 months after the date of the previous annual general meeting. All meetings other than the annual general meeting of shareholders are referred to in our amended and restated articles of association as special general meetings. Our board of directors may call special general meetings of our shareholders whenever it sees fit, at such time and place, within or outside of Israel, as it may determine. In addition, the Companies Law provides that our board of directors is required to convene a special general meeting of our shareholders upon the written request of (i) any two or more of our directors, (ii) one-quarter or more of the serving members of our board of directors or (iii) one or more shareholders holding, in the aggregate, either (a) 5% or more of our outstanding issued shares and 1% or more of our outstanding voting power or (b) 5% or more of our outstanding voting power.

Under Israeli law, one or more shareholders holding at least 1% of the voting rights at the general meeting of shareholders may request that the board of directors include a matter in the agenda of a general meeting of shareholders to be convened in the future, provided that it is appropriate to discuss such a matter at the general meeting. Our amended and restated articles of association to be effective upon the closing of this offering contain procedural guidelines and disclosure items with respect to the submission of shareholder proposals for general meetings.

Subject to the provisions of the Companies Law and the regulations promulgated thereunder, shareholders entitled to participate and vote at general meetings of shareholders are the shareholders of record on a date to be decided by the board of directors, which, as a company listed on an exchange outside Israel, may be between four and 40 days prior to the date of the meeting. Furthermore, the Companies Law requires that resolutions regarding the following matters must be passed at a general meeting of shareholders:

- amendments to our articles of association;
- appointment, terms of service or and termination of service of our auditors;
- appointment of directors, including external directors (if applicable);
- approval of certain related party transactions;
- increases or reductions of our authorized share capital;
- a merger; and
- the exercise of our board of directors' powers by a general meeting, if our board of directors is unable to exercise its powers and the exercise of any of its powers is required for our proper management.

The Companies Law requires that a notice of any annual general meeting or special general meeting be provided to shareholders at least 21 days prior to the meeting and, if the agenda of the meeting includes (among other things) the appointment or removal of directors, the approval of transactions with office holders or interested or related parties, or an approval of a merger, notice must be provided at least 35 days prior to the meeting. Under the Companies Law and our amended and restated articles of association to be effective upon the closing of this offering, shareholders are not permitted to take action by way of written consent in lieu of a meeting.

## Quorum

Pursuant to our amended and restated articles of association to be effective upon the closing of this offering, holders of our ordinary shares have one vote for each ordinary share held on all matters

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submitted to a vote before the shareholders at a general meeting of shareholders. The quorum required for our general meetings of shareholders consists of at least two shareholders present in person or by proxy who hold or represent at least 33 $\frac{1}{3}$ % of the total voting power of our shares, except that if (i) any such general meeting was initiated by and convened pursuant to a resolution adopted by the board of directors and (ii) at the time of such general meeting we qualify as a “foreign private issuer,” in which case the requisite quorum will consist of two or more shareholders present in person or by proxy who hold or represent at least 25% of the total voting power of our shares. The requisite quorum shall be present within half an hour of the time fixed for the commencement of the general meeting. A general meeting adjourned for lack of a quorum shall be adjourned either to the same day in the next week, at the same time and place, to such day and at such time and place as indicated in the notice to such meeting, or to such day and at such time and place as the chairperson of the meeting shall determine. At the reconvened meeting, any number of shareholders present in person or by proxy shall constitute a quorum, unless a meeting was called pursuant to a request by our shareholders, in which case the quorum required is one or more shareholders, present in person or by proxy and holding the number of shares required to call the meeting as described above.

### **Vote Requirements**

Our amended and restated articles of association to be effective upon the closing of this offering provide that all resolutions of our shareholders require a simple majority vote, unless otherwise required by the Companies Law or by our amended and restated articles of association to be effective upon the closing of this offering. Under the Companies Law, certain actions require the approval of a special majority, including: (i) an extraordinary transaction with a controlling shareholder or in which the controlling shareholder has a personal interest, (ii) the terms of employment or other engagement of a controlling shareholder of the company or a controlling shareholder’s relative (even if such terms are not extraordinary) and (iii) certain compensation-related matters described above under “Management—Compensation Committee—Compensation Policy under the Companies Law.” Under our amended and restated articles of association to be effective upon the closing of this offering, the alteration of the rights, privileges, preferences or obligations of any class of our shares (to the extent there are classes other than ordinary shares) requires the approval of a simple majority of the class so affected (or such other percentage of the relevant class that may be set forth in the governing documents relevant to such class), in addition to a majority of all classes of shares voting together as a single class at a shareholder meeting.

Under our amended and restated articles of association to be effective upon the closing of this offering, the approval of the holders of at least 70% of the total voting power of our shareholders is generally required to remove any of our directors from office, to amend the provision requiring the approval of at least 70% of the total voting power of our shareholders to remove any of our directors from office, or certain other provisions regarding our staggered board, shareholder proposals, the size of our board and plurality voting in contested elections. Another exception to the simple majority vote requirement is a resolution for the voluntary winding up, or an approval of a scheme of arrangement or reorganization, of the company pursuant to Section 350 of the Companies Law, which requires the approval of holders holding at least 75% of the voting rights represented at the meeting and voting on the resolution.

### **Access to Corporate Records**

Under the Companies Law, all shareholders generally have the right to review minutes of our general meetings, our shareholder register (including with respect to material shareholders), our articles of association, our financial statements, other documents as provided in the Companies Law, and any document we are required by law to file publicly with the Israeli Registrar of Companies or the Israeli Securities Authority. Any shareholder who specifies the purpose of its request may request to

review any document in our possession that relates to any action or transaction with a related party which requires shareholder approval under the Companies Law. We may deny a request to review a document if we determine that the request was not made in good faith, that the document contains a trade secret or a patent or that the document's disclosure may otherwise impair our interests.

## **Acquisitions under Israeli Law**

### *Full Tender Offer*

A person wishing to acquire shares of a public Israeli company who would, as a result, hold over 90% of the target company's voting rights or the target company's issued and outstanding share capital (or of a class thereof), is required by the Companies Law to make a tender offer to all of the company's shareholders for the purchase of all of the issued and outstanding shares of the company (or the applicable class). If (a) the shareholders who do not accept the offer hold less than 5% of the issued and outstanding share capital of the company (or the applicable class) and the shareholders who accept the offer constitute a majority of the offerees that do not have a personal interest in the acceptance of the tender offer or (b) the shareholders who did not accept the tender offer hold less than 2% of the issued and outstanding share capital of the company (or of the applicable class), all of the shares that the acquirer offered to purchase will be transferred to the acquirer by operation of law. A shareholder who had its shares so transferred may petition an Israeli court within six months from the date of acceptance of the full tender offer, regardless of whether such shareholder agreed to the offer, to determine whether the tender offer was for less than fair value and whether the fair value should be paid as determined by the court. However, an offeror may provide in the offer that a shareholder who accepted the offer will not be entitled to petition the court for appraisal rights as described in the preceding sentence, as long as the offeror and the company disclosed the information required by law in connection with the full tender offer. If the full tender offer was not accepted in accordance with any of the above alternatives, the acquirer may not acquire shares of the company that will increase its holdings to more than 90% of the company's voting rights or the company's issued and outstanding share capital (or of the applicable class) from shareholders who accepted the tender offer. Shares purchased in contradiction to the full tender offer rules under the Companies Law will have no rights and will become dormant shares.

### *Special Tender Offer*

The Companies Law provides that an acquisition of shares of an Israeli public company must be made by means of a special tender offer if as a result of the acquisition the purchaser would become a holder of 25% or more of the voting rights in the company. This requirement does not apply if there is already another holder of 25% or more of the voting rights in the company. Similarly, the Companies Law provides that an acquisition of shares of an Israeli public company must be made by means of a special tender offer if as a result of the acquisition the purchaser would become a holder of more than 45% of the voting rights in the company, if there is no other shareholder of the company who holds more than 45% of the voting rights in the company. These requirements do not apply if (i) the acquisition occurs in the context of a private placement by the company that received shareholder approval as a private placement whose purpose is to give the purchaser 25% or more of the voting rights in the company, if there is no person who holds 25% or more of the voting rights in the company or as a private placement whose purpose is to give the purchaser 45% of the voting rights in the company, if there is no person who holds 45% of the voting rights in the company, (ii) the acquisition was from a shareholder holding 25% or more of the voting rights in the company and resulted in the purchaser becoming a holder of 25% or more of the voting rights in the company, or (iii) the acquisition was from a shareholder holding more than 45% of the voting rights in the company and resulted in the purchaser becoming a holder of more than 45% of the voting rights in the company. A special tender offer must be extended to all shareholders of a company. A special tender offer may be consummated

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only if (i) at least 5% of the voting power attached to the company's outstanding shares will be acquired by the offeror and (ii) the number of shares tendered in the offer exceeds the number of shares whose holders objected to the offer (excluding the purchaser, its controlling shareholders, holders of 25% or more of the voting rights in the company and any person having a personal interest in the acceptance of the tender offer, or anyone on their behalf, including any such person's relatives and entities under their control).

In the event that a special tender offer is made, a company's board of directors is required to express its opinion on the advisability of the offer, or shall abstain from expressing any opinion if it is unable to do so, provided that it gives the reasons for its abstention. The board of directors shall also disclose any personal interest that any of the directors has with respect to the special tender offer or in connection therewith. An office holder in a target company who, in his or her capacity as an office holder, performs an action the purpose of which is to cause the failure of an existing or foreseeable special tender offer or is to impair the chances of its acceptance, is liable to the potential purchaser and shareholders for damages, unless such office holder acted in good faith and had reasonable grounds to believe he or she was acting for the benefit of the company. However, office holders of the target company may negotiate with the potential purchaser in order to improve the terms of the special tender offer, and may further negotiate with third parties in order to obtain a competing offer.

If a special tender offer is accepted, then shareholders who did not respond to or that had objected the offer may accept the offer within four days of the last day set for the acceptance of the offer and they will be considered to have accepted the offer from the first day it was made.

In the event that a special tender offer is accepted, then the purchaser or any person or entity controlling it or under common control with the purchaser or such controlling person or entity at the time of the offer may not make a subsequent tender offer for the purchase of shares of the target company and may not enter into a merger with the target company for a period of one year from the date of the offer, unless the purchaser or such person or entity undertook to effect such an offer or merger in the initial special tender offer. Shares purchased in contradiction to the special tender offer rules under the Companies Law will have no rights and will become dormant shares.

### *Merger*

The Companies Law permits merger transactions if approved by each party's board of directors and, unless certain conditions described under the Companies Law are met, a simple majority of the outstanding shares of each party to the merger that are represented and voting on the merger. The board of directors of a merging company is required pursuant to the Companies Law to discuss and determine whether in its opinion there exists a reasonable concern that as a result of a proposed merger, the surviving company will not be able to satisfy its obligations towards its creditors, such determination taking into account the financial status of the merging companies. If the board of directors determines that such a concern exists, it may not approve a proposed merger. Following the approval of the board of directors of each of the merging companies, the boards of directors must jointly prepare a merger proposal for submission to the Israeli Registrar of Companies.

For purposes of the shareholder vote of a merging company whose shares are held by the other merging company, or by a person or entity holding 25% or more of the voting rights at the general meeting of shareholders of the other merging company, or by a person or entity holding the right to appoint 25% or more of the directors of the other merging company, unless a court rules otherwise, the merger will not be deemed approved if a majority of the shares voted on the matter at the general meeting of shareholders (excluding abstentions) that are held by shareholders other than the other party to the merger, or by any person or entity who holds 25% or more of the voting rights of the other party or the right to appoint 25% or more of the directors of the other party, or any one on their behalf

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including their relatives or corporations controlled by any of them, vote against the merger. In addition, if the non-surviving entity of the merger has more than one class of shares, the merger must be approved by each class of shareholders. If the transaction would have been approved but for the separate approval of each class or the exclusion of the votes of certain shareholders as provided above, a court may still approve the merger upon the request of holders of at least 25% of the voting rights of a company, if the court holds that the merger is fair and reasonable, taking into account the valuation of the merging companies and the consideration offered to the shareholders. If a merger is with a company's controlling shareholder or if the controlling shareholder has a personal interest in the merger, then the merger is instead subject to the same special majority approval that governs all extraordinary transactions with controlling shareholders.

Under the Companies Law, each merging company must deliver to its secured creditors the merger proposal and inform its unsecured creditors of the merger proposal and its content. Upon the request of a creditor of either party to the proposed merger, the court may delay or prevent the merger if it concludes that there exists a reasonable concern that, as a result of the merger, the surviving company will be unable to satisfy the obligations of the merging company, and may further give instructions to secure the rights of creditors.

In addition, a merger may not be completed unless at least 50 days have passed from the date that a proposal for approval of the merger is filed with the Israeli Registrar of Companies and 30 days from the date that shareholder approval of both merging companies is obtained.

### **Anti-Takeover Measures**

The Companies Law allows us to create and issue shares having rights different from those attached to our ordinary shares, including shares providing certain preferred rights with respect to voting, distributions or other matters and shares having preemptive rights. As of the closing of this offering, no preferred shares will be authorized under our amended and restated articles of association to be effective upon the closing of this offering. In the future, if we do authorize, create and issue a specific class of preferred shares, such class of shares, depending on the specific rights that may be attached to it, may have the ability to frustrate or prevent a takeover or otherwise prevent our shareholders from realizing a potential premium over the market value of their ordinary shares. The authorization and designation of a class of preferred shares will require an amendment to our amended and restated articles of association to be effective upon the closing of this offering, which requires the prior approval of the holders of a majority of the voting power attached to our issued and outstanding shares at a general meeting of our shareholders. The convening of the meeting, the shareholders entitled to participate and the vote required to be obtained at such a meeting will be subject to the requirements set forth in the Companies Law and our amended articles of association to be effective upon the closing of this offering, as described above in "—Shareholder Meetings." In addition, as disclosed under "—Election of Directors," we will have a classified board structure upon the closing of this offering, which will effectively limit the ability of any investor or potential investor or group of investors or potential investors to gain control of our board of directors.

### **Borrowing Powers**

Pursuant to the Companies Law and our amended and restated articles of association to be effective upon the closing of this offering, our board of directors may exercise all powers and take all actions that are not required under law or under our amended and restated articles of association to be effective upon the closing of this offering to be exercised or taken by our shareholders, including the power to borrow money for company purposes.



### **Changes in Capital**

Our amended and restated articles of association to be effective upon the closing of this offering enable us to increase or reduce our share capital. Any such changes are subject to Israeli law and must be approved by a resolution duly passed by our shareholders at a general meeting of shareholders. In addition, transactions that have the effect of reducing capital, such as the declaration and payment of dividends in the absence of sufficient retained earnings or profits, require the approval of both our board of directors and an Israeli court.

### **Exclusive Forum**

Our amended and restated articles of association to be effective upon the closing of this offering provide that unless we consent in writing to the selection of an alternative forum, the federal district courts of the United States of America shall be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act. Our amended and restated articles of association to be effective upon the closing of this offering also provide that unless we consent in writing to the selection of an alternative forum, the competent courts in Tel Aviv, Israel shall be the exclusive forum for any derivative action or proceeding brought on behalf of the Company, any action asserting a breach of a fiduciary duty owed by any of our directors, officers or other employees to the Company or our shareholders or any action asserting a claim arising pursuant to any provision of the Companies Law or the Israeli Securities Law.

### **Transfer Agent and Registrar**

The transfer agent and registrar for our ordinary shares is American Stock Transfer & Trust Company.

### **Listing**

We have applied to list our ordinary shares on The Nasdaq Global Select Market under the symbol "GLBE."

## SHARES ELIGIBLE FOR FUTURE SALE

Prior to this offering, there has been no market for our ordinary shares. Future sales of substantial amounts of our ordinary shares in the public market could adversely affect market prices prevailing from time to time. Furthermore, because only a limited number of ordinary shares will be available for sale shortly after this offering due to existing contractual and legal restrictions on resale as described below, there may be sales of substantial amounts of our ordinary shares in the public market after such restrictions lapse. This may adversely affect the prevailing market price of our ordinary shares and our ability to raise equity capital in the future.

Following this offering, we will have an aggregate of \_\_\_\_\_ ordinary shares outstanding. Our ordinary shares will be available for sale in the public market after the expiration or waiver of the lock-up agreements described below, subject to limitations imposed by U.S. securities laws on resale by our “affiliates” as that term is defined in Rule 144 under the Securities Act.

We expect that all of our ordinary shares being sold in this offering will be freely tradable without restriction or further registration under the Securities Act, unless purchased by “affiliates” as that term is defined under Rule 144 of the Securities Act described below. In addition, following this offering and the expiration or waiver of the lock-up agreements described below, ordinary shares issuable pursuant to awards granted under certain of our equity incentive plans will eventually be freely tradable in the public market.

The remaining ordinary shares that are not being sold in this offering, but which will be outstanding at the time this offering is complete, will be “restricted securities” as that phrase is defined in Rule 144. These ordinary shares will be eligible for sale into the public market under the provisions of Rule 144 commencing after the expiration of the restrictions under the lock-up agreements, subject in certain cases to volume restrictions discussed below under “—Rule 144.”

### Lock Up Agreements

We, our executive officers and directors, and the holders of substantially all of our outstanding ordinary shares, have agreed not to, subject to certain exceptions, offer, sell, agree to sell, directly or indirectly, or otherwise dispose of any ordinary shares or any securities convertible into or exchangeable for ordinary shares except for the ordinary shares offered in this offering without the prior written consent of Goldman Sachs & Co. LLC and Morgan Stanley & Co. LLC for a period of 180 days after the date of this prospectus.

The restrictions described in the immediately preceding paragraph applicable to our executive officers and directors and the holders of substantially all of our outstanding ordinary shares are subject to specified exceptions, including the following:

- a) transactions relating to lock-up securities acquired in this offering, if the lock-up party is not a director or officer;
- b) transactions relating to lock-up securities acquired in open market transactions after the completion of this offering;
- c) transfers of lock-up securities (i) as a bona fide gift or charitable contribution, (ii) by death, (iii) by will, other testamentary document or intestacy, (iv) to any immediate family member of the lock-up party or to any trust or other legal entity for the benefit of the lock-up party or immediate family of the lock-up party, or if the lock-up party is a trust, to a trustor or beneficiary of the trust or to the estate of a beneficiary of such trust or (v) to a partnership, limited liability company or other entity of which the lock-up party and immediate family members of the lock-up party are the legal and beneficial owner of all the outstanding equity securities or similar interests;

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- d) if the lock-up party is a corporation, partnership, limited liability company, trust or other business entity, transfers to another corporation, partnership, limited liability company, trust or other business entity that is an affiliate (as defined in Rule 405 promulgated under the Securities Act) of the lock-up party, or to any investment fund or other entity, controlling, controlled by, managing or managed by or under common control with the lock-up party or affiliates of the lock-up party (including, for the avoidance of doubt, where the lock-up party is a partnership, to its general partner or a successor partnership or fund, or any other funds managed by such partnership), or as part of a distribution, transfer or disposition by the lockup party to its stockholders, current or former partners (general or limited), members, beneficiaries or other equity holders, or to the estates of any such stockholders, partners, members, beneficiaries or other equity holders;
- e) transfers of lock-up securities by operation of law, such as pursuant to the rules of descent and distribution or pursuant to a qualified domestic order, divorce settlement, divorce decree or separation agreement or other final court order;
- f) transfers to us in connection with the repurchase, by us, of ordinary shares that were granted under an equity incentive plan, share purchase plan or other equity award described herein;
- g) transfers or other dispositions of ordinary shares to us upon the exercise or settlement of share options, warrants, or other rights to purchase ordinary shares of the Company or any security convertible into or exercisable for ordinary shares of the Company, in each case outstanding as of the date of this prospectus or that were granted pursuant one of the Share Incentive Plans, on a "cashless" or "net exercise" basis;
- h) transfers or other dispositions of shares of common stock to us, or the withholding of ordinary shares by us, in connection with the exercise of share options or a vesting event or subsequent settlement (as applicable) of restricted share awards, restricted share units, shares issued pursuant to early exercised share options, or other of our securities, in each case which are outstanding as of the date of this prospectus or were granted pursuant to one of the Share Incentive Plans, to cover tax withholding obligations or the payment of taxes, including estimated taxes, due in connection with such award;
- i) transfers in connection with the conversion or reclassification of outstanding preferred shares or other classes of our share capital, in each case outstanding on the date of this prospectus and described herein, into ordinary shares of the Company in connection with the closing of this offering;
- j) transfers of lock-up securities pursuant to a bona fide third-party tender offer, merger, consolidation or other similar transaction or series of related transactions made to all holders of our share capital involving a change of control; or
- k) the establishment of a trading plan pursuant to Rule 10b5-1 under the Exchange Act for the transfer of ordinary shares, provided that such plan does not provide for the transfer of ordinary shares during the applicable restricted period and no filing under the Exchange Act or other public announcement would be required or be voluntarily made during the applicable restricted period,

### *provided that:*

- in the case of any transfer or distribution pursuant to clauses (b) through (d) above, (i) each permitted transferee shall sign and deliver a lock-up agreement on substantially similar terms as applied to the applicable transferor and (ii) each transfer or distribution is not a disposition for value;

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- in the case of any transfer or distribution pursuant to clauses (g) and (h) above, such cashless or net exercise is effected solely by the surrender of outstanding options, warrants or other rights (or the ordinary shares issuable upon the exercise thereof) to the Company and the Company's cancellation of all or a portion thereof to pay the tax withholdings or remittance payments;
- in the case of any transfer or distribution pursuant to clauses (g) through (i) above, any ordinary shares received shall remain subject to the provisions of the lock-up; and
- during the period from the first trading day following the issuance of our earnings for the quarter ended June 30, 2021 and continuing to and including September 15, 2021, (x) 35% of the ordinary shares subject to lock-up agreements entered into by our employees (but not our directors or officers) or non-employee shareholders and (y) 20% of the ordinary shares subject to lock-up agreements entered into by our directors and officers, shall not be subject to the restrictions on transfer set forth in such lock-up agreements.

### **Rule 144**

In general, under Rule 144 under the Securities Act, a person (or persons whose shares are aggregated) who is not deemed to have been an affiliate of ours at any time during the three months preceding a sale, and who has beneficially owned restricted securities within the meaning of Rule 144 for at least six months (including any period of consecutive ownership of preceding non-affiliated holders) would be entitled to sell those shares, subject only to the availability of current public information about us. A non-affiliated person who has beneficially owned restricted securities within the meaning of Rule 144 for at least one year would be entitled to sell those shares without regard to the provisions of Rule 144.

A person (or persons whose shares are aggregated) who is deemed to be an affiliate of ours and who has beneficially owned restricted securities within the meaning of Rule 144 for at least six months would be entitled to sell within any three-month period a number of shares that does not exceed the greater of one percent of our ordinary shares then outstanding or the average weekly trading volume of our ordinary shares on Nasdaq during the four calendar weeks preceding such sale. Such sales are also subject to certain manner of sale provisions, notice requirements and the availability of current public information about us.

### **Options**

Following the closing of this offering, we intend to file a registration statement on Form S-8 under the Securities Act to register ordinary shares reserved for issuance under our equity incentive plans. The registration statement on Form S-8 will become effective automatically upon filing.

Ordinary shares issued upon exercise of a share option and registered under the Form S-8 registration statement will, subject to vesting provisions, and Rule 144 volume limitations applicable to our affiliates, be available for sale in the open market immediately after the 180-day lock up agreements expire, subject to certain terms and conditions and release of ordinary shares held by certain holders party to lock-up agreements in specified circumstances. See "Management—Share Option Plans."

### **Registration Rights**

Upon the closing of this offering, the holders of approximately 91% of our outstanding ordinary shares will be entitled under the Investors' Rights Agreement to certain rights with respect to registration of their ordinary shares. For a discussion of such rights, see "Description of Share Capital and Articles Of Association—Registration Rights."

## TAXATION

The following description is not intended to constitute a complete analysis of all tax consequences relating to the acquisition, ownership and disposition of our ordinary shares. You should consult your own tax advisor concerning the tax consequences of your particular situation, as well as any tax consequences that may arise under the laws of any state, local, foreign or other taxing jurisdiction.

### Israeli Tax Considerations

The following is a brief summary of the material Israeli tax laws applicable to us. This section also contains a discussion of material Israeli tax consequences concerning the ownership and disposition of our ordinary shares purchased by investors in this offering. This summary does not discuss all the aspects of Israeli tax law that may be relevant to a particular investor in light of his or her personal investment circumstances or to some types of investors subject to special treatment under Israeli law. Examples of such investors include residents of Israel or traders in securities who are subject to special tax regimes not covered in this discussion. To the extent that the discussion is based on new tax legislation that has not yet been subject to judicial or administrative interpretation, we cannot assure you that the appropriate tax authorities or the courts will accept the views expressed in this discussion. The discussion below is subject to change, including due to amendments under Israeli law or changes to the applicable judicial or administrative interpretations of Israeli law, which change could affect the tax consequences described below. The discussion should not be construed as legal or professional tax advice and does not cover all possible tax considerations.

### General Corporate Tax Structure in Israel

Israeli companies are generally subject to corporate tax. The current corporate tax rate is 23%. Capital gains derived by an Israeli company are generally subject to the prevailing corporate tax rate.

### Tax Benefits and Grants for Research and Development

Israeli tax law allows, under certain conditions, a tax deduction for expenditures, including capital expenditures, related to scientific research and development for the year in which they are incurred. Expenditures are deemed related to scientific research and development projects, if:

- the expenditures are approved by the relevant Israeli government ministry, determined by the field of research;
- the research and development must be for the promotion of the company; and
- the research and development are carried out by or on behalf of the company seeking such tax deduction.

The amount of such deductible expenses is reduced by the sum of any funds received through government grants for the finance of such scientific research and development projects. Under these research and development deduction rules, no deduction is allowed for any expense invested in an asset depreciable under the general depreciation rules of the Israeli Income Tax Ordinance (New Version), 5721-1961. Expenditures that do not qualify for this special deduction are deductible in equal amounts over three years.

From time to time we may apply to the Israel Innovation Authority for approval to allow a tax deduction for all research and development expenses during the year incurred. There can be no assurance that such request will be granted.

## Taxation of Non-Israeli Resident Shareholders

### *Capital Gains Taxes*

Israeli capital gains tax is imposed on the disposition of capital assets by a non-Israeli resident if those assets (i) are located in Israel, (ii) are shares or a right to shares in an Israeli resident corporation or (iii) represent, directly or indirectly, rights to assets located in Israel, unless a tax treaty between Israel and the seller's country of residence provides otherwise. The Israeli tax law distinguishes between "Real Capital Gain" and "Inflationary Surplus." Inflationary Surplus is a portion of the total capital gain which is equivalent to the increase in the relevant asset's price that is attributable to the increase in the Israeli Consumer Price Index or, in certain circumstances, a foreign currency exchange rate, between the date of purchase and the date of disposition. Inflationary Surplus is currently not subject to tax in Israel. Real Capital Gain is the excess of the total capital gain over the Inflationary Surplus. Generally, Real Capital Gain accrued by individuals on the sale of our ordinary shares will be taxed at the rate of 25%. However, if the shareholder is a "substantial shareholder" at the time of sale or at any time during the preceding 12-month period, such gain will be taxed at the rate of 30%. A "substantial shareholder" is generally a person who alone or together with such person's relative or another person who collaborates with such person on a permanent basis, holds, directly or indirectly, at least 10% of any of the "means of control" of the corporation. "Means of control" generally include the right to vote, receive profits, nominate a director or an executive officer, receive assets upon liquidation, or order someone who holds any of the aforesaid rights how to act, regardless of the source of such right. Real Capital Gain derived by corporations will be generally subject to a corporate tax rate of 23% (in 2020).

A non-Israeli resident who derives capital gains from the sale of shares of an Israeli resident company that were purchased after the company was listed for trading on a stock exchange outside of Israel will be exempt from Israeli capital gains tax so long as the shares were not held through a permanent establishment that the non-Israeli resident maintains in Israel. However, non-Israeli corporations will not be entitled to the foregoing exemption if Israeli residents (i) have a controlling interest of more than 25% in any of the means of control of such non-Israeli corporation or (ii) are the beneficiaries of, or are entitled to, 25% or more of the revenues or profits of such non-Israeli corporation, whether directly or indirectly.

In addition, such exemption is not applicable to a person whose gains from selling or disposing the shares are deemed to be business income.

Additionally, a sale of securities by a non-Israeli resident may be exempt from Israeli capital gains tax under the provisions of an applicable tax treaty. For example, under the tax treaty between the Government of the United States of America and the Government of the State of Israel with respect to Taxes on Income, as amended (the "United States-Israel Tax Treaty"), the sale, exchange or other disposition of shares by a shareholder who is a United States resident (for purposes of the treaty) holding the shares as a capital asset and is entitled to claim the benefits afforded to such a resident by the United States-Israel Tax Treaty (a "Treaty U.S. Resident") is generally exempt from Israeli capital gains tax unless: (i) the capital gain arising from such sale, exchange or disposition is attributed to real estate located in Israel; (ii) the capital gain arising from such sale, exchange or disposition is attributed to royalties; (iii) the capital gain arising from the such sale, exchange or disposition is attributed to a permanent establishment in Israel, under certain terms; (iv) such Treaty U.S. Resident holds, directly or indirectly, shares representing 10% or more of the voting capital during any part of the 12-month period preceding the disposition, subject to certain conditions; or (v) such Treaty U.S. Resident is an individual and was present in Israel for 183 days or more during the relevant taxable year. In any such case, the sale, exchange or disposition of such shares would be subject to Israeli tax, to the extent applicable. However, under the United States-Israel Tax Treaty, a Treaty U.S. Resident may be permitted to claim a credit for the Israeli tax against the U.S. federal income tax imposed with respect

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to the sale, exchange or disposition of the shares, subject to the limitations under U.S. laws applicable to foreign tax credits. The United States-Israel Tax Treaty does not provide such credit against any U.S. state or local taxes.

Regardless of whether non-Israeli shareholders may be liable for Israeli capital gains tax on the sale of our ordinary shares, the payment of the consideration for such sale may be subject to withholding of Israeli tax at source and holders of our ordinary shares may be required to demonstrate that they are exempt from tax on their capital gains in order to avoid withholding at source at the time of sale. Specifically, the Israel Tax Authority may require shareholders who are not liable for Israeli capital gains tax on such a sale to sign declarations in forms specified by the Israel Tax Authority, provide documents (including, for example, a certificate of residency) or obtain a specific exemption from the Israel Tax Authority to confirm their status as non-Israeli residents (and, in the absence of such declarations or exemptions, the Israel Tax Authority may require the purchaser of the shares to withhold tax at source).

**Taxation on Receipt of Dividends.** Non-Israeli residents (whether individuals or corporations) are generally subject to Israeli income tax on the receipt of dividends paid on our ordinary shares at the rate of 25%, which tax will be withheld at source, unless relief is provided in an applicable tax treaty between Israel and the shareholder's country of residence. However, if the shareholder who is a "substantial shareholder" at the time of receiving the dividend or at any time during the preceding 12-month period, the applicable tax rate will be 30%. Such dividends are generally subject to Israeli withholding tax at a rate of 25% so long as the shares are registered with a nominee company (whether the recipient is a substantial shareholder or not).

However, a reduced tax rate may be provided under an applicable tax treaty. For example, under the United States-Israel Tax Treaty, the maximum rate of tax withheld at source in Israel on dividends paid to a holder of our ordinary shares who is a Treaty U.S. Resident is 25%. However, generally, the maximum rate of withholding tax on dividends that are paid to a United States corporation holding 10% or more of the outstanding voting capital throughout the tax year in which the dividend is distributed as well as during the previous tax year, is 12.5%, provided that not more than 25% of the gross income for such preceding year consists of certain types of dividends and interest.

**Surtax.** Subject to the provisions of an applicable tax treaty, individuals who are subject to income tax in Israel (whether any such individual is an Israeli resident or non-Israeli resident) are also subject to an additional tax at a rate of 3% on annual income (including, but not limited to, income derived from dividends, interest and capital gains) exceeding NIS 651,600 for 2020, which amount is linked to the annual change in the Israeli consumer price index.

**Estate and Gift Tax.** Israeli law presently does not impose estate or gift taxes.

### **Law for the Encouragement of Industry (Taxes), 1969**

The Law for the Encouragement of Industry (Taxes), 1969, and the regulations promulgated thereunder, generally referred to as the Industry Encouragement Law, provides several tax benefits for "Industry Companies." We believe that we currently qualify as an Industrial Company within the meaning of the Industry Encouragement Law. The Industry Encouragement Law defines an "Industrial Company" as a company resident in Israel, of which 90% or more of its income in any tax year, other than income from defense loans, is derived from an "Industrial Enterprise" owned by it and located in Israel. An "Industrial Enterprise" is defined as an enterprise whose principal activity in a given tax year is industrial production. The following corporate tax benefits, among others, are available to Industrial Companies:

- Amortization over an eight-year period of the cost of purchased know-how and patents and rights to use a patent and know-how which are used for the development or advancement of the company;

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- Under limited conditions, an election to file consolidated tax returns with related Israeli Industrial Companies; and
- Expenses related to a public offering are deductible in equal amounts over a three-year period.

Eligibility for benefits under the Industry Encouragement Law is not contingent upon the approval of any governmental authority. The Israeli tax authorities may determine that we do not qualify as an Industrial Company, which could entail our loss of the benefits that relate to this status. There can be no assurance that we will continue to qualify as an Industrial Company or that the benefits described above will be available in the future.

### **U.S. Federal Income Tax Consideration**

The following summary describes certain United States federal income tax considerations generally applicable to United States Holders (as defined below) of our ordinary shares. This summary deals only with our ordinary shares held as capital assets within the meaning of Section 1221 of the Internal Revenue Code of 1986, as amended ("Internal Revenue Code"). This summary also does not address the tax consequences that may be relevant to holders in special tax situations including, without limitation, dealers in securities, traders that elect to use a mark-to-market method of accounting, holders that own our ordinary shares as part of a "straddle," "hedge," "conversion transaction," or other integrated investment, banks or other financial institutions, individual retirement accounts and other tax-deferred accounts, insurance companies, tax-exempt organizations, United States expatriates, holders whose functional currency is not the U.S. dollar, holders subject to the alternative minimum tax, holders that acquired our ordinary shares in a compensatory transaction, holders subject to special tax accounting rules as a result of any item of gross income with respect to our ordinary shares being taken into account in an applicable financial statement, holders which are entities or arrangements treated as partnerships for United States federal income tax purposes or holders that actually or constructively through attribution own 10% or more of the total voting power or value of our outstanding ordinary shares.

This summary is based upon the Internal Revenue Code, applicable United States Treasury regulations, administrative pronouncements and judicial decisions, in each case as in effect on the date hereof, all of which are subject to change (possibly with retroactive effect). No ruling will be requested from the Internal Revenue Service ("IRS") regarding the tax consequences described herein, and there can be no assurance that the IRS will agree with the discussion set out below. This summary does not address any United States federal tax consequences other than United States federal income tax consequences (such as the estate and gift tax or the Medicare tax on net investment income).

As used herein, the term "United States Holder" means a beneficial owner of our ordinary shares that is, for United States federal income tax purposes, (i) an individual who is a citizen or resident of the United States, (ii) a corporation or other entity taxable as a corporation created or organized under the laws of the United States or any state thereof or therein or the District of Columbia, (iii) an estate the income of which is subject to United States federal income taxation regardless of its source, or (iv) a trust (a) that is subject to the supervision of a court within the United States and the control of one or more United States persons as described in Internal Revenue Code Section 7701(a)(30), or (b) that has a valid election in effect under applicable United States Treasury regulations to be treated as a "United States person."

If an entity or arrangement treated as a partnership for United States federal income tax purposes acquires our ordinary shares, the tax treatment of a partner in the partnership generally will depend upon the status of the partner and the activities of the partnership. Partners of a partnership considering an investment in our ordinary shares should consult their tax advisors regarding the United States federal income tax consequences of acquiring, owning, and disposing of our ordinary shares.



**THE SUMMARY OF UNITED STATES FEDERAL INCOME TAX CONSEQUENCES SET OUT BELOW IS FOR GENERAL INFORMATION ONLY. ALL PROSPECTIVE INVESTORS SHOULD CONSULT THEIR TAX ADVISORS AS TO THE PARTICULAR TAX CONSEQUENCES TO THEM OF OWNING AND DISPOSING OF OUR ORDINARY SHARES, INCLUDING THE APPLICABILITY AND EFFECT OF STATE, LOCAL AND NON-U.S. TAX LAWS AND POSSIBLE CHANGES IN TAX LAW.**

## **Dividends**

Although we do not anticipate paying any dividends in the foreseeable future, as described in “Dividend Policy” above, if we do make any distributions, subject to the discussion below under “—Passive Foreign Investment Company,” the amount of dividends paid to a United States Holder with respect to our ordinary shares before reduction for any Israeli taxes withheld therefrom generally will be included in the United States Holder’s gross income as ordinary income from foreign sources to the extent paid out of our current or accumulated earnings and profits (as determined for United States federal income tax purposes). Distributions in excess of earnings and profits will be treated as a non-taxable return of capital to the extent of the United States Holder’s adjusted tax basis in those ordinary shares and thereafter as capital gain. However, we do not intend to calculate our earnings and profits under United States federal income tax principles. Therefore, United States Holders should expect that a distribution will generally be treated as a dividend even if that distribution would otherwise be treated as a non-taxable return of capital or as capital gain under the rules described above.

Foreign withholding tax (if any) paid on dividends on our ordinary shares at the rate applicable to a United States Holder (taking into account any applicable income tax treaty) will, subject to limitations and conditions, be treated as foreign income tax eligible for credit against such holder’s United States federal income tax liability or, at such holder’s election, eligible for deduction in computing such holder’s United States federal taxable income. Dividends paid on our ordinary shares generally will constitute “foreign source income” and “passive category income” for purposes of the foreign tax credit. However, if we are a “United States-owned foreign corporation,” solely for foreign tax credit purposes, a portion of the dividends allocable to our United States source earnings and profits may be re-characterized as United States source. A “United States-owned foreign corporation” is any foreign corporation in which United States persons own, directly or indirectly, 50% or more (by vote or by value) of the stock. In general, United States-owned foreign corporations with less than 10% of earnings and profits attributable to sources within the United States are excepted from these rules. Although we do not believe we are currently a “United States-owned foreign corporation,” we may become one in the future. In such case, if 10% or more of our earnings and profits are attributable to sources within the United States, a portion of the dividends paid on the ordinary shares allocable to our United States source earnings and profits will be treated as United States source, and, as such, the ability of a United States Holder to claim a foreign tax credit for any Israeli withholding taxes payable in respect of our dividends may be limited. The rules governing the treatment of foreign taxes imposed on a United States Holder and foreign tax credits are complex, and United States Holders should consult their tax advisors about the impact of these rules in their particular situations.

Dividends received by certain non-corporate United States Holders (including individuals) may be “qualified dividend income,” which is taxed at the lower capital gain rate, provided that (i) either our ordinary shares are readily tradable on an established securities market in the United States or we are eligible for benefits under a comprehensive United States income tax treaty that includes an exchange of information program and which the United States Treasury Department has determined is satisfactory for these purposes, (ii) we are neither a PFIC (as discussed below) nor treated as such with respect to the United States Holder for either the taxable year in which the dividend is paid or the preceding taxable year, and (iii) the United States Holder satisfies certain holding period and other requirements. In this regard, shares generally are considered to be readily tradable on an established

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securities market in the United States if they are listed on Nasdaq, as our ordinary shares are expected to be. United States Holders should consult their tax advisors regarding the availability of the reduced tax rate on dividends paid with respect to our ordinary shares. The dividends will not be eligible for the dividends received deduction available to corporations in respect of dividends received from other United States corporations.

### **Disposition of Ordinary Shares**

Subject to the discussion below under “—Passive Foreign Investment Company,” a United States Holder generally will recognize capital gain or loss for United States federal income tax purposes on the sale or other taxable disposition of our ordinary shares equal to the difference, if any, between the amount realized and the United States Holder’s adjusted tax basis in those ordinary shares. If any Israeli tax is imposed on the sale, exchange or other disposition of our ordinary shares, a United States Holder’s amount realized will include the gross amount of the proceeds before deduction of the Israeli tax. In general, capital gains recognized by a non-corporate United States Holder, including an individual, are subject to a lower rate under current law if such United States Holder held shares for more than one year. The deductibility of capital losses is subject to limitations. Any such gain or loss generally will be treated as United States source income or loss for purposes of the foreign tax credit. A United States Holder’s initial tax basis in shares generally will equal the cost of such shares. Because gain for the sale or other taxable disposition of our ordinary shares will be treated as United States source income, and you may use foreign tax credits against only the portion of United States federal income tax liability that is attributed to foreign source income in the same category, your ability to utilize a foreign tax credit with respect to the Israeli tax imposed on any such sale or other taxable disposition, if any, may be significantly limited. In addition, if you are eligible for the benefit of the income tax convention between the United States and the State of Israel and pay Israeli tax in excess of the amount applicable to you under such convention or if the Israeli tax paid is refundable, you will not be able to claim any foreign tax credit or deduction with respect to such Israeli tax. You should consult your tax advisor as to whether the Israeli tax on gains may be creditable or deductible in light of your particular circumstances and your ability to apply the provisions of an applicable treaty.

### **Passive Foreign Investment Company**

We would be a PFIC for any taxable year if, after the application of certain look-through rules, either: (i) 75% or more of our gross income for such year is “passive income” (as defined in the relevant provisions of the Internal Revenue Code), or (ii) 50% or more of the value of our assets (generally determined on the basis of a quarterly average) during such year is attributable to assets that produce or are held for the production of passive income. For these purposes, cash and other assets readily convertible into cash or that do or could generate passive income are categorized as passive assets, and the value of goodwill and other unbooked intangible assets is generally taken into account. Passive income generally includes, among other things, rents, dividends, interest, royalties, gains from the disposition of passive assets and gains from commodities and securities transactions. For purposes of this test, we will be treated as owning a proportionate share of the assets and earning a proportionate share of the income of any other corporation of which we own, directly or indirectly, at least 25% (by value) of the stock. Based on our anticipated market capitalization and the composition of our income, assets and operations, we do not expect to be a PFIC for United States federal income tax purposes for the current taxable year or in the foreseeable future. However, this is a factual determination that must be made annually after the close of each taxable year. Moreover, the value of our assets for purposes of the PFIC determination may be determined by reference to the public price of our ordinary shares at this initial public offering and future prices, which could fluctuate significantly. In addition, it is possible that the IRS may take a contrary position with respect to our determination in any particular year, and therefore, there can be no assurance that we will not be classified as a PFIC

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for the current taxable year or in the future. Certain adverse United States federal income tax consequences could apply to a United States Holder if we are treated as a PFIC for any taxable year during which such United States Holder holds our ordinary shares. Under the PFIC rules, if we were considered a PFIC at any time that a United States Holder holds our ordinary shares, we would continue to be treated as a PFIC with respect to such holder's investment unless (i) we cease to be a PFIC, and (ii) the United States Holder has made a "deemed sale" election under the PFIC rules.

If we are a PFIC for any taxable year that a United States Holder holds our ordinary shares, unless the United States Holder makes one of the elections described below, any gain recognized by the United States Holder on a sale or other disposition of our ordinary shares would be allocated pro-rata over the United States Holder's holding period for the ordinary shares. The amounts allocated to the taxable year of the sale or other disposition and to any year before we became a PFIC would be taxed as ordinary income. The amount allocated to each other taxable year would be subject to tax at the highest rate in effect for individuals or the highest rate in effect for corporations, as appropriate, for that taxable year, and an interest charge would be imposed. Further, to the extent that any distribution received by a United States Holder on our ordinary shares exceeds 125% of the average of the annual distributions on the ordinary shares received during the preceding three years or the United States Holder's holding period, whichever is shorter, that distribution would be subject to taxation in the same manner as gain on the sale or other disposition of our ordinary shares if we were a PFIC, described above. If we are treated as a PFIC with respect to a United States Holder for any taxable year, the United States Holder will be deemed to own equity in any of the entities in which we hold equity that also are PFICs. Certain elections may be available that would result in alternative treatments (such as mark-to-market treatment) of the ordinary shares. In addition, a timely election to treat us as a qualified electing fund under the Internal Revenue Code would result in an alternative treatment. However, we do not intend to prepare or provide the information that would enable United States Holders to make a qualified electing fund election. If we are considered a PFIC, a United States Holder also will be subject to annual information reporting requirements. United States Holders should consult their tax advisors about the potential application of the PFIC rules to an investment in the ordinary shares.

### **Information Reporting and Backup Withholding**

Dividend payments and proceeds paid from the sale or other taxable disposition of our ordinary shares may be subject to information reporting to the IRS. In addition, a United States Holder (other than an exempt holder who establishes its exempt status if required) may be subject to backup withholding on dividend payments and proceeds from the sale or other taxable disposition of our ordinary shares paid within the United States or through certain U.S.-related financial intermediaries.

Backup withholding will not apply, however, to a United States Holder who furnishes a correct taxpayer identification number, makes other required certification and otherwise complies with the applicable requirements of the backup withholding rules. Backup withholding is not an additional tax. Rather, any amount withheld under the backup withholding rules will be creditable or refundable against the United States Holder's United States federal income tax liability, provided the required information is timely furnished to the IRS.

### **Foreign Financial Asset Reporting**

Certain United States Holders are required to report their holdings of certain foreign financial assets, including equity of foreign entities, if the aggregate value of all of these assets exceeds certain threshold amounts. Our ordinary shares are expected to constitute foreign financial assets subject to these requirements unless the ordinary shares are held in an account at certain financial institutions. United States Holders should consult their tax advisors regarding the application of these reporting requirements.

## UNDERWRITING

We and the underwriters named below have entered into an underwriting agreement with respect to the ordinary shares being offered. Subject to certain conditions, each underwriter has severally agreed to purchase the number of ordinary shares indicated in the following table. Goldman Sachs & Co. LLC, Morgan Stanley & Co. LLC and Jefferies LLC are the representatives of the underwriters (the "Representatives").

	<u>Number of Ordinary Shares</u>
Goldman Sachs & Co. LLC	
Morgan Stanley & Co. LLC	
Jefferies LLC	
Piper Sandler & Co.	
JMP Securities LLC	
KeyBanc Capital Markets Inc.	
Raymond James & Associates, Inc.	
Total	

The underwriters are committed to take and pay for all of the ordinary shares being offered, if any are taken, other than the ordinary shares covered by the option described below unless and until this option is exercised.

The underwriters have an option to buy up to an additional \_\_\_\_\_ ordinary shares from us to cover sales by the underwriters of a greater number of ordinary shares than the total number set forth in the table above. They may exercise that option for 30 days. If any ordinary shares are purchased pursuant to this option, the underwriters will severally purchase ordinary shares in approximately the same proportion as set forth in the table above.

The following table shows the per share and total underwriting discounts and commissions to be paid to the underwriters by us. Such amounts are shown assuming both no exercise and full exercise of the underwriters' option to purchase additional ordinary shares.

	<u>No Exercise</u>	<u>Full Exercise</u>
Per Ordinary Share	\$	\$
Total	\$	\$

We estimate that our portion of the total expenses of the offering, excluding underwriting discounts and commissions, will be approximately \$ \_\_\_\_\_. We have also agreed to reimburse the underwriters for expenses incurred by them related to the clearance of this offering with FINRA up to an aggregate of \$30,000.

Ordinary shares sold by the underwriters to the public will initially be offered at the initial public offering price set forth on the cover page of this prospectus. Any ordinary shares sold by the underwriters to securities dealers may be sold at a discount of up to \$ \_\_\_\_\_ per ordinary share from the initial public offering price. After the initial offering of the ordinary shares, the Representatives may change the offering price and the other selling terms. The offering of the ordinary shares by the underwriters is subject to receipt and acceptance and subject to the underwriters' right to reject any order in whole or in part.

We and all of our directors, executive officers and holders of our ordinary shares and securities exercisable for or convertible into or exchangeable for our ordinary shares have agreed, or will agree,

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with the underwriters that, subject to certain exceptions (including the release of ordinary shares of certain holders subject to lock-up agreements in specified circumstances as more fully described under “Shares Eligible for Future Sale—Lock-Up Agreements”), until 180 days after the date of this prospectus, we and they will not, without the prior written consent of the Representatives, directly or indirectly, offer, sell, contract to sell, pledge, grant any option to purchase, make any short sale, or otherwise dispose of or hedge any of our ordinary shares, any options, or any securities convertible into, or exchangeable for or that represent the right to receive our ordinary shares. Goldman Sachs & Co. LLC and Morgan Stanley & Co. LLC may, in their sole discretion, release any of the securities subject to these lock-up agreements at any time. See “Shares Eligible for Future Sale” for a discussion of certain transfer restrictions, including market standoff agreements between us and certain security holders.

Prior to the offering, there has been no public market for the ordinary shares. The initial public offering price has been negotiated among us and the Representatives. Among the factors to be considered in determining the initial public offering price of the ordinary shares, in addition to prevailing market conditions, will be our historical performance, estimates of our business potential and earnings prospects, an assessment of our management and the consideration of the above factors in relation to market valuation of companies in related businesses.

We have applied to list our ordinary shares on The Nasdaq Global Select Market under the symbol “GLBE.”

In connection with the offering, the underwriters may purchase and sell ordinary shares in the open market. These transactions may include short sales, stabilizing transactions and purchases to cover positions created by short sales. Short sales involve the sale by the underwriters of a greater number of ordinary shares than they are required to purchase in the offering, and a short position represents the amount of such sales that have not been covered by subsequent purchases. A “covered short position” is a short position that is not greater than the amount of additional ordinary shares for which the underwriters’ option described above may be exercised. The underwriters may cover any covered short position by either exercising their option to purchase additional ordinary shares or purchasing ordinary shares in the open market. In determining the source of ordinary shares to cover the covered short position, the underwriters will consider, among other things, the price of ordinary shares available for purchase in the open market as compared to the price at which they may purchase additional ordinary shares pursuant to the option described above. “Naked” short sales are any short sales that create a short position greater than the amount of additional ordinary shares for which the option described above may be exercised. The underwriters must cover any such naked short position by purchasing ordinary shares in the open market. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of our ordinary shares in the open market after pricing that could adversely affect investors who purchase in the offering. Stabilizing transactions consist of various bids for or purchases of ordinary shares made by the underwriters in the open market prior to the completion of the offering.

The underwriters may also impose a penalty bid. This occurs when a particular underwriter repays to the underwriters a portion of the underwriting discount received by it because the Representatives have repurchased ordinary shares sold by or for the account of such underwriter in stabilizing or short covering transactions.

Purchases to cover a short position and stabilizing transactions, as well as other purchases by the underwriters for their own accounts, may have the effect of preventing or retarding a decline in the market price of our ordinary shares, and together with the imposition of the penalty bid, may stabilize, maintain or otherwise affect the market price of our ordinary shares. As a result, the price of the ordinary shares may be higher than the price that otherwise might exist in the open market. The

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underwriters are not required to engage in these activities and may end any of these activities at any time. These transactions may be effected on the relevant exchange, in the over-the-counter market or otherwise.

We have agreed to indemnify the several underwriters against certain liabilities, including liabilities under the Securities Act.

The underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. Certain of the underwriters and their respective affiliates have provided, and may in the future provide, a variety of these services to the issuer and to persons and entities with relationships with the issuer, for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the underwriters and their respective affiliates, officers, directors and employees may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities or instruments of the issuer (directly, as collateral securing other obligations or otherwise) or persons and entities with relationships with the issuer. The underwriters and their respective affiliates may also communicate independent investment recommendations, market color or trading ideas or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long or short positions in such assets, securities and instruments.

## **Selling Restrictions**

### ***European Economic Area***

In relation to each EEA Member State and, until the expiration of the period during which the United Kingdom continues to be subject to European Union law without being an EEA Member State (the "Transition Period"), the United Kingdom, none of the ordinary shares have been offered or will be offered pursuant to the offering to the public in that EEA Member State or the United Kingdom prior to the publication of a prospectus in relation to the ordinary shares which has been approved by the competent authority in that EEA Member State or the United Kingdom or, where appropriate, approved in another EEA Member State or the United Kingdom and notified to the competent authority in that EEA Member State or the United Kingdom, all in accordance with Regulation (EU) 2017/1129 (the "Prospectus Regulation"), except that offers of ordinary shares may be made to the public in that EEA Member State or the United Kingdom at any time under the following exemptions under the Prospectus Regulation:

- a) to any legal entity which is a qualified investor as defined under the Prospectus Regulation;
- b) to fewer than 150 natural or legal persons (other than qualified investors as defined under the Prospectus Regulation), subject to obtaining the prior consent of the representative for any such offer; or
- c) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of the ordinary shares shall require the company or the representative to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an “offer to the public” in relation to any of the ordinary shares in any EEA Member State or the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the offer and any ordinary shares to be offered so as to enable an investor to decide to purchase or subscribe for any ordinary shares.

### **United Kingdom**

Each underwriter has represented and agreed that (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (FSMA)) received by it in connection with the issue or sale of the ordinary shares in circumstances in which Section 21(1) of the FSMA does not apply to the company; and (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the ordinary shares in, from or otherwise involving the United Kingdom.

After the expiration of the Transition Period, none of the ordinary shares have been offered or will be offered pursuant to the offering to the public in the United Kingdom prior to the publication of a prospectus in relation to the ordinary shares which has been approved by the Financial Conduct Authority in accordance with the FSMA, as amended), except that offers of ordinary shares may be made to the public in that EEA Member State at any time under the following exemptions under the FSMA, as amended:

- a) to any legal entity which is a qualified investor as defined under the FSMA;
- b) to fewer than 150 natural or legal persons (other than qualified investors as defined under the FSMA), subject to obtaining the prior consent of the representative for any such offer; or
- c) in any other circumstances falling within Section 86 of the FSMA, as amended,

provided that no such offer of the ordinary shares shall require the company or the representative to publish a prospectus pursuant to Section 85 of the FSMA or supplement a prospectus pursuant to Section 87G of the FSMA. For the purposes of this provision, the expression an “offer to the public” in relation to any ordinary shares in the United Kingdom the communication in any form and by any means of sufficient information on the terms of the offer and any ordinary shares to be offered so as to enable an investor to decide to purchase or subscribe for any ordinary shares.

### **Israel**

The ordinary shares offered by this prospectus have not been approved or disapproved by the Israel Securities Authority (the “ISA”), nor have such ordinary shares been registered for sale in Israel. The ordinary shares may not be offered or sold, directly or indirectly, to the public in Israel, absent the publication of a prospectus that has been approved by the ISA. The ISA has not issued permits, approvals or licenses in connection with this offering or publishing this prospectus, nor has it authenticated the details included herein, confirmed their reliability or completeness, or rendered an opinion as to the quality of the ordinary shares being offered.

This document does not constitute a prospectus under the Israeli Securities Law and has not been filed with or approved by the ISA. In the State of Israel, this document may be distributed only to, and may be directed only at, and any offer of the ordinary shares may be directed only at, (i) to the extent applicable, a limited number of persons in accordance with the Israeli Securities Law and (ii) investors listed in the first addendum to the Israeli Securities Law (the “Addendum”) consisting primarily of joint investment in trust funds, provident funds, insurance companies, banks, portfolio managers, investment advisors, members of the Tel Aviv Stock Exchange Ltd., underwriters, venture capital funds, entities with equity in excess of NIS 50 million and “qualified individuals,” each as defined

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in the Addendum (as it may be amended from time to time), collectively referred to as qualified investors (in each case purchasing for their own account or, where permitted under the Addendum, for the accounts of their clients who are investors listed in the Addendum). Qualified investors will be required to submit written confirmation that they fall within the scope of the Addendum, are aware of the meaning of same and agree to it.

### **Canada**

The ordinary shares may be sold in Canada only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario) and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions, and Ongoing Registrant Obligations. Any resale of the ordinary shares must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory of these rights or consult with a legal advisor.

Pursuant to section 3A.3 of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the underwriters are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

### **Hong Kong**

The ordinary shares may not be offered or sold in Hong Kong by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong) ("Companies (Winding Up and Miscellaneous Provisions) Ordinance") or which do not constitute an invitation to the public within the meaning of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) ("Securities and Futures Ordinance"), (ii) to "professional investors" as defined in the Securities and Futures Ordinance and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance, and no advertisement, invitation or document relating to the ordinary shares may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to ordinary shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" in Hong Kong as defined in the Securities and Futures Ordinance and any rules made thereunder.

### **Japan**

The ordinary shares have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended) (the "FIEA"). The ordinary shares may not be offered or sold, directly or indirectly, in Japan or to or for the benefit of any resident of Japan (including any person resident in Japan or any corporation or other entity organized under the laws of Japan) or to others for reoffering or resale, directly or indirectly, in Japan or to or for the benefit of any resident of Japan, except pursuant to an exemption from the registration requirements of the FIEA and otherwise in compliance with any relevant laws and regulations of Japan.



### **Australia**

No placement document, prospectus, product disclosure statement, or other disclosure document has been lodged with the Australian Securities and Investments Commission (the "ASIC") in relation to this offering. This prospectus does not constitute a prospectus, product disclosure statement, or other disclosure document under the Corporations Act 2001 (the "Corporations Act") and does not purport to include the information required for a prospectus, product disclosure statement, or other disclosure document under the Corporations Act.

Any offer in Australia of the ordinary shares may only be made to persons ("Exempt Investors") who are "sophisticated investors" (within the meaning of section 708(8) of the Corporations Act), "professional investors" (within the meaning of section 708(11) of the Corporations Act), or otherwise pursuant to one or more exemptions contained in section 708 of the Corporations Act so that it is lawful to offer the ordinary shares without disclosure to investors under Chapter 6D of the Corporations Act.

The ordinary shares applied for by Exempt Investors in Australia must not be offered for sale in Australia in the period of 12 months after the date of allotment under the offering, except in circumstances where disclosure to investors under Chapter 6D of the Corporations Act would not be required pursuant to an exemption under section 708 of the Corporations Act or otherwise or where the offer is pursuant to a disclosure document which complies with Chapter 6D of the Corporations Act. Any person acquiring securities must observe such Australian on-sale restrictions.

This prospectus contains general information only and does not take account of the investment objectives, financial situation, or particular needs of any particular person. It does not contain any securities recommendations or financial product advice. Before making an investment decision, investors need to consider whether the information in this prospectus is appropriate to their needs, objectives and circumstances, and, if necessary, seek expert advice on those matters.

**EXPENSES OF THE OFFERING**

We estimate that our expenses in connection with this offering, other than underwriting discounts and commissions, will be as follows:

<u>Expenses</u>	<u>Amount</u>
SEC registration fee	\$10,091
FINRA filing fee	14,850
Stock exchange listing fee	*
Transfer agent's fee	4,000
Printing and engraving expenses	*
Legal fees and expenses	*
Accounting fees and expenses	*
Miscellaneous costs	*
<b>Total</b>	<b>*</b>

\* To be filed by amendment.

All amounts in the table are estimates except the SEC registration fee, the stock exchange listing fee and the FINRA filing fee. We will pay all of the expenses of this offering.

## LEGAL MATTERS

The validity of our ordinary shares and certain other matters of Israeli law will be passed upon for us by Meitar | Law Offices, Ramat Gan, Israel. Certain matters of U.S. federal law will be passed upon for us by Latham & Watkins LLP. Certain matters of Israeli law will be passed upon for the underwriters by Gornitzky & Co., Tel Aviv, Israel. Certain matters of U.S. federal law will be passed upon for the underwriters by Skadden, Arps, Slate, Meagher & Flom LLP.

Certain partners of Meitar hold an aggregate of less than 1% of the Company's issued and outstanding share capital.

**EXPERTS**

The consolidated financial statements of Global-E Online Ltd. and its consolidated subsidiaries at December 31, 2020 and 2019, and for each of the three years in the period ended December 31, 2020, appearing in this prospectus and the registration statement have been audited by Kost, Forer, Gabbay & Kasierer, a member of Ernst & Young Global, independent registered public accounting firm, as set forth in their report thereon appearing elsewhere herein, and are included in reliance upon such report given on the authority of such firm as experts in accounting and auditing.

## ENFORCEABILITY OF CIVIL LIABILITIES

We are incorporated under the laws of the State of Israel. Service of process upon us and upon our directors and officers and the Israeli experts named in this prospectus, substantially all of whom reside outside the United States, may be difficult to obtain within the United States. Furthermore, because substantially all of our assets and substantially all of our directors and officers are located outside the United States, any judgment obtained in the United States against us or any of our directors and officers may not be collectible within the United States.

We have irrevocably appointed Global-e US Inc. as our agent to receive service of process in any action against us in any U.S. federal or state court arising out of this offering or any purchase or sale of securities in connection with this offering. The address of our agent is 10 East 33rd Street, 12th Floor, New York, New York 10016.

We have been informed by our legal counsel in Israel, Meitar | Law Offices, that it may be difficult to initiate an action with respect to U.S. securities law in Israel. Israeli courts may refuse to hear a claim based on an alleged violation of U.S. securities laws reasoning that Israel is not the most appropriate forum to hear such a claim. In addition, even if an Israeli court agrees to hear a claim, it may determine that Israeli law and not U.S. law is applicable to the claim. If U.S. law is found to be applicable, the content of applicable U.S. law must be proved as a fact by expert witnesses which can be a time-consuming and costly process. Certain matters of procedure may also be governed by Israeli law.

Subject to certain time limitations and legal procedures, Israeli courts may enforce a U.S. judgment in a civil matter which, subject to certain exceptions, is non-appealable, including judgments based upon the civil liability provisions of the Securities Act and the Exchange Act and including a monetary or compensatory judgment in a non-civil matter, provided that:

- the judgment was rendered by a court which was, according to the laws of the state of the court, competent to render the judgment;
- the obligation imposed by the judgment is enforceable according to the rules relating to the enforceability of judgments in Israel and the substance of the judgment is not contrary to public policy; and
- the judgment is executory in the state in which it was given.

Even if these conditions are met, an Israeli court may not declare a foreign civil judgment enforceable if:

- the judgment was given in a state whose laws do not provide for the enforcement of judgments of Israeli courts (subject to exceptional cases);
- the enforcement of the judgment is likely to prejudice the sovereignty or security of the State of Israel;
- the judgment was obtained by fraud;
- the opportunity given to the defendant to bring its arguments and evidence before the court was not reasonable in the opinion of the Israeli court;
- the judgment was rendered by a court not competent to render it according to the laws of private international law as they apply in Israel;
- the judgment is contradictory to another judgment that was given in the same matter between the same parties and that is still valid;  
or

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- at the time the action was brought in the foreign court, a lawsuit in the same matter and between the same parties was pending before a court or tribunal in Israel.

If a foreign judgment is enforced by an Israeli court, it generally will be payable in Israeli currency, which can then be converted into non-Israeli currency and transferred out of Israel. The usual practice in an action before an Israeli court to recover an amount in a non-Israeli currency is for the Israeli court to issue a judgment for the equivalent amount in Israeli currency at the rate of exchange in force on the date of the judgment, but the judgment debtor may make payment in foreign currency. Pending collection, the amount of the judgment of an Israeli court stated in Israeli currency ordinarily will be linked to the Israeli consumer price index plus interest at the annual statutory rate set by Israeli regulations prevailing at the time. Judgment creditors must bear the risk of unfavorable exchange rates.

## WHERE YOU CAN FIND ADDITIONAL INFORMATION

We have filed with the SEC a registration statement (including amendments and exhibits to the registration statement) on Form F-1 under the Securities Act. This prospectus, which is part of the registration statement, does not contain all of the information set forth in the registration statement. The rules and regulations of the SEC allow us to omit certain information from this prospectus that is included in the registration statement and the exhibits and schedules to the registration statement. For further information, we refer you to the registration statement and the exhibits and schedules filed as part of the registration statement.

Statements made in this prospectus concerning the contents of any contract, agreement or other document are not complete descriptions of all terms of these documents. If a document has been filed as an exhibit to the registration statement, we refer you to the copy of the document that has been filed for a complete description of its terms. Each statement in this prospectus relating to a document filed as an exhibit is qualified in all respects by the filed exhibit. You should read this prospectus and the documents that we have filed as exhibits to the registration statement of which this prospectus forms a part completely.

Upon the closing of this offering, we will become subject to the informational requirements of the Exchange Act. Accordingly, we will be required to file reports and other information with the SEC, including annual reports on Form 20-F and reports on Form 6-K. The SEC maintains an internet website that contains reports and other information about issuers, like us, that file electronically with the SEC. The address of that website is [www.sec.gov](http://www.sec.gov).

As a foreign private issuer, we are exempt under the Exchange Act from, among other things, the rules prescribing the furnishing and content of proxy statements, and our officers, directors and principal shareholders are exempt from the reporting and short-swing profit recovery provisions contained in Section 16 of the Exchange Act. In addition, we will not be required under the Exchange Act to file periodic reports and financial statements with the SEC as frequently or as promptly as U.S. companies whose securities are registered under the Exchange Act.

We will send our transfer agent a copy of all notices of general meetings of shareholders and other reports, communications and information that are made generally available to shareholders. The transfer agent has agreed to mail to all shareholders a notice containing the information (or a summary of the information) contained in any notice of a meeting of our shareholders received by the transfer agent and will make available to all shareholders such notices and all such other reports and communications received by the transfer agent.

**Global-E Online LTD.  
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## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and Board of Directors of Global-E Online Ltd.

### ***Opinion on the Financial Statements***

We have audited the accompanying consolidated balance sheets of Global-E Online Ltd. (the Company) as of December 31, 2019 and 2020, the related consolidated statements of operations, comprehensive income (loss), convertible preferred shares and shareholders' deficit and cash flows for each of the three years in the period ended December 31, 2020, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2019 and 2020, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2020, in conformity with U.S. generally accepted accounting principles.

### ***Restatement of the 2020 Financial Statements***

As discussed in Note 14 to the consolidated financial statements, the 2020 consolidated financial statements have been restated to correct a misstatement.

### **Basis for Opinion**

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ KOST FORER GABBAY & KASIERER

A Member of EY Global

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We have served as the Company's auditor since 2013.

Tel-Aviv, Israel

February 19, 2021 (except for the effects of the share split as described in Note 5a, the effect of the restatement as described in Note 14 and subsequent event as described in Note 15 as to which the date is April 13, 2021)

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**Global-E Online LTD.**  
**CONSOLIDATED BALANCE SHEETS**  
(in thousands, except share and per share data)

	As of December 31,	
	2019	2020
		(As restated)
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	5,034	68,637
Short-term deposits	82	6,457
Accounts receivable, net	1,942	3,594
Prepaid expenses and other current assets	10,654	23,047
Marketable securities	—	16,871
Funds receivable, including cash in banks	21,608	34,492
Total current assets	<u>39,319</u>	<u>153,098</u>
Property and equipment, net	496	717
Operating lease right-of-use assets	1,399	4,160
Long term deposits	1,767	2,223
Deferred contract acquisition costs, noncurrent	420	729
Other assets, noncurrent	198	368
Total long-term assets	<u>4,280</u>	<u>8,197</u>
Total assets	<u><u>43,599</u></u>	<u><u>161,295</u></u>
<b>Liabilities, Convertible Preferred Shares and Shareholders' (Deficit) Equity</b>		
Current liabilities:		
Accounts payable (including related party payables of \$6,032 and \$14,058 as of December 31, 2019 and 2020, respectively)	9,039	19,057
Accrued expenses and other current liabilities (including related party payables of \$648 and \$3,120 as of December 31, 2019 and 2020, respectively)	10,558	29,432
Funds payable to Customers	21,608	34,492
Short term operating lease liabilities	590	915
Total current liabilities	<u>41,795</u>	<u>83,896</u>
Long-term liabilities:		
Deferred tax liabilities, net	38	105
Warrants liabilities to preferred shares	215	5,738
Long term operating lease liabilities	849	3,513
Total liabilities	<u>42,897</u>	<u>93,252</u>
<b>Commitments and contingencies (Note 9)</b>		
Convertible preferred shares, with no par value, 139,169 and 162,875 shares authorized as of December 31, 2019 and 2020, 138,395 and 162,101 issued and outstanding as of December 31, 2019 and 2020; aggregate liquidation preference of \$53,982 and \$113,276 as of December 31, 2019 and 2020	53,732	112,553
Shareholders' deficit:		
Ordinary shares, with no par value, 5,916,498,600 and 5,902,275,000 shares authorized as of December 31, 2019 and 2020, respectively; 19,720,800, 21,761,400 shares issued and outstanding as of December 31, 2019 and 2020, respectively;	—	—
Additional paid-in capital	3,592	8,087
Accumulated comprehensive income deficit	—	111
Total shareholders' (deficit) equity	<u>(53,030)</u>	<u>(44,510)</u>
Total liabilities, convertible preferred shares and shareholders' (deficit) equity	<u><u>43,599</u></u>	<u><u>161,295</u></u>

*The accompanying notes are an integral part of these consolidated financial statements.*

**Global-E Online LTD.**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
**(in thousands, except share and per share data)**

	Year Ended December 31,		
	2018	2019	2020 (As restated)
Revenue	38,640	65,852	136,375
Cost of revenue (including related party costs of \$16,800, \$26,106 and \$53,861 for the years ended December 31, 2018, 2019 and 2020, respectively)	30,050	47,188	92,902
Gross profit	8,590	18,664	43,473
Operating expenses:			
Research and development	9,541	12,034	15,400
Sales and marketing	3,667	4,593	9,838
General and administrative	5,760	6,988	9,822
Total operating expenses	18,968	23,615	35,060
Operating profit (loss)	(10,378)	(4,951)	8,413
Financial expenses, net	1,165	2,559	4,339
Profit (loss) before income taxes	(11,543)	(7,510)	4,074
Provision for income taxes	50	34	160
Net profit (loss)	(11,593)	\$ (7,544)	3,914
Undistributed earnings attributable to participating securities	—	—	3,189
Net earnings (loss) attributable to ordinary shareholders	(11,593)	(7,544)	725
Net earnings (loss) per share attributable to ordinary shareholders, basic	\$ (0.60)	\$ (0.38)	\$ 0.03
Net earnings (loss) per share attributable to ordinary shareholders, diluted	\$ (0.60)	\$ (0.38)	\$ 0.03
Weighted-average shares used in computing net loss per share attributable to ordinary shareholders, basic	19,366,272	19,654,276	21,120,208
Weighted-average shares used in computing net loss per share attributable to ordinary shareholders, diluted	19,366,272	19,654,276	28,637,801

*The accompanying notes are an integral part of these consolidated financial statements.*

**Global-E Online LTD.**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**(in thousands)**

	Year Ended December 31,		
	2018	2019	2020 (As restated)
Net profit (loss)	\$(11,593)	\$(7,544)	\$ 3,914
Other comprehensive income:			
Unrealized gain (loss) on available-for-sale marketable securities, net	—	—	111
Other comprehensive income	—	—	111
Comprehensive income (loss)	(11,593)	(7,544)	4,025

*The accompanying notes are an integral part of these consolidated financial statements.*

**Global-E Online LTD.**  
**CONSOLIDATED STATEMENTS OF CONVERTIBLE PREFERRED SHARES AND SHAREHOLDERS' EQUITY**  
(in thousands, except share data)

	Convertible Preferred Shares		Ordinary Shares		Additional Paid-in Capital	Accumulated Other Comprehensive Income	Accumulated Deficit	Total Shareholders' Deficit
	Shares	Amount	Shares	Amount				
Balance as of January 1, 2018	110,637	33,853	19,185,600	—	2,912	—	(37,485)	(34,573)
Issuance of Series D-1 convertible preferred shares, net of issuance costs of \$135	27,758	19,879						
Issuance of ordinary shares upon exercise of share options			316,800	—	93			93
Share-based compensation expense					219			219
Net loss							(11,593)	(11,593)
Balance as of December 31, 2018	138,395	53,732	19,502,400	—	3,224	—	(49,078)	(45,854)
Issuance of ordinary shares upon exercise of share options			218,400	—	147			147
Share-based compensation expense					221			221
Net loss							(7,544)	(7,544)
Balance as of December 31, 2019	138,395	53,732	19,720,800	—	3,592	—	(56,622)	(53,030)
Issuance of Series E convertible preferred shares, net of issuance costs of \$473	23,706	58,821						
Issuance of ordinary shares upon exercise of share options			2,040,600	—	539			539
Unrealized gain on available-for-sale marketable securities, net						111		111
Share-based compensation expense (as restated)					3,956			3,956
Net Profit (as restated)							3,914	3,914
Balance as of December 31, 2020 (as restated)	162,101	112,553	21,761,400	—	8,087	111	(52,708)	(44,510)

*The accompanying notes are an integral part of these consolidated financial statements.*

**Global-E Online LTD.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(in thousands)

	Year Ended December 31,		
	2018	2019	2020 (As restated)
<b>Cash flows from operating activities:</b>			
Net profit (loss)	\$(11,593)	\$ (7,544)	\$ 3,914
Adjustments to reconcile net profit (loss) to net cash provided by operating activities:			
Depreciation and amortization	162	171	235
Share-based compensation expense	219	221	3,956
Changes in operating assets and liabilities:			
Accounts receivable	(332)	(1,193)	(1,652)
Prepaid expenses and other assets	(2,557)	(3,916)	(12,273)
Funds receivable	(1,286)	(1,317)	(11,829)
Long-term receivables	—	—	(150)
Funds payable to customers	4,188	12,508	12,884
Operating lease ROU assets	—	(606)	(2,761)
Deferred contract acquisition costs	(260)	(245)	(429)
Accounts payable	1,315	4,131	10,018
Accrued expenses and other liabilities	2,110	4,184	18,874
Deferred tax liabilities	45	(7)	52
Operating lease liabilities	—	636	2,988
Warrants liabilities to preferred shares	2	5	5,523
Net cash provided by (used in) operating activities	<u>(7,987)</u>	<u>7,028</u>	<u>29,350</u>
<b>Cash flows from investing activities:</b>			
Investment in long-term marketable securities	—	—	(16,759)
Purchases of short-term investments	(9)	(43)	(6,375)
Purchases of long-term investments	(1,495)	(145)	(456)
Purchases of property and equipment	(108)	(264)	(456)
Net cash used in investing activities	<u>(1,612)</u>	<u>(452)</u>	<u>(24,046)</u>
<b>Cash flows from financing activities:</b>			
Proceeds from exercise of share options	93	147	539
Issuance of convertible preferred shares, net of issuance costs	19,879	—	58,821
Net cash provided by financing activities	<u>19,972</u>	<u>147</u>	<u>59,360</u>
Net increase in cash, cash equivalents, and restricted cash	10,373	6,723	64,664
Cash and cash equivalents and restricted cash—beginning of period	3,273	13,646	20,369
Cash and cash equivalents and restricted cash—end of period	<u>\$ 13,646</u>	<u>\$ 20,369</u>	<u>\$ 85,033</u>
<b>Supplemental disclosures of cash flow information:</b>			
Cash paid for income taxes	<u>\$ 8</u>	<u>\$ 65</u>	<u>\$ 68</u>
<b>Supplemental disclosures of noncash investing and financing activities:</b>			
Purchases of property and equipment during the period included in accounts payable	<u>\$ 25</u>	<u>\$ 11</u>	<u>\$ 13</u>
ROU assets and lease liabilities created during the period	<u>\$ —</u>	<u>\$ 1,209</u>	<u>\$ 3,734</u>

*The accompanying notes are an integral part of these consolidated financial statements.*

**Global-e Online Ltd.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**1. Organization and Description of Business**

Global-E Online Ltd. was incorporated on February 21, 2013 under the laws of the state of Israel and commenced operations at that time.

The company and its subsidiaries (together, "Global-E", the "Company") offer a leading platform to enable and accelerate global, direct-to-consumer ("D2C") cross-border e-commerce. The platform was purpose-built for international shoppers to buy seamlessly online and for merchants to sell from, and to, anywhere in the world. The Company's platform localizes the shopper experience in an effort to make international transactions as seamless as domestic ones. The platform increases the conversion of international traffic into sales by removing much of the complexity associated with international e-commerce. The platform provides an integrated solution that creates a localized and frictionless shopper experience and is simple to manage, flexible to adjust and smart in its local market insights and best practices. The vast capabilities of the Company's end-to-end platform include interaction with shoppers in their native languages, market-adjusted pricing, payment options tailored to local market preferences, compliance with local consumer regulations and requirements such as customs duties and taxes, shipping services, after-sales support and returns management. These elements are unified under the Global-e platform to enhance the shopper experience and enable merchants to capture the cross-border opportunity.

**2. Summary of Significant Accounting Policies**

***Basis of Presentation***

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") and include the accounts of Global-E Online Ltd. and its wholly owned subsidiaries. All intercompany balances and transactions have been eliminated in consolidation.

***Reclassifications***

Certain prior period amounts have been reclassified in order to conform to the current period presentation.



**Global-e Online Ltd.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

***Use of Estimates***

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting periods and accompanying notes. Significant items subject to such estimates and assumptions include, but are not limited to, the allocation of transaction price among various performance obligations, the estimated customer life on deferred contract acquisition costs, the allowance for doubtful accounts, the fair value of financial assets and liabilities; including accounting and fair value of derivatives, the fair value of acquired intangible assets and goodwill, the useful lives of acquired intangible assets and property and equipment, share-based compensation including the determination of the fair value of the Company's ordinary shares, and the valuation of deferred tax assets and uncertain tax positions. The Company bases these estimates on historical and anticipated results, trends and various other assumptions that it believes are reasonable under the circumstances, including assumptions as to future events. Actual results could differ from those estimates.

***Foreign Currency***

The functional currency of the Company is the U.S. dollar. Accordingly, foreign currency assets and liabilities are remeasured into U.S. dollars at the end-of-period exchange rates except for non-monetary assets and liabilities, which are measured at historical exchange rates. Revenue and expenses are remeasured each day at the exchange rate in effect on the day the transaction occurred.

***Concentration of Risks***

Financial instruments that potentially subject the Company to a concentration of credit risk consist of cash and cash equivalents, restricted cash, short-term deposits, accounts receivable and marketable securities. The Company maintains its cash, cash equivalents, restricted cash, and short-term deposits with high-quality financial institutions mainly in the U.S., UK and Israel, the composition and maturities of which are regularly monitored by the Company.

In the years ended December 31, 2018, 2019 and 2020, the revenue generated by the Company's largest customer was \$12,843, \$16,219 and \$ 24,534, respectively. As of December 31, 2019 and 2020, the net amount due to the Company's largest customer was \$9,570 and \$8,264, respectively.

***Cash, Cash Equivalents, and Restricted Cash***

Cash and cash equivalents consist of cash in banks. The Company considers all highly liquid investments, with an original maturity of three months or less at the date of purchase, to be cash equivalents. The Company maintains certain cash amounts restricted as to its withdrawal or use. The Company's restricted cash primarily consists of security deposits collateralizing the Company's operating leases.

**Global-e Online Ltd.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported within the consolidated balance sheets that sum to the total of the same such amounts shown in the consolidated statements of cash flows:

	December 31,		
	2018	2019	2020
Cash and cash equivalents	\$ 9,530	\$ 5,034	\$68,637
Cash and cash equivalents included in funds receivable	\$ 3,947	\$15,138	\$16,193
Restricted cash included in other assets, noncurrent	\$ 169	\$ 197	\$ 203
Total cash, cash equivalents, and restricted cash	<u>\$13,646</u>	<u>\$20,369</u>	<u>\$85,033</u>

**Marketable Securities**

The Company classifies its marketable securities as available-for-sale at the time of purchase and re-evaluates such classification at each balance sheet date. The Company may sell these securities at any time for use in current operations even if they have not yet reached maturity. As a result, the Company classifies its marketable securities, including those with maturities beyond 12 months, as current assets in the Consolidated Balance Sheets. The Company carries these securities at fair value and records unrealized gains and losses, net of taxes, in accumulated other comprehensive income, which is reflected as a component of shareholders' deficit. The Company periodically evaluates its marketable securities to assess whether those with unrealized loss positions are other-than-temporarily impaired. If the cost of an individual security exceeds its fair value, the Company evaluates, among other factors, general market conditions, the duration and extent to which the fair value is less than the cost basis, and the Company's intent and ability to hold the security. If the Company believes that a decline in fair value is determined to be other-than-temporary, the Company writes down the security to fair value. Realized gains and losses and declines in fair value judged to be other than temporary on available-for-sale marketable securities are reported in interest income, net in the Consolidated Statements of Operations. In the year ended December 31, 2020 the Company did not record any other than temporary impairment in its Consolidated Statements of Operations.

**Fair Value Measurements**

Fair value is defined as the exchange price that would be received from the sale of an asset or paid to transfer a liability in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The Company measures financial assets and liabilities at fair value at each reporting period using a fair value hierarchy which requires the Company to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. Three levels of inputs may be used to measure fair value:

Level 1 – Quoted prices in active markets for identical assets or liabilities.

Level 2 – Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

Financial instruments consist of cash and cash equivalents, restricted cash, short-term deposits, accounts receivables, accounts payables, accrued liabilities, warrants to convertible preferred shares

**Global-e Online Ltd.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

and marketable securities. Short-term deposits, Cash and cash equivalents, accounts receivable, accounts payable, and accrued liabilities are stated at their carrying value, which approximates fair value due to the short time to the expected receipt or payment date. Warrants exercisable for preferred shares and marketable securities are stated at fair value on a recurring basis. See note 12.

**Other Comprehensive Income**

The Company accounts for comprehensive income in accordance with Accounting Standards Codification No. 220, "Comprehensive Income" ("ASC No. 220"). This statement establishes standards for the reporting and display of comprehensive income and its components in a full set of general-purpose financial statements. Comprehensive income generally represents all changes in shareholders' deficit during the period except those resulting from investments by, or distributions to shareholders.

The total accumulated other comprehensive income was comprised as follows:

	<u>Year ended December 31, 2020</u>
Beginning balance	<u>Unrealized gain on marketable securities</u>
Net current period other comprehensive income	\$ —
Total accumulated other comprehensive income	111
	<u>\$ 111</u>

**Accounts Receivable, Net**

Accounts receivable are recorded at the invoiced amount and amounts for which revenue has been recognized but not invoiced, net of allowance for doubtful accounts. The allowance for doubtful accounts is based on the Company's assessment of the collectability of accounts. The Company regularly reviews the adequacy of the allowance for doubtful accounts based on a combination of factors, including an assessment of the current customer's aging balance, the nature and size of the customer, the financial condition of the customer, and the amount of any receivables in dispute. Accounts receivable deemed uncollectable are charged against the allowance for doubtful accounts when identified. The allowance of doubtful accounts was not material for the periods presented.

**Property and Equipment, Net**

Property and equipment are stated at cost net of accumulated depreciation. Depreciation is calculated using the straight-line method over the estimated useful lives of the respective assets. Expenditures for maintenance and repairs are expensed as incurred.

The estimated useful lives of the Company's property and equipment are as follows:

Computer and software	3 years
Furniture and office equipment	3 – 7 years
Leasehold improvements	Shorter of remaining lease term or estimated useful life

**Impairment of Long-Lived Assets**

The Company evaluates the recoverability of long-lived assets, including property and equipment and intangible assets for possible impairment whenever events or circumstances indicate that the

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carrying amount of such assets may not be fully recoverable. Such events and changes may include significant changes in performance relative to expected operating results, significant changes in asset use, significant negative industry or economic trends, and changes in the Company's business strategy. Recoverability of these assets is measured by a comparison of the carrying amounts to the future undiscounted cash flows the assets are expected to generate. If such review indicates that the carrying amount of long-lived assets is not recoverable, the carrying amount of such assets is reduced to fair value. There were no impairment charges to long-lived assets during the periods presented.

**Capitalized Software Costs**

Costs related to software acquired, developed, or modified solely to meet the Company's internal requirements, with no substantive plans to market such software at the time of development are capitalized. Costs incurred during the preliminary planning and evaluation stage of the project and during the post implementation operational stage are expensed as incurred. Costs incurred during the application development stage of the project are capitalized. Maintenance costs are expensed as incurred.

**Revenue Recognition**

The Company's revenues are comprised of:

1. Service Fees – The Company provides merchants a cross-border e-commerce platform which enables to sell their products to consumers worldwide. Revenue is generated as a percentage of the value of transactions that flow through our platform.
2. Fulfillment services – The Company offers shipping, handling, and other global delivery services in order to deliver merchants' goods to consumers.

The Company elected to adopt Accounting Standards Codification ("ASC") Topic 606, Revenue from Contracts with Customers ("ASC 606"), effective as of January 1, 2018, utilizing the full retrospective method of adoption. Accordingly, the consolidated financial statements for the years ended December 31, 2018, 2019 and 2020 are presented under ASC 606.

There was no material impact to the Company's consolidated financial statements as a result of this adoption.

In accordance with ASC 606, revenue is recognized when a customer obtains control of promised goods or services are delivered. The amount of revenue recognized reflects the consideration that the Company expects to receive in exchange for these goods or services. To achieve the core principle of this standard, the Company applied the following five steps:

*1. Identification of the contract, or contracts, with the customer*

The Company determines that it has a contract with a customer when each party's rights regarding the products or services to be transferred can be identified, the payment terms for the services can be identified, the Company has determined the customer has the ability and intent to pay, and the contract has commercial substance. At contract inception, the Company evaluates whether two or more contracts should be combined and accounted for as a single contract and whether the combined or single contract includes more than one performance obligation.

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*2. Identification of the performance obligations in the contract*

Performance obligations promised in a contract are identified based on the products and services that will be transferred to the customer that are both capable of being distinct, whereby the customer can benefit from the products or services either on their own or together with other resources that are readily available from third parties or from the Company, and are distinct in the context of the contract, whereby the transfer of the products and services is separately identifiable from other promises in the contract. The Company identified two distinct performance obligations: service fees and fulfillment services. The Company offers its platform service solution on a standalone basis. Fulfillment services are offered on an optional basis. Customers may choose to utilize or cease utilizing fulfillment services, either in whole or for select markets, at any time and from time to time.

*3. Determination of the transaction price*

The transaction price is determined based on the consideration to which the Company expects to be entitled in exchange for transferring products or delivery of services to the customer. The Company applied the practical expedient in ASC 606 and did not evaluate payment terms of one year or less for the existence of a significant financing component. Revenue is recognized net of any taxes collected from customers which are subsequently remitted to governmental entities (e.g., sales tax and other indirect taxes).

*4. Allocation of the transaction price to the performance obligations in the contract*

Contracts that contain multiple performance obligations require an allocation of the transaction price to each performance obligation based on each performance obligation's relative standalone selling price ("SSP"). To determine SSP, the Company maximizes the use of observable standalone sales and observable data, where available. In instances where performance obligations do not have observable standalone sales, the Company uses the expected cost-plus margin approach to estimate the standalone selling price based on a defined matrix that takes into consideration, among others, the weight, volume and shipping lane of the package. The Company also utilizes available information that may include market conditions, pricing strategies, and other observable inputs. In some cases, the Company provides the platform service solution on a standalone basis. (i.e., without the fulfillment services) since fulfillment service is optional. As for the fulfillment services, the Company provides such services only alongside the platform service solution.

*5. Recognition of the revenue when, or as, a performance obligation is satisfied*

Revenue is recognized at the time the related performance obligation is satisfied by transferring the promised product or delivery of service to the customer. Revenue is recognized in an amount that reflects the consideration that the Company expects to receive in exchange for those products or services.

For each performance obligation identified, the Company is required to determine whether control of the good or service transfers to the customer over time or at a point in time. The assessment of whether control transfers over time or at a point in time is critical to the timing of revenue recognition. The control over the promised services for each of the components is transferred as follow:

- a. Service Fees—the revenues are recognized once the transaction is considered completed, when the payment is processed by the Company, and the merchant goods arrive at the Company's hub. The Company determined it acts as an agent since it does not have control over the goods provided to the shopper, based on the agreement with the merchant. The

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Company is not primarily responsible for the acceptability of the goods (for example – the quality of the goods provided to the consumer). Furthermore, the Company has no discretion in determining the prices paid by the consumer for the goods. The Company earns a fee based on a fixed percentage of the total amount of the goods. Therefore, revenues derived from the service fees are presented on a net basis.

- b. Fulfillment services—the service is recognized over the shipment time starting upon the dispatch to the carrier until it reaches the consumer. The Company determined it acts as a principal since it is the primary obligor to fulfill its promise to its customers, controls the services (i.e. the Company directs other parties to provide services on its behalf), has discretion in determining the carrier it uses to provide the service and bears the risk of loss if the actual cost of the fulfillment service will exceed the fee. Therefore, revenues derived from the fulfillment services are presented on a gross basis.

The Company elected to apply the optional exemption under ASC 606 not to disclose the remaining performance obligations that relate to contracts with an original expected duration of one year or less.

**Disaggregation of Revenue**

The following table summarizes revenue by category:

	Year Ended December 31,					
	2018		2019		2020	
	Amount	Percentage of Revenue	Amount	Percentage of Revenue	Amount	Percentage of Revenue
	(in thousands, except percentages)					
Service fees	12,802	33%	23,498	36%	49,927	37%
Fulfillment services	25,838	67%	42,354	64%	86,448	63%
<b>Total revenue</b>	<b>\$38,640</b>	<b>100%</b>	<b>\$65,852</b>	<b>100%</b>	<b>\$136,375</b>	<b>100%</b>

The Company's revenues from service fees provided on a standalone basis were \$ 178, \$1,002 and \$2,627 for the years ended December 31, 2018, 2019 and 2020, respectively.

The following table summarizes revenue by merchant outbound region:

	Year Ended December 31,					
	2018		2019		2020	
	Amount	Percentage of Revenue	Amount	Percentage of Revenue	Amount	Percentage of Revenue
	(in thousands, except percentages)					
United Kingdom	35,128	91%	51,799	79%	80,122	59%
United States	1,919	5%	9,529	14%	34,140	25%
European Union	1,091	3%	4,344	7%	21,269	15%
Israel	502	1%	180	—	844	1%
<b>Total revenue</b>	<b>\$38,640</b>	<b>100%</b>	<b>\$65,852</b>	<b>100%</b>	<b>136,375</b>	<b>100%</b>

**Cost to Obtain a Contract**

The Company capitalizes sales commissions paid to sales personnel that are incremental to the acquisition of customer contracts. These costs are recorded as deferred contract acquisition costs on

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the consolidated balance sheets. The Company determines whether costs should be deferred based on its sales compensation plans and if the commissions are incremental and would not have occurred absent the customer contract.

Sales commissions paid upon the initial acquisition of a customer contract for sales personnel are amortized over an estimated period of benefit of five years. The Company determines the period of benefit for sales commissions paid for the acquisition of the initial customer contract by taking into consideration the estimated technological life of the Company's solution and other factors.

Amortization of sales commissions are consistent with each performance obligation and are included in sales and marketing expense in the consolidated statements of operations. The Company has applied the practical expedient in ASC 606 to expense costs as incurred for costs to obtain a contract with a customer when the amortization period would have been one year or less.

The Company periodically reviews these deferred contract acquisition costs to determine whether events or changes in circumstances have occurred that could impact the period of benefit. There were no impairment losses recorded during the periods presented.

The following table represents a rollforward of deferred contract acquisition costs:

	<b>Year Ended</b>	
	<b>December 31,</b>	
	<b>2019</b>	<b>2020</b>
	<b>(in thousands)</b>	
Beginning balance	\$318	\$ 563
Additions to deferred contract acquisition costs	343	618
Amortization of deferred contract acquisition costs	(98)	(194)
Ending balance	\$563	\$ 987
Deferred contract acquisition costs (to be recognized in next 12 months included in other current assets)	\$143	\$ 264
Deferred contract acquisition costs, noncurrent	420	723
Total deferred contract acquisition costs	<u>\$563</u>	<u>\$ 987</u>

**Cost of Revenue**

Cost of revenue primarily consists of expenses related to fulfillment of its services, which mainly include shipping costs, acquiring costs, payroll and allocated overhead. Overhead is allocated to cost of revenue based on applicable headcount.

**Research and Development**

Research and development costs include personnel-related expenses associated with the Company's development personnel responsible for the design, development and testing of its products, cost of development environments and tools, and allocated overhead. Research and development costs are expensed as incurred.

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***Sales and Marketing Costs***

Sales and Marketing costs include mainly personnel-related expenses, sales commissions, direct marketing, events, public relations and allocated overhead. Overhead is allocated to sales and marketing based on applicable headcount.

***General and Administrative***

General and administrative expenses primarily consist of personnel-related expenses, including share-based compensation expenses, associated primarily with our finance, legal, human resources and other operational and administrative functions, professional fees for external legal, accounting and other consulting services, and allocated overhead. We expect to increase the size of our general and administrative function to support the growth of our business, as a result, we expect the dollar amount of our general and administrative expenses to increase for the foreseeable future.

***Share-Based Compensation***

Share-based compensation expense related to share awards is recognized based on the fair value of the awards granted. The fair value of each option award is estimated on the grant date using the Black-Scholes option pricing model. The Black-Scholes option pricing model requires the input of highly subjective assumptions, including the fair value of the underlying ordinary shares, the expected term of the option, the expected volatility of the price of the Company's ordinary shares, risk-free interest rates, and the expected dividend yield of ordinary shares. The assumptions used to determine the fair value of the option awards represent management's best estimates. These estimates involve inherent uncertainties and the application of management's judgment. The related share-based compensation expense is recognized on a straight-line basis over the requisite service period of the awards, including awards with graded vesting and no additional conditions for vesting other than service conditions. Forfeitures are accounted for as they occur.

***Income Taxes***

The Company is subject to income taxes in Israel, the U.S., U.K and other foreign jurisdictions. These foreign jurisdictions may have different statutory rates than in Israel. Income taxes are accounted in accordance with ASC 740, *Income Taxes* ("ASC 740"). Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statements carrying amounts of existing assets and liabilities and their respective tax basis as well as operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The financial effect of changes in tax laws or rates is accounted for in the period of enactment. Valuation allowances are provided when necessary to reduce deferred tax assets to the amount expected to be realized.

The Company recognizes income tax benefits from uncertain tax positions only if it believes that it is more likely than not that the tax position will be sustained upon examination by the taxing authorities based on the technical merits of the position. The tax benefits recognized in the financial statements from such uncertain tax positions are then measured based on the largest benefit that is more likely than not to be realized upon the ultimate settlement. Although the Company believes that it has adequately reserved for its uncertain tax positions (including net interest and penalties), it can provide no assurance that the final tax outcome of these matters will not be materially different. The Company



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makes adjustments to these reserves when facts and circumstances change, such as the closing of a tax audit or the refinement of an estimate. To the extent that the final tax outcome of these matters is different from the amounts recorded, such differences will affect the provision for income taxes in the period in which such determination is made.

**Net Earnings (Loss) Per Share Attributable to Ordinary Shareholders**

The Company computes net earnings (loss) per share using the two-class method required for participating securities. The two-class method requires income available to ordinary shareholders for the period to be allocated between ordinary shares and participating securities based upon their respective rights to receive dividends as if all income for the period had been distributed. The Company considers its convertible preferred shares to be participating securities as the holders of the convertible preferred shares would be entitled to dividends that would be distributed to the holders of ordinary shares, on a pro-rata basis assuming conversion of all convertible preferred shares into ordinary shares. These participating securities do not contractually require the holders of such shares to participate in the Company's losses. During the periods when the Company was in a net loss position, the net loss attributable to common shareholders was not allocated to the convertible preferred shares under the two-class method as these securities do not have a contractual obligation to share in our losses. The Company's basic net earnings (loss) per share is calculated by dividing net earnings (loss) attributable to ordinary shareholders by the weighted-average number of shares of ordinary shares outstanding for the period, without consideration of potentially dilutive securities.

The diluted net earnings (loss) per share is calculated by giving effect to all potentially dilutive securities outstanding for the period using the treasury share method or the if-converted method based on the nature of such securities. During the periods when there is a net loss attributable to common shareholders, potentially dilutive common share equivalents have been excluded from the calculation of diluted net loss per share attributable to common shareholders as their effect is anti-dilutive.

**Segment Information**

The Company operates in one operating and reportable segment. Operating segments are defined as components of an enterprise about which separate financial information is evaluated regularly by the chief operating decision maker, who is the Company's chief executive officer ("CEO"), in deciding how to allocate resources and assessing performance. The Company's chief operating decision maker allocates resources and assesses performance based upon discrete financial information at the consolidated level.

Revenue by geographical region can be found in the revenue recognition disclosures in Note 2 above. The following table presents the Company's property and equipment, net of depreciation and amortization, by geographic region:

	December 31,		
	2018	2019	2020
	(in thousands)		
Israel	\$ 359	\$ 348	\$ 504
United Kingdom	41	136	149
Rest of world	4	12	64
Total property and equipment, net	<u>\$ 404</u>	<u>\$ 496</u>	<u>\$ 717</u>

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***Legal Proceedings***

In the ordinary course of business, the Company may be subject from time to time to various proceedings, lawsuits, disputes, or claims. The Company investigates these claims as they arise. Although claims are inherently unpredictable, the Company is currently not aware of any matters that, if determined adversely to the Company, would individually or taken together, have a material adverse effect on its business, financial position, results of operations, or cash flows.

***Israeli Severance Pay***

Pursuant to Israel's Severance Pay Law, Israeli employees are entitled to severance pay equal to one month's salary for each year of employment, or a portion thereof. The Company has elected to include its employees in Israel under Section 14 of the Severance Pay Law, under which these employees are entitled only to monthly deposits made in their name with insurance companies, at a rate of 8.33% of their monthly salary. These payments release the Company from any future obligation under the Israeli Severance Pay Law to make severance payments in respect of those employees; therefore, any liability for severance pay due to these employees, and the deposits under Section 14 are not recorded as an asset in the consolidated balance sheets. During the years ended December 31, 2019 and 2020, the Company recorded \$646 and \$838, respectively, in severance expenses related to these employees.

***Deferred Offering Costs***

Deferred offering costs consist primarily of accounting, legal, and other fees related to the Company's proposed IPO. Upon consummation of the IPO, the deferred offering costs will be reclassified to shareholders' (deficit) equity and recorded against the proceeds from the offering. In the event the offering is aborted, deferred offering costs will be expensed. As of December 31, 2020, the Company has capitalized \$150.

***Warrants liabilities to preferred shares***

Warrants to purchase the Company's convertible preferred and common stock are classified as a liability on the balance sheet and measured at fair value. The Company measures the warrants at fair value by applying the Option Pricing Method ("OPM") in each reporting period until they are exercised or expired, with changes in the fair value being recognized in the Company's statement of operations as financial income or expense, as appropriate.

***Funds receivable and payable to customers***

Funds receivable represent cash received or settled from end-customers via third-party payment service providers, which flows through a Company bank account for payment to the Company's customers. This cash and related receivables represent the total amount due to the Company's customers and as such, a liability for the same amount is recorded to funds payable to customers.

***Recently Adopted Accounting Pronouncements***

As an "emerging growth company," the Jumpstart Our Business Startups Act ("JOBS Act") allows the Company to delay adoption of new or revised accounting pronouncements applicable to public companies until such pronouncements are made applicable to private companies. The Company has elected to use this extended transition period under the JOBS Act. The adoption dates discussed below reflect this election.

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In June 2018, the FASB issued ASU 2018-07, "Compensation – Stock Compensation (Topic 718): Improvements to Nonemployee Share-Based Payment Accounting" (ASU 2018-07). ASU 2018-07 was issued to simplify several aspects of the accounting for nonemployee share-based payment transactions resulting from expanding the scope of Topic 718, "Compensation – Stock Compensation", to include share-based payment transactions for acquiring goods and services from nonemployees. The amendments specify that Topic 718 applies to all share-based payment transactions in which a grantor acquires goods or services to be used or consumed in a grantor's own operations by issuing share-based payment awards. The Company has adopted the standard at January 1, 2019, which did not have a material impact on the consolidated financial statements.

In February 2016, the FASB issued ASU 2016-02, Leases (Topic 842). This new standard introduced a number of changes, primarily the recognition of lease assets and lease liabilities by lessees for those leases classified as operating leases. The new standard retained the distinction between finance leases and operating leases and the classification criteria between the two types remains substantially similar. Also, lessor accounting remained largely unchanged from previous guidance.

The standard requires a modified retrospective transition approach to recognize and measure leases at the initial application. The Company adopted the standard as of January 1, 2019, using a modified retrospective transition approach and elected to use the effective date as the date of initial application. The Company adopted the "package of practical expedients", which permits it not to reassess under the new standard its prior conclusions about lease identification, lease classification and initial direct costs.

The standard did not have a material impact on the Company's consolidated balance sheets which resulted in the recognition of right of use ("ROU") assets and lease liabilities of \$793 and \$803, respectively, on January 1, 2019. See note 6.

In January 2017, the FASB issued ASU 2017-04, Simplifying the Test for Goodwill Impairment (Topic 350). This standard eliminates Step 2 from the goodwill impairment test, instead requiring an entity to recognize a goodwill impairment charge for the amount by which the goodwill carrying amount exceeds the reporting unit's fair value. This guidance is effective for interim and annual goodwill impairment tests in fiscal years beginning after December 15, 2019 with early adoption permitted. This guidance must be applied on a prospective basis. The new guidance was adopted by the Company on January 1, 2020 with no impact on its consolidated financial statements and related disclosures.

**Recently issued accounting standards, not yet adopted by the Company**

In June 2016, the FASB issued ASU No. 2016-13, Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments, which replaces the existing incurred loss impairment model with an expected credit loss model and requires a financial asset measured at amortized cost to be presented at the net amount expected to be collected. The guidance will be effective for the Company beginning January 1, 2023, and interim periods therein. Early adoption is permitted. The Company is currently evaluating the effect that ASU 2016-13 will have on its consolidated financial statements and related disclosures.

In August 2018, the FASB issued ASU No. 2018-15, Intangibles-Goodwill and Other-Internal-Use Software (Subtopic 350-40): Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That Is a Service Contract, which aligns the requirements for capitalizing

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implementation costs incurred in a hosting arrangement that is a service contract with the requirements for capitalizing implementation costs incurred to develop or obtain internal-use software. The new standard requires capitalized costs to be amortized on a straight-line basis generally over the term of the arrangement, and the financial statement presentation for these capitalized costs would be the same as that of the fees related to the hosting arrangements. The guidance will be effective for the Company beginning January 1, 2021, and interim periods in fiscal years beginning January 1, 2022. Early adoption is permitted. The Company is currently evaluating the effect that ASU 2018-15 will have on its consolidated financial statements and related disclosures.

In December 2019, the FASB issued ASU No. 2019-12, Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes, which simplifies the accounting for income taxes by removing a variety of exceptions within the framework of ASC 740. These exceptions include the exception to the incremental approach for intraperiod tax allocation in the event of a loss from continuing operations and income or a gain from other items (such as other comprehensive income), and the exception to using general methodology for the interim period tax accounting for year-to-date losses that exceed anticipated losses. The guidance will be effective for the Company beginning January 1, 2022, and interim periods in fiscal years beginning January 1, 2023. Early adoption is permitted. The Company is currently evaluating the effect that ASU 2019-12 will have on its consolidated financial statements and related disclosures.

### Consolidated Balance Sheet Components

#### 3. Property and Equipment, Net

Property and equipment, net consisted of the following:

	December 31,	
	2019	2020
	(in thousands)	
Computer and software	\$ 689	\$ 998
Furniture and office equipment	140	162
Leasehold improvements	212	263
Property and equipment, gross	1,041	1,423
Less: accumulated depreciation and amortization	(545)	(706)
Property and equipment, net	<u>\$ 496</u>	<u>\$ 717</u>

Depreciation and amortization expense were \$162, \$171 and \$235 for the years ended December 31, 2018, 2019 and 2020, respectively. During the year ended December 31, 2020, the Company wrote-off \$74 of fully depreciated assets.

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**4. Accrued Expenses and Other Current Liabilities**

Accrued expenses and other current liabilities consisted of the following:

	December 31,	
	2019	2020
	(in thousands)	
Accrued Expenses	\$ 1,455	\$ 3,769
Accrued indirect taxes and related liabilities	6,325	15,301
Accrued compensation and benefits	2,159	4,589
Advancements from customers	—	4,417
Other current liabilities	619	1,356
Accrued expenses and other current liabilities	<u>\$10,558</u>	<u>29,432</u>

**5. Convertible Preferred shares, shareholders' Deficit and Equity incentive Plan****a. General:**

The ordinary shares entitle their holders to receive notice to participate and vote in general meetings of the Company, the right to share in distributions upon liquidation of the Company, and to receive dividends, if declared.

On March 21, 2021, the Company's shareholders approved the change to the par value of the Company's ordinary and convertible preferred shares share capital from NIS 0.01 par value to no par value. The change in par value has not yet been filed with and by the Israel Corporate Registrar, which filing is declarative in nature.

On March 21, 2021, the Company's shareholders approved a share split of the Company's ordinary shares at a ratio of 1-to 600. As a result of the share split, (i) every one authorized, issued and outstanding ordinary share was increased to six hundred (600) authorized, issued and outstanding ordinary shares, (ii) the number of ordinary shares into which each outstanding option to purchase an ordinary share is exercisable was proportionally increased on a 1-to 600 basis, (iii) all share prices and exercise prices were proportionally decreased. All of the share numbers, share prices, and exercise prices have been adjusted within these consolidated financial statements, on a retroactive basis, to reflect this 1-to 600 share split, and (iv) the conversion ratio for the convertible preferred shares to ordinary shares was updated to a 1-to 600 basis.

All references to ordinary and convertible preferred shares amounts and per share amounts have been retroactively restated to reflect the change in par value as if it had taken place as of the beginning of the earliest period presented.

**b. Share options plans:**

In 2013, the Company adopted the Global-e Online Ltd. 2013 Share Incentive Plan ("2013 Plan"), under which the Company may grant various forms of equity incentive compensation at the discretion of the board of directors, including share options. The awards have varying terms, but generally vest over four years. Share options expire 10 years after the date of grant. The Company issues new ordinary shares upon exercise of share options.

In February 2019, the Company extended the contractual term for all share option grants from 7 years to 10 years. The Company concluded that the extension of the contractual term for all share option grants modified the terms of all outstanding share options held by employees and nonemployees.

As of December 31, 2018, 2019 and 2020, the Company's board of directors had authorized 10,606,800, 10,606,800 and 15,888,600 ordinary shares to be reserved for the grant of awards under the 2013 Plan, respectively.

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A summary of share option activity under the Company's equity incentive plan and related information is as follows:

	Options Outstanding				
	Shares Available for Grant	Outstanding Share Options	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Life (Years)	Aggregate Intrinsic Value
	(in thousands, except share, life and per share data)				
Balance as of December 31, 2019	1,452,000	9,154,800	\$ 0.71	6.98	\$ 548.54
Shares Authorized	5,281,800	—			
Granted	(5,473,800)	5,473,800	\$ 3.58	9.42	\$ 44,948.34
Exercised	2,040,600	(2,040,600)	\$ 0.26		\$ 6,929.84
Forfeited	65,400	(65,400)	\$ 1.34		
Balance as of December 31, 2020	3,366,000	12,522,600	\$ 2.04	7.83	\$122,449.00
Exercisable as of December 31, 2020		5,035,200	\$ 0.68	6.02	56,084.01

The weighted-average grant date fair value of options granted during the years ended December 31, 2018, 2019 and 2020, was \$0.16, \$0.13 and \$3.05, respectively. As of December 31, 2020, unrecognized share-based compensation cost related to unvested share options was \$15,281, which is expected to be recognized over a weighted-average period 2.94 years.

The Black-Scholes assumptions used to value the employee options at the grant dates are as follows:

	Year Ended December 31,		
	2018	2019	2020
Expected term (years)	6.11	6.11	6.11
Expected volatility	72.7%	70.0%	70.0%
Risk-free interest rate	2.6% - 3.0%	1.7% - 2.6%	0.37% - 1.45%
Expected dividend yield	0.0%	0.0%	0.0%

These assumptions and estimates were determined as follows:

- **Fair Value of Ordinary Shares.** As the Company's ordinary shares are not publicly traded, the fair value was determined by the Company's board of directors, with input from management and valuation reports prepared by third-party valuation specialists.
- **Risk-Free Interest Rate.** The risk-free rate for the expected term of the options is based on the Black-Scholes option-pricing model on the yields of U.S. Treasury securities with maturities appropriate for the expected term of employee share option awards.
- **Expected Term.** The expected term represents the period that options are expected to be outstanding. For option grants that are considered to be "plain vanilla," the Company determines the expected term using the simplified method. The simplified method deems the term to be the average of the time-to-vesting and the contractual life of the options.

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- **Expected Volatility.** Since the Company has no trading history of its ordinary shares, the expected volatility is derived from the average historical share volatilities of several unrelated public companies within the Company's industry that the Company considers to be comparable to its own business over a period equivalent to the option's expected term.
- **Expected Dividend Yield.** The Company has never declared or paid any cash dividends and does not presently plan to pay cash dividends in the foreseeable future. As a result, an expected dividend yield of zero percent was used.

**Share-Based Compensation**

The share-based compensation expense by line item in the accompanying consolidated statements of operations is summarized as follows:

	Year Ended December 31,		
	2018	2019	2020
	(in thousands)		
Cost of revenue	\$ 1	\$ 2	\$ 10
Research and development	82	79	507
Sales and marketing	40	22	442
General and administrative	96	118	2,997
Total share-based compensation expense	<u>\$ 219</u>	<u>\$ 221</u>	<u>\$ 3,956</u>

*c. Convertible Preferred Shares*

In April 2020, the Company issued 23,706 shares of Series E convertible preferred shares ("Series E Preferred Shares") for \$2,498.65 per share for total gross proceeds of \$59,294. Issuance costs were \$473.

Convertible preferred shares at December 31, 2019 consisted of the following:

	December 31, 2019		
	Designated Shares Authorized	Shares Issued and Outstanding	Aggregate Liquidation Preference
	(in thousands, except share data)		
Series A	19,298	19,298	\$ 2,050
Series A-1	20,364	20,364	3,500
Series B-1	37,361	37,361	15,000
Series B-2	17,792	17,792	5,000
Series C	15,822	15,822	8,432
Series D-1	27,758	27,758	20,000
Total convertible preferred shares	<u>138,395</u>	<u>138,395</u>	<u>\$ 53,982</u>

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Convertible preferred shares at December 31, 2020 consisted of the following:

	December 31, 2020		
	Designated Shares Authorized	Shares Issued and Outstanding	Aggregate Liquidation Preference
	(in thousands, except share data)		
Series A	19,298	19,298	\$ 2,050
Series A-1	20,364	20,364	3,500
Series B-1	37,361	37,361	15,000
Series B-2	17,792	17,792	5,000
Series C	15,822	15,822	8,432
Series D-1	27,758	27,758	20,000
Series E	23,706	23,706	59,294
Total convertible preferred shares	<u>162,101</u>	<u>162,601</u>	<u>\$ 113,276</u>

The holders of the convertible preferred shares have the following rights, preferences and privileges:

Dividend and liquidation participation right—in the event of any distribution of proceeds or assets, whether voluntary or involuntary, by way of distribution of dividend or other participation right (“Liquidation Event”), the distribution of such assets or dividend shall be made according to the following provisions, order and preference.

Subject to the provisions, order and preference explained below, the profits of the Company shall be distributable to the shareholders of the Company according to the proportion of the par value of the shares held by them at the date so appointed by the Company, without regard to the premium paid in excess of the nominal value.

In connection with any Liquidation Event or distribution of any dividends or assets, the proceeds will be distributed as follows: the holders of Series E Preferred Shares receive the greater of: (A) if the Liquidation Event occurs within three (3) years after the issue date of the Series E Preferred Shares (the “Series E Closing”, which took place on April 30, 2020), one and five tenths times (1.50x) the original issue price of the Series E convertible preferred shares (“Original Series E Issue Price”), plus any dividends declared but unpaid thereon, less any amount previously paid as dividends or otherwise in preference on such shares, and (B) if the Liquidation Event occurs after the lapse of three (3) years after the Series E Closing, one and three tenths times (1.30x) the Original Series E Issue Price plus any dividends declared but unpaid thereon, less any amount previously paid as dividends or otherwise in preference on such shares and (ii) such amount per share as would have been payable had all the shares of Series E Preferred Shares been converted into ordinary shares immediately prior to such Liquidation Event; thereafter, holders of Series D-1 Preferred Shares get a 1.25X preference; thereafter, holders of Series C convertible preferred shares (“Series C Preferred Shares”), Series B-1 convertible shares (“Series B-1 Preferred Shares”) and Series B-2 convertible preferred shares (“Series B-2 Preferred Shares”) (together), Series A-1 convertible preferred shares (“Series A-1 Preferred Shares”) and Series A convertible preferred shares (“Series A Preferred Shares”) (in such order) get a 1X preference (in each case calculated based on the original issue price of such convertible preferred shares and plus any dividends declared but unpaid thereon, less any amount previously paid as dividends or otherwise in preference on such shares); and thereafter all preferred shares and ordinary shares get the residual on a pro rata basis, subject to a 2.25X cap for the Series D-1 Preferred Shares, a 2X cap for the Series C Preferred Shares, a 2.4X cap for the Series B-1



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Preferred Shares and the Series B-2 Preferred Shares and a 3X cap for the Series A Preferred Shares and the Series A-1 Preferred Shares; in each case where the foregoing caps are met, the holders of such preferred shares will be entitled to receive the greater of (a) such cap less amounts previously paid in preference on such shares and (b) such amount per share as would have been payable had all shares of such class been converted into ordinary shares. Notwithstanding the foregoing, if the Company issues preferred shares that are senior to the Series D-1 Preferred Shares and, upon a Liquidation Event, the Series D-1 Preferred Shares would have received (not accounting for the issuance of such senior preferred shares) an amount that is (i) less than 2.25X and (ii) more than the amount they would have received giving effect to the more senior preferred, then the holders of Series D-1 Preferred Shares will get, prior to the more senior preferred shares, an amount equal to the excess of the preceding clause (ii) relative to clause (i), provided that in any event the amount paid to the Series D-1 Preferred Shares will be subject to a 2.25X cap.

Conversion rights and automatic conversion—Each preferred share shall automatically be converted into Ordinary Shares in accordance with the then applicable conversion ratio (with the Conversion Ratio in connection with the IPO being 600 Ordinary Shares for 1 Preferred Share) upon the earlier of: (i) the consummation of a qualifying IPO (“QIPO”), provided, however, that (A) (x) if the QIPO occurs within three (3) years after the Series E Closing and the price per share in the QIPO is less than one and five tenths times (1.50x) the Original Series E Issue Price, then the conversion price of the Series E Preferred Shares shall be adjusted, upon the closing of such QIPO, such that each Series E Preferred Share shall be converted into such number of Ordinary Shares equal to a fraction, the numerator of which is a number equal to one and five tenths times (1.50x) the Original Series E Issue Price, and the denominator of which is the price per Ordinary Share at which the Company’s Ordinary Shares are offered to the public in the QIPO, and (y) if the QIPO occurs after the lapse of three (3) years after the Series E Closing and the price per share in the QIPO is less than one and three tenths times (1.30x) the Original Series E Issue Price, then the conversion price of the Series E Preferred Shares shall be adjusted, upon the closing of such QIPO, such that each Series E Preferred Share shall be converted into such number of Ordinary Shares equal to a fraction, the numerator of which is a number equal to one and three tenths times (1.30x) the Original Series E Issue Price, and the denominator of which is the price per Ordinary Share at which the Company’s Ordinary Shares are offered to the public in the QIPO, and (B) if the price per share in the QIPO is less than two and twenty-five one-hundredths times (2.25x) the original issue price of the Series D -1 Preferred Shares (“Original Series D-1 Issue Price”), then the conversion price shall be adjusted, upon the closing of such QIPO, such that each Series D-1 Preferred Share, shall be converted into a number of Ordinary Shares equal to a fraction, the numerator of which is a number equal to two and twenty-five one-hundredths times (2.25x) the Original Series D-1 Issue Price, and the denominator of which is the price per Ordinary Share at which the Company’s Ordinary Shares are offered to the public in the QIPO; (ii) with respect to the Series C Preferred Shares, Series B-1 Preferred Shares, Series B-2 Preferred Shares, Series A-1 Preferred Shares, and Series A Preferred Shares (collectively, the “Preferred C/B-1/B-2/A-1/A Shares”), the affirmative vote or written consent of the holders of at least 70% of the then outstanding Preferred C/B-1/B-2/A-1/A Shares, on an as converted basis, voting as a single class; (iii) with respect to the Series E Preferred Shares, the affirmative vote or written consent of the Preferred E Majority; (iv) with respect to the Series D-1 Preferred Shares, the affirmative vote or written consent of the holders of a majority of the then outstanding Series D-1 Preferred Shares; or (v) with respect to all Preferred Shares, the affirmative vote or written consent of the super majority voting rights—Each holder of convertible

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preferred shares is entitled to the number of votes equal to the number of ordinary shares into which such shares of convertible preferred shares could be converted at the record date.

Founders no sale—Until the earlier of an IPO or a Merger and Acquisition, no Founder shall transfer any of its equity securities; provided, however, that as of the lapse of twenty-four (24) months from the Series E Closing (the “Drop Date”), each Founder shall be entitled to transfer up to twelve and a half percent (12.5%) of such Founder’s shareholdings (as of immediately prior to the Series E Closing) in the aggregate; and provided, further, that any such transfer by a Founder shall be subject to the Rights of First Refusal and Co-Sale Rights. For the avoidance of doubt, the Founders will not be entitled to transfer shares that are subject to any reverse vesting terms. Notwithstanding the above, a Founder may transfer its equity securities to certain permitted transferees and in connection with an IPO or a Merger and Acquisition. Additionally, this shall not apply to (i) any equity securities purchased or acquired by the Founder for consideration after the Series E Closing, and (ii) any secondary sale by the Founders approved by the Board, with the affirmative vote or written consent of the Preferred Directors Majority

Customary right of first refusal—On the basis of all or nothing; shareholders holding at least 3% have such right, and co-sale rights (to which only the founders are subject, other than with respect to a permitted transferee). Upon the transfer of shares in violation of the co-sale right and/or the right of first offer (a “Prohibited Transfer”), the other shareholders who have the right of first offer or the co-sale rights, in addition to remedies under applicable law, will have a put option against the transferor as to such number of shares each such shareholder would have been entitled to transfer to the third-party transferee had the Prohibited Transfer been effected in compliance with the articles; and the transferor will reimburse each such other shareholder for its fees and expenses, including reasonable legal fees and expenses.

The Company has the following ordinary shares reserved for future issuance:

	<b>December 31,</b>	
	<b>2019</b>	<b>2020</b>
Conversion of convertible preferred shares	83,037,000	97,260,600
Outstanding share options	9,154,800	12,522,600
Remaining shares available for future issuance under the 2013 Plan	1,452,000	3,366,000
Total shares of ordinary shares reserved	<u>93,643,800</u>	<u>113,149,200</u>

### **Third Party Share Transactions**

In April and November 2020, the Company recorded \$1,346 and \$809, respectively, of share-based compensation expenses associated with the two secondary share purchase transactions during the year ended December 31, 2020.

The secondary share purchase transactions were executed among certain of the Company’s founders, employees, and shareholders. The April 2020 secondary share purchase transaction was consummated concurrently with the issuance of the Company’s Series E convertible preferred shares. The Company assessed the impact of these transactions as holders of economic interest in the Company acquired shares from the Company’s employees and founders at a price in excess of fair value of such shares. Accordingly, the Company recognized such excess value as share-based compensation expense.

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**6. Leases**

On January 1, 2019, the Company adopted Topic 842 and elected the available practical expedient to recognize the cumulative effect of initially adopting Topic 842 as an adjustment to the opening balance sheet of the period of adoption (i.e., January 1, 2019). In addition, the Company elected not to apply the transition requirements for leases for which the lease term is less than 12 months.

The Company's leases include offices worldwide, as well as car leases, which are all classified as operating leases. Certain leases include renewal options that are under the Company's sole discretion. The renewal options were included in the ROU and liability calculation if it was reasonably certain that the Company will exercise the option.

The components of lease expense and supplemental cash flow information related to leases for the years ended December 31, 2019 and 2020 were as follows:

	Year ended December 31, 2019	Year ended December 31, 2020
<b>Components of lease expenses</b>		
Operating lease cost	\$ 655	\$ 1,023
Short-term lease	\$ 22	\$ 66
Total lease expenses	<u>\$ 677</u>	<u>\$ 1,089</u>
	Year ended December 31, 2019	Year ended December 31, 2020
<b>Supplemental cash flow information</b>		
Cash paid for amounts included in the measurement of lease liabilities	\$ 684	\$ 1,017
Supplemental non-cash information related to lease liabilities from obtaining ROU assets	<u>\$ 1,209</u>	<u>\$ 3,734</u>

For the year ended December 31, 2020, the weighted average remaining lease term is 7 years, and the weighted average discount rate is 3.45 percent. The discount rate was determined based on the estimated collateralized borrowing rate of the Company, adjusted to the specific lease term and location of each lease.

**Global-e Online Ltd.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

Maturities of lease liabilities as of December 31, 2020 were as follows:

	December 31, 2020 (in thousands)
Year Ending December 31,	
2021	\$ 941
2022	833
2023	697
2024	366
2025	366
Thereafter	1,430
Total operating lease payments	\$ 4,633
Less: imputed interest	205
Total	\$ 4,428

**7. Income Taxes**

Ordinary taxable income in Israel is subject to a corporate tax rate of 23%.

The Company's subsidiaries are separately taxed under the domestic tax laws of the jurisdiction of incorporation of each entity.

The components of the net profit (loss) before the provision for income taxes were as follows:

	Year Ended December 31,		
	2018	2019	2020
	(in thousands)		
Israel	(11,437)	(4,932)	1,293
Foreign	(106)	(2,578)	2,781
Total	<u>(11,543)</u>	<u>(7,510)</u>	<u>4,074</u>

The provision for income taxes was as follows:

	Year Ended December 31,		
	2018	2019	2020
	(in thousands)		
Current:			
Israel	\$ —	\$ —	\$ 16
Foreign	5	41	92
Total current income tax expense	<u>5</u>	<u>41</u>	<u>\$ 108</u>
Deferred:			
Israel	—	—	—
Foreign	45	(7)	52
Total deferred income tax (benefit) expense	<u>45</u>	<u>(7)</u>	<u>52</u>
Total provision for income taxes	<u>\$ 50</u>	<u>\$ 34</u>	<u>\$ 160</u>

**Global-e Online Ltd.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

A reconciliation of the Company's theoretical income tax expense to actual income tax expense is as follows:

	Year Ended December 31,		
	2018	2019	2020
	(in thousands)		
Theoretical income tax expense (benefit)	\$(2,655)	\$(1,727)	\$ 937
Change in valuation allowance	2,409	1,506	(2,235)
Foreign tax rate differentials	(29)	56	(150)
Share-based compensation	(1)	26	910
Non-deductible expenses	213	122	1,290
Foreign exchange impact	85	(41)	(357)
Other	28	92	(235)
<b>Total</b>	<b>\$ 50</b>	<b>\$ 34</b>	<b>\$ 160</b>

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes.

The following table presents the significant components of the Company's deferred tax assets and liabilities:

	December 31,	
	2019	2020
	(in thousands)	
<b>Deferred tax assets:</b>		
Net operating loss carryforwards	9,064	6,052
Research and development expenses	2,347	2,889
Leasing liabilities	331	1,018
Accruals and reserves	161	296
Gross deferred tax assets	11,903	10,255
Valuation allowance	(11,490)	(9,255)
<b>Total deferred tax assets</b>	<b>413</b>	<b>1,000</b>
<b>Deferred tax liabilities:</b>		
Deferred contract acquisition costs	111	90
Leasing assets	322	957
Property and equipment	18	43
Gross deferred tax liabilities	451	1,090
<b>Net deferred taxes</b>	<b>\$ 38</b>	<b>\$ 90</b>

A valuation allowance is provided when it is more likely than not that the deferred tax assets will not be realized. The Company has established a valuation allowance to offset the deferred tax assets at December 31, 2019 and 2020 due to the uncertainty of realizing future tax benefits from its net operating loss carryforwards and other deferred tax assets. The net change in the total valuation allowance for the year ended December 31, 2020 was a decrease of \$2,235.

As of December 31, 2020, the Company had approximately \$23,824 in net operating loss carryforwards in Israel that can be carried forward indefinitely.

**Global-e Online Ltd.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

The Company has net operating losses from prior tax periods which may be subjected to examination in future periods. As of December 31, 2020, the Company's tax years until December 31, 2014 are subject to statutes of limitation in Israel.

The Company did not recognize any uncertain tax positions as of December 31, 2019 and 2020.

**10. Net Earnings (Loss) Per Share Attributable to Ordinary Shareholders**

The following table sets forth the computation of basic and diluted net loss per share attributable to ordinary shareholders for the periods presented:

	Year Ended December 31,		
	2018	2019	2020
	(in thousands, except share and per share data)		
<b>Basic net profit (loss) per share</b>			
<u>Numerator:</u>			
Allocation of net profit (loss)	(11,593)	(7,544)	3,914
Net income allocated to preferred shareholders	—	—	3,189
Allocation of net profit (loss) attributable to Ordinary shareholders			725
<u>Denominator:</u>			
Weighted-average shares used in computing net profit (loss) per share attributable to Ordinary shareholders	19,366,272	19,654,276	21,120,208
Basic net profit (loss) per share attributable to Ordinary shareholders	<u>(0.60)</u>	<u>(0.38)</u>	<u>0.03</u>
<b>Diluted net profit (loss) per share</b>			
<u>Numerator:</u>			
Allocation of net profit (loss) attributable for diluted computation	(11,593)	(7,544)	725
<u>Denominator:</u>			
Shares used in computing net earnings per share of ordinary share, basic	19,366,272	19,654,276	21,120,208
Weighted average effect of dilutive securities - effect of stock-based awards	—	—	7,517,593
Weighted-average shares used in computing net profit (loss) per share attributable to Ordinary shareholders	19,366,272	19,654,276	28,637,801
Diluted net profit (loss) per share attributable to ordinary shareholders	<u>(0.60)</u>	<u>(0.38)</u>	<u>0.03</u>

The potential shares of ordinary shares that were excluded from the computation of diluted net loss per share attributable to ordinary shareholders for the periods presented because including them would have been anti-dilutive are as follows:

**Global-e Online Ltd.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

	Year Ended December 31,		
	2018	2019	2020
Convertible preferred shares	83,037,000	83,037,000	92,946,600
Warrants to convertible shares	—	—	312,600
Outstanding share options	8,472,000	9,154,800	—
Total	<u>91,509,000</u>	<u>92,191,800</u>	<u>93,259,200</u>

**11. Related Party Transactions**

The Company is party to a Commercial Letter with DHL International GmbH (“DHL International”), dated March 27, 2017 and amended on December 7, 2020, pursuant to which the Company has undertaken to use DHL International exclusively for the provision of express shipping services to our customers, subject to certain exclusions described therein, and DHL International has undertaken certain commitments relating to the prices under which its services are offered to the Company. The current term of the Commercial Letter ends on March 27, 2022 and shall renew automatically thereafter until terminated by either the Company or DHL International upon twelve (12) months’ notice. In addition, the Company is party to a services agreement with DHL International (UK) Limited (“DHL UK”), dated May 21, 2019, under which DHL UK provides the Company with express shipping services relating to the purchase and sale of the Company’s customers’ products. The service agreement continues until terminated by either the Company or DHL UK in accordance with its terms. The consideration paid by the Company to DHL UK pursuant to the service agreement is contingent upon the extent of the shipping services provided. The Company entered similar arrangements with other DHL affiliated entities in the Netherlands, France and Spain. In connection with these arrangements, the Company recorded expenses included in Cost of revenue in the total amount of \$16,800, \$26,106 and \$53,861 to DHL affiliated entities in the years ended December 31, 2018, 2019 and 2020, respectively. As of December 31, 2019 and 2020, the balances of accounts payable and accrued expenses in regards to DHL and its affiliated entities were \$6,679 and \$17,178, respectively (including duties charged by DHL).

**12. Fair Value Measurements**

Financial instruments measured at fair value on a recurring basis include warrants to convertible preferred shares.

**Global-e Online Ltd.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

The following table presents information about the Company's financial instruments that are measured at fair value on a recurring basis:

	December 31, 2020			
	Fair value measurements using input type			
	Level 1	Level 2	Level 3	Total
<b>Assets:</b>				
Mutual Funds	\$1,200	\$ —	\$ —	\$ 1,200
Government debentures	—	1,359	—	1,359
Corporate debentures	—	14,312	—	14,312
<b>Total financials assets</b>	<b>\$1,200</b>	<b>\$15,671</b>	<b>\$ —</b>	<b>\$16,871</b>
<b>Liabilities</b>				
Warrant to convertible preferred shares			5,738	5,738
<b>Total financials liabilities</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$5,738</b>	<b>\$ —</b>

The warrants were classified as level 3 in the fair value hierarchy since some of the inputs used in the valuation (the share price) were determined based on management's assumptions.

The Company measures the warrants at fair value by applying the Option Pricing Method ("OPM") in each reporting period until they are exercised or expired, with changes in the fair value being recognized in the Company's statement of operations as financial income or expense, as appropriate. As of December 31, 2019, and 2020, the risk free rate used for the valuation of the warrants was 2.01% and 0.56% volatility used was 73.77% and 84.68% and the time to liquidation used was 3.75 and 3 years, respectively.

The warrants to convertible preferred shares were issued in consideration for a credit line asset during 2018. In 2018 the Company waived the rights to using the credit line asset and therefore amortized the asset that year.

The change in the fair value of the preferred share warrants liability is summarized below:

	Year Ended December 31,		
	2018	2019	2020
Beginning of the year	—	210	215
Issuance of warrants	208	—	—
Change in fair value	2	5	5,523
End of year	<u>210</u>	<u>215</u>	<u>5,738</u>



**Global-e Online Ltd.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**13. Marketable Securities**

At December 31, 2020 the Company held marketable securities classified as available-for-sale securities as follows:

	December 31, 2020			Fair Value
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	
Mutual funds	\$ 1,200	—	—	\$ 1,200
Government debentures	\$ 1,360	\$ 6	\$ (7)	\$ 1,359
Corporate debentures	\$ 14,200	\$ 116	\$ (4)	\$ 14,312
	<u>\$ 16,760</u>	<u>\$ 122</u>	<u>\$ (11)</u>	<u>\$ 16,871</u>

**14. Restatement of Previously Issued Consolidated Financial Statements**

The Company has restated its previously issued consolidated financial statements as of the year ended December 31, 2020 to correct for an error with the underlying assumptions used in the valuation of the ordinary shares as of December 31, 2020, as part of the Company's IPO process. The corrections primarily related to the Company's valuation in connection with an IPO scenario, the timing of an IPO in such scenario and the probability of the IPO scenario.

The error resulted in an understatement of the share-based compensation expense for certain share option grants made in 2020 and the fair value of the warrants to convertible preferred shares. The impact of the errors on the previously reported December 31, 2020 consolidated balance sheet was an understatement of \$3,367 in the fair value of the warrants to convertible preferred shares. The impact of the errors on the previously reported December 31, 2020 consolidated statement of operations was an understatement of \$71, \$161 and \$378 in the research and development expenses, sales and marketing expenses and general and administrative expenses, respectively, as it relates to the share-based compensation and an understatement of \$3,367 in the financial expenses as it relates to the valuation of the warrants to convertible preferred shares.

The effects of the restatement on the line items within the Company's Consolidated Balance Sheet as of December 31, 2020 are as follows:

	December 31, 2020		
	As originally reported	Adjusted	As Restated
Warrants liabilities to preferred shares	2,371	3,367	5,738
Total liabilities	89,885	3,367	93,252
Additional paid in capital	7,477	610	8,087
Accumulated deficit	(48,731)	3,977	(52,708)
Total shareholders' (deficit) equity	<u>(41,143)</u>	<u>3,367</u>	<u>(44,510)</u>

**Global-e Online Ltd.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

The effects of the restatement on the line items within the Company's Consolidated Statement of Operations for the year ended December 31, 2020 are as follows:

	<u>Year Ended December 31, 2020</u>		
	<u>As originally reported</u>	<u>Adjusted</u>	<u>As Restated</u>
Operating expenses:			
Research and development	15,329	71	15,400
Sales and marketing	9,677	161	9,838
General and administrative	9,444	378	9,822
Total operating expenses	<u>34,450</u>	<u>610</u>	<u>35,060</u>
Operating profit	<u>9,023</u>	<u>(610)</u>	<u>8,413</u>
Financial expenses, net	<u>972</u>	<u>3,367</u>	<u>4,339</u>
Profit before income taxes	<u>8,051</u>	<u>(3,977)</u>	<u>4,074</u>
Provision for income taxes	<u>160</u>	<u>-</u>	<u>160</u>
Net profit	<u>7,891</u>	<u>(3,977)</u>	<u>3,914</u>
Undistributed earnings attributable to participating securities	<u>6,430</u>	<u>(3,241)</u>	<u>3,189</u>
Net earnings (loss) attributable to ordinary shareholders	<u>1,461</u>	<u>(736)</u>	<u>725</u>
Net earnings (loss) per share attributable to ordinary shareholders, basic	<u>\$ 0.07</u>	<u>\$ (0.04)</u>	<u>\$ 0.03</u>
Net earnings (loss) per share attributable to ordinary shareholders, diluted	<u>\$ 0.05</u>	<u>\$ (0.02)</u>	<u>\$ 0.03</u>

The effects of the restatement on the line items within the Company's Consolidated Statements of Comprehensive Income for the year ended December 31, 2020 are as follows:

	<u>Year Ended December 31, 2020</u>		
	<u>As originally reported</u>	<u>Adjusted</u>	<u>As Restated</u>
Net profit	<u>\$ 7,891</u>	<u>(3,977)</u>	<u>\$ 3,914</u>
Other comprehensive income:			
Unrealized gain on available-for-sale marketable securities, net	<u>111</u>	<u>-</u>	<u>111</u>
Other comprehensive income	<u>111</u>	<u>-</u>	<u>111</u>
Comprehensive income	<u>8,002</u>	<u>(3,977)</u>	<u>4,025</u>

**Global-e Online Ltd.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

The effects of the restatement on the line items within the Company's Consolidated Statements of Convertible Preferred Shares and Shareholders' Deficit for the year ended December 31, 2020 are as follows:

	December 31, 2020		
	As originally reported	Adjusted	As Restated
Additional paid in capital	7,477	610	8,087
Accumulated deficit	(48,731)	(3,977)	(52,708)
Total shareholders' (deficit) equity	(41,143)	(3,367)	(44,510)

Although there was no impact to net cash provided by operating activities, net cash used in investing activities or net cash used in financing activities, The effects of the restatement on the line items within the Company's Consolidated Statements of Cash Flows for the year ended December 31, 2020 are as follows:

	Year Ended December 31, 2020		
	As originally reported	Adjusted	As Restated
Net profit	7,891	(3,977)	3,914
Share-based compensation expense	3,346	610	3,956
Warrants liabilities to preferred shares	2,371	3,367	5,738

The impacts of the restatement to stock-based compensation expense and the fair value of the warrants to convertible preferred shares affect certain notes to the consolidated financial statements, and conforming changes have been made to Note 5b, Note 7, Note 10 and Note 12.

#### 15. Subsequent Events

The Company has evaluated subsequent events from the balance sheet date through February 19, 2021, the date at which the original consolidated financial statements were available to be issued and April 13, 2021, the date at which the revised consolidated financial statements were available to be issued.

On April 12, 2021, the Company entered into a Services and Partnership Agreement with Shopify to jointly cooperate in offering e-commerce cross-border solutions to Shopify merchants, pursuant to which the Company will be an exclusive third-party provider of an end-to-end cross-border solution that includes localization, merchant of record, duty and tax calculation and remittance, and shipping services for merchants in a single solution with permissions to access and integrate into the Shopify platform checkout. Shopify, however will be entitled to offer its own native, whitelabel, or branded partnership merchant of record solution to any merchants without limitation. The Company will pay Shopify a percentage based fee on the total value of all sales for all transactions processed through the GLBE Shopify App and in addition the Company issued warrants to purchase up to an aggregate amount of 19,604,239 of the Company's ordinary shares at a price of \$0.01 per share, of which 7,750,513 were vested and became exercisable upon the entry into the Services and Partnership Agreement and the remaining 11,853,726 ordinary shares vest monthly, in equal amounts over a 24-month period, commencing on the second monthly anniversary of the effective date of the Services and Partnership Agreement. The agreement has an initial three-year term ending in April 2024, which automatically renews for additional and successive one-year terms unless either party provides the other party with written notice of election to terminate the agreement at least 180 days prior to the end of any such term.

# Global<sup>e</sup>

Ordinary Shares

, 2021

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## Prospectus

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Goldman Sachs & Co. LLC

Piper Sandler

JMP Securities

Morgan Stanley

KeyBanc Capital Markets

Jefferies

Raymond James

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**PART II**  
**INFORMATION NOT REQUIRED IN PROSPECTUS**

**Item 6. Indemnification of Directors and Officers.**

Under the Companies Law, a company may not exculpate an office holder from liability for a breach of the duty of loyalty. An Israeli company may exculpate an office holder in advance from liability to the company, in whole or in part, for damages caused to the company as a result of a breach of duty of care but only if a provision authorizing such exculpation is included in its articles of association. Our amended and restated articles of association to be effective upon the closing of this offering include such a provision. An Israeli company may not exculpate a director from liability arising out of a prohibited dividend or distribution to shareholders.

An Israeli company may indemnify an office holder in respect of the following liabilities and expenses incurred for acts performed as an office holder, either in advance of an event or following an event, provided a provision authorizing such indemnification is contained in its articles of association:

- a financial liability imposed on him or her in favor of another person pursuant to a judgment, including a settlement or arbitrator's award approved by a court. However, if an undertaking to indemnify an office holder with respect to such liability is provided in advance, then such an undertaking must be limited to events which, in the opinion of the board of directors, can be foreseen based on the company's activities when the undertaking to indemnify is given, and to an amount or according to criteria determined by the board of directors as reasonable under the circumstances, and such undertaking shall detail the abovementioned events and amount or criteria;
- reasonable litigation expenses, including legal fees, incurred by the office holder (1) as a result of an investigation or proceeding instituted against him or her by an authority authorized to conduct such investigation or proceeding, *provided* that (i) no indictment was filed against such office holder as a result of such investigation or proceeding; and (ii) no financial liability, such as a criminal penalty, was imposed upon him or her as a substitute for the criminal proceeding as a result of such investigation or proceeding or, if such financial liability was imposed, it was imposed with respect to an offense that does not require proof of criminal intent; and (2) in connection with a monetary sanction;
- reasonable litigation expenses, including legal fees, incurred by the office holder or imposed by a court in proceedings instituted against him or her by the company, on its behalf or by a third-party or in connection with criminal proceedings in which the office holder was acquitted or as a result of a conviction for an offense that does not require proof of criminal intent; and
- expenses, including reasonable litigation expenses and legal fees, incurred by an office holder in relation to an administrative proceeding instituted against such office holder, or certain compensation payments made to an injured party imposed on an office holder by an administrative proceeding, pursuant to certain provisions of the Israeli Securities Law, 1968 (the "Israeli Securities Law").

An Israeli company may insure an office holder against the following liabilities incurred for acts performed as an office holder if and to the extent provided in the company's articles of association:

- a breach of the duty of loyalty to the company, to the extent that the office holder acted in good faith and had a reasonable basis to believe that the act would not prejudice the company;
- a breach of the duty of care to the company or to a third-party, including a breach arising out of the negligent conduct of the office holder;

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- a financial liability imposed on the office holder in favor of a third-party;
- a financial liability imposed on the office holder in favor of a third-party harmed by a breach in an administrative proceeding; and
- expenses, including reasonable litigation expenses and legal fees, incurred by the office holder as a result of an administrative proceeding instituted against him or her, pursuant to certain provisions of the Israeli Securities Law.

An Israeli company may not indemnify or insure an office holder against any of the following:

- a breach of the duty of loyalty, except to the extent that the office holder acted in good faith and had a reasonable basis to believe that the act would not prejudice the company;
- a breach of the duty of care committed intentionally or recklessly, excluding a breach arising out of the negligent conduct of the office holder;
- an act or omission committed with intent to derive illegal personal benefit; or
- a fine, monetary sanction or forfeit levied against the office holder.

Under the Companies Law, exculpation, indemnification and insurance of office holders must be approved by the compensation committee and the board of directors (and, with respect to directors and the chief executive officer, by the shareholders). However, under regulations promulgated under the Companies Law, the insurance of office holders does not require shareholder approval and may be approved by only the compensation committee, if the engagement terms are determined in accordance with the company's compensation policy, which policy was approved by the shareholders by the same special majority required to approve a compensation policy, provided that the insurance policy is on market terms and the insurance policy is not likely to materially impact the company's profitability, assets or obligations.

Our amended and restated articles of association to be effective upon the closing of this offering allow us to exculpate, indemnify and insure our office holders for any liability imposed on them as a consequence of an act (including any omission) which was performed by virtue of being an office holder. Our office holders are currently covered by a directors and officers' liability insurance policy.

We have entered into agreements with each of our directors and executive officers exculpating them in advance, to the fullest extent permitted by law, from liability to us for damages caused to us as a result of a breach of duty of care, and undertaking to indemnify them to the fullest extent permitted by law. This indemnification is limited to events determined as foreseeable by the board of directors based on our activities, and to an amount or according to criteria determined by the board of directors as reasonable under the circumstances.

The maximum indemnification amount set forth in such agreements is limited to an amount equal to the higher of \$250,000,000, 25% of our total shareholders' equity as reflected in our most recent consolidated financial statements prior to the date on which the indemnity payment is made and 10% of our total market cap calculated based on the average closing prices of our ordinary shares over the 30 trading days prior to the actual payment, multiplied by the total number of our issued and outstanding shares as of the date of the payment (other than indemnification for an offering of securities to the public, including by a shareholder in a secondary offering, in which case the maximum indemnification amount is limited to the gross proceeds raised by us and/or any selling shareholder in such public offering). The maximum amount set forth in such agreements is in addition to any amount paid (if paid) under insurance and/or by a third-party pursuant to an indemnification arrangement.

In the opinion of the SEC, indemnification of directors and office holders for liabilities arising under the Securities Act, however, is against public policy and therefore unenforceable.

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There is no pending litigation or proceeding against any of our office holders as to which indemnification is being sought, nor are we aware of any pending or threatened litigation that may result in claims for indemnification by any office holder.

### **Item 7. Recent Sales of Unregistered Securities.**

During the past three years, we issued securities which were not registered under the Securities Act as set forth below. We believe that each of such issuances was exempt from registration under the Securities Act in reliance on Section 4(a)(2) of the Securities Act, Rule 701 and/or Regulation S under the Securities Act.

The following is a summary of transactions during the preceding three fiscal years involving sales of our securities that were not registered under the Securities Act.

On April 17, 2018 and July 16, 2018, we sold an aggregate of 27,758 of Series D-1 preferred shares, each having par value of NIS 0.01 at a price per share of \$720.52 (without giving effect to the Share Split or the Preferred Shares Conversion) for an aggregate purchase price of \$20,000,000.

On April 20, 2020, we sold an aggregate of 23,706 Series E preferred shares, each having a par value of NIS 0.01 at a price per share of \$2,498.65 (without giving effect to the Share Split or the Preferred Shares Conversion) for an aggregate purchase price of \$59,232,997.

On April 12, 2021 we issued warrants to purchase an aggregate of 19,604,239 ordinary shares at an exercise price of \$0.01 per share.

Since January 1, 2018, we have issued an aggregate of 2,718,000 ordinary shares pursuant to the exercise of share options by our employees, directors and consultants.

Since January 1, 2018, we have granted our directors, officers, employees and consultants options to purchase an aggregate of 9,726,000 ordinary shares, at a weighted average exercise price of \$2.51 per share, under our 2013 Share Incentive Plan. As of the date hereof, options to purchase 12,158,400 ordinary shares granted to our directors, officers, employees and consultants remain outstanding.

No underwriter or underwriting discount or commission was involved in any of the foregoing transactions.

### **Item 8. Exhibits and Financial Statement Schedules.**

- (a) The Exhibit Index is hereby incorporated herein by reference.
- (b) Financial Statement Schedules.

All schedules have been omitted because they are not required, are not applicable or the information is otherwise set forth in the consolidated financial statements and related notes thereto.

### **Item 9. Undertakings.**

- (a) The undersigned registrant hereby undertakes to provide to the underwriters at the closing specified in the underwriting agreement certificates in such denominations and registered in such names as required by the underwriters to permit prompt delivery to each purchaser.
- (b) Insofar as indemnification for liabilities arising under the Securities Act of 1933, as amended (the "Securities Act") may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for

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indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction, the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

(c) The undersigned registrant hereby further undertakes that:

- (1) For purposes of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.
- (2) For the purpose of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.



## EXHIBIT INDEX

Exhibit No.	Description
1.1	<a href="#">Form of Underwriting Agreement</a>
3.1**	<a href="#">Articles of Association of the Registrant</a>
3.2	<a href="#">Form of Amended and Restated Articles of Association of the Registrant to be effective upon the closing of this offering</a>
4.1**	<a href="#">Specimen share certificate</a>
4.2	<a href="#">Third Amended and Restated Investors' Rights Agreement, by and among the Registrant and certain of its shareholders</a>
5.1*	Opinion of Meitar   Law Offices, counsel to the Registrant, as to the validity of the ordinary shares (including consent)
10.1	<a href="#">Form of Indemnification Agreement</a>
10.2#**	<a href="#">2013 Share Incentive Plan</a>
10.3#	<a href="#">2021 Share Incentive Plan</a>
10.4†**	<a href="#">Service Agreement by and between DHL International (UK) Limited and Global-e U.K. Ltd., dated as of May 21, 2019</a>
10.5†**	<a href="#">Letter Agreement re: DHL Special Rights between the Registrant and DHL International GmbH, dated as of March 27, 2017, as amended</a>
10.6#	<a href="#">Compensation Policy for Directors and Officers</a>
10.7#	<a href="#">2021 Employee Stock Purchase Plan</a>
10.8	<a href="#">Stock Purchase Warrant, dated as of April 12, 2021, by and between the Registrant and Shopify Inc.</a>
10.9	<a href="#">Stock Purchase Warrant, dated as of April 12, 2021, by and between the Registrant and Shopify International Limited.</a>
10.10†	<a href="#">Partnership and Services Agreement, dated as of April 12, 2021, by and between Shopify Inc. and the Registrant.</a>
21.1**	<a href="#">List of subsidiaries of the Registrant</a>
23.1	<a href="#">Consent of Kost, Forer, Gabbay &amp; Kasierer, a member of Ernst &amp; Young Global, an independent registered public accounting firm</a>
23.2*	Consent of Meitar   Law Offices (included in Exhibit 5.1)
24.1	<a href="#">Powers of Attorney (included in signature page to Registration Statement)</a>
99.1	<a href="#">Consent of Tzvia Broida</a>
99.2	<a href="#">Consent of Anna J. Baker</a>
99.3	<a href="#">Consent of Iris Epple-Righi</a>

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\* To be filed by Amendment

\*\* Previously filed.

# Indicates a management contract or compensatory plan.

† Portions of this exhibit have been redacted in compliance with Regulation S-K Items 601(a)(6) and Item 601(b)(10).

**SIGNATURES**

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form F-1 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Tel Aviv, Israel on this 13th day of April, 2021.

GLOBAL-E ONLINE LTD.

By: /s/ Amir Schlachet

Name: Amir Schlachet

Title: Chief Executive Officer

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KNOW ALL PERSONS BY THESE PRESENTS that each person whose signature appears below hereby constitutes and appoints Amir Schlachet, Nir Debbi and Shahar Tamari and each of them, his or her true and lawful attorneys-in-fact and agents, with full power to act separately and full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement and all additional registration statements pursuant to Rule 462(b) of the Securities Act of 1933, as amended, and to file the same, with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto each said attorney-in-fact and agent full power and authority to do and perform each and every act in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or either of them or his or her or their substitute or substitutes may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed by the following persons on April 13, 2021 in the capacities indicated:

<u>Name</u>	<u>Title</u>
<u>/s/ Amir Schlachet</u> Amir Schlachet	Co-Founder, Director and Chief Executive Officer (Principal Executive Officer)
<u>/s/ Ofer Koren</u> Ofer Koren	Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)
<u>*</u> Shahar Tamari	Co-Founder and Director
<u>*</u> Nir Debbi	Co-Founder and Director
<u>*</u> Yaniv Stern	Director
<u>*</u> Miguel Angel Parra	Director
<u>*</u> Zehavit Cohen	Director
<u>*</u> Thomas Studd	Director
*By: <u>/s/ Amir Schlachet</u> Amir Schlachet Attorney-in-Fact	

**SIGNATURE OF AUTHORIZED U.S. REPRESENTATIVE OF REGISTRANT**

Pursuant to the requirements of the Securities Act of 1933, as amended, the undersigned, the duly authorized representative in the United States of Global-E Online Ltd. has signed this registration statement on April 13, 2021.

GLOBAL-E US INC.

By: /s/ Amir Schlachet

Name: Amir Schlachet

Title: Director

## Global-E Online Ltd.

## Ordinary Shares

Underwriting Agreement

[•], 2021

Goldman Sachs & Co. LLC  
Morgan Stanley & Co. LLC  
Jefferies LLC

As representatives (the "Representatives") of the several Underwriters named in Schedule I hereto

c/o Goldman Sachs & Co. LLC  
200 West Street  
New York, New York 10282

c/o Morgan Stanley & Co. LLC  
1585 Broadway  
New York, New York 10036

c/o Jefferies LLC  
520 Madison Avenue  
New York, New York 10022

Ladies and Gentlemen:

Global-E Online Ltd., a company organized under the laws of the State of Israel (the "Company"), proposes, subject to the terms and conditions stated in this agreement (this "Agreement"), to issue and sell to the Underwriters named in Schedule I hereto (the "Underwriters") an aggregate of [•] ordinary shares, of no par value per share, of the Company (the "Firm Shares") and, at the election of the Underwriters, up to [•] additional ordinary shares, of no par value per share, of the Company (the "Optional Shares"). The Firm Shares and the Optional Shares that the Underwriters elect to purchase pursuant to Section 2 hereof are collectively called the "Shares".

Morgan Stanley & Co. LLC (the "Directed Share Underwriter") has agreed to reserve up to [•] Shares to be purchased by it under this Agreement for sale at the direction of the Company to certain parties related to the Company (collectively, "Participants"). The Shares to be sold by the Directed Share Underwriter pursuant to the Company's directed share program (the "Directed Share Program") are hereinafter called the "Directed Shares." Any Directed Shares not confirmed for purchase by the deadline established therefor by the Directed Share Underwriter in consultation with the Company will be offered to the public by the Underwriters as set forth in the Prospectus.

1. The Company represents and warrants to, and agrees with, each of the Underwriters that:

(a) A registration statement on Form F-1 (File No. 333-253999) (the “Initial Registration Statement”) in respect of the Shares has been filed with the Securities and Exchange Commission (the “Commission”); the Initial Registration Statement and any post-effective amendment thereto, each in the form heretofore delivered to you, have been declared effective by the Commission in such form; other than a registration statement, if any, increasing the size of the offering (a “Rule 462(b) Registration Statement”), filed pursuant to Rule 462(b) under the Securities Act of 1933, as amended (the “Act”), which became effective upon filing, no other document with respect to the Initial Registration Statement has been filed with the Commission; and no stop order suspending the effectiveness of the Initial Registration Statement, any post-effective amendment thereto or the Rule 462(b) Registration Statement, if any, has been issued and, to the Company’s knowledge, no proceeding for that purpose or under Section 8A of the Act has been initiated or threatened by the Commission (any preliminary prospectus included in the Initial Registration Statement or filed with the Commission pursuant to Rule 424(a) of the rules and regulations of the Commission under the Act is hereinafter called a “Preliminary Prospectus”; the various parts of the Initial Registration Statement and the Rule 462(b) Registration Statement, if any, including all exhibits thereto and including the information contained in the form of final prospectus filed with the Commission pursuant to Rule 424(b) under the Act in accordance with Section 5(a) hereof and deemed by virtue of Rule 430A under the Act to be part of the Initial Registration Statement at the time it was declared effective, each as amended at the time such part of the Initial Registration Statement became effective or such part of the Rule 462(b) Registration Statement, if any, became or hereafter becomes effective, are hereinafter collectively called the “Registration Statement”; the Preliminary Prospectus relating to the Shares that was included in the Registration Statement immediately prior to the Applicable Time (as defined in Section 1(c) hereof) is hereinafter called the “Pricing Prospectus”; such final prospectus, in the form first filed pursuant to Rule 424(b) under the Act, is hereinafter called the “Prospectus”; any oral or written communication with potential investors undertaken in reliance on Section 5(d) of the Act or Rule 163B under the Act is hereinafter called a “Testing-the-Waters Communication”; any Testing-the-Waters Communication that is a written communication within the meaning of Rule 405 under the Act is hereinafter called a “Written Testing-the-Waters Communication”; and any “issuer free writing prospectus” as defined in Rule 433 under the Act relating to the Shares is hereinafter called an “Issuer Free Writing Prospectus”).

(b) (A) No order preventing or suspending the use of any Preliminary Prospectus or any Issuer Free Writing Prospectus has been issued by the Commission, and (B) the Pricing Prospectus, at the time of filing thereof, conformed in all material respects to the requirements of the Act and the rules and regulations of the Commission thereunder, and did not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; *provided, however*, that this representation and warranty shall not apply to any statements or omissions made in reliance upon and in conformity with the Underwriter Information (as defined in Section 9(b) of this Agreement).

(c) For the purposes of this Agreement, the “Applicable Time” is [•] [a.m.][p.m.] (Eastern time) on the date of this Agreement. The Pricing Prospectus, as supplemented by the information listed on Schedule II(c) hereto, taken together (collectively, the “Pricing Disclosure Package”), as of the Applicable Time, did not, and as of each Time of Delivery (as defined in Section 4(a) of this Agreement) will not, include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; and each Issuer Free Writing Prospectus and each Written Testing-the-Waters Communication does not conflict with the information contained in the Registration Statement, the Pricing Prospectus or the Prospectus and each Issuer Free Writing Prospectus and each Written Testing-the-Waters Communication, as supplemented by and taken together with the Pricing Disclosure Package, as of the Applicable Time, did not, and as of each Time of Delivery will not, include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; *provided, however*, that this representation and warranty shall not apply to statements or omissions made in reliance upon and in conformity with the Underwriter Information.

(d) The Registration Statement conforms, and the Prospectus and any further amendments or supplements to the Registration Statement and the Prospectus will conform, in all material respects to the requirements of the Act and the rules and regulations of the Commission thereunder and do not and will not, as of the applicable effective date as to each part of the Registration Statement, as of the applicable filing date as to the Prospectus and any amendment or supplement thereto, and as of each Time of Delivery, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; *provided, however*, that this representation and warranty shall not apply to any statements or omissions made in reliance upon and in conformity with the Underwriter Information.

(e) The Company and its subsidiaries, taken as a whole, has not, since the date of the latest audited financial statements included in the Pricing Prospectus, (i) sustained any material loss or interference with its business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor dispute or court or governmental action, order or decree or (ii) entered into any transaction or agreement (whether or not in the ordinary course of business) that is material to the Company and its subsidiaries taken as a whole or incurred any liability or obligation, direct or contingent, that is material to the Company and its subsidiaries taken as a whole, in each case other than as set forth or contemplated in the Pricing Prospectus; and, since the respective dates as of which information is given in the Registration Statement and the Pricing Prospectus, there has not been (x) any change in the share capital (other than as a result of (i) the grant, vesting, exercise or settlement, if any, of share options or the award, if any, of share options, restricted shares or other equity incentives in the ordinary course of business pursuant to the Company’s equity plans that are described in the Pricing Prospectus and the Prospectus or (ii) the issuance, if any, of ordinary shares upon conversion of Company securities as described in the Registration Statement, the Pricing Prospectus and the Prospectus) or long-term debt of the Company or any of its subsidiaries or (y) any Material Adverse Effect (as defined below); as used in this Agreement, “Material Adverse Effect” shall mean any material adverse change, or any development involving a prospective material adverse change, in or affecting (i) the business, properties, general affairs, management, financial position, shareholders’ equity, results of operations of the Company and its subsidiaries, taken as a whole, except as set forth or contemplated in the Pricing Prospectus, or (ii) the ability of the Company to perform its obligations under this Agreement, including the issuance and sale of the Shares, or to consummate the transactions contemplated in the Pricing Prospectus.

(f) The Company and its subsidiaries do not own any real property. The Company and its subsidiaries have good and marketable title to all personal property and other assets (other than with respect to intellectual property, which is addressed exclusively in Section 1(vv) below) owned by them, in each case free and clear of all security interests, liens, encumbrances and defects except such as are described in the Pricing Prospectus or such as do not materially affect the value of such property and do not interfere with the use made and proposed to be made of such property by the Company and its subsidiaries; and any real property and buildings held under lease by the Company and its subsidiaries are held by them under valid, subsisting and enforceable leases (subject to the effects of (i) bankruptcy, insolvency, fraudulent conveyance, fraudulent transfer, reorganization, moratorium, or other similar laws relating to or affecting rights or remedies of creditors generally, (ii) the application of general principles of equity (including without limitation, concepts of materiality, reasonableness, good faith, and fair dealing, regardless of whether enforcement is considered in proceedings at law or in equity) and (iii) applicable laws and public policy with respect to rights to indemnity and contribution) with such exceptions as are not material and do not materially interfere with the use made and proposed to be made of such property and buildings by the Company and its subsidiaries.

(g) Each of the Company and each of its subsidiaries has been (i) duly organized and is validly existing and in good standing (where such concept exists) under the laws of its jurisdiction of organization, with power and authority (corporate and other) to own its properties and conduct its business as described in the Pricing Prospectus, and (ii) duly qualified as a foreign corporation for the transaction of business and is in good standing (where such concept exists) under the laws of each other jurisdiction in which it owns or leases properties or conducts any business so as to require such qualification, except, in the case of this clause (ii), where the failure to be so qualified or in good standing would not, individually or in the aggregate, have a Material Adverse Effect, and each subsidiary of the Company has been listed in the Registration Statement. Neither the Company nor any of its Israeli subsidiaries is currently designated as a “breaching company” (within the meaning of the Israeli Companies Law 5759-1999 (the “Companies Law”) by the Registrar of the Companies of the State of Israel and there is no basis for such designation. The certificate of incorporation, articles of association or by-laws (or other applicable organizational documents) of the Company and each of its subsidiaries comply with the requirements of applicable law in its jurisdiction of incorporation and are in full force and effect.

(h) The Company has an authorized capitalization as set forth in the Pricing Prospectus and all of the issued and outstanding shares of the Company have been duly and validly authorized and issued and are fully paid and non-assessable, were issued in accordance with applicable securities laws, are not subject to any preemptive or similar rights and conform in all material respects to the description of the ordinary shares contained in the Pricing Disclosure Package and the Prospectus; and all of the issued shares of each subsidiary of the Company have been duly and validly authorized and issued, are fully paid and non-assessable and (except, in the case of any foreign subsidiary, for directors’ qualifying shares) are owned directly or indirectly by the Company, free and clear of all liens, encumbrances, equities or claims, except for such liens or encumbrances described in the Pricing Prospectus and the Prospectus.



(i) Except as described in the Registration Statement, the Pricing Disclosure Package and the Prospectus, there are no options, warrants, agreements, contracts or other rights in existence to purchase or acquire from the Company any shares of the capital stock of the Company. The description of the Company's stock option, stock bonus and other stock plans or arrangements (the "Company Stock Plans"). Each grant of an award under Company's stock plans (collectively, the "Options") (A) was duly authorized no later than the date on which the grant of such Option was by its terms to be effective by all necessary corporate action, including, as applicable, approval by the board of directors of the Company (or a duly constituted and authorized committee thereof) and any required shareholder approval by the necessary number of votes or written consents, and the award agreement governing such grant (if any) was duly executed and delivered by the Company, (B) that was intended to qualify for the "capital gains track" of Section 102 of the Israel Income Tax Ordinance, and the rules and regulations promulgated thereunder, so qualifies, and (C) was made in accordance with the terms of such Company stock plan and the applicable laws and regulatory rules or requirements, including all applicable federal and Israeli Securities laws.

(j) The Shares to be issued and sold by the Company to the Underwriters hereunder have been duly and validly authorized and, when issued and delivered against payment therefor as provided herein, will be duly and validly issued and fully paid and non-assessable and will conform in all material respects to the description of the ordinary shares contained in the Pricing Disclosure Package and the Prospectus; and the issuance of the Shares is not subject to any preemptive or similar rights except as have been validly waived or complied with.

(k) The issue and sale of the Shares and the compliance by the Company with this Agreement and the consummation of the transactions contemplated in this Agreement and the Pricing Prospectus will not conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under (A) any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which the Company or any of its subsidiaries is a party or by which the Company or any of its subsidiaries is bound or to which any of the property or assets of the Company or any of its subsidiaries is subject, (B) the certificate of incorporation, articles of association or bylaws (or other applicable organizational document) of the Company or any of its subsidiaries, or (C) any law or statute or any judgment, order, rule or regulation of any court or governmental agency or body having jurisdiction over the Company or any of its subsidiaries or any of their properties, except, in the case of clauses (A) or (C), for such defaults, breaches, or violations that would not, individually or in the aggregate, have a Material Adverse Effect; and no consent, approval, authorization, order, registration or qualification of or with any such court or governmental agency or body is required for the issue and sale of the Shares or the consummation by the Company of the transactions contemplated by this Agreement except such as have been obtained under the Act, the approval by the Financial Industry Regulatory Authority ("FINRA") of the underwriting terms and arrangements, and such consents, approvals, authorizations, registrations or qualifications as may be required under state securities or Blue Sky laws in connection with the purchase and distribution of the Shares by the Underwriters.

(l) Neither the Company nor any of its subsidiaries is (i) in violation of its respective certificate of incorporation, articles of association or bylaws (or other applicable organizational document), (ii) in violation of any statute or any judgment, order, rule or regulation of any court or governmental agency or body having jurisdiction over the Company or any of its subsidiaries or any of their properties, or (iii) in default in the performance or observance of any obligation, agreement, covenant or condition contained in any indenture, mortgage, deed of trust, loan agreement, lease or other agreement or instrument to which it is a party or by which it or any of its properties may be bound, except, in the case of the foregoing clauses (ii) and (iii), for such defaults as would not, individually or in the aggregate, have a Material Adverse Effect.

(m) The statements set forth in the Pricing Prospectus and Prospectus under the caption “Description of Share Capital and Articles of Association,” insofar as they purport to constitute a summary of the terms of the Shares, under the caption “Taxation,” and under the caption “Underwriting,” insofar as they purport to describe the provisions of the laws (other than laws, rules and regulations relating to selling restrictions in various foreign jurisdictions) and documents referred to therein, are accurate and complete in all material respects.

(n) Other than as set forth in the Pricing Prospectus and the Prospectus, there are no legal or governmental proceedings pending to which the Company or any of its subsidiaries or, to the Company’s knowledge, any officer or director of the Company or any of its subsidiaries, is a party or of which any property of the Company or any of its subsidiaries or, to the Company’s knowledge, any officer or director of the Company or any of its subsidiaries, is the subject which, if determined adversely to the Company or any of its subsidiaries (or such officer or director), would individually or in the aggregate reasonably be expected to have a Material Adverse Effect; and, to the Company’s knowledge, no such proceedings are threatened or contemplated by governmental authorities or others.

(o) The Company is not and, after giving effect to the offering and sale of the Shares in accordance with this Agreement and the application of the proceeds thereof as described in the Pricing Prospectus and the Prospectus, will not be an “investment company,” as such term is defined in the Investment Company Act of 1940, as amended.

(p) At the time of filing the Initial Registration Statement and any post-effective amendment thereto, and at the earliest time thereafter that the Company or any offering participant made a bona fide offer (within the meaning of Rule 164(h)(2) under the Act) of the Shares, the Company was not and, as of the date hereof, the Company is not, an “ineligible issuer,” as defined under Rule 405 under the Act.

(q) Kost, Forer, Gabbay & Kasierer, a member firm of Ernst & Young Global, who has certified certain financial statements of the Company and its subsidiaries, is an independent registered public accounting firm as required by the Act and the rules and regulations of the Commission thereunder.

(r) The Company is a “foreign private issuer” within the meaning of Rule 405 under the Act.

(s) The Company maintains a system of internal control over financial reporting that is designed to (i) comply with the requirements of the Exchange Act applicable to the Company, (ii) provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles and (iii) provide reasonable assurance that (A) transactions are executed in accordance with management’s general or specific authorization, (B) transactions are recorded as necessary to

permit preparation of financial statements in conformity with generally accepted accounting principles and to maintain accountability for assets, (C) access to assets is permitted only in accordance with management's general or specific authorization and (D) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences; and the Company is not aware of any material weaknesses in its internal control over financial reporting (it being understood that this subsection shall not require the Company to comply with Section 404 of the Sarbanes Oxley Act of 2002 as of an earlier date than it would otherwise be required to so comply under applicable law).

(t) Since the date of the latest audited financial statements included in the Pricing Prospectus, there has been no change in the Company's internal control over financial reporting that has materially and adversely affected, or is reasonably likely to materially and adversely affect, the Company's internal control over financial reporting.

(u) The Company maintains disclosure controls and procedures (as such term is defined in Rule 13a-15(e) under the Exchange Act) that are designed to comply with the applicable requirements of the Exchange Act; such disclosure controls and procedures have been designed to ensure that material information relating to the Company and its subsidiaries is made known to the Company's principal executive officer and principal financial officer by others within those entities; and such disclosure controls and procedures are effective.

(v) There are no debt securities or preferred shares issued, or guaranteed by, the Company or any of its subsidiaries that are rated by a "nationally recognized statistical rating organization," as such term is defined in Section 3(a)(62) of the Exchange Act.

(w) The Company has all requisite corporate power and authority to execute, deliver and perform its obligations under this Agreement. This Agreement has been duly authorized, executed and delivered by the Company.

(x) All statistical, demographic and market related data included in the Registration Statement, the Pricing Prospectus and the Prospectus are based on or derived from sources that the Company believes to be reliable and accurate in all material respects. To the extent required, the Company has obtained the written consent to the use of such data from such sources.

(y) None of the Company or any of its subsidiaries nor, to the knowledge of the Company, any director, officer, agent, employee, affiliate or other person associated with or acting on behalf of the Company or any of its subsidiaries 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 any applicable anti-bribery or anti-corruption law. The Company and each of its subsidiaries and affiliates has instituted and maintained and will continue to maintain policies and procedures reasonably designed to promote and achieve compliance with such laws.

(z) The operations of the Company and its subsidiaries are and have been conducted at all times in material compliance with the requirements of applicable anti-money laundering laws, including, but not limited to, the Bank Secrecy Act of 1970, as amended by the USA PATRIOT ACT of 2001, and the rules and regulations promulgated thereunder, financial recordkeeping and reporting requirements of the Currency and Foreign Transactions Reporting Act of 1970, as amended, the Israel Prohibition on Money Laundering Law, 5760-2000, the Israel Prohibition on Money Laundering Order, 5761-2001, the Israel Prohibition on Terrorist Financing Law, 5765-2005, and the anti-money laundering laws of the various jurisdictions in which the Company and its subsidiaries conduct business (collectively, the “Money Laundering Laws”) and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any of its subsidiaries with respect to the Money Laundering Laws is pending or, to the knowledge of the Company, threatened.

(aa) None of the Company or any of its subsidiaries nor, to the knowledge of the Company, any director, officer, agent, employee or affiliate of the Company or any of its subsidiaries is, or is owned or controlled by one or more persons that are, currently the subject or the target of any sanctions administered or enforced by the United States 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 or 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 or any of its subsidiaries located, organized or resident in a country or territory that is the subject or target of Sanctions (a “Sanctioned Jurisdiction”). The Company will not directly or knowingly indirectly use the proceeds of the offering of the Shares hereunder, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity (i) to fund or facilitate any activities of or business with any person, or in any country or territory, that, at the time of such funding, is the subject or the target of Sanctions, (ii) in any other manner that will result in a violation by any person (including any person participating in the transaction, whether as underwriter, advisor, investor or otherwise) of Sanctions. Except as disclosed in the Registration Statement, the Pricing Disclosure Package and the Prospectus, for the past five years, the Company and its subsidiaries have not directly or knowingly indirectly engaged in, and are not now directly or knowingly indirectly engaged in, any dealings or transactions with any person that at the time of the dealing or transaction is or was the subject or the target of Sanctions or with any Sanctioned Jurisdiction.

(bb) The financial statements included in the Registration Statement, the Pricing Prospectus and the Prospectus, together with the related schedules and notes, present fairly in all material respects the financial position of the Company and its subsidiaries at the dates indicated therein and the statement of operations, shareholders’ equity and cash flows of the Company and its subsidiaries for the periods specified; said financial statements have been prepared in conformity with U.S. generally accepted accounting principles or any other applicable accounting standards (“GAAP”) applied on a consistent basis throughout the periods involved. The supporting schedules, if any, present fairly in all material respects in accordance with GAAP the information required to be stated therein. The selected financial data and the summary financial information included in the Registration Statement, the Pricing Prospectus and the Prospectus present fairly in all material respects the information shown therein and have been compiled on a basis consistent with that of the audited financial statements included therein. Except as included therein, no historical or pro forma financial statements or supporting schedules are required to be included in the Registration Statement, the Pricing Prospectus or the Prospectus under the Act or the rules and regulations promulgated thereunder. All disclosures contained in the Registration Statement, the Pricing Prospectus and the Prospectus regarding “non-GAAP financial measures” (as such term is defined by the rules and regulations of the Commission) comply with Regulation G of the Exchange Act and Item 10 of Regulation S-K of the Act, to the extent applicable.

(cc) From the time of the initial confidential submission of a registration statement relating to the Shares with the Commission (or, if earlier, the first date on which a Testing-the-Waters Communication was made) through the date hereof, the Company has been and is an “emerging growth company” as defined in Section 2(a)(19) of the Act (an “Emerging Growth Company”).

(dd) Each of the Company and its subsidiaries have filed all federal, state, local and foreign income and franchise tax returns required to be filed through the date hereof, subject to permitted extensions, have paid all such taxes due (except where the failure to file or pay would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect), and no material tax deficiency has been determined adversely to the Company.

(ee) Except as described in the Pricing Prospectus and the Prospectus, the Company and its subsidiaries carry, or are covered by, insurance for the conduct of their respective businesses, operations, personnel and the value of their respective properties, if applicable, in such amounts and covering such risks as the Company reasonably believes is adequate and customary for companies engaged in similar businesses. The Company has no reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business, except where this would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect.

(ff) The Company (i) is not in violation of any, laws, regulations, ordinances, rules, orders, judgments, decrees, permits or other legal requirements of any governmental authority, including, without limitation, any international, national, state, provincial, regional, or local authority, relating to the use, management, disposal or release of hazardous or toxic substances or wastes, pollutants or contaminants (“Environmental Laws”) applicable to the Company, and (ii) has not received written notice of any actual or alleged violation of Environmental Laws, or of any potential liability for or other obligation concerning the presence, disposal or release of hazardous or toxic substances or wastes, pollutants or contaminants, except in the case of (i) and (ii) where the failure to comply or the potential liability or obligation would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(gg) Except as would not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect, (i) each “employee benefit plan” within the meaning of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), whether or not subject to ERISA, for which the Company or any member of its “Controlled Group” (defined as any organization which is a member of a controlled group of corporations within the meaning of Section 414 of the Internal Revenue Code of 1986, as amended (the “Code”)) would have any liability (each a “Plan”) has been maintained in compliance with its terms and with the requirements of all applicable statutes, rules and regulations including ERISA and the Code; (ii) neither the Company nor any member of its Controlled Group has incurred, or reasonably expects

to incur, any liability under Title IV of ERISA in respect of a Plan (including a “multiemployer plan,” within the meaning of Section 4001(c)(3) of ERISA); (iii) each Plan that is intended to be qualified under Section 401(a) of the Code is so qualified and nothing has occurred, whether by action or by failure to act, which would cause the loss of such qualification; (iv) there is no pending audit or investigation by the Internal Revenue Service, the U.S. Department of Labor, the Pension Benefit Guaranty Corporation or any other governmental agency with respect to any Plan that would reasonably be expected to result in liability to the Company; and (v) the Company has not incurred any liability for any prohibited transaction, the failure of any Plan to meet the minimum funding standards required by law, including by ERISA or the Code, or any complete or partial withdrawal liability with respect to any Plan.

(hh) No labor dispute with the employees of the Company or any of its subsidiaries exists or, to the knowledge of the Company, is threatened, that would, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(ii) Except as would not reasonably be expected to result in a Material Adverse Effect, neither the Company nor any of its subsidiaries has sent or received any written communication regarding termination of, or intent not to renew, any of the contracts or agreements referred to or described in the Pricing Prospectus or the Prospectus, or specifically referred to or described in, or filed as an exhibit to, the Registration Statement, and no such termination or non-renewal has been threatened by the Company or any of its subsidiaries or, to the Company’s knowledge, any other party to any such contract or agreement, which threat of termination or non-renewal has not been rescinded as of the date hereof.

(jj) The Company has not, and, to its knowledge, no one acting on its behalf has, other than as contemplated in this Agreement, taken, directly or indirectly, any action designed to or that could reasonably be expected to cause or result in any stabilization or manipulation of the price of the Shares. In addition, the Company has not engaged in any form of solicitation, advertising or other action constituting an offer or a sale under the Israeli Securities Law, 5728-1968, as amended, and the regulations promulgated thereunder (collectively, the “Israeli Securities Law”) in connection with the transactions contemplated hereby, which would require the Company to publish a prospectus in the State of Israel under the laws of the State of Israel.

(kk) The Company did not, during the 12-month period preceding (i) the date on which Amendment No. 1 to the Registration Statement was filed with the Commission, and (ii) any Time of Delivery, offer or sell securities of the Company to any offerees that would be counted towards the number of offerees to whom offers or sales of securities of the Company may have been made pursuant to the provisions of Section 15A(a)(1) of the Israeli Securities Law (“Non-Accredited Israeli Investors”) and, therefore, Shares may be offered or sold during the 12-month period following the date hereof to (i) up to 35 Israeli investors that are not investors listed in the First Addendum (the “Addendum”) to the Israeli Securities Law and (ii) an unlimited number of Israeli investors, each of whom submits written confirmation to the Underwriters and the Company that such investor (A) falls within the scope of the Addendum, is aware of the meaning of same and agrees to it and (B) is acquiring the Shares for investment for its own account or, if applicable, for investment for clients who are investors under Section 15A(b) of the Israeli Securities Law and in any event not as a nominee, market maker or agent and not with a view to, or for the resale in connection with, any distribution thereof (“Israeli Accredited Investors”). It is hereby acknowledged and agreed by the Company that any offer or sale of Shares to Non-Accredited Israeli Investors by the Underwriters during the 12-month period following the date hereof will be made in reliance on the foregoing representation and warranty of the Company.

(ll) There are no business relationships or related-party transactions involving the Company or any other person required to be described in the Registration Statement, the Pricing Prospectus or the Prospectus that have not been described as required.

(mm) Except pursuant to this Agreement, there is no broker, finder or other party that is entitled to receive from the Company any brokerage or finder's fee or other fee or commission as a result of any transactions contemplated by this Agreement.

(nn) The choice of laws of the State of New York as the governing law of this Agreement is a valid choice of law under the laws of the State of Israel. The Company has the power to submit, and pursuant to this Agreement, has legally, validly, effectively and irrevocably submitted, to the personal jurisdiction of each United States federal court and New York state court located in the Borough of Manhattan, in the City of New York, New York, United States of America (each, a "New York Court"), and the Company has the power to designate, appoint and authorize, and pursuant to this Agreement, has legally, validly, effectively and irrevocably designated, appointed and authorized an agent for service of process in any action arising out of or relating to this Agreement or the transactions contemplated hereby in any New York Court, and service of process effected on such authorized agent will be effective to confer valid personal jurisdiction over the Company.

(oo) Except as provided by laws or statutes generally applicable to transactions of the type described in this Agreement, neither the Company nor any of its respective properties, assets or revenues has any right of immunity under the laws of New York or United States law, from any legal action, suit or proceeding, from the giving of any relief in any such legal action, suit or proceeding, from set-off or counterclaim, from the jurisdiction of any New York or United States federal court, from service of process, attachment upon or prior judgment, or attachment in aid of execution of judgment, or from execution of a judgment, or other legal process or proceeding for the giving of any relief or for the enforcement of a judgment, in any such court, with respect to its obligations, liabilities or any other matter under or arising out of or in connection with this Agreement. To the extent that the Company or any of its respective properties, assets or revenues may have or may hereafter become entitled to any such right of immunity in any such court in which proceedings may at any time be commenced, the Company waives or will waive such right to the extent permitted by law and has consented to such relief and enforcement as provided in this Agreement.

(pp) No forward-looking statement (within the meaning of Section 27A of the Act and Section 21E of the Exchange Act) contained in the Registration Statement, the Pricing Prospectus or the Prospectus has been made or reaffirmed without a reasonable basis or has been disclosed other than in good faith.

(qq) The Company has not received any funding, grants or subsidies from or on behalf of or under the authority of the Israel Innovation Authority of the Israeli Ministry of Economy and Industry, the Authority for Investment and Development of Industry and the Economy of the State of Israel, or any other governmental or regulatory agency or authority or any bi- or multi-national grant program, framework or foundation.

(rr) The Company has validly appointed Global-e US Inc. as its authorized agent for service of process in the United States.

(ss) Neither the Company nor any of its properties or assets has any immunity from the jurisdiction of any court or from any legal process (whether through service or notice, attachment prior to judgment, attachment in aid of execution or otherwise) under the laws of the State of Israel. The irrevocable and unconditional waiver and agreement of the Company contained in Section 22 not to plead or claim any such immunity in any legal action, suit or proceeding based on this Agreement is valid and binding under the laws of the State of Israel.

(tt) Assuming that (A) the Underwriters are not otherwise subject to taxation in the State of Israel due to Israeli tax residence or the existence of a permanent establishment in Israel or any presence, including but not limited to any branch, registered company or representative office ("Israeli Affiliates"), or due to any former connection between the Underwriters and Israel, and (B) the Underwriters' services under this Agreement will be performed entirely outside of Israel, none of (i) the issuance, sale and delivery of the Shares by the Company; (ii) the sale and delivery by the Underwriters of the Shares to purchasers thereof; or (iii) the execution and delivery of, and the consummation of the transactions contemplated by this Agreement or any other document to be furnished hereunder will be subject to any tax (including interest and penalties) imposed on any Underwriter by the State of Israel or any taxing authority or other political subdivision thereof, whether imposed directly or through withholding.

(uu) The Company and each of its Israeli subsidiaries is in compliance with all conditions and requirements stipulated under any applicable law and by any instruments of approval and tax rulings (the "Ruling") granted to it with respect to any "Approved Enterprise," "Benefited Enterprise," or "Industrial Company" status of the Company or its Israeli subsidiaries or any of their facilities as well as with respect to any other tax benefits received by any of them, including any "Preferred Enterprise," "Preferred Technological Enterprise" or "Special Preferred Technological Enterprise" status or benefits (collectively, "Tax Incentive Program") and by Israeli laws and regulations relating to any Tax Incentive Program; (ii) all information supplied by the Company and its Israeli subsidiaries with respect to applications or notifications relating to any Tax Incentive Program (including in connection with any Ruling) was true, correct and complete when supplied to the appropriate authorities; and (iii) neither the Company nor any of its Israeli subsidiaries has received any notice of any proceeding or investigation relating to revocation or modification or denial of any current or past Tax Incentive Program granted with respect to the Company and its Israeli subsidiaries or any of their facilities or any such status or benefits, in each case, except for any failure to comply, inaccuracy or notice (as appropriate) that would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(vv) All obligations of the Company to provide statutory severance pay to all its currently engaged employees in Israel ("Israeli Employees") are, with such exceptions as are not material, in accordance with Section 14 of the Israeli Severance Pay Law (5723-1963) (the "Severance Pay Law") and are fully funded or are accrued on the financial statements of the Company, and all such employees have been subject to the provisions of Section 14 of the



Severance Pay Law with respect to their entire salary, as defined under the Severance Pay Law from the date of commencement of their employment with the Company, and the Company has been, with such exceptions as are not material, in full compliance with the technical and substantive requirements for a Section 14 Arrangement with respect to severance pay with respect to 100% of such salary for which severance pay is due under the Severance Pay Law; and all amounts that the Company is required by contract or applicable law either (A) to deduct from Israeli Employees' salaries or to transfer to such Israeli Employees' pension or provident, life insurance, incapacity insurance, advance study fund or other similar funds or (B) to withhold from their Israeli Employees' salaries and benefits and to pay to any Israeli governmental authority as required by applicable Israeli tax Law, have, in each case, been duly deducted, transferred, withheld and paid, and the Company has no outstanding obligation to make any such deduction, transfer, withholding or payment.

(ww) All payments (including the issuance of Shares pursuant to this Agreement) to be made by or on behalf of the Company under this Agreement and, except as disclosed in the Registration Statement, the Pricing Prospectus and the Prospectus, all dividends and other distributions declared and payable on the Shares may, under the current laws and regulations of Israel, be paid in United States dollars that may be converted into another currency and freely transferred out of Israel, and all payments referred to in this Section 1(ww) will not be subject to withholding or other taxes under the current laws and regulations of Israel and are otherwise payable free and clear of any other tax, withholding or deduction in Israel and without the necessity of obtaining any governmental authorization in Israel.

(xx) The Company and its subsidiaries own or possess or can acquire on commercially reasonable terms, sufficient rights to use all patents, inventions, copyrights, know how (including trade secrets and other unpatented and/or unpatentable proprietary or confidential information, systems or procedures), trademarks, service marks and trade names necessary for the conduct of their respective businesses as described in the Pricing Prospectus and the Prospectus, except as would not, individually or in the aggregate, have a Material Adverse Effect, and neither the Company nor any of its subsidiaries has received any notice of infringement or violation of asserted intellectual property rights of others with respect to any of the foregoing which, singly or in the aggregate, if the subject of an unfavorable decision, ruling or finding, would have a Material Adverse Effect.

(yy) The Company's and its subsidiaries information technology assets and equipment, computers, systems, networks, hardware, software, websites, applications, and databases (collectively, "IT Systems") are adequate for, and operate and perform in all material respects as required in connection with the operation of the business of the Company and its subsidiaries as currently conducted free and clear, to the knowledge of the Company, of all material bugs, errors, defects, Trojan horses, time bombs, malware and other corruptants. The Company and its subsidiaries have implemented and maintain commercially reasonable controls, policies, procedures, safeguards and other measures to maintain and protect their material confidential information and the integrity, availability and security of the IT Systems and data (including all personal, personally identifiable, sensitive, confidential or regulated data ("Personal Data")) used in connection with their business, and, to the knowledge of the Company, there have been no breaches, violations, outages or unauthorized uses of or accesses to same, except for those that have been remedied without material cost or liability or the duty to notify any other person, nor

any incidents under internal review or investigations relating to the same. The Company and its subsidiaries are presently in compliance in all material respects with all applicable laws or statutes (including, but not limited to, the Israeli Privacy Protection Regulations, Information, Security, 2017) and all applicable judgments, orders, rules and regulations of any court or arbitrator or governmental or regulatory authority, internal policies and contractual obligations relating to the privacy and security of IT Systems and Personal Data and to the protection of such IT Systems and Personal Data from unauthorized use, access, misappropriation or modification.

(zz) The Company and its subsidiaries possess all certificates, authorizations and permits issued by the appropriate federal, state or foreign regulatory authorities necessary or material to the conduct of their business as now conducted, except where the failure to obtain such certificates, authorizations or permits would not have a Material Adverse Effect, and neither the Company nor any of its subsidiaries has received any notice of proceedings relating to the revocation or modification of any such certificate, authorization or permit which, singly or in the aggregate, if the subject of an unfavorable decision, ruling or finding, would have a Material Adverse Effect, except as described in each of the Registration Statement, the Pricing Prospectus and the Prospectus.

(aaa) Any final judgment for a fixed or determined sum of money rendered by any New York Court having jurisdiction under its own laws in respect of any suit, action or proceeding against the Company based upon this Agreement would be declared enforceable against the Company by the courts of the State of Israel, without reconsideration or reexamination of the merits, subject to the conditions, qualifications and restrictions described under the caption "Enforceability of Civil Liabilities" in the Registration Statement, the Pricing Disclosure Package and the Prospectus.

(bbb) The Company believes that it was not a "passive foreign investment company" ("PFIC") for U.S. federal income tax purposes for its most recent taxable year and it does not expect to be a PFIC for its current taxable year or in the foreseeable future.

(ccc) The Company has specifically directed in writing the allocation of Shares to each Participant in the Directed Share Program, and neither the Directed Share Underwriter nor any other Underwriter has had any involvement or influence, directly or indirectly, in such allocation decision.

(ddd) The Registration Statement, the Preliminary Prospectus, and the Prospectus comply, and any amendments or supplements thereto will comply, with any applicable laws or regulations of foreign jurisdictions in which the Prospectus or the Preliminary Prospectus, as amended or supplemented, if applicable, are distributed in connection with the Directed Share Program.

(eee) No consent, approval, authorization or order of, or qualification with, any governmental body or agency, other than those obtained, is required in connection with the offering of the Directed Shares in any jurisdiction where the Directed Shares are being offered.

(fff) The Company has not offered, or caused the Directed Share Underwriter or its affiliates to offer, Shares to any person pursuant to the Directed Share Program (i) for any consideration other than the cash payment of the initial public offering price per share set forth in Schedule II(c) hereof or (ii) with the specific intent to unlawfully influence (x) a customer or supplier of the Company to alter the customer or supplier's terms, level or type of business with the Company or (y) a trade journalist or publication to write or publish favorable information about the Company or its products.

2. Subject to the terms and conditions herein set forth, (a) the Company agrees to issue and sell to each of the Underwriters, and each of the Underwriters agrees, severally and not jointly, to purchase from the Company, at a purchase price per share of \$[\*], the number of Firm Shares set forth opposite the name of such Underwriter in Schedule I hereto and (b) in the event and to the extent that the Underwriters shall exercise the election to purchase Optional Shares as provided below, the Company agrees to issue and sell to each of the Underwriters, and each of the Underwriters agrees, severally and not jointly, to purchase from the Company, at the purchase price per share set forth in clause (a) of this Section 2 (provided that the purchase price per Optional Share shall be reduced by an amount per share equal to any dividends or distributions declared by the Company and payable on the Firm Shares but not payable on the Optional Shares), that portion of the number of Optional Shares as to which such election shall have been exercised (to be adjusted by you so as to eliminate fractional shares) determined by multiplying such number of Optional Shares by a fraction, the numerator of which is the maximum number of Optional Shares which such Underwriter is entitled to purchase as set forth opposite the name of such Underwriter in Schedule I hereto and the denominator of which is the maximum number of Optional Shares that all of the Underwriters are entitled to purchase hereunder.

The Company hereby grants to the Underwriters the right to purchase at their election up to [\*] Optional Shares, at the purchase price per share set forth in the paragraph above, for the sole purpose of covering sales of shares in excess of the number of Firm Shares; *provided* that the purchase price per Optional Share shall be reduced by an amount per share equal to any dividends or distributions declared by the Company and payable on the Firm Shares but not payable on the Optional Shares. Any such election to purchase Optional Shares may be exercised only by written notice from you to the Company, given within a period of 30 calendar days after the date of this Agreement, setting forth the aggregate number of Optional Shares to be purchased and the date on which such Optional Shares are to be delivered, as determined by you but in no event earlier than the First Time of Delivery (as defined in Section 4 hereof) or, unless you and the Company otherwise agree in writing, earlier than two or later than ten business days after the date of such notice.

3. Upon the authorization by you of the release of the Firm Shares, the several Underwriters propose to offer the Firm Shares for sale upon the terms and conditions set forth in the Pricing Prospectus and the Prospectus.

4. (a) The Shares to be purchased by each Underwriter hereunder, in definitive or book-entry form, and in such authorized denominations and registered in such names as the Representatives may request upon at least forty-eight hours' prior notice to the Company shall be delivered by or on behalf of the Company to the Representatives, through the facilities of the Depository Trust Company ("DTC"), for the account of such Underwriter, against payment by or on behalf of such Underwriter of the purchase price therefor by wire transfer of Federal (same-day) funds to the account specified by the Company to the Representatives at least forty-eight

hours in advance. The Company will cause the certificates, if any, representing the Shares to be made available for checking and packaging at least twenty-four hours prior to the Time of Delivery (as defined below) with respect thereto at the office of DTC or its designated custodian (the “Designated Office”). The time and date of such delivery and payment shall be, with respect to the Firm Shares, 9:30 a.m., New York City time, on [•], 2021 or such other time and date as the Representatives and the Company may agree upon in writing, and, with respect to the Optional Shares, 9:30 a.m., New York time, on the date specified by the Representatives in the written notice given by the Representatives of the Underwriters’ election to purchase such Optional Shares, or such other time and date as the Representatives and the Company may agree upon in writing. Such time and date for delivery of the Firm Shares is herein called the “First Time of Delivery,” such time and date for delivery of the Optional Shares, if not the First Time of Delivery, is herein called the “Second Time of Delivery,” and each such time and date for delivery is herein called a “Time of Delivery.”

(b) The documents to be delivered at each Time of Delivery by or on behalf of the parties hereto pursuant to Section 8 hereof, including the cross receipt for the Shares and any additional documents requested by the Underwriters pursuant to Section 8(l) hereof, will be delivered at the offices of Latham & Watkins LLP, 885 Third Avenue, New York, New York 10022 (the “Closing Location”), and the Shares will be delivered at the Designated Office, all at such Time of Delivery; *provided, however*, that unless physical delivery is requested by the Representatives, such documents may be delivered electronically.

5. The Company agrees with each of the Underwriters:

(a) To prepare the Prospectus in a form approved by you and to file such Prospectus pursuant to Rule 424(b) under the Act not later than the Commission’s close of business on the second business day following the execution and delivery of this Agreement, or, if applicable, such earlier time as may be required by Rule 430A(a)(3) under the Act; to make no further amendment or any supplement to the Registration Statement or the Prospectus prior to the last Time of Delivery which shall be disapproved by you promptly after reasonable notice thereof; to advise you, promptly after it receives notice thereof, of the time when any amendment to the Registration Statement has been filed or becomes effective or any amendment or supplement to the Prospectus has been filed and to furnish you with copies thereof; to file promptly all material required to be filed by the Company with the Commission pursuant to Rule 433(d) under the Act; to advise you, promptly after it receives notice thereof, of the issuance by the Commission of any stop order or of any order preventing or suspending the use of any Preliminary Prospectus or other prospectus in respect of the Shares, of the suspension of the qualification of the Shares for offering or sale in any jurisdiction, of the initiation or threatening of any proceeding for any such purpose, or of any request by the Commission for the amending or supplementing of the Registration Statement or the Prospectus or for additional information; and, in the event of the issuance of any stop order or of any order preventing or suspending the use of any Preliminary Prospectus or other prospectus or suspending any such qualification, to promptly use its reasonable efforts to obtain the withdrawal of such order;

(b) Promptly from time to time to take such action as you may reasonably request to qualify the Shares for offering and sale under the securities laws of such jurisdictions as you may request and to use commercially reasonable efforts to comply with such laws so as to permit the continuance of sales and dealings therein in such jurisdictions for as long as may be necessary to complete the distribution of the Shares; *provided* that in connection therewith the Company shall not be required to qualify as a foreign corporation (where not otherwise required) or to file a general consent to service of process in any jurisdiction (where not otherwise required);

(c) Prior to 10:00 a.m., New York City time, on the New York Business Day next succeeding the date of this Agreement (or such later time as may be agreed to by the Company and you) and from time to time, to furnish the Underwriters with written and electronic copies of the Prospectus in New York City in such quantities as you may reasonably request, and, if the delivery of a prospectus (or in lieu thereof, the notice referred to in Rule 173(a) under the Act) is required at any time prior to the expiration of nine months after the time of issue of the Prospectus in connection with the offering or sale of the Shares and if at such time any event shall have occurred as a result of which the Prospectus as then amended or supplemented would include an untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made when such Prospectus (or in lieu thereof, the notice referred to in Rule 173(a) under the Act) is delivered, not misleading, or, if for any other reason it shall be necessary during such same period to amend or supplement the Prospectus in order to comply with the Act, to notify you and upon your request to prepare and furnish without charge to each Underwriter and to any dealer in securities as many written and electronic copies as you may from time to time reasonably request of an amended Prospectus or a supplement to the Prospectus which will correct such statement or omission or effect such compliance; and in case any Underwriter is required to deliver a prospectus (or in lieu thereof, the notice referred to in Rule 173(a) under the Act) in connection with sales of any of the Shares at any time nine months or more after the time of issue of the Prospectus, upon your request but at the expense of such Underwriter, to prepare and deliver to such Underwriter as many written and electronic copies as you may request of an amended or supplemented Prospectus complying with Section 10(a)(3) of the Act;

(d) To make generally available to its securityholders as soon as practicable (which may be satisfied by filing with the Commission's Electronic Data Gathering, Analysis and Retrieval System ("EDGAR")), but in any event not later than sixteen months after the effective date of the Registration Statement (as defined in Rule 158(c) under the Act), an earnings statement of the Company and its subsidiaries (which need not be audited) complying with Section 11(a) of the Act and the rules and regulations of the Commission thereunder (including, at the option of the Company, Rule 158 under the Act);

(e) (1) During the period beginning from the date hereof and continuing to and including the date 180 days after the date of the Prospectus (the "Lock-Up Period"), not to (i) offer, sell, contract to sell, pledge, grant any option to purchase, make any short sale or otherwise transfer or dispose of, directly or indirectly, or file with or confidentially submit to the Commission a registration statement under the Act relating to, any securities of the Company that are substantially similar to the Shares, including, but not limited to, any options or warrants to purchase ordinary shares or any securities that are convertible into or exchangeable for, or that represent the right to receive, ordinary shares or any such substantially similar securities, or publicly disclose the intention to make any offer, sale, pledge, disposition or filing or (ii) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of the ordinary shares or any such other securities, whether any such transaction

described in clauses (i) or (ii) above is to be settled by delivery of ordinary shares or such other securities, in cash or otherwise (other than the Shares to be sold hereunder or pursuant to employee share option plans existing on, or upon the conversion or exchange of convertible or exchangeable securities outstanding as of, the date of this Agreement and that are described in the Pricing Prospectus and the Prospectus), without the prior written consent of the Representatives, in their sole discretion; *provided, however*, that the foregoing restrictions shall not apply to (A) the Shares to be sold hereunder, (B) ordinary shares issued upon the conversion of convertible preferred stock outstanding on the date of this Agreement in connection with the offering contemplated by this Agreement, (C) the issuance by the Company of ordinary shares upon the exercise (including net exercise) of an option or warrant, in each case, that is outstanding on the date of this Agreement and described in the Pricing Prospectus, (D) the grant by the Company of any options, warrants or awards to purchase or the issuance by the Company of ordinary shares or any securities (including, without limitation options, restricted stock, restricted stock units) convertible into or exercisable for, ordinary shares pursuant to the Company's equity compensation plans disclosed in the Pricing Prospectus; *provided* that each recipient of such securities shall execute a lock-up letter on substantially the same terms as the lock-up letter described in Section 8(j) hereof for the remainder of the Lock-Up Period, (E) any ordinary shares or any security convertible into or exercisable for ordinary shares issued by the Company in connection with the acquisition by the Company or any of its subsidiaries of not less than a majority or controlling portion of the securities, business, property or other assets of another person or entity or pursuant to an employee benefit plan assumed by the Company in connection with such acquisition, (F) any ordinary shares or any security convertible into or exercisable for ordinary shares issued by the Company in connection with a transaction that includes a bona fide commercial relationship (including joint ventures, marketing or distribution arrangements, collaboration agreements, intellectual property license agreements and other strategic transactions), and (G) the filing of any registration statement on Form S-8 relating to any benefit plans or arrangements disclosed in the Pricing Prospectus or the Prospectus and the issuance of securities registered pursuant thereto; *provided* that in the case of clauses (E) and (F), (x) the aggregate number of ordinary shares that the Company may sell or issue or agree to sell or issue pursuant to clauses (E) or (F) shall not exceed 5% of the total number of ordinary shares issued and outstanding immediately following the completion of the transactions contemplated by this Agreement and (y) each recipient of such securities shall execute a lock-up letter on substantially the same terms as the lock-up letter described in Section 8(j) hereof for the remainder of the Lock-Up Period.

(2) If Goldman Sachs & Co. LLC and Morgan Stanley & Co. LLC, in their sole discretion, agree to release or waive the restrictions set forth in a lock-up letter described in Section 8(j) hereof for an officer or director of the Company and provide the Company with notice of the impending release or waiver at least three business days before the effective date of the release or waiver, the Company agrees to announce the impending release or waiver by a press release substantially in the form of Annex I hereto through a major news service at least two business days before the effective date of the release or waiver.

(f) To furnish to its shareholders within such period required by the Exchange Act after the end of each fiscal year an annual report (including a balance sheet and statements of income, shareholders' equity and cash flows of the Company and its consolidated subsidiaries certified by independent public accountants) (which may be through the filing on an Annual Report on Form 20-F on EDGAR);

(g) During a period of three years from the effective date of the Registration Statement, so long as the Company is subject to the reporting requirements of either Section 13 or Section 15(d) of the Exchange Act, to furnish to you copies of all reports or other communications (financial or other) furnished to shareholders, and to deliver to you as soon as they are available, copies of any reports and financial statements furnished to or filed with the Commission or any national securities exchange on which any class of securities of the Company is listed; *provided*, that no reports, documents or other information needs to be furnished pursuant to this Section 5(g) to the extent they are available on EDGAR;

(h) To use the net proceeds received by it from the sale of the Shares pursuant to this Agreement in the manner specified in the Pricing Prospectus under the caption "Use of Proceeds";

(i) To use its best efforts to list for quotation the Shares on the Nasdaq Stock Market Inc.'s National Market (the "Exchange");

(j) To file with the Commission such information on Form 6-K or Form 20-F as may be required by Rule 463 under the Act;

(k) If the Company elects to rely upon Rule 462(b) under the Act, the Company shall file a Rule 462(b) Registration Statement with the Commission in compliance with Rule 462(b) under the Act by 10:00 p.m., Washington, D.C. time, on the date of this Agreement, and the Company shall at the time of filing either pay to the Commission the filing fee for the Rule 462(b) Registration Statement or give irrevocable instructions for the payment of such fee pursuant to Rule 3a(c) of the Commission's Informal and Other Procedures (16 CFR 202.3a);

(l) Upon reasonable request of any Underwriter in writing, to furnish, or cause to be furnished, to such Underwriter an electronic version of the Company's trademarks, service marks and corporate logo for use on the website, if any, operated by such Underwriter for the purpose of facilitating the on-line offering of the Shares (the "License"); *provided, however*, that the License shall be used solely for the purpose described above, is granted without any fee and may not be assigned or transferred;

(m) To promptly notify you if the Company ceases to be an Emerging Growth Company or a foreign private issuer at any time prior to the later of (i) completion of the distribution of the Shares within the meaning of the Act and (ii) the last Time of Delivery; and

(n) To comply with all applicable securities and other laws, rules and regulations in each jurisdiction in which the Directed Shares are offered in connection with the Directed Share Program.

6. (a) The Company represents and agrees that, without the prior consent of the Representatives, it has not made and will not make any offer relating to the Shares that would constitute a "free writing prospectus" as defined in Rule 405 under the Act; each Underwriter represents and agrees that, without the prior consent of the Company and the Representatives, it has not made and will not make any offer relating to the Shares that would constitute a free writing prospectus required to be filed with the Commission; any such free writing prospectus the use of which has been consented to by the Company and the Representatives is listed on Schedule II(a) or Schedule II(c) hereto.

(b) The Company has complied and will comply with the requirements of Rule 433 under the Act applicable to any Issuer Free Writing Prospectus, including timely filing with the Commission or retention where required and legending; and the Company represents that it has satisfied and agrees that it will satisfy the conditions under Rule 433 under the Act to avoid a requirement to file with the Commission any electronic road show.

(c) The Company agrees that if at any time following issuance of an Issuer Free Writing Prospectus or Written Testing-the-Waters Communication any event occurred or occurs as a result of which such Issuer Free Writing Prospectus or Written Testing-the-Waters Communication would conflict with the information in the Registration Statement, the Pricing Prospectus or the Prospectus or would include an untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances then prevailing, not misleading, the Company will give prompt notice thereof to the Representatives and, if requested by the Representatives, will prepare and furnish without charge to each Underwriter an Issuer Free Writing Prospectus, Written Testing-the-Waters Communication or other document which will correct such conflict, statement or omission, provided, however, that the obligations under this Section 6(c) shall not apply to any statements or omissions in an Issuer Free Writing Prospectus or Written Testing-the-Waters Communication made in reliance upon and in conformity with the Underwriter Information (as defined below).

(d) The Company represents and agrees that (i) it has not engaged in, or authorized any other person to engage in, any Testing-the-Waters Communications, other than Testing-the-Waters Communications with the prior consent of the Representatives with entities that are qualified institutional buyers as defined in Rule 144A under the Act or institutions that are accredited investors as defined in Rule 501(a) under the Act; and (ii) it has not distributed, or authorized any other person to distribute, any Written Testing-the-Waters Communications, other than those distributed with the prior consent of the Representatives that are listed on Schedule II(d) hereto; and the Company reconfirms that the Underwriters have been authorized to act on its behalf in engaging in Testing-the-Waters Communications.

(e) The Company acknowledges, understands and agrees that the Shares may be offered and sold in Israel only by the Underwriters and only to (i) Israeli Accredited Investors and (ii) such number of Non-Accredited Israeli Investors that does not exceed 35 during the 12-month period following the date hereof. The Company further acknowledges, understands and agrees that any offer or sale of Shares to Non-Accredited Israeli Investors by the Underwriters will be made in reliance on the representation and warranty of the Company in Section 1(kk) above.

(f) Each Underwriter acknowledges, agrees and undertakes that the Shares may be sold in Israel by the Underwriters only to (i) Israeli Accredited Investors and (ii) the number of Non-Accredited Israeli Investors referenced in Section 6(e) above during the 12-month period following the date hereof.

(g) Each Underwriter represents and agrees that (i) any Testing-the-Waters Communications undertaken by it were with entities that are qualified institutional buyers as defined in Rule 144A under the Act or institutions that are accredited investors as defined in Rule 501(a) under the Act and (ii) it will not distribute, or authorize any other person to distribute, any Written Testing-the-Waters Communication, other than those distributed with the prior authorization of the Company.



7. The Company covenants and agrees with the several Underwriters that the Company will pay or cause to be paid the following: (i) the fees, disbursements and expenses of the Company's counsel and accountants in connection with the registration of the Shares under the Act and all other expenses in connection with the preparation, printing, reproduction and filing of the Registration Statement, any Preliminary Prospectus, any Written Testing-the-Waters Communication, any Issuer Free Writing Prospectus and the Prospectus and amendments and supplements thereto and the mailing and delivering of copies thereof to the Underwriters and dealers; (ii) the cost of printing or producing any agreement among Underwriters, this Agreement, the Blue Sky Memorandum, if any, closing documents (including any compilations thereof) and any other documents in connection with the offering, purchase, sale and delivery of the Shares; (iii) all expenses in connection with the qualification of the Shares for offering and sale under state securities laws as provided in Section 5(b) hereof, including the fees and disbursements of counsel for the Underwriters in connection with such qualification and in connection with the Blue Sky survey, if any; (iv) all fees and expenses in connection with listing the Shares on the Exchange; (v) all fees and disbursements of counsel for the Underwriters in connection with the Directed Share Program and stamp duties, similar taxes or duties or other taxes, if any, incurred by the Underwriters in connection with the Directed Share Program; (vi) the filing fees incident to, and the fees and disbursements of counsel for the Underwriters in connection with, any required review by FINRA of the terms of the sale of the Shares; (vii) the cost of preparing share certificates, if applicable; (viii) the cost and charges of any transfer agent or registrar; and (ix) all other costs and expenses incident to the performance of its obligations hereunder which are not otherwise specifically provided for in this Section. It is understood, however, that the amount payable by the Company pursuant to subsections (iii) and (vi) for the fees and disbursements of counsel for the Underwriters shall not exceed \$30,000 in the aggregate. It is understood, however, that, except as provided in this Section, and Sections 9 and 13 hereof, (i) the Underwriters will pay all of their own costs and expenses, including the fees of their counsel and any advertising expenses connected with any offers they may make; (ii) the Company will bear all of the Company's (but not the Underwriters') travel expenses and the Underwriters will bear all of the Underwriters' (but not the Company's) travel expenses, in each case, in connection with any "roadshow" presentation to investors and (iii) notwithstanding clause (ii), the Company, on the one hand, and the Underwriters, on the other hand, shall each pay 50% of the cost of any chartered plane, chartered jet or other chartered aircraft that is used to transport representatives from both the Company and the Underwriters in connection with any "roadshow" presentation to investors.

8. The obligations of the Underwriters hereunder, as to the Shares to be delivered at each Time of Delivery, shall be subject, in their discretion, to the condition that all representations and warranties and other statements of the Company herein are, at and as of the Applicable Time and such Time of Delivery, true and correct, the condition that the Company shall have performed all of its obligations hereunder theretofore to be performed, and the following additional conditions:

(a) The Prospectus shall have been filed with the Commission pursuant to Rule 424(b) under the Act within the applicable time period prescribed for such filing by the rules and regulations under the Act and in accordance with Section 5(a) hereof; all material required to be filed by the Company pursuant to Rule 433(d) under the Act shall have been filed with the Commission within the applicable time period prescribed for such filing by Rule 433; if the Company has elected to rely upon Rule 462(b) under the Act, the Rule 462(b) Registration Statement shall have become effective by 10:00 p.m., Washington, D.C. time, on the date of this Agreement; no stop order suspending the effectiveness of the Registration Statement or any part thereof shall have been issued and no proceeding for that purpose or under Section 8A of the Act shall have been initiated or threatened by the Commission; no stop order suspending or preventing the use of the Pricing Prospectus, Prospectus or any Issuer Free Writing Prospectus shall have been initiated or threatened by the Commission; and all requests for additional information on the part of the Commission shall have been complied with to your reasonable satisfaction;

(b) Latham & Watkins LLP, U.S. counsel for the Company, shall have furnished to you such written opinion or opinions, dated such Time of Delivery, in form and substance satisfactory to the Representatives, and such counsel shall have received such papers and information as they may reasonably request to enable them to pass upon such matters;

(c) Meitar Law Offices, Israeli counsel for the Company, shall have furnished to you such written opinion or opinions, dated such Time of Delivery, in form and substance satisfactory to the Representatives, and such counsel shall have received such papers and information as they may reasonably request to enable them to pass upon such matters;

(d) Skadden, Arps, Slate, Meagher & Flom LLP, U.S. counsel for the Underwriters, shall have furnished to you such written opinion or opinions, dated such Time of Delivery, in form and substance satisfactory to the Representatives, and such counsel shall have received such papers and information as they may reasonably request to enable them to pass upon such matters;

(e) Gornitzky & Co., Israeli counsel for the Underwriters, shall have furnished to you such written opinion or opinions, dated such Time of Delivery, in form and substance satisfactory to the Representatives, and such counsel shall have received such papers and information as they may reasonably request to enable them to pass upon such matters;

(f) On the date of the Prospectus at a time prior to the execution of this Agreement, at 9:30 a.m., New York City time, on the effective date of any post-effective amendment to the Registration Statement filed subsequent to the date of this Agreement and also at each Time of Delivery, Kost Forer Gabbay & Kasierer, a member firm of Ernst & Young Global, shall have furnished to you a letter or letters, dated the respective dates of delivery thereof, in form and substance satisfactory to you;

(g) (i) Neither the Company nor any of its subsidiaries shall have sustained since the date of the latest audited financial statements included in the Pricing Prospectus any loss or interference with its business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor dispute or court or governmental action, order or decree, otherwise than as set forth or contemplated in the Pricing Prospectus, and (ii) since the respective dates as of which information is given in the Pricing Prospectus there shall not have been any change in the share capital (other than as a result of (A) the grant, vesting, exercise or settlement, if any, of share options or the award, if any, of share options, restricted shares or other equity incentives in the ordinary course of business pursuant to the Company's equity plans that are described in the

Pricing Prospectus or (B) the issuance, if any, of ordinary shares upon conversion of Company securities as described in the Pricing Prospectus) or long-term debt of the Company or any of its subsidiaries or any change or effect, or any development involving a prospective change or effect, in or affecting (x) the business, properties, general affairs, management, financial position, shareholders' equity or results of operations of the Company and its subsidiaries, taken as a whole, except as set forth or contemplated in the Pricing Prospectus and the Prospectus, or (y) the ability of the Company to perform its obligations under this Agreement, including the issuance and sale of the Shares, or to consummate the transactions contemplated in the Pricing Prospectus and the Prospectus, the effect of which, in any such case described in clause (i) or (ii), is in your judgment so material and adverse as to make it impracticable or inadvisable to proceed with the public offering or the delivery of the Shares being delivered at such Time of Delivery on the terms and in the manner contemplated in the Pricing Prospectus and the Prospectus;

(h) On or after the Applicable Time there shall not have occurred any of the following: (i) a suspension or material limitation in trading in securities generally on the Exchange; (ii) a suspension or material limitation in trading in the Company's securities on the Exchange; (iii) a general moratorium on commercial banking activities declared by either Federal, New York State or Israeli authorities or a material disruption in commercial banking or securities settlement or clearance services in the United States or the State of Israel; (iv) the outbreak or escalation of hostilities involving the United States or the State of Israel or the declaration by the United States or the State of Israel of a national emergency or war or (v) the occurrence of any other calamity or crisis or any change in financial, political or economic conditions in the United States, the State of Israel or elsewhere, if the effect of any such event specified in clause (iv) or (v) in your judgment makes it impracticable or inadvisable to proceed with the public offering or the delivery of the Shares being delivered at such Time of Delivery on the terms and in the manner contemplated in the Pricing Prospectus and the Prospectus;

(i) The Shares to be sold at such Time of Delivery shall have been duly listed for quotation on the Exchange;

(j) The Company shall have obtained and delivered to the Underwriters executed copies of an agreement from all officers, directors and holders of substantially all ordinary shares of the Company, substantially to the effect set forth in Annex II hereto in form and substance satisfactory to you;

(k) The Company shall have complied with the provisions of Section 5(c) hereof with respect to the furnishing of prospectuses on the New York Business Day next succeeding the date of this Agreement; and

(l) The Company shall have furnished or caused to be furnished to you at such Time of Delivery certificates of officers of the Company satisfactory to the Representatives as to the accuracy of the representations and warranties of the Company herein at and as of such Time of Delivery, as to the performance by the Company of all of its obligations hereunder to be performed at or prior to such Time of Delivery, and as to the matters set forth in Section 8(a) and Section 8(g).

9. (a) The Company will indemnify and hold harmless each Underwriter against any losses, claims, damages or liabilities, joint or several, to which such Underwriter may become subject, under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in the Registration Statement, any Preliminary Prospectus, the Pricing Prospectus or the Prospectus, or any amendment or supplement thereto, any Issuer Free Writing Prospectus, any "roadshow" as defined in Rule 433(h) under the Act (a "roadshow"), any "issuer information" filed or required to be filed pursuant to Rule 433(d) under the Act or any Written Testing-the-Waters Communication, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and will reimburse each Underwriter for any legal or other expenses reasonably incurred by such Underwriter in connection with investigating or defending any such action or claim as such expenses are incurred; *provided, however*, that the Company shall not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in the Registration Statement, any Preliminary Prospectus, the Pricing Prospectus or the Prospectus, or any amendment or supplement thereto, or any Issuer Free Writing Prospectus or any Written Testing-the-Waters Communication, in reliance upon and in conformity with the Underwriter Information.

(b) Each Underwriter will indemnify and hold harmless the Company against any losses, claims, damages or liabilities to which the Company may become subject, under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in the Registration Statement, any Preliminary Prospectus, the Pricing Prospectus or the Prospectus, or any amendment or supplement thereto, or any Issuer Free Writing Prospectus, or any roadshow or any Written Testing-the-Waters Communication, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in the Registration Statement, any Preliminary Prospectus, the Pricing Prospectus or the Prospectus, or any amendment or supplement thereto, or any Issuer Free Writing Prospectus, or any roadshow or any Written Testing-the-Waters Communication, in reliance upon and in conformity with the Underwriter Information; and will reimburse the Company for any legal or other expenses reasonably incurred by the Company in connection with investigating or defending any such action or claim as such expenses are incurred. As used in this Agreement with respect to an Underwriter and an applicable document, "Underwriter Information" shall mean the written information furnished to the Company by such Underwriter through the Representatives expressly for use therein; it being understood and agreed upon that the only such information furnished by any Underwriter consists of the following information in the Prospectus furnished on behalf of each Underwriter: the concession and reallowance figures appearing in the [•] paragraph under the caption "Underwriting," and the information contained in the [•] paragraph under the caption "Underwriting."

(c) Promptly after receipt by an indemnified party under subsection (a) or (b) above of notice of the commencement of any action, such indemnified party shall, if a claim in respect thereof is to be made against the indemnifying party under such subsection, notify the indemnifying party in writing of the commencement thereof; *provided* that the failure to notify the indemnifying party shall not relieve it from any liability that it may have under the preceding

paragraphs of this Section 9 except to the extent that it has been materially prejudiced (through the forfeiture of substantive rights or defenses) by such failure; and provided further that the failure to notify the indemnifying party shall not relieve it from any liability that it may have to an indemnified party otherwise than under the preceding paragraphs of this Section 9. In case any such action shall be brought against any indemnified party and it shall notify the indemnifying party of the commencement thereof, the indemnifying party shall be entitled to participate therein and, to the extent that it shall wish, jointly with any other indemnifying party similarly notified, to assume the defense thereof, with counsel reasonably satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnifying party), and, after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party shall not be liable to such indemnified party under such subsection for any legal expenses of other counsel or any other expenses, in each case subsequently incurred by such indemnified party, in connection with the defense thereof other than reasonable costs of investigation unless (i) the indemnifying party and the indemnified party shall have mutually agreed to the contrary; (ii) the indemnifying party has failed within a reasonable time to retain counsel reasonably satisfactory to the indemnified party; (iii) the indemnified party shall have reasonably concluded that there may be legal defenses available to it that are different from or in addition to those available to the indemnifying party; or (iv) the named parties in any such proceeding (including any impleaded parties) include both the indemnifying party and the indemnified party and representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them. No indemnifying party shall, without the written consent of the indemnified party, effect the settlement or compromise of, or consent to the entry of any judgment with respect to, any pending or threatened action or claim in respect of which indemnification or contribution may be sought hereunder (whether or not the indemnified party is an actual or potential party to such action or claim) unless such settlement, compromise or judgment includes an unconditional release of the indemnified party from all liability arising out of such action or claim and does not include a statement as to or an admission of fault, culpability or failure to act, by or on behalf of any indemnified party.

(d) If the indemnification provided for in this Section 9 is unavailable to or insufficient to hold harmless an indemnified party under subsection(a) or (b) above in respect of any losses, claims, damages or liabilities (or actions in respect thereof) referred to therein, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages or liabilities (or actions in respect thereof) in such proportion as is appropriate to reflect the relative benefits received by the Company on the one hand and the Underwriters on the other from the offering of the Shares. If, however, the allocation provided by the immediately preceding sentence is not permitted by applicable law, then each indemnifying party shall contribute to such amount paid or payable by such indemnified party in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the Company on the one hand and the Underwriters on the other in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities (or actions in respect thereof), as well as any other relevant equitable considerations. The relative benefits received by the Company on the one hand and the Underwriters on the other shall be deemed to be in the same proportion as the total net proceeds from the offering (before deducting expenses) received by the Company bear to the total underwriting discounts and commissions received by the Underwriters, in each case as set forth in the table on the cover page of the Prospectus. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact

or the omission or alleged omission to state a material fact relates to information supplied by the Company on the one hand or the Underwriters on the other and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The Company and the Underwriters agree that it would not be just and equitable if contribution pursuant to this subsection (d) were determined by pro rata allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to above in this subsection (d). The amount paid or payable by an indemnified party as a result of the losses, claims, damages or liabilities (or actions in respect thereof) referred to above in this subsection (d) shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this subsection (d), no Underwriter shall be required to contribute any amount in excess of the amount by which the total price at which the Shares underwritten by it and distributed to the public were offered to the public exceeds the amount of any damages which such Underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The Underwriters' obligations in this subsection (d) to contribute are several in proportion to their respective underwriting obligations and not joint.

(e) The obligations of the Company under this Section 9 shall be in addition to any liability which the Company may otherwise have and shall extend, upon the same terms and conditions, to each employee, officer and director of each Underwriter and each person, if any, who controls any Underwriter within the meaning of the Act and each broker-dealer or other affiliate of any Underwriter; and the obligations of the Underwriters under this Section 9 shall be in addition to any liability which the respective Underwriters may otherwise have and shall extend, upon the same terms and conditions, to each officer and director of the Company (including any person who, with his or her consent, is named in the Registration Statement as about to become a director of the Company) and to each person, if any, who controls the Company within the meaning of the Act.

10.

(a) The Company will indemnify and hold harmless the Directed Share Underwriter, each person, if any, who controls Directed Share Underwriter within the meaning of either Section 15 of the Securities Act or Section 20 of the Exchange Act and each affiliate of Morgan Stanley within the meaning of Rule 405 of the Securities Act ("**Morgan Stanley Entities**"), against any losses, claims, damages or liabilities, joint or several, to which the Directed Share Underwriter may become subject, under the Securities Act or otherwise, insofar as such losses, claims damages or liabilities (or actions in respect thereof) (i) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in any material prepared by or with the consent of the Company for distribution to Participants in connection with the Directed Share Program or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, (ii) arise out of or are based upon the failure of any Participant to pay for and accept delivery of Directed Shares that the Participant agreed to purchase, or (iii) are related to, arise out of or are in connection with the Directed Share Program, and will reimburse the Directed Share

Underwriter for any legal or other expenses reasonably incurred by the Directed Share Underwriter in connection with investigating or defending any such action or claim as such expenses are incurred; provided, however, that with respect to clauses (ii) and (iii) above, the Company shall not be liable in any such case to the extent that any such loss, claim, damage or liability is finally judicially determined to have resulted from the bad faith or gross negligence of the Directed Share Underwriter.

(b) Promptly after receipt by the Directed Share Underwriter of notice of the commencement of any action, the Directed Share Underwriter shall, if a claim in respect thereof is to be made against the Company, notify the Company in writing of the commencement thereof; provided that the failure to notify the Company shall not relieve the Company from any liability that it may have under the preceding paragraph of this Section 10 except to the extent that it has been materially prejudiced (through the forfeiture of substantive rights or defenses) by such failure; and provided further that the failure to notify the Company shall not relieve it from any liability that it may have to the Directed Share Underwriter otherwise than under the preceding paragraph of this Section 10. In case any such action shall be brought against the Directed Share Underwriter and it shall notify the Company of the commencement thereof, the Company shall be entitled to participate therein and, to the extent that it shall wish, to assume the defense thereof, with counsel satisfactory to the Directed Share Underwriter (who shall not, except with the consent of the Directed Share Underwriter, be counsel to the Company), and, after notice from the Company to the Directed Share Underwriter of its election so to assume the defense thereof, the Company shall not be liable to the Directed Share Underwriter under this subsection for any legal expenses of other counsel or any other expenses, in each case subsequently incurred by the Directed Share Underwriter, in connection with the defense thereof other than reasonable costs of investigation unless (i) the Company and the Directed Share Underwriter shall have mutually agreed to the contrary; (ii) the Company has failed within a reasonable time to retain counsel reasonably satisfactory to the Directed Share Underwriter; (iii) the Directed Share Underwriter shall have reasonably concluded that there may be legal defenses available to it that are different from or in addition to those available to the Company; or (iv) the named parties in any such proceeding (including any impleaded parties) include both the Company and the Directed Share Underwriter and representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them. The Company shall not, without the written consent of the Directed Share Underwriter, effect the settlement or compromise of, or consent to the entry of any judgment with respect to, any pending or threatened action or claim in respect of which indemnification or contribution may be sought hereunder (whether or not the Directed Share Underwriter is an actual or potential party to such action or claim) unless such settlement, compromise or judgment (i) includes an unconditional release of the Directed Share Underwriter from all liability arising out of such action or claim and (ii) does not include a statement as to or an admission of fault, culpability or a failure to act, by or on behalf of the Directed Share Underwriter.

(c) If the indemnification provided for in this Section 10 is unavailable to or insufficient to hold harmless the Directed Share Underwriter under subsection (a) above in respect of any losses, claims, damages or liabilities (or actions in respect thereof) referred to therein, then the Company shall contribute to the amount paid or payable by the Directed Share Underwriter as a result of such losses, claims, damages or liabilities (or actions in respect thereof) in such proportion as is appropriate to reflect the relative benefits received by the Company on the one

hand and the Directed Share Underwriter on the other from the offering of the Directed Shares. If, however, the allocation provided by the immediately preceding sentence is not permitted by applicable law, then the Company shall contribute to such amount paid or payable by the Directed Share Underwriter in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the Company on the one hand and the Directed Share Underwriter on the other in connection with any statements or omissions which resulted in such losses, claims, damages or liabilities (or actions in respect thereof), as well as any other relevant equitable considerations. The relative benefits received by the Company on the one hand and the Directed Share Underwriter on the other shall be deemed to be in the same proportion as the total net proceeds from the offering of the Directed Shares (before deducting expenses) received by the Company bear to the total underwriting discounts and commissions received by the Directed Share Underwriter for the Directed Shares. If the loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement of a material fact or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company on the one and or the Directed Share Underwriter on the other and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The Company and the Directed Share Underwriter agree that it would not be just and equitable if contribution pursuant to this subsection (c) were determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to above in this subsection (c). The amount paid or payable by the Directed Share Underwriter as a result of the losses, claims, damages or liabilities (or actions in respect thereof) referred to above in this subsection (c) shall be deemed to include any legal or other expenses reasonably incurred by the Directed Share Underwriter in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this subsection (c), the Directed Share Underwriter shall not be required to contribute any amount in excess of the amount by which the total price at which the Directed Shares sold by it and distributed to the Participants exceeds the amount of any damages which the Directed Share Underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

(d) The obligations of the Company under this Section 10 shall be in addition to any liability which the Company may otherwise have and shall extend, upon the same terms and conditions, to each employee, officer and director of the Directed Share Underwriter and each person, if any, who controls the Directed Share Underwriter within the meaning of the Securities Act and each broker-dealer or other affiliate of the Directed Share Underwriter.

11. (a) If any Underwriter shall default in its obligation to purchase the Shares which it has agreed to purchase hereunder at a Time of Delivery, you may in your discretion arrange for you or another party or other parties to purchase such Shares on the terms contained herein. If within thirty-six hours after such default by any Underwriter you do not arrange for the purchase of such Shares, then the Company shall be entitled to a further period of thirty-six hours within which to procure another party or other parties satisfactory to you to purchase such Shares on such



terms. In the event that, within the respective prescribed periods, you notify the Company that you have so arranged for the purchase of such Shares, or the Company notifies you that it has so arranged for the purchase of such Shares, you or the Company shall have the right to postpone such Time of Delivery for a period of not more than seven days, in order to effect whatever changes may thereby be made necessary in the Registration Statement or the Prospectus, or in any other documents or arrangements, and the Company agrees to file promptly any amendments or supplements to the Registration Statement or the Prospectus which in your opinion may thereby be made necessary. The term "Underwriter" as used in this Agreement shall include any person substituted under this Section with like effect as if such person had originally been a party to this Agreement with respect to such Shares.

(b) If, after giving effect to any arrangements for the purchase of the Shares of a defaulting Underwriter or Underwriters by you and the Company as provided in subsection (a) above, the aggregate number of such Shares which remains unpurchased does not exceed one-eleventh of the aggregate number of all the Shares to be purchased at such Time of Delivery, then the Company shall have the right to require each non-defaulting Underwriter to purchase the number of Shares which such Underwriter agreed to purchase hereunder at such Time of Delivery and, in addition, to require each non-defaulting Underwriter to purchase its pro rata share (based on the number of Shares which such Underwriter agreed to purchase hereunder) of the Shares of such defaulting Underwriter or Underwriters for which such arrangements have not been made; but nothing herein shall relieve a defaulting Underwriter from liability for its default.

(c) If, after giving effect to any arrangements for the purchase of the Shares of a defaulting Underwriter or Underwriters by you and the Company as provided in subsection (a) above, the aggregate number of such Shares which remains unpurchased exceeds one-eleventh of the aggregate number of all the Shares to be purchased at such Time of Delivery, or if the Company shall not exercise the right described in subsection (b) above to require non-defaulting Underwriters to purchase Shares of a defaulting Underwriter or Underwriters, then this Agreement (or, with respect to the Second Time of Delivery, the obligations of the Underwriters to purchase and of the Company to sell the Optional Shares) shall thereupon terminate, without liability on the part of any non-defaulting Underwriter or the Company, except for the expenses to be borne by the Company and the Underwriters as provided in Section 7 hereof and the indemnity and contribution agreements in Sections 9 and 10 hereof; but nothing herein shall relieve a defaulting Underwriter from liability for its default.

12. The respective indemnities, rights of contribution, agreements, representations, warranties and other statements of the Company and the several Underwriters, as set forth in this Agreement or made by or on behalf of them, respectively, pursuant to this Agreement, shall remain in full force and effect, regardless of any investigation (or any statement as to the results thereof) made by or on behalf of any Underwriter or any controlling person of any Underwriter, or the Company, or any officer or director or controlling person of the Company, and shall survive delivery of and payment for the Shares.

13. If this Agreement shall be terminated pursuant to Section 11 hereof, the Company shall not then be under any liability to any Underwriter except as provided in Sections 7, 9 and 10 hereof; but, if for any other reason, any Shares are not delivered by or on behalf of the Company as provided herein or the Underwriters decline to purchase the Shares for any reason permitted under this Agreement, the Company will reimburse the Underwriters through you for all out-of-pocket expenses approved in writing by you, including reasonable and documented fees and disbursements of counsel, reasonably incurred by the Underwriters in making preparations for the purchase, sale and delivery of the Shares not so delivered, but the Company shall then be under no further liability to any Underwriter except as provided in Sections 7, 9 and 10 hereof.

14. In all dealings hereunder, you shall act on behalf of each of the Underwriters, and the parties hereto shall be entitled to act and rely upon any statement, request, notice or agreement on behalf of any Underwriter made or given by the Representatives.

All statements, requests, notices and agreements hereunder shall be in writing, and if to the Underwriters shall be delivered or sent by mail, telex or facsimile transmission to you as the Representatives in care of Goldman Sachs & Co. LLC, 200 West Street, New York, New York 10282-2198, Attention: Registration Department; and if to the Company shall be delivered or sent by mail, telex or facsimile transmission to the address of the Company set forth in the Registration Statement, Attention: Secretary; *provided, however*, that any notice to an Underwriter pursuant to Section 9(c) or Section 10(b) hereof shall be delivered or sent by mail, telex or facsimile transmission to such Underwriter at its address set forth in its questionnaire, or telex constituting such questionnaire, which address will be supplied to the Company by you upon request; *provided, however*, that notices under subsection 5(e) shall be in writing, and if to the Underwriters shall be delivered or sent by mail, telex or facsimile transmission to you as the Representatives in care of Goldman Sachs & Co. LLC, 200 West Street, New York, New York 10282-2198, Attention: Control Room. Any such statements, requests, notices or agreements shall take effect upon receipt thereof.

In accordance with the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)), the Underwriters are required to obtain, verify and record information that identifies their respective clients, including the Company, which information may include the name and address of their respective clients, as well as other information that will allow the underwriters to properly identify their respective clients.

15. In the event that any Underwriter that is a Covered Entity becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer from such Underwriter of this Agreement, and any interest and obligation in or under this Agreement, will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if this Agreement, and any such interest and obligation, were governed by the laws of the United States or a state of the United States. In the event that any Underwriter that is a Covered Entity or a BHC Act Affiliate of such Underwriter becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under this Agreement that may be exercised against such Underwriter are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if this Agreement were governed by the laws of the United States or a state of the United States. For purposes of this Section 15, a "BHC Act Affiliate" has the meaning assigned to the term "affiliate" in, and shall be interpreted in accordance with, 12 U.S.C. § 1841(k). "Covered Entity" means any of the following: (i) a "covered entity" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b); (ii) a "covered bank" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or (iii) a "covered FSI" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b). "Default

Right” has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable. “U.S. Special Resolution Regime” means each of (i) the Federal Deposit Insurance Act and the regulations promulgated thereunder and (ii) Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the regulations promulgated thereunder.

16. This Agreement shall be binding upon, and inure solely to the benefit of, the Underwriters, the Company and, to the extent provided in Sections 9 and 12 hereof, the officers and directors of the Company and each person who controls the Company or any Underwriter, and their respective heirs, executors, administrators, successors and assigns, and no other person shall acquire or have any right under or by virtue of this Agreement. No purchaser of any of the Shares from any Underwriter shall be deemed a successor or assign by reason merely of such purchase.

17. Time shall be of the essence of this Agreement. As used herein, the term “business day” shall mean any day when the Commission’s office in Washington, D.C. is open for business.

18. The Company acknowledges and agrees that (i) the purchase and sale of the Shares pursuant to this Agreement is an arm’s-length commercial transaction between the Company, on the one hand, and the several Underwriters, on the other, (ii) in connection therewith and with the process leading to such transaction each Underwriter is acting solely as a principal and not the agent or fiduciary of the Company, (iii) no Underwriter has assumed an advisory or fiduciary responsibility in favor of the Company with respect to the offering contemplated hereby or the process leading thereto (irrespective of whether such Underwriter has advised or is currently advising the Company on other matters) or any other obligation to the Company except the obligations expressly set forth in this Agreement, (iv) the Company has consulted its own legal and financial advisors to the extent it deemed appropriate and (v) none of the activities of the Underwriters in connection with the transactions contemplated herein constitute a recommendation, investment advice, or solicitation of any action by the Underwriters with respect to any entity or natural person. The Company agrees that it will not claim that the Underwriters, or any of them, has rendered advisory services of any nature or respect, or owes a fiduciary or similar duty to the Company, in connection with such transaction or the process leading thereto.

19. This Agreement supersedes all prior agreements and understandings (whether written or oral) between the Company and the Underwriters, or any of them, with respect to the subject matter hereof.

20. This Agreement and any transaction contemplated by this Agreement and any claim, controversy or dispute arising under or related thereto shall be governed by and construed in accordance with the laws of the State of New York without regard to principles of conflict of laws that would result in the application of any law other than the laws of the State of New York. The Company agrees that any suit, action or proceeding arising in respect of this Agreement or any transaction contemplated by this Agreement (“Related Proceedings”) will be tried exclusively in the U.S. District Court for the Southern District of New York or, if that court does not have subject matter jurisdiction, in any state court located in The City and County of New York (collectively, the “Specified Courts”) and the Company agrees to submit to the jurisdiction of, and to venue in, such courts in any such suit, action or proceeding (except for proceedings instituted in regard to the enforcement of a judgment of any such court (a “Related Judgment”), as to which such jurisdiction is non-exclusive).

21. The Company and each of the Underwriters hereby irrevocably waives, to the fullest extent permitted by applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to this Agreement or any Related Proceedings. The Company irrevocably appoints Global-e US Inc., as its authorized agent upon which process may be served in any such suit or proceeding, and agree that service of process upon such agent, and written notice of said service to the Company by the person serving the same to the address provided in Section 14 shall be deemed in every respect effective service of process upon the Company in any such suit or proceeding. The Company further agrees to take any and all actions as may be necessary to maintain such designation and appointment of such agent in full force and effect for a period of no less than seven years from the date of this Agreement.

22. With respect to any Related Proceedings, the Company and each of the Underwriters irrevocably waives, to the fullest extent permitted by applicable law, all immunity (whether on the basis of sovereignty or otherwise) from jurisdiction, service of process, attachment (both before and after judgment) and execution to which it might otherwise be entitled in the Specified Courts, and with respect to any Related Judgment, each party waives any such immunity in the Specified Courts or any other court of competent jurisdiction, and will not raise or claim or cause to be pleaded any such immunity at or in respect of any such Related Proceedings or Related Judgment, including, without limitation, any immunity pursuant to the United States Foreign Sovereign Immunities Act of 1976, as amended, and the Israeli Foreign States Immunity Law, 5769-2008, as amended.

23. The obligations of the Company pursuant to this Agreement in respect of any sum due to any Underwriter shall, notwithstanding any judgment in a currency other than United States dollars, not be discharged until the first business day, following receipt by any Underwriter of any sum adjudged to be so due in such other currency, on which such Underwriter may in accordance with normal banking procedures purchase United States dollars with such other currency. If the United States dollars so purchased are less than the sum originally due to such Underwriter in United States dollars hereunder, the Company agrees as a separate obligation and notwithstanding any such judgment, to indemnify such Underwriter against such loss. If the United States dollars so purchased are greater than the sum originally due to such Underwriter hereunder, such Underwriter agrees to pay to the Company an amount equal to the excess of the United States dollars so purchased over the sum originally due to such Underwriter hereunder.

24. Assuming that (A) the Underwriters are not subject to taxation in the State of Israel due to Israeli tax residence or the existence of a permanent establishment in Israel or any presence, including through an Israeli Affiliate, or due to any former connection between the Underwriters and Israel, and (B) the Underwriters' services under this Agreement will be performed entirely outside of Israel, all payments (including payments in kind, such as issuance, sale and delivery of Shares by the Company to the Underwriters and the initial sale and delivery of Shares by the Underwriters to purchasers thereof) made or deemed to be made by or on behalf of the Company under this Agreement shall be exclusive of any value added tax or any other tax of a similar nature ("VAT") which is chargeable thereon. If any VAT is or becomes chargeable in respect of any such payment or deemed payment, the Company shall pay in addition the amount of such VAT.

25. All payments made or deemed to be made by the Company to the Underwriters or their respective affiliates, directors, officers, employees and agents or to any person controlling any Underwriter under this Agreement, if any, will be made without withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature (other than taxes on net income or similar taxes) imposed or levied by or on behalf of the State of Israel or of any other jurisdiction in which the Company is organized or incorporated, engaged in business for tax purposes or is otherwise resident for tax purposes or has a permanent establishment, any jurisdiction from or through which a payment is made by or on behalf of the Company, or any political subdivision, authority or agency in or of any of the foregoing having power to tax, unless the Company is or becomes required by law to withhold or deduct such taxes, duties, assessments or other governmental charges. In such event, the Company will pay such additional amounts as will result, after such withholding or deduction, in the receipt by each Underwriter of the amounts that would otherwise have been receivable had such deduction or withholding not been required. If reasonably requested by the Company, the Underwriters shall reasonably cooperate with the Company, by providing reasonably required information for the Company to obtain an exemption certificate from withholding or deduction in connection with the payments under this Agreement. Notwithstanding anything to the contrary herein, in no event shall the Company be liable to (or pay additional amounts with respect to) any taxes, duties, assessments governmental charges, withholding or deduction imposed on an Underwriter by the State of Israel or any other relevant jurisdiction or any political subdivision or taxing authority thereof or therein as a result of the Underwriter being (currently or in the past) a tax resident of or having a permanent establishment or an Israeli Affiliate in the jurisdiction imposing the tax or as a result of any present or former connection (other than any connection resulting from the transactions contemplated by this Agreement) between the Underwriter and the jurisdiction imposing such tax, withholding or deductions.

26. This Agreement may be executed by any one or more of the parties hereto in any number of counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including any electronic signature covered by the U.S. federal E-SIGN Act of 2000, Uniform Electronic Transactions Act, the Electronic Signatures and Records Act or other applicable law, e.g., [www.docusign.com](http://www.docusign.com)) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

27. Notwithstanding anything herein to the contrary, the Company is authorized to disclose to any persons the U.S. federal and state, Israeli, foreign or other income tax treatment and tax structure of the potential transaction and all materials of any kind (including tax opinions and other tax analyses) provided to the Company relating to that treatment and structure, without the Underwriters imposing any limitation of any kind. However, any information relating to the tax treatment and tax structure shall remain confidential (and the foregoing sentence shall not apply) to the extent necessary to enable any person to comply with securities laws. For this purpose, "tax structure" is limited to any facts that may be relevant to that treatment.

*[Signature page follows]*

If the foregoing is in accordance with your understanding, please sign and return to us counterparts hereof, and upon the acceptance hereof by you, on behalf of each of the Underwriters, this letter and such acceptance hereof shall constitute a binding agreement between each of the Underwriters and the Company. It is understood that your acceptance of this letter on behalf of each of the Underwriters is pursuant to the authority set forth in a form of Agreement among Underwriters, the form of which shall be submitted to the Company for examination upon request, but without warranty on your part as to the authority of the signers thereof.

Very truly yours,

**Global-E Online Ltd.**

By: \_\_\_\_\_  
Name:  
Title:

Accepted as of the date hereof:

**Goldman Sachs & Co. LLC**

By: \_\_\_\_\_  
Name:  
Title:

**Morgan Stanley & Co. LLC**

By: \_\_\_\_\_  
Name:  
Title:

**Jefferies LLC**

By: \_\_\_\_\_  
Name:  
Title:

On behalf of each of the Underwriters

*[Signature Page to Underwriting Agreement]*

SCHEDULE I

<u>Underwriter</u>	<u>Total Number of Firm Shares to be Purchased</u>	<u>Number of Optional Shares to be Purchased if Maximum Option Exercised</u>
Goldman Sachs & Co. LLC		
Morgan Stanley & Co. LLC		
Jefferies LLC		
Piper Sandler & Co.		
JMP Securities LLC		
KeyBanc Capital Markets Inc.		
Raymond James & Associates, Inc.		
Total	<u>                    </u>	<u>                    </u>

**SCHEDULE II**

- (a) Issuer Free Writing Prospectuses not included in the Pricing Disclosure Package:  
Electronic roadshow dated [•], 2021
- (b) Additional documents incorporated by reference:  
N/A
- (c) Information other than the Pricing Prospectus that comprise the Pricing Disclosure Package:  
Initial public offering price per ordinary share: \$[•]  
Number of Firm Shares purchased by the Underwriters: [•]  
Number of Optional Shares: [•]
- (d) **Written Testing-the-Waters Communications:**  
[None]

Sch.II-1



**Form of Press Release****[Date]**

Global-E Online Ltd. (the "Company") announced today that Goldman Sachs & Co. LLC, the lead book-running manager in the Company's recent public sale of [•] ordinary shares, is [waiving] [releasing] a lock-up restriction with respect to [•] ordinary shares held by [certain officers or directors] [an officer or director] of the Company. The [waiver] [release] will take effect on [•], 20[•], and the shares may be sold on or after such date.

**This press release is not an offer for sale of the securities in the United States or in any other jurisdiction where such offer is prohibited, and such securities may not be offered or sold in the United States absent registration or an exemption from registration under the United States Securities Act of 1933, as amended.**

**Form of Lock-up Letter**

THE COMPANIES LAW, 1999  
A LIMITED LIABILITY COMPANY

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**AMENDED AND RESTATED  
ARTICLES OF ASSOCIATION  
OF  
Global-E Online LTD.**

As Adopted on March, 2021

**PRELIMINARY**

1. **DEFINITIONS; INTERPRETATION.**

(a) In these Articles, the following terms (whether or not capitalized) shall bear the meanings set forth opposite them, respectively, unless the subject or context requires otherwise.

“Articles”	shall mean these Amended and Restated Articles of Association, as amended from time to time.
“Board of Directors”	shall mean the Board of Directors of the Company.
“Chairperson”	shall mean the Chairperson of the Board of Directors, or the Chairperson of the General Meeting, as the context implies;
“Companies Law”	shall mean the Israeli Companies Law, 5759-1999, and the regulations promulgated thereunder. The Companies Law shall include reference to the Companies Ordinance (New Version), 5743-1983, of the State of Israel, to the extent in effect according to the provisions thereof.
“Company”	shall mean <b>Global-E Online Ltd.</b>
“Director(s)”	shall mean the member(s) of the Board of Directors holding office at a given time.
“Economic Competition Law”	shall mean the Israeli Economic Competition Law, 5758-1988, and the regulations promulgated thereunder.
“External Director(s)”	shall have the meaning provided for such term in the Companies Law.
“General Meeting”	shall mean an Annual General Meeting or Special General Meeting of the Shareholders (each as defined in Article 23 of these Articles), as the case may be.
“NIS”	shall mean New Israeli Shekels.
“Office”	shall mean the registered office of the Company at any given time.
“Office Holder” or “Officer”	shall have the meaning provided for such term in the Companies Law.
“Securities Law”	shall mean the Israeli Securities Law, 5728-1968, and the regulations promulgated thereunder.
“Shareholder(s)”	shall mean the shareholder(s) of the Company, at any given time.

(b) Unless the context shall otherwise require: words in the singular shall also include the plural, and vice versa; any pronoun shall include the corresponding masculine, feminine and

neuter forms; the words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”; the words “herein”, “hereof” and “hereunder” and words of similar import refer to these Articles in their entirety and not to any part hereof; all references herein to Articles or clauses shall be deemed references to Articles or clauses of these Articles; any references to any agreement or other instrument or law, statute or regulation are to it as amended, supplemented or restated, from time to time (and, in the case of any law, to any successor provisions or re-enactment or modification thereof being in force at the time); any reference to “law” shall include any law (*‘din’*) as defined in the Interpretation Law, 5741-1981, and any applicable supranational, national, federal, state, local, or foreign statute or law and shall be deemed also to refer to all rules and regulations promulgated thereunder; any reference to a “day” or a number of “days” (without any explicit reference otherwise, such as to business days) shall be interpreted as a reference to a calendar day or number of calendar days; any reference to a business day shall mean each calendar day other than any calendar day on which commercial banks Tel-Aviv, Israel are authorized or required by applicable law to close; reference to a month or year means according to the Gregorian calendar; any reference to a “Person” shall mean any individual, partnership, corporation, limited liability company, association, estate, any political, governmental, regulatory or similar agency or body, or other legal entity; and reference to “written” or “in writing” shall include written, printed, photocopied, typed, any electronic communication (including email, facsimile, signed electronically (in Adobe PDF, DocuSign or any other format)) or produced by any visible substitute for writing, or partly one and partly another, and signed shall be construed accordingly.

(c) The captions in these Articles are for convenience only and shall not be deemed a part hereof or affect the construction or interpretation of any provision hereof.

(d) The specific provisions of these Articles shall supersede the provisions of the Companies Law to the extent permitted thereunder.

#### **LIMITED LIABILITY**

2. The Company is a limited liability company and each Shareholder’s liability for the Company’s debts is therefore limited (in addition to any liabilities under any contract) to the payment of the full amount (par value (if any) and premium) such Shareholder was required to pay the Company for such Shareholder’s Shares (as defined below) and which amount has not yet been paid by such Shareholder.

#### **COMPANY’S OBJECTIVES**

3. **OBJECTIVES.**

The Company’s objectives are to carry on any business, and do any act, which is not prohibited by law.

4. **DONATIONS.**

The Company may donate a reasonable amount of money (in cash or in kind, including the Company’s securities) to worthy purposes, as the Board of Directors may determine in its discretion, even if such donations are not made on the basis or within the scope of business considerations of the Company.

#### **SHARE CAPITAL**

5. **AUTHORIZED SHARE CAPITAL.**

- (a) The authorized share capital of the Company shall consist of 300,000,000 Ordinary Shares without par value (the “Shares”).
- (b) The Shares shall rank *pari passu* in all respects. The Shares may be redeemable to the extent set forth in Article 18.

6. **INCREASE OF AUTHORIZED SHARE CAPITAL.**

(a) The Company may, from time to time, by a Shareholders' resolution, whether or not all of the shares then authorized have been issued, and whether or not all of the shares theretofore issued have been called up for payment, increase its authorized share capital by increasing the number of shares it is authorized to issue by such amount, and such additional shares shall confer such rights and preferences, and shall be subject to such restrictions, as such resolution shall provide.

(b) Except to the extent otherwise provided in such resolution, any new shares included in the authorized share capital increase as aforesaid shall be subject to all of the provisions of these Articles that are applicable to shares that are included in the existing share capital.

7. **SPECIAL OR CLASS RIGHTS; MODIFICATION OF RIGHTS.**

(a) The Company may, from time to time, by a Shareholders' resolution, provide for shares with such preferred or deferred rights or other special rights and/or such restrictions, whether in regard to dividends, voting, repayment of share capital or otherwise, as may be stipulated in such resolution.

(b) If at any time the share capital of the Company is divided into different classes of shares, the rights attached to any class, unless otherwise provided by these Articles, may be modified or cancelled by the Company by a resolution of the General Meeting of the holders of all shares as one class, without any required separate resolution of any class of shares.

(c) The provisions of these Articles relating to General Meetings shall apply, *mutatis mutandis*, to any separate General Meeting of the holders of the shares of a particular class, it being clarified that the requisite quorum at any such separate General Meeting shall be two or more Shareholders present in person or by proxy and holding not less than thirty-three and one-third percent (33 $\frac{1}{3}$ %) of the issued shares of such class, provided, however, that if (i) such separate General Meeting of the holders of the particular class was initiated by and convened pursuant to a resolution adopted by the Board of Directors and (ii) at the time of such meeting the Company is qualified to use the forms of a "foreign private issuer" under US securities laws, then the requisite quorum at any such separate General Meeting shall be two or more Shareholders (not in default in payment of any sum referred to in Article 13 hereof) present in person or by proxy and holding not less than twenty-five percent (25%) of the issued shares of such class. For the purpose of determining the quorum present at such General Meeting, a proxy may be deemed to be two (2) or more Shareholders pursuant to the number of Shareholders represented by the proxy holder.

(d) Unless otherwise provided by these Articles, an increase in the authorized share capital, the creation of a new class of shares, an increase in the authorized share capital of a class of shares, or the issuance of additional shares thereof out of the authorized and unissued share capital, shall not be deemed, for purposes of this Article 7, to modify or derogate or cancel the rights attached to previously issued shares of such class or of any other class.

8. **CONSOLIDATION, DIVISION, CANCELLATION AND REDUCTION OF SHARE CAPITAL.**

(a) The Company may, from time to time, by or pursuant to an authorization of a Shareholders' resolution, and subject to applicable law:

(i) consolidate all or any part of its issued or unissued authorized share capital;

(ii) divide or sub-divide its shares (issued or unissued) or any of them and the resolution whereby any share is divided may determine that, as among the holders of the shares resulting from such subdivision, one or more of the shares may, in contrast to others, have any such preferred or deferred rights or rights of redemption or other special rights, or be subject to any such restrictions, as the Company may attach to unissued or new shares;

(iii) cancel any authorized shares which, at the date of the adoption of such resolution, have not been issued to any person nor has the Company made any commitment, including a conditional commitment, to issue such shares, and reduce the amount of its share capital by the amount of the shares so canceled; or

(iv) reduce its share capital in any manner.

(b) With respect to any consolidation of issued shares and with respect to any other action which may result in fractional shares, the Board of Directors may settle any difficulty which may arise with regard thereto, as it deems fit, and, in connection with any such consolidation or other action which could result in fractional shares, may, without limiting its aforesaid power:

(i) determine, as to the holder of shares so consolidated, which issued shares shall be consolidated;

(ii) issue, in contemplation of or subsequent to such consolidation or other action, shares sufficient to preclude or remove fractional share holdings;

(iii) redeem such shares or fractional shares sufficient to preclude or remove fractional share holdings;

(iv) round up, round down or round to the nearest whole number, any fractional shares resulting from the consolidation or from any other action which may result in fractional shares; or

(v) cause the transfer of fractional shares by certain Shareholders of the Company to other Shareholders thereof so as to most expediently preclude or remove any fractional shareholdings, and cause the transferees of such fractional shares to pay the transferors thereof the fair value thereof, and the Board of Directors is hereby authorized to act in connection with such transfer, as agent for the transferors and transferees of any such fractional shares, with full power of substitution, for the purposes of implementing the provisions of this sub-Article 8(b)(v).

9. **ISSUANCE OF SHARE CERTIFICATES, REPLACEMENT OF LOST CERTIFICATES.**

(a) To the extent that the Board of Directors determines that all shares shall be certificated or, if the Board of Directors does not so determine, to the extent that any Shareholder requests a share certificate or the Company's transfer agent so requires, share certificates shall be issued under the corporate seal of the Company or its written, typed or stamped name and shall bear the signature of one Director, the Company's Chief Executive Officer, or any person or persons authorized therefor by the Board of Directors. Signatures may be affixed in any mechanical or electronic form, as the Board of Directors may prescribe.

(b) Subject to the provisions of Article 9(a), each Shareholder shall be entitled to one numbered certificate for all of the shares of any class registered in his or her name. Each certificate shall specify the serial numbers of the shares represented thereby and may also specify the amount paid up thereon. The Company (as determined by an officer of the Company to be designated by the Chief Executive Officer) shall not refuse a request by a Shareholder to obtain several certificates in place of one certificate, unless such request is, in the opinion of such officer, unreasonable. Where a Shareholder has sold or transferred a portion of such Shareholder's shares, such Shareholder shall be entitled to receive a certificate in respect of such Shareholder's remaining shares, provided that the previous certificate is delivered to the Company before the issuance of a new certificate.

(c) A share certificate registered in the names of two or more persons shall be delivered to the person first named in the Register of Shareholders in respect of such co-ownership.

(d) A share certificate which has been defaced, lost or destroyed, may be replaced, and the Company shall issue a new certificate to replace such defaced, lost or destroyed certificate upon payment of such fee, and upon the furnishing of such evidence of ownership and such indemnity, as the Board of Directors in its discretion deems fit.

10. **REGISTERED HOLDER.**

Except as otherwise provided in these Articles or the Companies Law, the Company shall be entitled to treat the registered holder of each share as the absolute owner thereof, and accordingly, shall not, except as ordered by a court of competent jurisdiction, or as required by the Companies Law, be obligated to recognize any equitable or other claim to, or interest in, such share on the part of any other person.

11. **ISSUANCE AND REPURCHASE OF SHARES.**

(a) The unissued shares from time to time shall be under the control of the Board of Directors (and, to the extent permitted by law, any Committee thereof), which shall have the power to issue or otherwise dispose of shares and of securities convertible or exercisable into or other rights to acquire from the Company to such persons, on such terms and conditions (including, inter alia, price, with or without premium, discount or commission, and terms relating to calls set forth in Article 13(f) hereof), and at such times, as the Board of Directors (or the Committee, as the case may be) deems fit, and the power to give to any person the option to acquire from the Company any shares or securities convertible or exercisable into or other rights to acquire from the Company on such terms and conditions (including, inter alia, price, with or without premium, discount or commission), during such time as the Board of Directors (or the Committee, as the case may be) deems fit.

(b) The Company may at any time and from time to time, subject to the Companies Law, repurchase or finance the purchase of any shares or other securities issued by the Company, in such manner and under such terms as the Board of Directors shall determine, whether from any one or more Shareholders. Such purchase shall not be deemed as payment of dividends and as such, no Shareholder will have the right to require the Company to purchase his or her shares or offer to purchase shares from any other Shareholders.

12. **PAYMENT IN INSTALLMENT.**

If pursuant to the terms of issuance of any share, all or any portion of the price thereof shall be payable in installments, every such installment shall be paid to the Company on the due date thereof by the then registered holder(s) of the share or the person(s) then entitled thereto.

13. **CALLS ON SHARES.**

(a) The Board of Directors may, from time to time, as it, in its discretion, deems fit, make calls for payment upon Shareholders in respect of any sum (including premium) which has not been paid up in respect of shares held by such Shareholders and which is not, pursuant to the terms of issuance of such shares or otherwise, payable at a fixed time, and each Shareholder shall pay the amount of every call so made upon him or her (and of each installment thereof if the same is payable in installments), to the person(s) and at the time(s) and place(s) designated by the Board of Directors, as any such times may be thereafter extended and/or such person(s) or place(s) changed. Unless otherwise stipulated in the resolution of the Board of Directors (and in the notice hereafter referred to), each payment in response to a call shall be deemed to constitute a pro rata payment on account of all the shares in respect of which such call was made.

(b) Notice of any call for payment by a shareholder shall be given in writing to such shareholder not less than fourteen (14) days prior to the time of payment fixed in such notice, and shall specify the time and place of payment, and the person to whom such payment is to be made. Prior to the time for any such payment fixed in a notice of a call given to a shareholder, the Board of Directors may in its absolute discretion, by notice in writing to such shareholder, revoke such call in whole or in part, extend the time fixed for payment thereof, or designate a different place of payment or person to whom payment is to be made. In the event of a call payable in installments, only one notice thereof need be given.

(c) If pursuant to the terms of issuance of a share or otherwise, an amount is made payable at a fixed time, such amount shall be payable at such time as if it were payable by virtue of a call made by the Board of Directors and for which notice was given in accordance with paragraphs (a) and (b) of this Article 13, and the provision of these Articles with regard to calls (and the non-payment thereof) shall be applicable to such amount or such installment (and the non-payment thereof).

(d) Joint holders of a share shall be jointly and severally liable to pay all calls for payment in respect of such share and all interest payable thereon.

(e) Any amount called for payment which is not paid when due shall bear interest from the date fixed for payment until actual payment thereof, at such rate (not exceeding the then prevailing debitory rate charged by leading commercial banks in Israel), and payable at such time(s) as the Board of Directors may prescribe.

(f) Upon the issuance of shares, the Board of Directors may provide for differences among the holders of such shares as to the amounts and times for payment of calls for payment in respect of such shares.

14. **PREPAYMENT.**

With the approval of the Board of Directors, any shareholder may pay to the Company any amount not yet payable in respect of his or her shares, and the Board of Directors may approve the payment by the Company of interest on any such amount until the same would be payable if it had not been paid in advance, at such rate and time(s) as may be approved by the Board of Directors. The Board of Directors may at any time cause the Company to repay all or any part of the money so advanced, without premium or penalty. Nothing in this Article 14 shall derogate from the right of the Board of Directors to make any call for payment before or after receipt by the Company of any such advance.

15. **FORFEITURE AND SURRENDER.**

(a) If any shareholder fails to pay an amount payable by virtue of a call, installment or interest thereon as provided for in accordance herewith, on or before the day fixed for payment of the same, the Board of Directors may at any time after the day fixed for such payment, so long as such amount (or any portion thereof) or interest thereon (or any portion thereof) remains unpaid, forfeit all or any of the shares in respect of which such payment was called for. All expenses incurred by the Company in attempting to collect any such amount or interest thereon, including, without limitation, attorneys' fees and costs of legal proceedings, shall be added to, and shall, for all purposes (including the accrual of interest thereon) constitute a part of, the amount payable to the Company in respect of such call.

(b) Upon the adoption of a resolution as to the forfeiture of a Shareholder's share, the Board of Directors shall cause notice thereof to be given to such shareholder, which notice shall state that, in the event of the failure to pay the entire amount so payable by a date specified in the notice (which date shall be not less than fourteen (14) days after the date such notice is given and which may be extended by the Board of Directors), such shares shall be ipso facto forfeited, provided, however, that, prior to such date, the Board of Directors may cancel such resolution of forfeiture, but no such cancellation shall stop the Board of Directors from adopting a further resolution of forfeiture in respect of the non-payment of the same amount.

(c) Without derogating from Articles 51 and 55 hereof, whenever shares are forfeited as herein provided, all dividends, if any, theretofore declared in respect thereof and not actually paid shall be deemed to have been forfeited at the same time.

(d) The Company, by resolution of the Board of Directors, may accept the voluntary surrender of any share.

(e) Any share forfeited or surrendered as provided herein, shall become the property of the Company as a dormant share, and the same, subject to the provisions of these Articles, may be sold, re-issued or otherwise disposed of as the Board of Directors deems fit.



(f) Any person whose shares have been forfeited or surrendered shall cease to be a shareholder in respect of the forfeited or surrendered shares, but shall, notwithstanding, be liable to pay, and shall forthwith pay, to the Company, all calls, interest and expenses owing upon or in respect of such shares at the time of forfeiture or surrender, together with interest thereon from the time of forfeiture or surrender until actual payment, at the rate prescribed in Article 13(e) above, and the Board of Directors, in its discretion, may, but shall not be obligated to, enforce or collect the payment of such amounts, or any part thereof, as it shall deem fit. In the event of such forfeiture or surrender, the Company, by resolution of the Board of Directors, may accelerate the date(s) of payment of any or all amounts then owing to the Company by the person in question (but not yet due) in respect of all shares owned by such shareholder, solely or jointly with another.

(g) The Board of Directors may at any time, before any share so forfeited or surrendered shall have been sold, re-issued or otherwise disposed of, nullify the forfeiture or surrender on such conditions as it deems fit, but no such nullification shall stop the Board of Directors from re-exercising its powers of forfeiture pursuant to this Article 15.

16. **LIEN.**

(a) Except to the extent the same may be waived or subordinated in writing, the Company shall have a first and paramount lien upon all the shares registered in the name of each shareholder (without regard to any equitable or other claim or interest in such shares on the part of any other person), and upon the proceeds of the sale thereof, for his or her debts, liabilities and engagements to the Company arising from any amount payable by such shareholder in respect of any unpaid or partly paid share, whether or not such debt, liability or engagement has matured. Such lien shall extend to all dividends from time to time declared or paid in respect of such share. Unless otherwise provided, the registration by the Company of a transfer of shares shall be deemed to be a waiver on the part of the Company of the lien (if any) existing on such shares immediately prior to such transfer.

(b) The Board of Directors may cause the Company to sell a share subject to such a lien when the debt, liability or engagement giving rise to such lien has matured, in such manner as the Board of Directors deems fit, but no such sale shall be made unless such debt, liability or engagement has not been satisfied within fourteen (14) days after written notice of the intention to sell shall have been served on such shareholder, his or her executors or administrators.

(c) The net proceeds of any such sale, after payment of the costs and expenses thereof or ancillary thereto, shall be applied in or toward satisfaction of the debts, liabilities or engagements of such shareholder in respect of such share (whether or not the same have matured), and the remaining proceeds (if any) shall be paid to the shareholder, his or her executors, administrators or assigns.

17. **SALE AFTER FORFEITURE OR SURRENDER OR FOR ENFORCEMENT OF LIEN.**

Upon any sale of a share after forfeiture or surrender or for enforcing a lien, the Board of Directors may appoint any person to execute an instrument of transfer of the share so sold and cause the purchaser's name to be entered in the Register of Shareholders in respect of such share. The purchaser shall be registered as the shareholder and shall not be bound to see to the regularity of the sale proceedings, or to the application of the proceeds of such sale, and after his or her name has been entered in the Register of Shareholders in respect of such share, the validity of the sale shall not be impeached by any person, and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

18. **REDEEMABLE SHARES.**

The Company may, subject to applicable law, issue redeemable shares or other securities and redeem the same upon terms and conditions to be set forth in a written agreement between the Company and the holder of such shares or in their terms of issuance.

## TRANSFER OF SHARES

### 19. REGISTRATION OF TRANSFER.

No transfer of shares shall be registered unless a proper writing or instrument of transfer (in any customary form or any other form satisfactory to the Board of Directors or an officer of the Company to be designated by the Chief Executive Officer) has been submitted to the Company (or its transfer agent), together with any share certificate(s) and such other evidence of title as the Board of Directors or an officer of the Company to be designated by the Chief Executive Officer may require. Notwithstanding anything to the contrary herein, shares registered in the name of The Depository Trust Company or its nominee shall be transferrable in accordance with the policies and procedures of The Depository Trust Company. Until the transferee has been registered in the Register of Shareholders in respect of the shares so transferred, the Company may continue to regard the transferor as the owner thereof. The Board of Directors, may, from time to time, prescribe a fee for the registration of a transfer, and may approve other methods of recognizing the transfer of shares in order to facilitate the trading of the Company's shares on the Nasdaq Stock Market or on any other stock exchange on which the Company's shares are then listed for trading.

### 20. SUSPENSION OF REGISTRATION.

The Board of Directors may, in its discretion to the extent it deems necessary, close the Register of Shareholders of registration of transfers of shares for a period determined by the Board of Directors, and no registrations of transfers of shares shall be made by the Company during any such period during which the Register of Shareholders is so closed.

## TRANSMISSION OF SHARES

### 21. DECEDENTS' SHARES.

Upon the death of a Shareholder, the Company shall recognize the custodian or administrator of the estate or executor of the will, and in the absence of such, the lawful heirs of the Shareholder, as the only holders of the right for the shares of the deceased Shareholder, after receipt of evidence to the entitlement thereto, as determined by the Board of Directors or an officer of the Company to be designated by the Chief Executive Officer.

### 22. RECEIVERS AND LIQUIDATORS.

(a) The Company may recognize any receiver, liquidator or similar official appointed to wind-up, dissolve or otherwise liquidate a corporate Shareholder, and a trustee, manager, receiver, liquidator or similar official appointed in bankruptcy or in connection with the reorganization of, or similar proceeding with respect to a Shareholder or its properties, as being entitled to the shares registered in the name of such Shareholder.

(b) Such receiver, liquidator or similar official appointed to wind-up, dissolve or otherwise liquidate a corporate Shareholder and such trustee, manager, receiver, liquidator or similar official appointed in bankruptcy or in connection with the reorganization of, or similar proceedings with respect to a Shareholder or its properties, upon producing such evidence as the Board of Directors (or an officer of the Company to be designated by the Chief Executive Officer) may deem sufficient as to his or her authority to act in such capacity or under this Article, shall with the consent of the Board of Directors or an officer of the Company to be designated by the Chief Executive Officer (which the Board of Directors or such officer may grant or refuse in its absolute discretion), be registered as a Shareholder in respect of such shares, or may, subject to the regulations as to transfer herein contained, transfer such shares.

## GENERAL MEETINGS

### 23. GENERAL MEETINGS.

(a) An annual General Meeting ("**Annual General Meeting**") shall be held at such time and at such place, either within or outside of the State of Israel, as may be determined by the Board of Directors.

(b) All General Meetings other than Annual General Meetings shall be called “**Special General Meetings**”. The Board of Directors may, at its discretion, convene a Special General Meeting at such time and place, within or outside of the State of Israel, as may be determined by the Board of Directors.

(c) If so determined by the Board of Directors, an Annual General Meeting or a Special General Meeting may be held through the use of any means of communication approved by the Board of Directors, provided all of the participating Shareholders can hear each other simultaneously. A resolution approved by use of means of communications as aforesaid, shall be deemed to be a resolution lawfully adopted at such general meeting and a Shareholder shall be deemed present in person at such general meeting if attending such meeting through the means of communication used at such meeting.

24. **RECORD DATE FOR GENERAL MEETING.**

Notwithstanding any provision of these Articles to the contrary, and to allow the Company to determine the Shareholders entitled to notice of or to vote at any General Meeting or any adjournment thereof, or entitled to receive payment of any dividend or other distribution or grant of any rights, or entitled to exercise any rights in respect of or to take or be the subject of any other action, the Board of Directors may fix a record date for the General Meeting, which shall not be more than the maximum period and not less than the minimum period permitted by law. A determination of Shareholders of record entitled to notice of or to vote at a General Meeting shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for the adjourned meeting.

25. **SHAREHOLDER PROPOSAL REQUEST.**

(a) Any Shareholder or Shareholders of the Company holding at least the required percentage under the Companies Law of the voting rights of the Company which entitles such Shareholder(s) to require the Company to include a matter on the agenda of a General Meeting (the “**Proposing Shareholder(s)**”) may request, subject to the Companies Law, that the Board of Directors include a matter on the agenda of a General Meeting to be held in the future, provided that the Board of Directors determines that the matter is appropriate to be considered at a General Meeting (a “**Proposal Request**”). In order for the Board of Directors to consider a Proposal Request and whether to include the matter stated therein in the agenda of a General Meeting, notice of the Proposal Request must be timely delivered in accordance with applicable law, and the Proposal Request must comply with the requirements of these Articles (including this Article 25) and any applicable law and stock exchange rules and regulations. The Proposal Request must be in writing, signed by all of the Proposing Shareholder(s) making such request, delivered, either in person or by registered mail, postage prepaid, and received by the Secretary (or, in the absence thereof, by the Chief Executive Officer of the Company). To be considered timely, a Proposal Request must be received within the time periods prescribed by applicable law. The announcement of an adjournment or postponement of a General Meeting shall not commence a new time period (or extend any time period) for the delivery of a Proposal Request as described above. In addition to any information required to be included in accordance with applicable law, a Proposal Request must include the following: (i) the name, address, telephone number, fax number and email address of the Proposing Shareholder (or each Proposing Shareholder, as the case may be) and, if an entity, the name(s) of the person(s) that controls or manages such entity; (ii) the number of Shares held by the Proposing Shareholder(s), directly or indirectly (and, if any of such Shares are held indirectly, an explanation of how they are held and by whom), which shall be in such number no less than as is required to qualify as a Proposing Shareholder, accompanied by evidence satisfactory to the Company of the record holding of such Shares by the Proposing Shareholder(s) as of the date of the Proposal Request; (iii) the matter requested to be included on the agenda of a General Meeting, all information related to such matter, the reason that such matter is proposed to be brought before the General Meeting, the complete text of the resolution that the Proposing Shareholder proposes to be voted upon at the General Meeting, and a representation that the Proposing Shareholder(s) intend to appear in person or by proxy at the meeting; (iv) a description of all arrangements or

understandings between the Proposing Shareholders and any other Person(s) (naming such Person or Persons) in connection with the matter that is requested to be included on the agenda and a declaration signed by all Proposing Shareholder(s) of whether any of them has a personal interest in the matter and, if so, a description in reasonable detail of such personal interest; (v) a description of all Derivative Transactions (as defined below) by each Proposing Shareholder(s) during the previous twelve (12) month period, including the date of the transactions and the class, series and number of securities involved in, and the material economic terms of, such Derivative Transactions; and (vi) a declaration that all of the information that is required under the Companies Law and any other applicable law and stock exchange rules and regulations to be provided to the Company in connection with such matter, if any, has been provided to the Company. The Board of Directors, may, in its discretion, to the extent it deems necessary, request that the Proposing Shareholder(s) provide additional information necessary so as to include a matter in the agenda of a General Meeting, as the Board of Directors may reasonably require.

A “**Derivative Transaction**” means any agreement, arrangement, interest or understanding entered into by, or on behalf or for the benefit of, any Proposing Shareholder or any of its affiliates or associates, whether of record or beneficial: (1) the value of which is derived in whole or in part from the value of any class or series of shares or other securities of the Company, (2) which otherwise provides any direct or indirect opportunity to gain or share in any gain derived from a change in the value of securities of the Company, (3) the effect or intent of which is to mitigate loss, manage risk or benefit of security value or price changes, or (4) which provides the right to vote or increase or decrease the voting power of, such Proposing Shareholder, or any of its affiliates or associates, with respect to any shares or other securities of the Company, which agreement, arrangement, interest or understanding may include, without limitation, any option, warrant, debt position, note, bond, convertible security, swap, stock appreciation right, short position, profit interest, hedge, right to dividends, voting agreement, performance-related fee or arrangement to borrow or lend shares (whether or not subject to payment, settlement, exercise or conversion in any such class or series), and any proportionate interest of such Proposing Shareholder in the securities of the Company held by any general or limited partnership, or any limited liability company, of which such Proposing Shareholder is, directly or indirectly, a general partner or managing member.

(b) The information required pursuant to this Article shall be updated as of (i) the record date of the General Meeting, (ii) five business days before the General Meeting, and (iii) as of the General Meeting, and any adjournment or postponement thereof.

(c) The provisions of Articles 25(a) and 25(b) shall apply, *mutatis mutandis*, on any matter to be included on the agenda of a Special General Meeting which is convened pursuant to a request of a Shareholder duly delivered to the Company in accordance with the Companies Law.

(d) Notwithstanding anything to the contrary herein, this Article 25 may only be amended, replaced or suspended by a resolution adopted at a General Meeting by a majority of at least 70% of the total voting power of the Shareholders.

26. **NOTICE OF GENERAL MEETINGS; OMISSION TO GIVE NOTICE.**

(a) The Company is not required to give notice of a General Meeting, subject to any mandatory provision of the Companies Law.

(b) The accidental omission to give notice of a General Meeting to any Shareholder, or the non-receipt of notice sent to such Shareholder, shall not invalidate the proceedings at such meeting or any resolution adopted thereat.

(c) No Shareholder present, in person or by proxy, at any time during a General Meeting shall be entitled to seek the cancellation or invalidation of any proceedings or resolutions adopted at such General Meeting on account of any defect in the notice of such meeting relating to the time or the place thereof, or any item acted upon at such meeting.

(d) In addition to any places at which the Company may make available for review by Shareholders the full text of the proposed resolutions to be adopted at a General Meeting, as required by the Companies Law, the Company may add additional places for Shareholders to review such proposed resolutions, including an internet site.

#### PROCEEDINGS AT GENERAL MEETINGS

27. **QUORUM.**

(a) No business shall be transacted at a General Meeting, or at any adjournment thereof, unless the quorum required under these Articles for such General Meeting or such adjourned meeting, as the case may be, is present when the meeting proceeds to business.

(b) In the absence of contrary provisions in these Articles, the requisite quorum for any General Meeting shall be two or more Shareholders (not in default in payment of any sum referred to in Article 13 hereof) present in person or by proxy and holding shares conferring in the aggregate at least thirty-three and one-third percent (33 $\frac{1}{3}$ %) of the voting power of the Company, provided, however, that if (i) such General Meeting was initiated by and convened pursuant to a resolution adopted by the Board of Directors and (ii) at the time of such General Meeting the Company is qualified to the use forms of a "foreign private issuer" under US securities laws, then the requisite quorum shall be two or more Shareholders (not in default in payment of any sum referred to in Article 13 hereof) present in person or by proxy and holding shares conferring in the aggregate at least twenty-five percent (25%) of the voting power of the Company. For the purpose of determining the quorum present at a certain General Meeting, a proxy may be deemed to be two (2) or more Shareholders pursuant to the number of Shareholders represented by the proxy holder.

(c) If within half an hour from the time appointed for the meeting a quorum is not present, then without any further notice the meeting shall be adjourned either (i) to the same day in the next week, at the same time and place, (ii) to such day and at such time and place as indicated in the notice of such meeting, or (iii) to such day and at such time and place as the Chairperson of the General Meeting shall determine (which may be earlier or later than the date pursuant to clause (i) above). No business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting as originally called. At such adjourned meeting, if the original meeting was convened upon request under Section 63 of the Companies Law, one or more shareholders, present in person or by proxy, and holding the number of shares required for making such request, shall constitute a quorum, but in any other case any shareholder (not in default as aforesaid) present in person or by proxy, shall constitute a quorum.

28. **CHAIRPERSON OF GENERAL MEETING.**

The Chairperson of the Board of Directors shall preside as Chairperson of every General Meeting of the Company. If at any meeting the Chairperson is not present within fifteen (15) minutes after the time fixed for holding the meeting or is unwilling or unable to act as Chairperson, any of the following may preside as Chairperson of the meeting (and in the following order): a Director designated by the Board of Directors, the Chief Executive Officer, the Chief Financial Officer, the General Counsel, the Secretary or any person designated by any of the foregoing. If at any such meeting none of the foregoing persons is present or all are unwilling or unable to act as Chairperson, the Shareholders present (in person or by proxy) shall choose a Shareholder or its proxy present at the meeting to be Chairperson. The office of Chairperson shall not, by itself, entitle the holder thereof to vote at any General Meeting nor shall it entitle such holder to a second or casting vote (without derogating, however, from the rights of such Chairperson to vote as a Shareholder or proxy of a Shareholder if, in fact, he is also a Shareholder or such proxy).

29. **ADOPTION OF RESOLUTIONS AT GENERAL MEETINGS.**

(a) Except as required by the Companies Law or these Articles, including, without limitation, Article 39 below, a resolution of the Shareholders shall be adopted if approved by the holders of a simple majority of the voting power represented at the General Meeting in person or by proxy and voting thereon, as one class, and disregarding abstentions from the count of the voting power present and voting. Without limiting the generality of the foregoing, a resolution with respect to a matter or action for which the Companies Law prescribes a higher majority or pursuant to which a provision requiring a higher majority would have been deemed to have been incorporated into these Articles, but for which the Companies Law allows these Articles to provide otherwise (including, Sections 327 and 24 of the Companies Law), shall be adopted by a simple majority of the voting power represented at the General Meeting in person or by proxy and voting thereon, as one class, and disregarding abstentions from the count of the voting power present and voting.

(b) Every question submitted to a General Meeting shall be decided by a show of hands, but the Chairperson of the General Meeting may determine that a resolution shall be decided by a written ballot. A written ballot may be implemented before the proposed resolution is voted upon or immediately after the declaration by the Chairperson of the results of the vote by a show of hands. If a vote by written ballot is taken after such declaration, the results of the vote by a show of hands shall be of no effect, and the proposed resolution shall be decided by such written ballot.

(c) A defect in convening or conducting a General Meeting, including a defect resulting from the non-fulfillment of any provision or condition set forth in the Companies Law or these Articles, including with regard to the manner of convening or conducting the General Meeting, shall not disqualify any resolution passed at the General Meeting and shall not affect the discussions or decisions which took place thereat.

(d) A declaration by the Chairperson of the General Meeting that a resolution has been carried unanimously, or carried by a particular majority, or rejected, and an entry to that effect in the minute book of the Company, shall be prima facie evidence of the fact without proof of the number or proportion of the votes recorded in favor of or against such resolution.

30. **POWER TO ADJOURN.**

A General Meeting, the consideration of any matter on its agenda, or the resolution on any matter on its agenda, may be postponed or adjourned, from time to time and from place to place: (i) by the Chairperson of a General Meeting at which a quorum is present (and he shall do so if directed by the General Meeting, with the consent of the holders of a majority of the voting power represented in person or by proxy and voting on the question of adjournment), but no business shall be transacted at any such adjourned meeting except business which might lawfully have been transacted at the meeting as originally called, or a matter on its agenda with respect to which no resolution was adopted at the meeting originally called; or (ii) by the Board of Directors (whether prior to or at a General Meeting).

31. **VOTING POWER.**

Subject to the provisions of Article 32(a) and to any provision hereof conferring special rights as to voting, or restricting the right to vote, every Shareholder shall have one vote for each share held by the Shareholder of record, on every resolution, without regard to whether the vote thereon is conducted by a show of hands, by written ballot, or by any other means.

32. **VOTING RIGHTS.**

(a) No shareholder shall be entitled to vote at any General Meeting (or be counted as a part of the quorum thereat), unless all calls then payable by him or her in respect of his or her shares in the Company have been paid.

(b) A company or other corporate body being a Shareholder of the Company may duly authorize any person to be its representative at any meeting of the Company or to execute or deliver a proxy on its behalf. Any person so authorized shall be entitled to exercise on behalf of such Shareholder all the power, which the Shareholder could have exercised if it were an individual. Upon the request of the Chairperson of the General Meeting, written evidence of such authorization (in form acceptable to the Chairperson) shall be delivered to him or her.

(c) Any Shareholder entitled to vote may vote either in person or by proxy (who need not be Shareholder of the Company), or, if the Shareholder is a company or other corporate body, by representative authorized pursuant to Article 32(b) above.

(d) If two or more persons are registered as joint holders of any share, the vote of the senior who tenders a vote, in person or by proxy, shall be accepted to the exclusion of the vote(s) of the other joint holder(s). For the purpose of this Article 32(d), seniority shall be determined by the order of registration of the joint holders in the Register of Shareholders.

(e) If a Shareholder is a minor, under protection, bankrupt or legally incompetent, or in the case of a corporation, is in receivership or liquidation, it may, subject to all other provisions of these Articles and any documents or records required to be provided under these Articles, vote through his, her or its trustees, receiver, liquidator, natural guardian or another legal guardian, as the case may be, and the persons listed above may vote in person or by proxy.

#### PROXIES

#### 33. INSTRUMENT OF APPOINTMENT.

(a) An instrument appointing a proxy shall be in writing and shall be substantially in the following form:

“I \_\_\_\_\_ of \_\_\_\_\_  
*(Name of Shareholder)* *(Address of Shareholder)*  
Being a shareholder of Global-E Online Ltd. hereby appoints  
\_\_\_\_\_ of \_\_\_\_\_  
*(Name of Proxy)* *(Address of Proxy)*  
as my proxy to vote for me and on my behalf at the General Meeting of the Company to be held on the \_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ and at any adjournment(s) thereof.  
Signed this \_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

(Signature of Appointor)”

or in any usual or common form or in such other form as may be approved by the Board of Directors. Such proxy shall be duly signed by the appointor of such person’s duly authorized attorney, or, if such appointor is company or other corporate body, in the manner in which it signs documents which binds it together with a certificate of an attorney with regard to the authority of the signatories.

(b) Subject to the Companies Law, the original instrument appointing a proxy or a copy thereof certified by an attorney (and the power of attorney or other authority, if any, under which such instrument has been signed) shall be delivered to the Company (at its Office, at its principal place of business, or at the offices of its registrar or transfer agent, or at such place as notice of the meeting may specify) not less than forty eight (48) hours (or such shorter period as the notice shall specify) before the time fixed for such meeting. Notwithstanding the above, the Chairperson shall have the right to waive the time requirement provided above with respect to all instruments of proxies and to accept instruments of proxy until the beginning of a General Meeting. A document appointing a proxy shall be valid for every adjourned meeting of the General Meeting to which the document relates.

#### 34. EFFECT OF DEATH OF APPOINTOR OF TRANSFER OF SHARE AND OR REVOCATION OF APPOINTMENT.

(a) A vote cast in accordance with an instrument appointing a proxy shall be valid notwithstanding the prior death or bankruptcy of the appointing Shareholder (or of his or her attorney-in-fact, if any, who signed such instrument), or the transfer of the share in respect of which the vote is cast, unless written notice of such matters shall have been received by the Company or by the Chairperson of such meeting prior to such vote being cast.

(b) Subject to the Companies Law, an instrument appointing a proxy shall be deemed revoked (i) upon receipt by the Company or the Chairperson, subsequent to receipt by the Company of such instrument, of written notice signed by the person signing such instrument or by the Shareholder appointing such proxy canceling the appointment thereunder (or the authority pursuant to which such instrument was signed) or of an instrument appointing a different proxy (and such other documents, if any, required under Article 33(b) for such new appointment), provided such notice of cancellation or instrument appointing a different proxy were so received at the place and within the time for delivery of the instrument revoked thereby as referred to in Article 33(b) hereof, or (ii) if the appointing Shareholder is present in person at the meeting for which such instrument of proxy was delivered, upon receipt by the Chairperson of such meeting of written notice from such Shareholder of the revocation of such appointment, or if and when such Shareholder votes at such meeting. A vote cast in accordance with an instrument appointing a proxy shall be valid notwithstanding the revocation or purported cancellation of the appointment, or the presence in person or vote of the appointing Shareholder at a meeting for which it was rendered, unless such instrument of appointment was deemed revoked in accordance with the foregoing provisions of this Article 34(b) at or prior to the time such vote was cast.

#### **BOARD OF DIRECTORS**

##### **35. POWERS OF THE BOARD OF DIRECTORS.**

(a) The Board of Directors may exercise all such powers and do all such acts and things as the Board of Directors is authorized by law or as the Company is authorized to exercise and do and are not hereby or by law required to be exercised or done by the General Meeting. The authority conferred on the Board of Directors by this Article 35 shall be subject to the provisions of the Companies Law, these Articles and any regulation or resolution consistent with these Articles adopted from time to time at a General Meeting, provided, however, that no such regulation or resolution shall invalidate any prior act done by or pursuant to a decision of the Board of Directors which would have been valid if such regulation or resolution had not been adopted.

(b) Without limiting the generality of the foregoing, the Board of Directors may, from time to time, set aside any amount(s) out of the profits of the Company as a reserve or reserves for any purpose(s) which the Board of Directors, in its absolute discretion, shall deem fit, including without limitation, capitalization and distribution of bonus shares, and may invest any sum so set aside in any manner and from time to time deal with and vary such investments and dispose of all or any part thereof, and employ any such reserve or any part thereof in the business of the Company without being bound to keep the same separate from other assets of the Company, and may subdivide or re-designate any reserve or cancel the same or apply the funds therein for another purpose, all as the Board of Directors may from time to time think fit.

##### **36. EXERCISE OF POWERS OF THE BOARD OF DIRECTORS.**

(a) A meeting of the Board of Directors at which a quorum is present in accordance with Article 45 shall be competent to exercise all the authorities, powers and discretion vested in or exercisable by the Board of Directors.

(b) A resolution proposed at any meeting of the Board of Directors shall be deemed adopted if approved by a majority of the Directors present, entitled to vote and voting thereon when such resolution is put to a vote.

(c) The Board of Directors may adopt resolutions, without convening a meeting of the Board of Directors, in writing or in any other manner permitted by the Companies Law.



37. **DELEGATION OF POWERS.**

(a) The Board of Directors may, subject to the provisions of the Companies Law, delegate any or all of its powers to committees (in these Articles referred to as a “**Committee of the Board of Directors**”, or “**Committee**”), each consisting of one or more persons (who may or may not be Directors), and it may from time to time revoke such delegation or alter the composition of any such Committee. Any Committee so formed shall, in the exercise of the powers so delegated, conform to any regulations imposed on it by the Board of Directors, subject to applicable law. No regulation imposed by the Board of Directors on any Committee and no resolution of the Board of Directors shall invalidate any prior act done or pursuant to a resolution by the Committee which would have been valid if such regulation or resolution of the Board of Directors had not been adopted. The meetings and proceedings of any such Committee of the Board of Directors shall, mutatis mutandis, be governed by the provisions herein contained for regulating the meetings of the Board of Directors, to the extent not superseded by any regulations adopted by the Board of Directors. Unless otherwise expressly prohibited by the Board of Directors, in delegating powers to a Committee of the Board of Directors, such Committee shall be empowered to further delegate such powers.

(b) The Board of Directors may from time to time appoint a Secretary to the Company, as well as Officers, agents, employees and independent contractors, as the Board of Directors deems fit, and may terminate the service of any such person. The Board of Directors may, subject to the provisions of the Companies Law, determine the powers and duties, as well as the salaries and compensation, of all such persons.

(c) The Board of Directors may from time to time, by power of attorney or otherwise, appoint any person, company, firm or body of persons to be the attorney or attorneys of the Company at law or in fact for such purposes(s) and with such powers, authorities and discretions, and for such period and subject to such conditions, as it deems fit, and any such power of attorney or other appointment may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Board of Directors deems fit, and may also authorize any such attorney to delegate all or any of the powers, authorities and discretions vested in him or her.

38. **NUMBER OF DIRECTORS.**

(a) The Board of Directors shall consist of such number of Directors (not less than three (3) nor more than eleven (11), including the External Directors, if any were elected) as may be fixed from time to time by resolution of the Board of Directors.

(b) Notwithstanding anything to the contrary herein, this Article 38 may only be amended or replaced by a resolution adopted at a General Meeting by a majority of at least 70% of the total voting power of the Company’s shareholders.

39. **ELECTION AND REMOVAL OF DIRECTORS.**

(a) The Directors (excluding the External Directors if any were elected), shall be classified, with respect to the term for which they each severally hold office, into three classes, as nearly equal in number as practicable, hereby designated as Class I, Class II and Class III (each, a “**Class**”).

(i) The term of office of the initial Class I directors shall expire at the Annual General Meeting to be held in 2022 and when their successors are elected and qualified,

(ii) The term of office of the initial Class II directors shall expire at the first Annual General Meeting following the Annual General Meeting referred to in clause (i) above and when their successors are elected and qualified, and

(iii) The term of office of the initial Class III directors shall expire at the first Annual General Meeting following the Annual General Meeting referred to in clause (ii) above and when their successors are elected and qualified.

(b) At each Annual General Meeting, commencing with the Annual General Meeting to be held in 2022, each Nominee or Alternate Nominee elected at such Annual General Meeting to serve as a Director in a Class whose term shall have expired at such Annual General Meeting shall be elected to hold office until the third Annual General Meeting next succeeding his or her election and until his or her respective successor shall have been elected and qualified. Notwithstanding anything to the contrary, each Director shall serve until his or her successor is elected and qualified or until such earlier time as such Director's office is vacated.

(c) If the number of Directors (excluding External Directors, if any were elected) that comprises the Board of Directors is hereafter changed by the Board, any newly created directorships or decrease in directorships shall be so apportioned by the Board of Directors among the classes as to make all classes as nearly equal in number as is practicable, provided that no decrease in the number of Directors constituting the Board of Directors shall shorten the term of any incumbent Director.

(d) Prior to every General Meeting of the Company at which Directors are to be elected, and subject to clauses (a) and (h) of this Article, the Board of Directors (or a Committee thereof) shall select, by a resolution adopted by a majority of the Board of Directors (or such Committee), a number of Persons to be proposed to the Shareholders for election as Directors at such General Meeting (the "**Nominees**").

(e) Any Proposing Shareholder requesting to include on the agenda of a General Meeting a nomination of a Person to be proposed to the Shareholders for election as Director (such person, an "**Alternate Nominee**"), may so request provided that it complies with this Article 39(e), Article 25 and applicable law. Unless otherwise determined by the Board of Directors, a Proposal Request relating to an Alternate Nominee is deemed to be a matter that is appropriate to be considered only at an Annual General Meeting. In addition to any information required to be included in accordance with applicable law, such a Proposal Request shall include information required pursuant to Article 25, and shall also set forth: (i) the name, address, telephone number, fax number and email address of the Alternate Nominee and all citizenships and residencies of the Alternate Nominee; (ii) a description of all arrangements, relations or understandings during the past three (3) years, and any other material relationships, between the Proposing Shareholder(s) or any of its affiliates and each Alternate Nominee; (iii) a declaration signed by the Alternate Nominee that he or she consents to be named in the Company's notices and proxy materials and on the Company's proxy card relating to the General Meeting, if provided or published, and that he or she, if elected, consents to serve on the Board of Directors and to be named in the Company's disclosures and filings; (iv) a declaration signed by each Alternate Nominee as required under the Companies Law and any other applicable law and stock exchange rules and regulations for the appointment of such an Alternate Nominee and an undertaking that all of the information that is required under law and stock exchange rules and regulations to be provided to the Company in connection with such an appointment has been provided (including, information in respect of the Alternate Nominee as would be provided in response to the applicable disclosure requirements under Form 20-F or any other applicable form prescribed by the U.S. Securities and Exchange Commission (the "**SEC**")); (v) a declaration made by the Alternate Nominee of whether he or she meets the criteria for an independent director and, if applicable, External Director of the Company under the Companies Law and/or under any applicable law, regulation or stock exchange rules, and if not, then an explanation of why not; and (vi) any other information required at the time of submission of the Proposal Request by applicable law, regulations or stock exchange rules. In addition, the Proposing Shareholder(s) and each Alternate Nominee shall promptly provide any other information reasonably requested by the Company, including a duly completed director and officer questionnaire, in such form as may be provided by the Company, with respect to each Alternate Nominee. The Board of Directors may refuse to acknowledge the proposed nomination of any person not made in compliance with the foregoing. The Company shall be entitled to publish any information provided by a Proposing Shareholder or Alternate Nominee pursuant to this Article 39(e) and Article 25, and the Proposing Shareholder and Alternate Nominee shall be responsible for the accuracy and completeness thereof.

(f) The Nominees or Alternate Nominees shall be elected by a resolution adopted at the General Meeting at which they are subject to election. Notwithstanding Articles 25(a) and 25(c), in the event of a Contested Election, the method of calculation of the votes and the manner in which the resolutions will be presented to the General Meeting shall be determined by the Board of Directors in its discretion. In the event that the Board of Directors does not or is unable to make a determination on such matter, then the method described in clause (ii) below shall apply. The Board of Directors may consider, among other things, the following methods: (i) election of competing slates of Director nominees (determined in a manner approved by the Board of Directors) by a majority of the voting power represented at the General Meeting in person or by proxy and voting on such competing slates, (ii) election of individual Directors by a plurality of the voting power represented at the General Meeting in person or by proxy and voting on the election of Directors (which shall mean that the nominees receiving the largest number of "for" votes will be elected in such Contested Election), (iii) election of each nominee by a majority of the voting power represented at the General Meeting in person or by proxy and voting on the election of Directors, provided that if the number of such nominees exceeds the number of Directors to be elected, then as among such nominees the election shall be by plurality of the voting power as described above, and (iv) such other method of voting as the Board of Directors deems appropriate, including use of a "universal proxy card" listing all Nominees and Alternate Nominees by the Company. For the purposes of these Articles, election of Directors at a General Meeting shall be considered a "Contested Election" if the aggregate number of Nominees and Alternate Nominees at such meeting exceeds the total number of Directors to be elected at such meeting, with the determination thereof being made by the Secretary (or, in the absence thereof, by the Chief Executive Officer of the Company) as of the close of the applicable notice of nomination period under Article 25 or under applicable law, based on whether one or more notice(s) of nomination were timely filed in accordance with Article 25, this Article 39 and applicable law; provided, however, that the determination that an election is a Contested Election shall not be determinative as to the validity of any such notice of nomination; and provided, further, that, if, prior to the time the Company mails its initial proxy statement in connection with such election of Directors, one or more notices of nomination of an Alternate Nominee are withdrawn such that the number of candidates for election as Director no longer exceeds the number of Directors to be elected, the election shall not be considered a Contested Election. Shareholders shall not be entitled to cumulative voting in the election of Directors, except to the extent specifically set forth in this clause (f).

(g) Notwithstanding anything to the contrary herein, this Article 39 and Article 42(e) may only be amended, replaced or suspended by a resolution adopted at a General Meeting by a majority of at least 70% of the total voting power of the Company's shareholders.

(h) Notwithstanding anything to the contrary in these Articles, the election, qualification, removal or dismissal of External Directors, if so elected, shall be only in accordance with the applicable provisions set forth in the Companies Law.

40. **COMMENCEMENT OF DIRECTORSHIP.**

Without derogating from Article 39, the term of office of a Director shall commence as of the date of his or her appointment or election, or on a later date if so specified in his or her appointment or election.

41. **CONTINUING DIRECTORS IN THE EVENT OF VACANCIES.**

The Board of Directors (and, if so determined by the Board of Directors, the General Meeting) may at any time and from time to time appoint any person as a Director to fill a vacancy (whether such vacancy is due to a Director no longer serving or due to the number of Directors serving being less than the maximum number stated in Article 38 hereof). In the event of one or more such vacancies in the Board of Directors, the continuing Directors may continue to act in every matter, provided, however, that if the number of Directors serving is less than the minimum number provided for pursuant to Article 38 hereof, they may only act in an emergency or to fill the office of a Director which has become vacant up to a number equal to the minimum number

provided for pursuant to Article 38 hereof, or in order to call a General Meeting of the Company for the purpose of electing Directors to fill any or all vacancies. The office of a Director that was appointed by the Board of Directors to fill any vacancy shall only be for the remaining period of time during which the Director whose service has ended was filled would have held office, or in case of a vacancy due to the number of Directors serving being less than the maximum number stated in Article 38 hereof the Board of Directors shall determine at the time of appointment the Class pursuant to Article 39 to which the additional Director shall be assigned. Notwithstanding anything to the contrary herein, this Article 41 may only be amended, replaced or suspended by a resolution adopted at a General Meeting by a majority of at least 70% of the total voting power of the Company's shareholders.

42. **VACATION OF OFFICE.**

The office of a Director shall be vacated and he shall be dismissed or removed:

- (a) ipso facto, upon his or her death;
- (b) if he or she is prevented by applicable law from serving as a Director;
- (c) if the Board of Directors determines that due to his or her mental or physical state he or she is unable to serve as a director;
- (d) if his or her directorship expires pursuant to these Articles and/or applicable law;
- (e) by a resolution adopted at a General Meeting by a majority of at least 70% of the total voting power of the Company's shareholders (with such removal becoming effective on the date fixed in such resolution);
- (f) by his or her written resignation, such resignation becoming effective on the date fixed therein, or upon the delivery thereof to the Company, whichever is later; or
- (g) with respect to an External Director, if so elected, and notwithstanding anything to the contrary herein, only pursuant to applicable law.

43. **CONFLICT OF INTERESTS; APPROVAL OF RELATED PARTY TRANSACTIONS.**

(a) Subject to the provisions of applicable law and these Articles, no Director shall be disqualified by virtue of his or her office from holding any office or place of profit in the Company or in any company in which the Company shall be a shareholder or otherwise interested, or from contracting with the Company as vendor, purchaser or otherwise, nor shall any such contract, or any contract or arrangement entered into by or on behalf of the Company in which any Director shall be in any way interested, be avoided, nor, other than as required under the Companies Law, shall any Director be liable to account to the Company for any profit arising from any such office or place of profit or realized by any such contract or arrangement by reason only of such Director's holding that office or of the fiduciary relations thereby established, but the nature of his or her interest, as well as any material fact or document, must be disclosed by him or her at the meeting of the Board of Directors at which the contract or arrangement is first considered, if his or her interest then exists, or, in any other case, at no later than the first meeting of the Board of Directors after the acquisition of his or her interest.

(b) Subject to the Companies Law and these Articles, a transaction between the Company and an Office Holder, and a transaction between the Company and another entity in which an Office Holder of the Company has a personal interest, in each case, which is not an Extraordinary Transaction (as defined by the Companies Law), shall require only approval by the Board of Directors or a Committee of the Board of Directors. Such authorization, as well as the actual approval, may be for a particular transaction or more generally for specific type of transactions.

(c) Notwithstanding anything to the contrary in these Articles, the Company shall not engage in any Business Combination (as defined below) with any shareholder and/or any of its affiliates and/or investors for a period of three years following each time as such shareholder and/or any of its affiliates and/or investors become(s) (other than due to a buyback, redemption or cancellation of shares by the Company) the holder(s) (beneficially or of record) of 20% or more of the issued and outstanding voting power of the Company (the “**Threshold**” and such shareholder, an “**Interested Shareholder**”), except if the Board of Directors approves either the Business Combination or the transaction which resulted in such shareholder and/or any of its affiliates and/or investors becoming an Interested Shareholder prior to consummation of a Business Combination. As used in this Article 43 only, “**Business Combination**” means (i) a merger or consolidation of the Company, provided that the holders of a majority of the Company’s issued and outstanding shares immediately prior to consummation of such transaction hold less than 50% of the Company’s issued and outstanding shares immediately following consummation of such transaction or (ii) a disposition of assets of the Company with an aggregate market value equal to 10% or more of the Company’s assets or of its outstanding shares.

#### PROCEEDINGS OF THE BOARD OF DIRECTORS

##### 44. MEETINGS.

(a) The Board of Directors may meet and adjourn its meetings and otherwise regulate such meetings and proceedings as the Board of Directors thinks fit.

(b) A meeting of the Board of Directors shall be convened by the Secretary upon instruction of the Chairperson or upon a request of at least two Directors which is submitted to the Chairperson or in any event that such meeting is required by the provisions of the Companies Law. In the event that the Chairperson does not instruct the Secretary to convene a meeting upon a request of at least two (2) Directors within seven (7) days of such request, then such two Directors may convene a meeting of the Board of Directors. Any meeting of the Board of Directors shall be convened upon not less than two (2) days’ notice, unless such notice is waived in writing by all of the Directors as to a particular meeting or by their attendance at such meeting or unless the matters to be discussed at such meeting are of such urgency and importance that notice is reasonably determined by the Chairperson as ought to be waived or shortened under the circumstances.

(c) Notice of any such meeting shall be given orally, by telephone, in writing or by mail, facsimile, email or such other means of delivery of notices as the Company may apply, from time to time.

(d) Notwithstanding anything to the contrary herein, failure to deliver notice to a Director of any such meeting in the manner required hereby may be waived by such Director, and a meeting shall be deemed to have been duly convened notwithstanding such defective notice if such failure or defect is waived prior to action being taken at such meeting, by all Directors entitled to participate at such meeting to whom notice was not duly given as aforesaid. Without derogating from the foregoing, no Director present at any time during a meeting of the Board of Directors shall be entitled to seek the cancellation or invalidation of any proceedings or resolutions adopted at such meeting on account of any defect in the notice of such meeting relating to the date, time or the place thereof or the convening of the meeting.

##### 45. QUORUM.

Until otherwise unanimously decided by the Board of Directors, a quorum at a meeting of the Board of Directors shall be constituted by the presence in person or by any means of communication of a majority of the Directors then in office who are lawfully entitled to participate and vote in the meeting. No business shall be transacted at a meeting of the Board of Directors unless the requisite quorum is present (in person or by any means of communication on the condition that all participating Directors can hear each other simultaneously) when the meeting proceeds to business. If within thirty (30) minutes from the time appointed for a meeting of the Board of Directors a quorum is not present, the meeting shall stand adjourned at the same place and time forty-eight (48) hours thereafter unless the Chairperson has determined that there is such urgency and importance that a shorter period is required under the circumstances. If an adjourned meeting is convened in accordance with the foregoing and a quorum is not present

within thirty (30) minutes of the announced time, the requisite quorum at such adjourned meeting shall be, any two (2) Directors, if the number of then serving directors is up to five (5), and any three (3) Directors, if the number of then serving directors is more than five (5), in each case who are lawfully entitled to participate in the meeting and who are present at such adjourned meeting. At an adjourned meeting of the Board of Directors the only matters to be considered shall be those matters which might have been lawfully considered at the meeting of the Board of Directors originally called if a requisite quorum had been present, and the only resolutions to be adopted are such types of resolutions which could have been adopted at the meeting of the Board of Directors originally called.

46. **CHAIRPERSON OF THE BOARD OF DIRECTORS.**

The Board of Directors shall, from time to time, elect one of its members to be the Chairperson of the Board of Directors, remove such Chairperson from office and appoint in his or her place. The Chairperson of the Board of Directors shall preside at every meeting of the Board of Directors, but if there is no such Chairperson, or if at any meeting he is not present within fifteen (15) minutes of the time fixed for the meeting or if he is unwilling to take the chair, the Directors present shall choose one of the Directors present at the meeting to be the Chairperson of such meeting. The office of Chairperson of the Board of Directors shall not, by itself, entitle the holder to a second or casting vote.

47. **VALIDITY OF ACTS DESPITE DEFECTS.**

All acts done or transacted at any meeting of the Board of Directors, or of a Committee of the Board of Directors, or by any person(s) acting as Director(s), shall, notwithstanding that it may afterwards be discovered that there was some defect in the appointment of the participants in such meeting or any of them or any person(s) acting as aforesaid, or that they or any of them were disqualified, be as valid as if there were no such defect or disqualification.

**CHIEF EXECUTIVE OFFICER**

48. **CHIEF EXECUTIVE OFFICER.**

The Board of Directors shall from time to time appoint one or more persons, whether or not Directors, as Chief Executive Officer of the Company who shall have the powers and authorities set forth in the Companies Law, and may confer upon such person(s), and from time to time modify or revoke, such titles and such duties and authorities of the Board of Directors as the Board of Directors may deem fit, subject to such limitations and restrictions as the Board of Directors may from time to time prescribe. Such appointment(s) may be either for a fixed term or without any limitation of time, and the Board of Directors may from time to time (subject to any additional approvals required under, and the provisions of, the Companies Law and of any contract between any such person and the Company) fix their salaries and compensation, remove or dismiss them from office and appoint another or others in his, her or their place or places.

**MINUTES**

49. **MINUTES.**

Any minutes of the General Meeting or the Board of Directors or any Committee thereof, if purporting to be signed by the Chairperson of the General Meeting, the Board of Directors or a Committee thereof, as the case may be, or by the Chairperson of the next succeeding General Meeting, meeting of the Board of Directors or meeting of a Committee, as the case may be, shall constitute prima facie evidence of the matters recorded therein.

**DIVIDENDS**

50. **DECLARATION OF DIVIDENDS.**

The Board of Directors may, from time to time, declare, and cause the Company to pay dividends as permitted by the Companies Law. The Board of Directors shall determine the time for payment of such dividends and the record date for determining the shareholders entitled thereto.

51. **AMOUNT PAYABLE BY WAY OF DIVIDENDS.**

Subject to the provisions of these Articles and subject to the rights or conditions attached at that time to any share in the capital of the Company granting preferential, special or deferred rights or not granting any rights with respect to dividends, any dividend paid by the Company shall be allocated among the Shareholders (not in default in payment of any sum referred to in Article 13 hereof) entitled thereto on a *pari passu* basis in proportion to their respective holdings of the issued and outstanding Shares in respect of which such dividends are being paid.

52. **INTEREST.**

No dividend shall carry interest as against the Company.

53. **PAYMENT IN SPECIE.**

If so declared by the Board of Directors, a dividend declared in accordance with Article 50 may be paid, in whole or in part, by the distribution of specific assets of the Company or by distribution of paid up shares, debentures or other securities of the Company or of any other companies, or in any combination thereof, in each case, the fair value of which shall be determined by the Board of Directors in good faith.

54. **IMPLEMENTATION OF POWERS.**

The Board of Directors may settle, as it deems fit, any difficulty arising with regard to the distribution of dividends, bonus shares or otherwise, and in particular, to issue certificates for fractions of shares and sell such fractions of shares in order to pay their consideration to those entitled thereto, or to set the value for the distribution of certain assets and to determine that cash payments shall be paid to the Shareholders on the basis of such value, or that fractions whose value is less than NIS 0.01 shall not be taken into account. The Board of Directors may instruct to pay cash or convey these certain assets to a trustee in favor of those people who are entitled to a dividend, as the Board of Directors shall deem appropriate.

55. **DEDUCTIONS FROM DIVIDENDS.**

The Board of Directors may deduct from any dividend or other moneys payable to any Shareholder in respect of a share any and all sums of money then payable by him or her to the Company on account of calls or otherwise in respect of shares of the Company and/or on account of any other matter of transaction whatsoever.

56. **RETENTION OF DIVIDENDS.**

(a) The Board of Directors may retain any dividend or other moneys payable or property distributable in respect of a share on which the Company has a lien, and may apply the same in or toward satisfaction of the debts, liabilities, or engagements in respect of which the lien exists.

(b) The Board of Directors may retain any dividend or other moneys payable or property distributable in respect of a share in respect of which any person is, under Articles 21 or 22, entitled to become a Shareholder, or which any person is, under said Articles, entitled to transfer, until such person shall become a Shareholder in respect of such share or shall transfer the same.

57. **UNCLAIMED DIVIDENDS.**

All unclaimed dividends or other moneys payable in respect of a share may be invested or otherwise made use of by the Board of Directors for the benefit of the Company until claimed. The payment of any unclaimed dividend or such other moneys into a separate account shall not constitute the Company a trustee in respect thereof, and any dividend unclaimed after a period of one (1) year (or such other period determined by the Board of Directors) from the date of declaration of such dividend, and any such other moneys unclaimed after a like period from the date the same were payable, shall be forfeited and shall revert to the Company, provided, however, that the Board of Directors may, at its discretion, cause the Company to pay any such dividend or such other moneys, or any part thereof, to a person who would have been entitled thereto had the same not reverted to the Company. The principal (and only the principal) of any unclaimed dividend of such other moneys shall be if claimed, paid to a person entitled thereto.

58. **MECHANICS OF PAYMENT.**

Any dividend or other moneys payable in cash in respect of a share, less the tax required to be withheld pursuant to applicable law, may, as determined by the Board of Directors in its sole discretion, be paid by check or warrant sent through the post to, or left at, the registered address of the person entitled thereto or by transfer to a bank account specified by such person (or, if two or more persons are registered as joint holders of such share or are entitled jointly thereto in consequence of the death or bankruptcy of the holder or otherwise, to any one of such Persons or his or her bank account or the person who the Company may then recognize as the owner thereof or entitled thereto under Article 21 or 22 hereof, as applicable, or such person's bank account), or to such person and at such other address as the person entitled thereto may by writing direct, or in any other manner the Board of Directors deems appropriate. Every such check or warrant or other method of payment shall be made payable to the order of the person to whom it is sent, or to such person as the person entitled thereto as aforesaid may direct, and payment of the check or warrant by the banker upon whom it is drawn shall be a good discharge to the Company. Every such check shall be sent at the risk of the Person entitled to the money represented thereby.

**ACCOUNTS**

59. **BOOKS OF ACCOUNT.**

The Company's books of account shall be kept at the Office of the Company, or at such other place or places as the Board of Directors may think fit, and they shall always be open to inspection by all Directors. No shareholder, not being a Director, shall have any right to inspect any account or book or other similar document of the Company, except as explicitly conferred by law or authorized by the Board of Directors. The Company shall make copies of its annual financial statements available for inspection by the shareholders at the principal offices of the Company. The Company shall not be required to send copies of its annual financial statements to the Shareholders.

60. **AUDITORS.**

The appointment, authorities, rights and duties of the auditor(s) of the Company, shall be regulated by applicable law, provided, however, that in exercising its authority to fix the remuneration of the auditor(s), the Shareholders in General Meeting may act (and in the absence of any action in connection therewith shall be deemed to have so acted) to authorize the Board of Directors (with right of delegation to a Committee thereof or to management) to fix such remuneration subject to such criteria or standards, and if no such criteria or standards are so provided, such remuneration shall be fixed in an amount commensurate with the volume and nature of the services rendered by such auditor(s). The General Meeting may, if so recommended by the Board of Directors, appoint the auditors for a period that may extend until the third Annual General Meeting after the Annual General Meeting in which the auditors were appointed.

61. **FISCAL YEAR.**

The fiscal year of the Company shall be the 12 months period ending on December 31 of each calendar year.

**SUPPLEMENTARY REGISTERS**

62. **SUPPLEMENTARY REGISTERS.**

Subject to and in accordance with the provisions of Sections 138 and 139 of the Companies Law, the Company may cause supplementary registers to be kept in any place outside Israel as the Board of Directors may think fit, and, subject to all applicable requirements of law, the Board of Directors may from time to time adopt such rules and procedures as it may think fit in connection with the keeping of such branch registers.



63. **INSURANCE.**

Subject to the provisions of the Companies Law with regard to such matters, the Company may enter into a contract for the insurance of the liability, in whole or in part, of any of its Office Holders imposed on such Office Holder due to an act performed by or an omission of the Office Holder in the Office Holder's capacity as an Office Holder of the Company arising from any matter permitted by law, including the following:

- (a) a breach of duty of care to the Company or to any other person;
- (b) a breach of his or her duty of loyalty to the Company, provided that the Office Holder acted in good faith and had reasonable grounds to assume that act that resulted in such breach would not prejudice the interests of the Company;
- (c) a financial liability imposed on such Office Holder in favor of any other person; and
- (d) any other event, occurrence, matters or circumstances under any law with respect to which the Company may, or will be able to, insure an Office Holder, and to the extent such law requires the inclusion of a provision permitting such insurance in these Articles, then such provision is deemed to be included and incorporated herein by reference (including, without limitation, in accordance with Section 56h(b)(1) of the Securities Law, if and to the extent applicable, and Section 50P of the Economic Competition Law).

64. **INDEMNITY.**

(a) Subject to the provisions of the Companies Law, the Company may retroactively indemnify an Office Holder of the Company to the maximum extent permitted under applicable law, including with respect to the following liabilities and expenses, provided that such liabilities or expenses were imposed on such Office Holder or incurred by such Office Holder due to an act performed by or an omission of the Office Holder in such Office Holder's capacity as an Office Holder of the Company:

- (i) a financial liability imposed on an Office Holder in favor of another person by any court judgment, including a judgment given as a result of a settlement or an arbitrator's award which has been confirmed by a court;
- (ii) reasonable litigation expenses, including legal fees, expended by the Office Holder (A) as a result of an investigation or proceeding instituted against him or her by an authority authorized to conduct such investigation or proceeding, provided that (1) no indictment (as defined in the Companies Law) was filed against such Office Holder as a result of such investigation or proceeding; and (2) no financial liability in lieu of a criminal proceeding (as defined in the Companies Law) was imposed upon him or her as a result of such investigation or proceeding or if such financial liability was imposed, it was imposed with respect to an offense that does not require proof of criminal intent, or (B) in connection with a financial sanction;
- (iii) reasonable litigation expenses, including legal fees, expended by an Office Holder or which were imposed on an Office Holder by a court in proceedings filed against the Office Holder by the Company or in its name or by any other person or in a criminal charge in respect of which the Office Holder was acquitted or in a criminal charge in respect of which the Office Holder was convicted for an offence which did not require proof of criminal intent; and

(iv) any other event, occurrence, matter or circumstance under any law with respect to which the Company may, or will be able to, indemnify an Office Holder, and to the extent such law requires the inclusion of a provision permitting such indemnity in these Articles, then such provision is deemed to be included and incorporated herein by reference (including, without limitation, in accordance with Section 56h(b)(1) of the Israeli Securities Law, if and to the extent applicable, and Section 50P(b)(2) of the RTP Law).

(b) Subject to the provisions of the Companies Law, the Company may undertake to indemnify an Office Holder, in advance, with respect to those liabilities and expenses described in the following Articles:

(i) Sub-Article 6464(a)(i)(a)(ii) to 64(a)(iv); and

(ii) Sub-Article 64(a)(i), provided that:

(1) the undertaking to indemnify is limited to such events which the Directors shall deem to be foreseeable in light of the operations of the Company at the time that the undertaking to indemnify is made and for such amounts or criterion which the Directors may, at the time of the giving of such undertaking to indemnify, deem to be reasonable under the circumstances; and

(2) the undertaking to indemnify shall set forth such events which the Directors shall deem to be foreseeable in light of the operations of the Company at the time that the undertaking to indemnify is made, and the amounts and/or criterion which the Directors may, at the time of the giving of such undertaking to indemnify, deem to be reasonable under the circumstances.

65. **EXEMPTION.**

Subject to the provisions of the Companies Law, the Company may, to the maximum extent permitted by law, exempt and release, in advance, any Office Holder from any liability for damages arising out of a breach of a duty of care.

66. **GENERAL.**

(a) Any amendment to the Companies Law or any other applicable law adversely affecting the right of any Office Holder to be indemnified, insured or exempt pursuant to Articles 63 to 65 and any amendments to Articles 63 to 65 shall be prospective in effect, and shall not affect the Company's obligation or ability to indemnify, insure or exempt an Office Holder for any act or omission occurring prior to such amendment, unless otherwise provided by applicable law.

(b) The provisions of Articles 63 to 65 (i) shall apply to the maximum extent permitted by law (including, the Companies Law, the Securities Law and the Economic Competition Law); and (ii) are not intended, and shall not be interpreted so as to restrict the Company, in any manner, in respect of the procurement of insurance and/or in respect of indemnification (whether in advance or retroactively) and/or exemption, in favor of any person who is not an Office Holder, including, without limitation, any employee, agent, consultant or contractor of the Company who is not an Office Holder; and/or any Office Holder to the extent that such insurance and/or indemnification is not specifically prohibited under law.

**WINDING UP**

67. **WINDING UP.**

If the Company is wound up, then, subject to applicable law and to the rights of the holders of shares with special rights upon winding up, the assets of the Company available for distribution among the Shareholders shall be distributed to them in proportion to the number of issued and outstanding shares held by each Shareholder.

68. **NOTICES.**

(a) Any written notice or other document may be served by the Company upon any Shareholder either personally, by facsimile, email or other electronic transmission, or by sending it by prepaid mail (airmail if sent internationally) addressed to such Shareholder at his or her address as described in the Register of Shareholders or such other address as the Shareholder may have designated in writing for the receipt of notices and other documents.

(b) Any written notice or other document may be served by any Shareholder upon the Company by tendering the same in person to the Secretary or the Chief Executive Officer of the Company at the principal office of the Company, by facsimile transmission, or by sending it by prepaid registered mail (airmail if posted outside Israel) to the Company at its Office.

(c) Any such notice or other document shall be deemed to have been served:

(i) in the case of mailing, forty-eight (48) hours after it has been posted, or when actually received by the addressee if sooner than forty-eight hours after it has been posted, or

(ii) in the case of overnight air courier, on the next business day following the day sent, with receipt confirmed by the courier, or when actually received by the addressee if sooner than three business days after it has been sent;

(iii) in the case of personal delivery, when actually tendered in person, to such addressee;

(iv) in the case of facsimile, email or other electronic transmission, on the first business day (during normal business hours in place of addressee) on which the sender receives automatic electronic confirmation by the addressee's facsimile machine that such notice was received by the addressee or delivery confirmation from the addressee's email or other communication server.

(d) If a notice is, in fact, received by the addressee, it shall be deemed to have been duly served, when received, notwithstanding that it was defectively addressed or failed, in some other respect, to comply with the provisions of this Article 68.

(e) All notices to be given to the Shareholders shall, with respect to any share to which persons are jointly entitled, be given to whichever of such persons is named first in the Register of Shareholders, and any notice so given shall be sufficient notice to the holders of such share.

(f) Any Shareholder whose address is not described in the Register of Shareholders, and who shall not have designated in writing an address for the receipt of notices, shall not be entitled to receive any notice from the Company.

(g) Notwithstanding anything to the contrary contained herein, notice by the Company of a General Meeting, containing the information required by applicable law and these Articles to be set forth therein, which is published, within the time otherwise required for giving notice of such meeting, in either or several of the following manners (as applicable) shall be deemed to be notice of such meeting duly given, for the purposes of these Articles, to any Shareholder whose address as registered in the Register of Shareholders (or as designated in writing for the receipt of notices and other documents) is located either inside or outside the State of Israel:

(i) if the Company's shares are then listed for trading on a national securities exchange in the United States or quoted in an over-the-counter market in the United States, publication of notice of a General Meeting pursuant to a report or a schedule filed with, or furnished to, the SEC pursuant to the Securities Exchange Act of 1934, as amended; and/or

(ii) on the Company's internet site.

(h) The mailing or publication date and the record date and/or date of the meeting (as applicable) shall be counted among the days comprising any notice period under the Companies Law and the regulations thereunder.

**AMENDMENT**

69. **AMENDMENT.**

Any amendment of these Articles shall require the approval of the General Meeting of shareholders in accordance with these Articles, including (where specifically required for under these Articles) a majority of at least 70% of the total voting power of the Shareholders.

**FORUM FOR ADJUDICATION OF DISPUTES**

70. **FORUM FOR ADJUDICATION OF DISPUTES.**

(a) Unless the Company consents in writing to the selection of an alternative forum, with respect to any causes of action arising under the U.S. Securities Act of 1933 as amended, against any person or entity, including such claims brought against the Company, its directors, officers, employees, advisors, attorneys, accountants or underwriters, the federal district courts of the United States of America shall be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the U.S. Securities Act of 1933, as amended; and (b) unless the Company consents in writing to the selection of an alternative forum, the competent courts in Tel Aviv, Israel shall be the exclusive forum for (i) any derivative action or proceeding brought on behalf of the Company, (ii) any action asserting a claim of breach of a fiduciary duty owed by any director, officer or other employee of the Company to the Company or the Company's shareholders, or (iii) any action asserting a claim arising pursuant to any provision of the Companies Law or the Securities Law. Any person or entity purchasing or otherwise acquiring or holding any interest in shares of the Company shall be deemed to have notice of and consented to these provisions.

\* \* \*

**GLOBAL-E ONLINE LTD.  
THIRD AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT**

THIS THIRD AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT (the "**Agreement**") is made as of the 22<sup>nd</sup> day of March 2021, by and among Global-e Online Ltd., Reg. No. 514889534, a company incorporated under the laws of the State of Israel (the "**Company**"), and the investors listed on **Schedule A** attached hereto (each, an "**Investor**" and collectively, the "**Investors**"), and the shareholders listed in **Schedule B** hereto (each a "**Founder**," and collectively, the "**Founders**").

RECITALS

- WHEREAS** the Company and certain Investors are parties to that certain Series E Preferred Share Purchase Agreement, dated as of April 30, 2020 (the "**Share Purchase Agreement**");
- WHEREAS** the Investors and the Founders are the holders of all of the issued and outstanding shares of Series A Preferred Shares of the Company, nominal value NIS 0.01 each ("**Preferred A Shares**"), Series A-1 Preferred Shares of the Company, nominal value NIS 0.01 each (the "**Preferred A-1 Shares**"), Series B-1 Preferred Shares of the Company, nominal value NIS 0.01 each (the "**Preferred B-1 Shares**"), Series B-2 Preferred Shares of the Company, nominal value NIS 0.01 each (the "**Preferred B-2 Shares**"), Series C Preferred Shares of the Company, nominal value NIS 0.01 each (the "**Preferred C Shares**"), Series D-1 Preferred Shares of the Company, nominal value NIS 0.01 each (the "**Preferred D-1 Shares**"), and Series E Preferred Shares of the Company, nominal value NIS 0.01 each (the "**Preferred E Shares**" and together with the Preferred A Shares, Preferred A-1 Shares, Preferred B-1 Shares, Preferred B-2 Shares, Preferred C Shares, and Preferred D-1 shares, the "**Preferred Shares**");
- WHEREAS** the Company, the Founders and the Investors are parties to that certain Second Amended and Restated Investors Rights' Agreement, dated as of April 30, 2020 (the "**Prior Agreement**"); and
- WHEREAS** the parties to the Prior Agreement wish to amend and restate in its entirety the Prior Agreement by entering into this Agreement.

**NOW, THEREFORE**, the parties hereto hereby agree as follows:

1. **Registration Rights.**

1.1. Definitions. For purposes of this Agreement:

- 1.1.1. The term "**Act**" means the US Federal Securities Act of 1933, as amended, or equivalent securities law of another jurisdiction acceptable to the Company and to the holders of majority of the Preferred Shares on an as converted basis.
- 1.1.2. The term "**Adverse Disclosure**" means any public disclosure of material non-public information, which disclosure, in the good faith judgment of the Company's Chief Executive Officer or the Chief Financial Officer, after consultation with the Company's counsel, (i) would be required to be made in any Registration Statement in order for it not to contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained therein not misleading, (ii) would not be required to be made at such time if the Registration Statement were not being filed, declared effective or used, as the case may be, and (iii) the Company has a bona fide business purpose for not making such information public.
- 1.1.3. The term "**Affiliate**" means, with respect to any specified person, any other person who, directly or indirectly, controls, is controlled by, or is under common control with such person, including any partners, general partner, managing member, officer or director of such person or any venture capital fund now or hereafter existing of which such person is a partner or member that is controlled by one or more general partners or managing members of, or shares the same management company with, such person.
- 1.1.4. The term "**Articles**" means the Company's Amended and Restated Articles of Association in effect as of the date of the Closing (as such term is defined in the Share Purchase Agreement), as may be amended from time to time.

- 1.1.5. The term “**Board**” means the Company’s board of directors.
- 1.1.6. The term “**Business Day**” means any day (excluding Fridays, Saturdays and Sundays) on which banks are generally open in London, United Kingdom and Tel Aviv, Israel for the transaction of normal banking business.
- 1.1.7. The terms “**Form S-3**” and “**Form F-3**” mean such form under the Act as in effect on the date hereof or any registration form under the Act subsequently adopted by the SEC that permits inclusion or incorporation of substantial information by reference to other documents filed or furnished by the Company to, the SEC.
- 1.1.8. The term “**Holder**” means any person owning Registrable Securities or any assignee thereof in accordance with Section 1.13 hereof.
- 1.1.9. The term “**Initial Offering**” or “**IPO**” means the Company’s first underwritten public offering of its Ordinary Shares under the Act or under equivalent securities law of another jurisdiction acceptable to holders of majority of the Company’s Preferred Shares on an as converted basis.
- 1.1.10. The term “**Misstatement**” means an untrue statement of a material fact or an omission to state a material fact required to be stated in a Registration Statement or necessary to make the statements in a Registration Statement not misleading.
- 1.1.11. The term “**Ordinary Shares**” shall have the meaning set forth in the Articles.
- 1.1.12. The terms “**register**”, “**registered**”, and “**registration**” refer to a registration effected by preparing and filing a registration statement or similar document in compliance with the Act, and the declaration or ordering of effectiveness of such registration statement or document.
- 1.1.13. The term “**Registrable Securities**” means (i) the Ordinary Shares issuable or issued upon conversion of the Preferred Shares and all Ordinary Shares that the holders of Preferred Shares may hereafter purchase pursuant to their rights of first offer or rights of first refusal, and (ii) any Ordinary Shares issued as (or issuable upon the conversion or exercise of any warrant, right or other security that is issued as) a dividend or other distribution with respect to, or in exchange for, or in replacement of, the shares referenced in (i) above; provided, however, that, as to any particular Registrable Securities, such securities shall cease to be Registrable Securities upon the earliest to occur of: (a) such securities having been sold by a person in a transaction in which the registration rights under this Section 1 are not duly assigned, and (b) such securities becoming available for resale without restriction pursuant to Rule 144 under the Act (or similar rule) and no longer bearing any restrictive legend.
- 1.1.14. The number of shares of “**Registrable Securities then outstanding**” shall be determined by the number of Ordinary Shares outstanding, which are Registrable Securities, calculated on an as-converted basis.
- 1.1.15. The term “**Registration Statement**” means a Registration Statement filed with the SEC on Form S-1, F-1, S-3 or F-3, and the accompanying prospectus and any materials incorporated therein by reference.
- 1.1.16. The term “**SEC**” means the US Securities and Exchange Commission.
- 1.1.17. The term “**1934 Act**” means the US federal Securities Exchange Act of 1934, as amended or equivalent securities law of another jurisdiction acceptable to the holders of majority of the Preferred Shares on an as converted basis.
- 1.2. Request for Registration.
- 1.2.1. Subject to the conditions of this Section 1.2, if the Company shall receive a written request (i) at any time after six (6) months of the effective date of an Initial Offering, from the Holders of at least 30% of the Registrable Securities then outstanding, or (ii) at any time prior to the passage of six (6) months after the effective date of an Initial Offering, subject to restrictions imposed by the underwriters in connection with the

Initial Offering (whether such restrictions terminate by their terms or are waived by the underwriters) (the “**Initial Period**”), from the Holders of at least 75% of the Registrable Securities then outstanding (the Holders delivering such written request under items (i) or (ii), as applicable, being referred to herein as the “**Initiating Holders**”) that the Company file a registration statement under the Act (or under equivalent securities law of another jurisdiction) covering the registration of Registrable Securities, then the Company shall, within twenty (20) days of the receipt thereof, give written notice of such request to all Holders, and subject to the limitations of this [Section 1.2](#), use all commercially reasonable efforts to effect, as soon as practicable, the registration under the Act of all Registrable Securities that the Holders request to be registered in a written request received by the Company within twenty (20) days of the mailing of the Company’s notice pursuant to this [Section 1.2.1](#).

- 1.2.2. If the Initiating Holders intend to distribute the Registrable Securities covered by their request by means of an underwriting or an “at the market” or similar registered offering through a broker, sales agent or distribution agent, whether as agent or principal or sale by a broker, placement agent or sales agent, they shall so advise the Company as a part of their request made pursuant to this [Section 1.2](#) and the Company shall include such information in the written notice referred to in [Section 1.2.1](#). In such event the right of any Holder to include its Registrable Securities in such registration shall be conditioned upon such Holder’s participation in such underwriting or other arrangement and the inclusion of such Holder’s Registrable Securities in the underwriting or other arrangement (unless otherwise mutually agreed by a majority in interest of the Initiating Holders and such Holder) to the extent provided herein. If an underwriting is specified, all Holders proposing to distribute their securities through an underwriting shall enter into an underwriting agreement in customary form with the underwriter or underwriters selected for such underwriting by the Company and reasonably acceptable to a majority in interest of the Initiating Holders. If another form of registered offering is specified, all Holders proposing to participate in such offering shall cooperate with and enter into any documentation recommended by the brokers, sales agents or placement agents and take all actions requested to facilitate the preparation of the offering documentation.
- 1.2.3. If the underwriter or other adviser advises the Company that marketing factors require a limitation of the number of securities underwritten or marketed (including Registrable Securities), then the Company shall so advise all Holders of Registrable Securities that would otherwise be underwritten or marketed pursuant hereto, and the number of shares that may be included in the underwriting or other offering shall be allocated: (a) first, to the Initiating Holders on a pro rata basis based on the number of Registrable Securities held by all such Initiating Holders, (b) second, to the other Holders of such Registrable Securities who requested to participate in such registration on a pro rata basis based on the number of Registrable Securities held by all such Holders (including the Initiating Holders), and (c) then to any other holder of securities of the Company, including any shares the Company wishes to register for its own benefit; provided that in no event shall (x) the amount of Registrable Securities included in the offering be reduced below thirty three percent (33%) of the total amount of securities included in such offering, nor (y) the amount of Registrable Securities included in the registration be reduced unless all other securities requested to be registered by any holder other than the Company are first excluded from such registration. Any Registrable Securities excluded or withdrawn from such underwriting or offering shall be withdrawn from the registration.
- 1.2.4. The Holders’ rights to use their registration rights shall be subject to [Section 1.5](#), and the Company shall not be required to effect a registration pursuant to this [Section 1.2](#):
  - 1.2.4.1. in any particular jurisdiction in which the Company would be required to execute a general consent to service of process in effecting such registration, unless the Company is already subject to service in such jurisdiction and except as may be required under the Act; or

- 1.2.4.2. during the Initial Period if the Company has effected one (1) registration pursuant to this Section 1.2, and such registration has been declared or ordered effective; or
  - 1.2.4.3. after the Company has effected at least one (1) registration pursuant to this Section 1.2 during such calendar year or in the three (3) months prior to the date of the receipt of the request to register pursuant to this Section 1.2, and such registrations have been declared or ordered effective; or
  - 1.2.4.4. during the period starting with the date that is sixty (60) days prior to the Company's good faith estimate of the date of the filing of, and ending on a date that is ninety (90) days following the effective date of, a Company-initiated registration (subject to Section 1.3 below), provided that the Company is actively employing in good faith all commercially reasonable efforts to cause such registration statement to become effective; or
  - 1.2.4.5. if the Initiating Holders, together with the holders of any other securities of the Company entitled to inclusion in such registration, propose to sell Registrable Securities and such other securities (if any) at an aggregate price to the public (net of any underwriters' discounts or commissions) of less than (i) US\$5,000,000 or (ii) US\$50,000,000 during the Initial Period.
- 1.3. Company Registration. If (but without any obligation to do so) at any time after the completion of the Initial Offering, subject to restrictions imposed by the underwriters in connection with the Initial Offering (whether such restrictions terminate by their terms or are waived by the underwriters), the Company proposes to register (including for this purpose a registration effected by the Company for shareholders other than the Holders) any of its shares or other securities under the Act (or under equivalent securities law of another jurisdiction) in connection with the public offering of such securities (other than a registration relating solely to the sale of securities to participants in an employee benefit plan, a registration relating to a corporate reorganization or other transaction under Rule 145 of the Act, a registration on any form that does not include substantially the same information as would be required to be included in a registration statement covering the sale of the Registrable Securities, or a registration in which the only Ordinary Shares being registered are Ordinary Shares issuable upon conversion of debt securities that are also being registered), the Company shall, at such time, promptly give each Holder a written notice of such registration. Upon the written request of each Holder given within twenty (20) days after mailing of such notice by the Company in accordance with Section 3.8, the Company shall, subject to the provisions of Section 1.3.1, do all necessary actions in order to cause to be registered under the Act all of the Registrable Securities that each such Holder has requested to be registered (subject, in the case of registering shares or other securities under the Act (or under equivalent securities law of another jurisdiction) during the six (6) months after the effective date of the Initial Offering, to the restrictions imposed by the underwriters in connection with the Initial Offering (whether such restrictions terminate by their terms or are waived by the underwriters)).
- 1.3.1. Right to Terminate Registration. The Company shall have the right to terminate or withdraw any registration initiated by it under this Section 1.3 prior to the effectiveness of such registration, whether or not any Holder has elected to include securities in such registration, which termination or withdrawal shall not, in itself, impose liability on the Company towards any Holder. The expenses of such withdrawn registration shall be borne by the Company in accordance with Section 1.10 hereof.
  - 1.3.2. Underwriting Requirements. In connection with any offering involving an underwriting of shares of the Company's share capital, the Company shall not be required under this Section 1.3 to include any of the Holders' securities in such underwriting unless they accept the terms of the underwriting, in customary form, as agreed upon between the Company and the underwriters selected by it and approved by a majority in interest of Holders of Registrable Securities, and enter into such underwriting agreement, and then



only in such quantity as the underwriters determine in their sole discretion will not materially and adversely jeopardize the success of the offering by the Company. If the total amount of securities, including Registrable Securities requested by Holders to be included in such offering, exceeds the amount of securities sold other than by the Company that the underwriters determine in their sole discretion could materially and adversely jeopardize the success of the offering, then the Company shall be required to include in the offering only that number of such securities, including Registrable Securities, that the underwriters determine in their sole discretion will not materially and adversely jeopardize the success of the offering, the securities so included to be first apportioned among the Holders of Registrable Securities held by the Investors requested to be included in such offering, on a pro rata basis relative to their holding among the Preferred Shares, and thereafter among the holders of Registrable Securities held by other shareholders requested to be included in such offering, on a pro rata basis relative to their holding in the Company, provided further that in no event shall (x) the amount of Registrable Securities to be included in the offering be reduced below thirty three percent (33%) of the total amount of securities included in such offering, unless such offering is the Initial Offering, in which case the Registrable Securities may be excluded if the underwriters make the determination described above and no other shareholder's securities are included, and (y) the amount of Registrable Securities included in the registration be reduced unless all other securities requested to be registered by any holder other than the Company are first excluded from such registration.

1.3.3. For purposes of the preceding section concerning apportionment, for any shareholder that is a Holder of Registrable Securities that is a partnership or corporation, the partners, retired partners and shareholders of such Holder, or the estates and family members of any such partners and retired partners and any trusts for the benefit of any of the foregoing persons or any entity that controls or is controlled by or is under common control or management with the respective Holder, shall be deemed to be a single "Holder," as applicable and any pro rata reduction with respect to such "Holder" shall be based upon the aggregate amount of Registrable Securities owned by all such related entities and individuals.

1.4. Form S-3 or Form F-3 Registration. At any time beginning six (6) months following the closing of an IPO, in case the Company shall receive from any of the Initiating Holders (as such term is defined in Section 1.2 above), a written request or requests that the Company effect a shelf registration on Form S-3 or Form F-3 (a "**Shelf Registration**") to cover the resale of all the Registrable Securities (determined as of two (2) business days prior to such submission or filing) on a delayed or continuous basis, and any related qualification or compliance with respect to all or a part of the Registrable Securities owned by such Holder or Holders, the Company shall:

1.4.1. within ten (10) days after receipt of any such request, give a written notice of the proposed registration, and any related qualification or compliance, to all other Holders; and

1.4.2. use all commercially reasonable efforts to effect, as soon as practicable (but not later than ninety (90) days following a request), such registration and all such qualifications and compliances as may be so requested and as would permit or facilitate the sale and distribution of all or such portion of all Holders' Registrable Securities on a delayed or continuous basis pursuant to any method or combination of methods legally available to, and requested by, any Holder named therein, subject to the restrictions provided in Section 1.5. The Company shall use commercially reasonable efforts to maintain the Shelf Registration in accordance with the terms hereof and shall prepare and file with the SEC such amendments, including post-effective amendments, and supplements as may be necessary to keep a Shelf Registration continuously effective, available for use to permit the Holders named therein to sell their Registrable Securities included therein and in compliance with the provisions of the Act until such time as there are no longer any Registrable Securities, provided, however, that the Company shall not be obligated to effect any such registration, qualification or compliance, pursuant to this Section 1.4:

1.4.2.1. if Form S-3 or Form F-3 is not available for such offering by the Holders;

- 1.4.2.2. in any particular jurisdiction in which the Company would be required to qualify to do business or to execute a general consent to service of process in effecting such registration, qualification or compliance;
    - 1.4.2.3. during the period starting on the date that is sixty (60) days prior to the Company's estimated date of filing of, and ending on the date that is one hundred and ninety (190) days following the effective date of, any registration statement pertaining to securities of the Company (other than a registration of securities in a Rule 145 transaction or with respect to an employee benefit plan), provided that the Company is actively employing in good faith all commercially reasonable efforts to cause such registration statement to become effective; or
    - 1.4.2.4. if the Initiating Holders, together with the holders of any other securities of the Company entitled to inclusion in such registration, propose to sell Registrable Securities and such other securities (if any) at an aggregate price to the public (net of any underwriters' discounts or commissions) of less than US\$5,000,000.
  - 1.4.3. Subject to the foregoing, the Company shall file a registration statement covering the Registrable Securities and other securities so requested to be registered as soon as practicable after receipt of the request or requests of the Holders. Registrations effected pursuant to this Section 1.4 shall not be counted as requests for registration effected pursuant to Section 1.2.
  - 1.4.4. If any Shelf Registration ceases to be effective under the Act for any reason at any time while Registrable Securities are still outstanding, the Company shall, subject to Section 1.4.2.3, use its commercially reasonable efforts to, as promptly as is reasonably practicable, cause such Shelf Registration to again become effective under the Act (including using its commercially reasonable efforts to obtain the prompt withdrawal of any order suspending the effectiveness of such Shelf Registration), and shall use its commercially reasonable efforts to, as promptly as is reasonably practicable, amend such Shelf Registration in a manner reasonably expected to result in the withdrawal of any order suspending the effectiveness of such Shelf Registration or file an additional registration statement as a Shelf Registration (a "**Subsequent Shelf Registration Statement**") registering the resale of all Registrable Securities (determined as of two (2) business days prior to such filing), and pursuant to any method or combination of methods legally available to, and requested by, any Holder named therein. If a Subsequent Shelf Registration Statement is filed, the Company shall use its commercially reasonable efforts to (i) cause such Subsequent Shelf Registration Statement to become effective under the Act as promptly as is reasonably practicable after the filing thereof (it being agreed that the Subsequent Shelf Registration Statement shall be an automatic shelf registration statement (as defined in Rule 405 under the Act) if the Company is a well-known seasoned issuer (as defined in Rule 405 under the Act) at the most recent applicable eligibility determination date) and (ii) keep such Subsequent Shelf Registration Statement continuously effective, available for use to permit the Holders named therein to sell their Registrable Securities included therein and in compliance with the provisions of the Act until such time as there are no longer any Registrable Securities. Any such Subsequent Shelf Registration Statement shall be on Form S-3 or Form F-3 to the extent that the Company is eligible to use such form. Otherwise, such Subsequent Shelf Registration Statement shall be on another appropriate form.
- 1.5. Suspension of Sales; Adverse Disclosure; Restrictions on Registration Rights.
  - 1.5.1. Upon receipt of written notice from the Company that a Registration Statement contains a Misstatement, each Holder shall forthwith discontinue disposition of Registrable Securities until it has received copies of a supplemented or amended prospectus correcting the Misstatement (it being understood that the Company hereby covenants to prepare and file such supplement or amendment as soon as practicable after the time of such notice), or until it is advised in writing by the Company that the use of the Registration Statement may be resumed.

- 1.5.2. Subject to Section 1.5.3, if the filing, initial effectiveness or continued use of a Registration Statement at any time would (a) require the Company to make an Adverse Disclosure, (b) require the inclusion in such Registration Statement of financial statements that are unavailable to the Company for reasons beyond the Company's control, or (c) in the Company's good faith judgment, the filing or the Holder's use of such Registration Statement would be seriously detrimental to the Company and the Company concludes that it is essential to defer such filing or use, the Company may give prompt written notice of such action to the Holders and thereafter delay the filing or effectiveness of, or suspend the use of, such Registration Statement for (i) ninety (90) days after the receipt of the request of the Initiating Holders pursuant to Section 1.2 and (ii) hundred and twenty (120) days after the receipt of the request of the Initiating Holders pursuant to Section 1.4. If the Company exercises its rights under this Section 1.5.3, the Holders will suspend, immediately upon their receipt of the notice referred to above, their use of any Registration Statement in connection with any sale or offer to sell Registrable Securities until such Holder receives written notice from the Company that such sales or offers of Registrable Securities may be resumed, and in each case maintain the confidentiality of such notice and its contents.
- 1.5.3. The right to delay or suspend any filing, effectiveness or use of a Registration Statement shall be exercised by the Company no more than once in any twelve (12) months period;
- 1.6. Registration Preference. If any shareholders of the Company shall have the option to sell shares of the Company in an Initial Offering or in any subsequent registration, the holders of Preferred Shares or Registrable Securities converted therefrom shall have preference over all other shareholders to register and sell their shares; provided that in a registration initiated by the Company, the Company shall have first priority.
- 1.7. Obligations of the Company. Whenever required under this Section 1 to effect the registration of any Registrable Securities, the Company shall, as expeditiously as reasonably possible:
- 1.7.1. prepare and file with the SEC a registration statement with respect to such Registrable Securities and use commercially reasonable efforts to cause such registration statement to become effective, and, upon the request of the Holders of a majority of the Registrable Securities registered thereunder, use commercially reasonable efforts to keep such registration statement effective for a period of up to one hundred and twenty (120) days or, if earlier, until the distribution contemplated in the Registration Statement has been completed;
  - 1.7.2. prepare and file with the SEC such amendments and supplements to such registration statement and the prospectus used in connection with such registration statement as may be necessary to comply with the provisions of the Act with respect to the disposition of all securities covered by such registration statement;
  - 1.7.3. furnish to the Holders such numbers of copies of a prospectus, including a preliminary prospectus, in conformity with the requirements of the Act, and such other documents as they may reasonably request in order to facilitate the disposition of Registrable Securities owned by them;
  - 1.7.4. use commercially reasonable efforts to register and qualify the securities covered by such registration statement under such other securities or Blue Sky laws of such jurisdictions as shall be reasonably requested by the Holders, provided that the Company shall not be required in connection therewith or as a condition thereto to qualify to do business or to file a general consent to service of process in any such states or jurisdictions;
  - 1.7.5. in the event of any underwritten public offering, enter into and perform its obligations under an underwriting agreement, in usual and customary form, with the managing underwriter of such offering;

- 1.7.6. notify each Holder of Registrable Securities covered by such registration statement at any time when a prospectus relating thereto is required to be delivered under the Act or the happening of any event as a result of which the prospectus included in such registration statement, as then in effect, includes an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances then existing;
  - 1.7.7. notify each Holder of Registrable Securities covered by such registration statement, promptly after the Company shall receive notice thereof, of the time when such registration statement becomes effective or when any amendment or supplement or any prospectus forming a part of such registration has been filed;
  - 1.7.8. notify each Holder of Registrable Securities covered by such registration statement, promptly of any request by the SEC for the amending or supplementing of such registration statement or prospectus for additional information;
  - 1.7.9. advise each Holder whose Registrable Securities are included in such registration statement promptly after the Company shall receive notice or otherwise obtain knowledge of the issuance of any order by the SEC suspending the effectiveness of such registration statement or amendment thereto or of the initiation or threatening of any proceeding for that purpose; and promptly use its commercially reasonable efforts to prevent the issuance of any stop order or to obtain its withdrawal promptly if a stop order should be issued;
  - 1.7.10. use its commercially reasonable efforts to furnish, at the request of any Holder requesting registration of Registrable Securities pursuant to this Agreement on the date that such Registrable Securities are delivered to the underwriters for sale in connection with a registration pursuant to this Agreement, if such securities are being sold through underwriters, on the date that the registration statement with respect to such securities becomes effective, (i) an opinion, dated such date, of the counsel representing the Company for the purposes of such registration, in form and substance as is customarily given to underwriters in an underwritten public offering, addressed to the underwriters, if any, and to the Holders requesting registration of Registrable Securities, and (ii) a letter dated such date, from the independent certified public accountants of the Company, in form and substance as is customarily given by independent certified public accountants to underwriters in an underwritten public offering, addressed to the underwriters, if any, and to the Holders requesting registration of Registrable Securities;
  - 1.7.11. cause all such Registrable Securities registered pursuant hereunder to be listed on each securities exchange or trading system on which similar securities issued by the Company are then listed;
  - 1.7.12. provide a transfer agent and registrar for all Registrable Securities registered pursuant hereunder and a CUSIP number for all such Registrable Securities, in each case not later than the effective date of such registration; and
  - 1.7.13. use its commercially reasonable efforts to make available senior executives of the Company to participate in customary “road show” presentations that may be reasonably requested by the underwriters in connection with a marketed offering.
- 1.8. Information from Holder. It shall be a condition precedent to the obligations of the Company to take any action pursuant to this Section 1 with respect to the Registrable Securities of any selling Holder that such Holder shall promptly furnish to the Company such information regarding itself, the Registrable Securities held by it, and the intended method of disposition of such securities as shall be required to effect the registration of such Holder’s Registrable Securities.
- 1.9. List of Registrable Securities then Outstanding. The Company shall maintain and update a list of the total Registrable Securities then Outstanding, which includes each Holder’s percentages of Registrable Securities (determined on a fully-diluted basis) and contact details for each Holder (in such form as is provided to the Company without any duty to update or verify), and shall provide such list promptly to any Holder upon request.

- 1.10. Expenses of Registration. All expenses other than underwriting discounts and commissions incurred in connection with registrations, filings or qualifications pursuant to Sections 1.2 through 1.4, including all registration, filing and qualification fees, printers' and accounting fees, fees and disbursements of counsel for the Company and the reasonable fees and disbursements of one counsel for the selling Holders (selected by the Initiating Holders) shall be borne by the Company, provided, however, that each of the Holders participating in such registration shall pay its pro rata portion of discounts or commissions payable to any underwriter. Notwithstanding the foregoing, the Company shall not be required to pay for any expenses of any registration proceeding begun pursuant to Section 1.2 or Section 1.4 if the registration request is subsequently withdrawn at the request of the Holders of a majority of the Registrable Securities to be registered (in which case all participating Holders shall bear such expenses pro rata based upon the number of Registrable Securities that were to be requested in the withdrawn registration), unless, in the case of a registration requested under Section 1.2, the Holders of a majority of the Registrable Securities agree to forfeit their right to each of the two (2) demand registrations pursuant to Section 1.2, provided, however, that if at the time of such withdrawal, the Holders have learned of a material adverse change in the condition, business, or prospects of the Company from that known to the Holders at the time of their request and have withdrawn the request with reasonable promptness following disclosure by the Company of such material adverse change, then the Holders shall not be required to pay any of such expenses and shall retain their rights pursuant to Sections 1.2 or 1.4.
- 1.11. Delay of Registration. No Holder shall have any right to obtain or seek an injunction restraining or otherwise delaying any such registration as the result of any controversy that might arise with respect to the interpretation or implementation of this Section 1.
- 1.12. Indemnification. In the event any Registrable Securities are included in a registration statement under this Section 1:
- 1.12.1. To the extent permitted by law, the Company will indemnify and hold harmless each Holder, the partners, members or officers, directors and shareholders of each such Holder, legal counsel and accountants for each such Holder, any underwriter (as defined in the Act) for such Holder and each person, if any, who controls such Holder or underwriter within the meaning of the Act or the 1934 Act, against any losses, claims, damages or liabilities (joint or several) to which they may become subject under the Act, the 1934 Act or any applicable state securities laws, insofar as such losses, claims, damages, or liabilities (or actions in respect thereof) arise out of or are based upon any of the following statements, omissions or violations (collectively a "Violation"): (i) any untrue statement or alleged untrue statement of a material fact contained in such registration statement, including any preliminary prospectus or final prospectus contained therein or any amendments or supplements thereto, (ii) the omission or alleged omission to state therein a material fact required to be stated therein, or necessary to make the statements therein not misleading, or (iii) any violation or alleged violation by the Company of the Act, the 1934 Act, any applicable state securities laws or any rule or regulation promulgated under the Act, the 1934 Act or any applicable state securities laws; and the Company will reimburse each such Holder, underwriter or controlling person for any legal or other expenses reasonably incurred by them in connection with investigating or defending any such loss, claim, damage, liability or action; provided, however, that the indemnity agreement contained in this sub-Section 1.11.1 shall not apply to amounts paid in settlement of any such loss, claim, damage, liability or action if such settlement is effected without the prior written consent of the Company (which consent shall not be unreasonably withheld), nor shall the Company be liable in any such case for any such loss, claim, damage, liability or action to the extent that it arises out of or is based upon a Violation that occurs in reliance upon and in conformity with written information furnished expressly for use in connection with such registration by or on behalf of any such Holder, underwriter or controlling person; provided further, however, that the foregoing indemnity agreement with respect to any preliminary prospectus shall not inure to the benefit of any Holder or underwriter, or any person controlling such Holder or underwriter, from whom the person asserting any such losses, claims, damages or liabilities purchased shares in the offering, if a copy

of the prospectus (as then amended or supplemented if the Company shall have furnished any amendments or supplements thereto) was not sent or given by or on behalf of such Holder or underwriter to such person, if required by law so to have been delivered, at or prior to the written confirmation of the sale of the shares to such person, and if the prospectus (as so amended or supplemented) would have cured the defect giving rise to such loss, claim, damage or liability; and provided, further, that this indemnity shall not be deemed to relieve any underwriter of any of its due diligence obligations.

- 1.12.2. To the extent permitted by law, each selling Holder will indemnify and hold harmless the Company, each of its directors, each of its officers who has signed the registration statement, each person, if any, who controls the Company within the meaning of the Act, legal counsel and accountants for the Company, any underwriter, any other Holder selling securities in such registration statement and any controlling person of any such underwriter or other Holder, against any losses, claims, damages or liabilities (joint or several) to which any of the foregoing persons may become subject, under the Act, the 1934 Act or any applicable state securities laws, insofar as such losses, claims, damages or liabilities (or actions in respect thereto) arise out of or are based upon any Violation, in each case to the extent (and only to the extent) that such Violation occurs in reliance upon and in conformity with written information furnished by or on behalf of such Holder expressly for use in connection with such registration; and each such Holder will reimburse any person intended to be indemnified pursuant to this Section 1.11.2, for any legal or other expenses reasonably incurred by such person in connection with investigating or defending any such loss, claim, damage, liability or action; provided, however, that the indemnity agreement contained in this Section 1.11.2 shall not apply to amounts paid in settlement of any such loss, claim, damage, liability or action if such settlement is effected without the prior written consent of the Holder (which consent shall not be unreasonably withheld), and provided, further, that in no event shall any indemnity under this Section 1.11.2 exceed the net proceeds from the offering received by such Holder.
- 1.12.3. Promptly after receipt by an indemnified party under this Section 1.11 of notice of the commencement of any action (including any governmental action), such indemnified party will, if a claim in respect thereof is to be made against any indemnifying party under this Section 1.11, deliver to the indemnifying party a written notice of the commencement thereof and the indemnifying party shall have the right to participate in, and, to the extent the indemnifying party so desires, jointly with any other indemnifying party similarly noticed, to assume the defense thereof with counsel mutually satisfactory to the parties; provided, however, that an indemnified party (together with all other indemnified parties that may be represented without conflict by one counsel) shall have the right to retain one separate counsel, with the fees and expenses to be paid by the indemnifying party, if representation of such indemnified party by the counsel retained by the indemnifying party would be inappropriate due to actual or potential differing interests between such indemnified party and any other party represented by such counsel in such proceeding. The failure to deliver written notice to the indemnifying party within a reasonable time of the commencement of any such action, if prejudicial to its ability to defend such action, shall relieve such indemnifying party of any liability to the indemnified party under this Section 1.11, but the omission so to deliver written notice to the indemnifying party will not relieve it of any liability that it may have to any indemnified party otherwise than under this Section 1.11. No indemnifying party will consent to entry of any judgment or enter into any settlement which does not include as an unconditional term thereof the giving by the claimant or plaintiff to such indemnified party of a release from all liability in respect to such claim or litigation.
- 1.12.4. If the indemnification provided for in this Section 1.11 is held by a court of competent jurisdiction to be unavailable to an indemnified party with respect to any loss, liability, claim, damage or expense referred to herein, then the indemnifying party, in lieu of indemnifying such indemnified party hereunder, shall contribute to the amount paid or payable by such indemnified party as a result of such loss, liability, claim, damage or

expense in such proportion as is appropriate to reflect the relative fault of the indemnifying party on the one hand and of the indemnified party on the other in connection with the statements or omissions that resulted in such loss, liability, claim, damage or expense, as well as any other relevant equitable considerations. The relative fault of the indemnifying party and of the indemnified party shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission to state a material fact relates to information supplied by the indemnifying party or by the indemnified party and the parties' relative intent, knowledge, access to information, and opportunity to correct or prevent such statement or omission.

- 1.12.5. Notwithstanding the foregoing, to the extent that the provisions on indemnification and contribution contained in the underwriting agreement entered into in connection with the underwritten public offering are in conflict with the foregoing provisions, the provisions in the underwriting agreement shall control.
- 1.12.6. The obligations of the Company and Holders under this Section 1.11 shall survive the completion of any offering of Registrable Securities in a registration statement under this Section 1, and otherwise.
- 1.13. Reports Under Securities Exchange Act of 1934. With a view to making available to the Holders the benefits of Rule 144 promulgated under the Act and any other rule or regulation of the SEC that may at any time permit a Holder to sell securities of the Company to the public without registration or pursuant to a registration on Form S-3 or Form F-3 ("SEC Rule 144"), the Company agrees to (at any time after it has become subject to such reporting requirements):
  - 1.13.1. make and keep public information available, as those terms are understood and defined in SEC Rule 144, at all times after the effective date of the Initial Offering;
  - 1.13.2. file with the SEC in a timely manner all reports and other documents required of the Company under the Act and the 1934 Act; and
  - 1.13.3. furnish to any Holder, so long as the Holder owns any Registrable Securities, forthwith upon request (i) a written statement by the Company that it has complied with the reporting requirements of SEC Rule 144 (at any time after ninety (90) days after the effective date of the first registration statement filed by the Company), the Act and the 1934 Act (at any time after it has become subject to such reporting requirements), or that it qualifies as a registrant whose securities may be resold pursuant to Form S-3 or Form F-3 (at any time after it so qualifies), (ii) a legal opinion from the Company's counsel to the transfer agent that the Holder's Registrable Securities are eligible to be sold pursuant to SEC Rule 144 (subject to receiving customary confirmation thereof from such Holder), and (iii) such other information as may be reasonably requested in availing any Holder of any rule or regulation of the SEC that permits the selling of any such securities without registration or pursuant to such form.
- 1.14. Assignment of Registration Rights. Without derogating the provisions of Section 3.14 below, the rights to cause the Company to register Registrable Securities pursuant to this Agreement may be assigned (but only with all related obligations) by a Holder, to a transferee or assignee of such securities provided that such transfer or assignment is made pursuant to the provisions of the Articles and any provisions and agreements relating to transfer of securities, and provided, further, that: (a) the Company is, within a reasonable time after such transfer, furnished with written notice of the name and address of such transferee or assignee and the Registrable Securities with respect to which such registration rights are being assigned; (b) such transferee or assignee agrees in writing to be bound by and subject to the terms and conditions of this Agreement, including the provisions of Section 1.15 below; and (c) such assignment shall be effective only if immediately following such transfer the further disposition of such Registrable Securities by the transferee or assignee is restricted under the Act.
- 1.15. Limitations on Subsequent Registration Rights. From and after the date of this Agreement, and subject to Section 3.10, the Company shall not, without the prior written consent of the Holders of at least the majority of the Registrable Securities, enter into any agreement with any holder

or prospective holder of any securities of the Company that would allow such holder or prospective holder (a) to include such securities in any registration filed under Section 1.3 hereof, unless under the terms of such agreement, such holder or prospective holder may include such securities in any such registration only to the extent that the inclusion of such securities will not reduce the amount of the Registrable Securities of the Holders that are included, or (b) to demand registration of their securities.

- 1.16. “Market Stand-Off” Agreement. Each Holder hereby agrees that it will not, without the prior written consent of the managing underwriter, during the period commencing on the date of the final prospectus relating to any offering of the Company and ending on the date specified by the Company and the managing underwriter (such period not to exceed one hundred eighty (180) days in the case of an Initial Offering or ninety (90) days in any subsequent offering) (i) lend, offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, directly or indirectly, any shares of Ordinary Shares or any securities convertible into or exercisable or exchangeable for Ordinary Shares (whether such shares or any such securities are then owned by the Holder or are thereafter acquired (other than in the open-market)), or (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the shares of Ordinary Shares, whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of shares of Ordinary Shares or such other securities, in cash or otherwise. The foregoing provisions of this Section 1.15 shall only be applicable to the Holders if all officers and directors and greater than one percent (1%) shareholders of the Company enter into similar agreements. The underwriters in connection with the Company’s initial public offering are intended third party beneficiaries of this Section 1.15 and shall have the right, power and authority to enforce the provisions hereof as though they were a party hereto. Without limitation of the previous sentence, each Holder agrees to execute and deliver such other agreements as may be reasonably requested by the Company or the underwriters which are not inconsistent with the foregoing or which are necessary to give further effect thereto and which, if entered into, will supersede the restrictions under this Section 1.15.

In order to enforce the foregoing covenant, the Company may impose stop-transfer instructions with respect to the Registrable Securities of each Holder (and the shares or securities of every other person subject to the foregoing restriction) until the end of such period.

- 1.17. Foreign Offerings. The provisions of this Section 1 shall apply, *mutatis mutandis*, to any registration of the securities of the Company outside of the United States.
- 1.18. Termination of Registration Rights. Notwithstanding anything to the contrary herein, the Company’s obligations under this Section 1 shall terminate and shall be of no further force or effect upon the earlier of (i) the fifth (5<sup>th</sup>) anniversary of the consummation of the IPO, (ii) upon a Deemed Liquidation (as defined in the Company’s Articles), or (iii) such date on which there shall be no Registrable Securities outstanding.
- 1.19. Legends. All certificates representing any shares of the Company shall have endorsed thereon a legend to substantially the following effect:

“THE SALE OR TRANSFER OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE IS SUBJECT TO THE TERMS AND CONDITIONS OF THE COMPANY’S ARTICLES OF ASSOCIATION, AS AMENDED FROM TIME TO TIME AND ANY AGREEMENT BY AND AMONG THE HOLDER HEREOF AND THE COMPANY. A COPY OF SUCH AGREEMENTS IS ON FILE AT THE COMPANY’S PRINCIPAL PLACE OF BUSINESS.”



**Affirmative Covenants.**

- 2.1. **Delivery of Financial Information.** Until the earlier of: (i) an IPO, or (ii) a Merger and Acquisition (as such term is defined in Articles), the Company will furnish the following reports to each Investor holding at least two percent (2%) of the Company's issued and outstanding share capital (each, a "**Major Holder**"):
- 2.1.1. As soon as practicable after the end of each fiscal year and in any event within ninety (90) days thereafter, the audited consolidated balance sheet and statement of shareholder equity of the Company as of the end of such fiscal year, and the consolidated statements of income and cash flow for the fiscal year then ended, all in reasonable detail, stating in each case in comparative form the figures of the preceding fiscal year, United States dollar denominated, audited and certified by an independent public accounting firm which is one of (or is affiliated with one of) the "Big Four" US accounting firms, in each case in English and accompanied by an opinion in English of such firm which opinion shall state that such balance sheet and statements of shareholder equity, income and cash flow have been prepared in accordance with United States generally accepted accounting principles ("**GAAP**") applied on a basis consistent with that of the preceding fiscal year, and present fairly and accurately the financial position of the Company as of their date, and that the audit by such accountants in connection with such financial statements has been made in accordance with United States generally accepted auditing standards.
- 2.1.2. As soon as practicable, and in any event within sixty (60) days after the end of each of the first, second and third quarters of each fiscal year of the Company, un-audited reviewed consolidated balance sheets of the Company as of the end of such quarter and consolidated statements of income and cash flow of the Company for such quarter and for the portion of the fiscal year ending with such period, in each case in English and in reasonable detail, stating in each case in comparative form the figures for the corresponding period of the preceding fiscal year and United States dollar denominated, together with an instrument executed by the Chief Financial Officer or President or Chief Executive Officer of the Company certifying that such financials were prepared in accordance with GAAP consistently applied with prior practice for earlier periods (with the exception of footnotes that may be required by GAAP) and fairly present the financial condition of the Company and its results of operation for the period specified, subject to year-end audit adjustment.
- 2.1.3. As soon as practicable, and in any event within thirty (30) days after the end of each month, monthly reports in a form agreed by the Board.
- 2.1.4. Such other information relating to the financial conditions, business, prospects, litigation, M&A opportunities or corporate affairs of the Company as DHL, AMI or Vitruvian may from time to time reasonably request, provided such information is readily available to the Company.
- 2.1.5. As soon as practicable, upon a request of a Major Holder, a current detailed capitalization table of the Company.
- 2.1.6. Such other information DHL, AMI, or Vitruvian would need in order to comply with applicable law, regulatory requirements and internal reporting policies.
- 2.2. **Annual Plan.** The Company shall deliver to each Major Holder, until the consummation of the earlier of: (i) an IPO or (ii) a Merger and Acquisition, no later than thirty (30) days prior to the beginning of each calendar year, an annual operating plan and budget for such upcoming year, and any update (if any) thereof shall be submitted by the Company's management to the Board for its approval.
- 2.3. **Inspection and Visitation.** Until the consummation of an IPO, the Company will permit each shareholder holding at least four percent (4%) of the Company's share capital on a fully diluted as converted basis and its representatives, at such shareholder's expense, access, during normal business hours and upon reasonable prior written notice, to visit and inspect any of the properties of the Company, to examine its books and records and to discuss its affairs, finances and accounts with the management of the Company, all, at reasonable intervals, and at such reasonable times and upon reasonable written prior notice; except that the Company shall not be obligated pursuant to this **Section 2.3** to provide access to any information that it reasonably considers to be a trade secret or confidential unless a customary confidentiality undertaking is signed (**provided** that the Company shall not be obligated to disclose such information if the chairman of the Board reasonably determines that such shareholder has a conflict of interest with the Company in connection with such withheld information), or the disclosure of which would adversely affect the attorney-client privilege between the Company and its counsel.

- 2.4. Sections 2.1 through 2.3 shall not limit any rights that the shareholders or any directors or observers designated by such shareholders may have under any applicable law and/or any other applicable agreement.
- 2.5. Confidentiality. Each Investor agrees that any information provided to it under this Agreement will not be disclosed (other than to its officers and its legal, financial and technical advisors), without the prior written consent of the Company; provided that an Investor may disclose confidential information (i) to its or its Affiliates' attorneys, accountants, consultants, and other professionals, in each case to the extent necessary to obtain their services in connection with monitoring its investment in the Company; (ii) to any prospective purchaser of any Registrable Securities from such Investor, if such prospective purchaser agrees to be bound by the provisions of this Section 2.5; (iii) in connection with periodic reports to its shareholders, partners, limited partners, affiliates, or members, provided that the foregoing are advised that such information is confidential or are bound by customary confidentiality obligations; or (iv) as may otherwise be required by any applicable law, provided, in the case of sub-clause (iv), that the Investor promptly notifies the Company of such disclosure and takes reasonable steps to minimize the extent of any such required disclosure. For the avoidance of doubt, the foregoing obligations shall not apply with respect to information which: (1) was in the public domain prior to the time of disclosure by the Company; (2) enters the public domain after disclosure by the Company to the Investor through no action or inaction of such Investor; (3) is already in the possession of the Investor free of any obligation of confidentiality at the time of disclosure by the Company; (4) is required by law to be disclosed by the Investor; or (5) is or has been independently developed or conceived by such Investor without use of the Company's confidential information, provided, in the case of sub-clause (4), that such Investor shall (A) use all commercially reasonable efforts to maintain the confidentiality of such disclosed information, and (B) promptly as practicable notify the Company of such disclosure and take reasonable steps to minimize the extent of any such required disclosure.
- 2.6. Accounting. The Company will maintain and cause each of its subsidiaries to maintain a system of accounting established and administered in accordance with GAAP consistently applied, and will set aside on its books and cause each of its subsidiaries to set aside on its books all such proper reserves as shall be required by GAAP.
- 2.7. Proprietary Information and Non-Competition Agreements. The Company will not employ, or continue to employ, any employee or consultant who will have, or had at any time, access to confidential information with respect to the Company and its operations, Company trade secrets or who is otherwise involved in the development of the Company's intellectual property unless such person has executed and delivered a Proprietary Information and Non-Competition Agreement in the form approved by the Board.
- 2.8. Pursuance of Qualified IPO. Subject to the approval of the holders of majority of the Company's Preferred Shares (the "**Preferred Majority**"), after the third (3<sup>rd</sup>) anniversary of the Closing, such Preferred Majority may require the Board to elect an investment bank (with the identity of such investment bank to be determined by the Board, at its sole discretion) to be formally appointed to investigate and pursue a "Qualified IPO", provided that nothing herein shall be interpreted or construed as derogating from the Board's right and authority to appoint an investment bank for pursuing any IPO at its election at any time, whether prior to or after the third anniversary of the Closing. A "**Qualified IPO**" in this Section 2.8 shall mean, the sale of the Company's Ordinary Shares in a public offering on a regulated market or exchange with adequate liquidity, which results in aggregate cash proceeds to the Company of at least US\$150,000,000 (net of any underwriting discounts and commissions) and where the valuation of the Company equals to at least US\$750,000,000 prior to such Qualified IPO.
- 2.9. Pursuance of Merger and Acquisition. Subject to the approval of the Preferred Majority, after the fifth (5<sup>th</sup>) anniversary of the Closing, such Preferred Majority may require the Board to elect an investment bank (with the identity of such investment bank to be determined by the Board, at its sole discretion) to be formally appointed to investigate and pursue a Merger and

Acquisition, provided that nothing herein shall be interpreted or construed as derogating from the Board's right and authority to appoint an investment bank for pursuing any Merger and Acquisition at its election at any time, whether prior to or after the fifth anniversary of the Closing.

- 2.10. Insurance. The Company shall maintain, from financially sound and reputable insurers, Directors and Officers liability insurance.
- 2.11. CFC Representations and Covenants.
- 2.11.1. Following the Closing, the Company shall: (a) provide any information reasonably available to the Company and its Affiliates which is requested by AMI or Vitruvian in order for AMI or Vitruvian, as applicable, to (i) prepare accurately all tax returns required to be filed by AMI or Vitruvian, as applicable, (ii) comply with any tax reporting requirement imposed as a result of the investment of AMI or Vitruvian, as applicable, in the Company, and (iii) determine whether the Company is a "Controlled Foreign Corporation" ("CFC") as defined in the U.S. Internal Revenue Code of 1986, as amended (or any successor thereto) (the "Code") with respect to the shares held by AMI or Vitruvian, as applicable; and (b) monitor its status and the status of any other entity in which the Company owns equity interests as a CFC, and shall promptly notify each of AMI and Vitruvian in writing if at any time the Company is or may be treated as a CFC or if at any time any entity in which the Company owns equity interests is or may be treated as a CFC.
- 2.11.2. No later than forty-five (45) days following the end of each of the Company's taxable year, and at any time that there is a change in either the Company's, or a subsidiary of the Company's, ownership structure, the Company shall supply each of AMI and Vitruvian with all information that it has in its possession that may be necessary for each of AMI and Vitruvian to determine, (A) whether AMI or Vitruvian, as applicable, or one of its direct or indirect owners, is a "United States Shareholder" (as described in Section 951(b) of the Code) with respect to the Company or any subsidiary of the Company, (B) whether the Company, or any subsidiary of the Company, is a CFC, and (C) in the event the Company or one of its subsidiaries is determined to be a CFC, the amount of income that AMI or Vitruvian, as applicable, or a direct or indirect owner thereof may have to include in its gross income under Section 951(a) of the Code with respect to its interest in the Company or a subsidiary of the Company (including, but not limited to, its share of any subpart F income of the Company or any subsidiary of the Company).
- 2.11.3. In the event that the Company is determined, by counsel or accountants for AMI or Vitruvian, to be a CFC with respect to the shares held by AMI or Vitruvian, as applicable, the Company agrees to use commercially reasonable efforts to avoid (I) generating "subpart F income" as such term is defined in Section 952 of the Code and the Treasury Regulations promulgated thereunder, and (II) investing in "United States property" as such term is defined in Section 956(c) of the Code and the Treasury Regulations promulgated thereunder.
- 2.11.4. In connection with any gain recognized by AMI or Vitruvian with respect to the Company or a subsidiary of the Company, to the extent relevant to the tax reporting of AMI or Vitruvian, as applicable, or its direct or indirect owners, the Company shall, upon the request of AMI or Vitruvian, as applicable, timely provide AMI or Vitruvian, as applicable, with any information reasonably available to the Company and its Affiliates in order for AMI or Vitruvian, as applicable, to calculate the Company's and/or its subsidiary's respective earnings and profits and AMI's or Vitruvian's, as applicable, share thereof as determined for U.S. federal income tax purposes for purposes of Section 1248 of the Code and the Treasury Regulations promulgated thereunder.

- 2.12. PFIC Representations and Covenants. The Company, which is, immediately prior to the effective date of this Agreement, not a “United States Person” as defined in Section 7701(a)(30) of the U.S. Tax Code, represents, warrants and covenants to each of AMI and Vitruvian (and acknowledges that each of AMI and Vitruvian is relying thereon) the following:
- 2.12.1. The Company shall provide any information reasonably available to the Company and its affiliates which is requested by AMI or Vitruvian in order for AMI or Vitruvian, as applicable, to determine whether the Company is a “Passive Foreign Investment Company” as defined in Section 1297 of the U.S. Tax Code (a “**PFIC**”). The Company shall monitor the status of it and any other entity in which the Company owns equity interests as a PFIC, shall make due inquiry with its tax advisors on at least an annual basis regarding its status as a PFIC, and if the Company is informed by its tax advisors that it has become a PFIC, or that there is a likelihood of the Company being classified as a PFIC for any taxable year, then the Company will provide prompt written notice to each of AMI and Vitruvian if at any time the Company determines that it is a PFIC or is at such risk, as the case may be.
- 2.12.2. The Company shall provide any information reasonably available to the Company and its Affiliates which is requested by AMI or Vitruvian in order for AMI or Vitruvian, as applicable, to make required filings with applicable taxing authorities including U.S. Internal Revenue Service filings on Form 8621.
- 2.12.3. Upon request of AMI or Vitruvian, the Company shall promptly, but in no event later than 60 days after the end of each U.S. taxable year of the Company, provide AMI or Vitruvian, as applicable, with a “PFIC Annual Information Statement” (within the meaning of U.S. Treasury Regulations Section 1.1295-1(g)), which shall be signed by the Company or an authorized representative of the Company and which shall set forth the following information:
- 2.12.3.1. The pro rata share of AMI or Vitruvian, as applicable, of the “ordinary earnings” and “net capital gain” (as defined in U.S. Treasury Regulations Section 1.1293-1(a)(2)) of the Company for such taxable year;
- 2.12.3.2. The amount of cash and the fair market value of other property distributed or deemed distributed to AMI or Vitruvian, as applicable, by the Company during such taxable year; and
- 2.12.3.3. A statement that the Company will permit AMI or Vitruvian, as applicable, to inspect and copy the Company’s permanent books of account, records, and such other documents as may be maintained by the Company to establish that the Company’s “ordinary earnings” and “net capital gain” are computed in accordance with U.S. federal income tax principles, and to verify these amounts and the pro rata share of AMI or Vitruvian, as applicable, thereof.
- 2.13. Entity Classification Representation. The Company shall take such actions, including making an election to be treated as a corporation or refraining from making an election to be treated as a partnership, as may be required to ensure that at all times the Company is treated as a corporation for United States federal income tax purposes.
- 2.14. Miscellaneous Information Reporting Representation. The Company shall cooperate with the tax advisors of AMI or Vitruvian, as the case may be, with respect to any inquiry, on at least an annual basis, regarding whether AMI or Vitruvian, as applicable, or any direct or indirect owner thereof is subject to the reporting requirements of either or both of Sections 6038 and 6038B of the Code with respect to their direct or indirect interest in the Company or a subsidiary of the Company, and in the event that AMI or Vitruvian, as applicable, or any direct or indirect owner thereof is determined by the tax advisors of AMI or Vitruvian, as applicable, to be subject to the reporting requirements of either or both of Sections 6038 and 6038B, the Company agrees, upon a request from AMI or Vitruvian, as applicable, to provide such information as may be necessary to fulfill the obligations of AMI or Vitruvian, as applicable, or the direct or indirect owner thereof under such reporting requirements.

- 2.15. FCPA. The Company hereby represents, warrants and covenants that:
- 2.15.1. at the time of this Agreement, neither it nor, to the Company's Knowledge (as defined in the Share Purchase Agreement), any of its directors, officers, employees, owners, agents, representatives, nor, to its knowledge, any person acting on behalf of the Company or any subsidiary, is currently a government official, officer, agent or employee of a non-U.S. government or government-owned enterprise (wholly or partially owned) or any agency, department or instrumentality thereof or political party or public international organization or a candidate for non-U.S. government or political office or is an agent, officer, or employee of any entity owned by a non-U.S. government ("**Non-U.S. Official**"). Company further represents and warrants that as of the date of execution of this Agreement, no Non-U.S. Official or any agency, department, political party, public international organization, or instrumentality thereof is associated with, or presently owns an interest, whether direct or indirect, in the Company or has any legal or beneficial interest in the Company or the payments to be made by any Investor to the Company or any subsidiary hereunder.
- 2.15.2. neither it nor, any of its directors, officers, employees, owners, agents, representatives, nor any person acting on behalf of the Company or any subsidiary, has made a promise to make, will make a promise to make, or will cause to be made anything of value ("**Payment**"): (i) to or for the use or benefit of any Non-U.S. Official; (ii) to any other person either for an advance or reimbursement, if it knows or has reason to know that any part of such Payment will be directly or indirectly given or paid by such other person, or will reimburse such other person for Payments previously made, to any Non-U.S. Official; or (iii) to any other person or entity, the payment of which would violate, or implicate the Company in the violation of the Foreign Corrupt Practices Act of 1977 ("**FCPA**"), the UK Bribery Act 2010 or any other applicable anti-bribery or anti-corruption law.
- 2.15.3. The Company further represents that it has maintained, and has caused each of its subsidiaries and Affiliates to maintain, systems of internal controls (including, but not limited to, accounting systems, purchasing systems and billing systems) to ensure compliance with the FCPA or any other applicable anti-bribery or anti-corruption law, and that is sufficient to provide reasonable assurances that violations of such laws will be prevented, detected and deterred.
- 2.16. USRPHC Representation. The Company is not a "United States real property holding corporation" as defined in Section 897(c)(2) of the Code (a "**USRPHC**") and has not been a USRPHC during the five-year period ending on the date hereof. If at any time the Company determines that it is a USRPHC, it shall promptly inform each of AMI and Vitruvian in writing of such determination. In addition, upon the request of AMI or Vitruvian, the Company shall promptly determine whether or not it is a USRPHC and shall promptly inform each of AMI and Vitruvian in writing of such determination.
- 2.17. Anti-Bribery; Export. None of the Company or any director or officer of the Company will take any action in furtherance of an offer, payment, promise to pay, or authorization or approval of the payment or giving of money, property, gifts or anything else of value, directly or indirectly, to any government official (including any officer or employee of a government or government-owned or controlled entity or of a public international organization, or any person acting in an official capacity for or on behalf of any of the foregoing, or any political party or party official or candidate for political office) to improperly influence official action or secure an improper advantage; and the Company will conduct its business in compliance with applicable anti-corruption laws, including Part 12 of the United States Anti-Terrorism, Crime and Security Act of 2001; the United States Money Laundering Control Act of 1986; the United States International Money Laundering Abatement and Anti-Terrorist Financing Act of 2001; the United States Foreign Corrupt Practices Act, as amended; or laws applicable in the United Kingdom and Israel that prohibit bribery, corrupt practices or money laundering, including, for the avoidance of doubt, the Bribery Act 2010, and will institute and maintain, policies and procedures designed to promote and achieve compliance with such laws and with the representation and warranty contained herein. The Company hereby represents, warrants and covenants that it does and will not engage in activities prohibited to persons subject to the

jurisdiction of the United States by the United States Trading with the Enemy Act of 1917, as amended, or the United States International Emergency Economic Powers Act of 1977, as amended, the regulations promulgated under either such Act, or under any other applicable export control law. The Company does not have its principal place of business in either Myanmar or Sudan, and that it does not generate more than 50% of its revenue from either of these countries. Finally, the Company does not and will not do, directly or indirectly, any material business in or with Iran, Syria, Cuba, Lebanon or North Korea; the Company agrees to provide each of AMI and Vitruvian with prior written notice on the commencement of such activity in either country.

2.18. Termination. Sections 2.11 through 2.16 shall terminate and have no effect upon consummation of the IPO.

3. Miscellaneous.

- 3.1. Interpretation. The headings contained in this Agreement are inserted for convenience only and shall not affect in any way the meaning or interpretation of this Agreement. Unless the context requires otherwise, all references herein to "Sections" shall be deemed references to sections of this Agreement. The words "include," "includes," "including" and words of similar import, when used in this Agreement, shall be deemed to be followed by the words "without limitation". The words "hereof," "herein" and "hereunder" and words of similar import, when used in this Agreement, shall refer to this Agreement as a whole and not to any particular provision of this Agreement. The terms contained in this Agreement are applicable to the singular as well as to the plural forms of such terms and to the masculine as well as the feminine and neuter genders of such terms. "Writing", or any term of like import, shall include words typewritten, printed, photographed or represented or reproduced by any mode of reproducing words in a visible form, including email, facsimile, text message, or other form of writing produced by electronic communication. The term "person" shall mean any individual, corporation, partnership, trust, limited liability company, association or other entity; and any reference to a "person" shall also refer to that such person's legal representatives, successors and/or assigns. Any agreement or law defined or referred to herein shall mean such agreement or law as from time to time may be amended, modified or supplemented.
- 3.2. Successors and Assigns. Except as otherwise provided herein, the terms and conditions of this Agreement shall inure to the benefit of and be binding upon the respective successors and assigns of the parties (including transferees of any Registrable Securities). Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective successors and assigns any rights, remedies, obligations, or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement.
- 3.3. Effect of Change in Company's Capital Structure. If, from time to time, there is any share dividend, share split or other change in the character or amount of any of the outstanding shares of the Company, then in such event any and all new, substituted or additional securities to which a shareholder is entitled by reason of the shareholder's ownership of the shares of the Company shall be immediately subject to the rights and obligations set forth in this Agreement, with the same force and effect as the shares subject to such rights immediately before such event.
- 3.4. Arbitration. Any dispute arising out of or in connection with this Agreement or its subject matter or formation (including non-contractual disputes or claims) will be resolved as follows: Any party will notify the other parties of the dispute, and provide a detailed description of the basis for the dispute as well as any relevant supporting documents. Each party in dispute will then attempt to resolve the dispute. If the parties in dispute do not resolve the dispute within forty-five (45) days of the initial dispute notice, any party in dispute may provide notice of its demand for formal dispute resolution through arbitration in accordance with this section. In the event that the matter is not submitted to arbitration within the foregoing forty-five (45) days period, then the parties shall be deemed to have waived in full such matter. In the event the matter is timely and duly submitted to arbitration, it shall be settled by arbitration to be conducted by a sole arbitrator (the "**Arbitrator**") and in accordance with the rules provisions of the Israel Arbitration Law, 1968 (the "**Arbitration Law**"), except as otherwise provided herein. The arbitration shall be conducted in Tel Aviv, Israel or such other place mutually acceptable to the

parties. The Arbitrator shall be mutually appointed by the parties, and if no agreement is reached on the identity of the Arbitrator within ten (10) days following request for the submission of such dispute to arbitration, the identity of the Arbitrator will be determined by the President of the Israeli Bar Association. The award of the Arbitrator as to any particular item or items or amount or amounts shall be in writing, state the reasons upon which it is based, and, absent manifest error, shall be final and binding upon the parties. Any ruling or decision of the Arbitrator may be enforced in any court of competent jurisdiction. This section constitutes an arbitration agreement in accordance with the Arbitration Law. In the event of any contradiction between the provisions hereof and the Arbitration Law, the provisions of this Agreement shall prevail. Each Party irrevocably consents to service of process in the manner provided by Section 3.8 or as otherwise provided by applicable law.

- 3.5. Governing Law. This Agreement shall be governed by and construed exclusively under the laws of the State of Israel, without regard to the conflict of law provisions thereof. Subject to Section 3.4, the competent courts in Tel Aviv, Israel shall have sole jurisdiction over this Agreement.
- 3.6. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.
- 3.7. Titles and Subtitles. The titles and subtitles used in this Agreement are used for convenience only and are not to be considered in construing or interpreting this Agreement.
- 3.8. Notices. Any notice required or permitted to be given to a party pursuant to the provisions of this Agreement will be in writing and will be effective and deemed given to such party under this Agreement on the earliest of the following: (a) the date of personal delivery; (b) one (1) Business Day after transmission by facsimile or email, addressed to the other party at its facsimile number or email address, with confirmation of transmission; (c) one (1) Business Day after deposit with a return receipt express courier for deliveries within Israel, or three (3) Business Days after such deposit for deliveries outside of Israel; or (d) three (3) Business Days after deposit in the mail by registered or certified mail (return receipt requested) for deliveries within Israel. All notices not delivered personally or by facsimile or Email will be sent with postage and/or other charges prepaid and properly addressed to the party to be notified at the address set forth below such party's signature on this Agreement or on Schedules A and B hereto, or if to the Company to the following address:

Global-e Online Ltd.  
Address: 25 Basel St., Petach Tikva, 4951038  
Attention: Amir Schlachet

with copies of all notices (which copies shall not constitute notice) to:  
Meitar | Law Offices  
16 Abba Hillel Silver Road  
Ramat-Gan 52506, Israel  
Attn: Mike Rimon, Advocate  
Tel: 9723 610-3100  
Fax: 9723 610-3111  
E-mail: mrimon@meitar.com

or at such other address as such other party may designate by ten (10) days advance written notice to the other parties hereto. All notices for delivery outside Israel will be sent by facsimile, email or by express courier. Any notice given hereunder to more than one person will be deemed to have been given, for purposes of counting time periods hereunder, on the date effectively given to the last party required to be given such notice.

- 3.9. Expenses. If any action at law or in equity is necessary to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees, costs and necessary disbursements in addition to any other relief to which such party may be entitled.
- 3.10. Entire Agreement: Amendments and Waivers. This Agreement (including the Schedules hereto, if any), constitutes the full and entire understanding and agreement among the parties with regard to the subjects hereof and thereof and amends and restates and supersedes and replaces in its entirety the Prior Agreement which shall be of no further force or effect.

Any term of this Agreement may be amended and the observance of any term of this Agreement may be waived (either generally or in a particular instance and either retroactively or prospectively), only with the written consent of: (a) the Company, and (b) the holders of a majority of the Registrable Securities; provided, however, that in the event that any amendment or waiver adversely affects the specific obligations and/or rights of a certain shareholder or group of shareholders or certain class or series of shares, such amendment or waiver shall also require the written consent of such shareholder or majority of such group, class or series, as the case maybe. Any amendment or waiver effected in accordance with this paragraph shall be binding upon each party hereto and the Company. The Company shall give prompt notice of any amendment hereof or waiver hereunder to any Major Holder that did not consent in writing to such amendment or waiver. Any provision of this Section 3.10 to the contrary notwithstanding, no named right granted specifically to AMI or Vitruvian hereunder may be altered in any way (other than the proportionate dilution of such rights by virtue of adding additional Investors as parties to this Agreement) without the prior written consent of AMI or Vitruvian, respectively.

- 3.11. Severability. If one or more provisions of this Agreement are held to be unenforceable under applicable law, such provision shall be excluded from this Agreement and the balance of the Agreement shall be interpreted as if such provision were so excluded and shall be enforceable in accordance with its terms; provided, however, that in such event this Agreement shall be interpreted so as to give effect to the greatest extent consistent with and permitted by applicable law, to the meaning and intention of the excluded provision as determined by such court of competent jurisdiction.
- 3.12. Delays or Omissions. No delay or omission to exercise any right, power, or remedy accruing to any party upon any breach or default under this Agreement, shall be deemed a waiver of any other breach or default theretofore or thereafter occurring. Any waiver, permit, consent, or approval of any kind or character on the part of any party of any breach or default under this Agreement, or any waiver on the part of any party of any provisions or conditions of this Agreement, must be in writing and shall be effective only to the extent specifically set forth in such writing.
- 3.13. Aggregation of Shares. All shares of the Company held or acquired by a shareholder and its Permitted Transferees (as defined in the Articles) shall be aggregated together for the purpose of determining the availability of any rights under this Agreement and for the calculation of the pro rata shares of such shareholder and its Permitted Transferees.
- 3.14. Additional Parties. The parties hereto agree that additional parties may be added as parties to this Agreement as “Investor” with respect to the Company’s Preferred A Shares, Preferred A-1 Shares, Preferred B-1 Shares, Preferred B-2 Shares, Preferred C Shares, Preferred D-1 Shares and Preferred E Shares, purchased by them after the date hereof, and shall thereupon be deemed for all purposes as an “Investor” hereunder. Any such additional party shall execute a counterpart of this Agreement, and upon execution by such additional party and by the Company, shall be added to Schedule A and shall be considered an Investor for purposes of this Agreement.
- 3.15. Holder Assignees. Any reference to, or rights conferred upon each holder of Preferred Shares or Registrable Securities or any of its Affiliates, may be transferred or assigned, free of any restriction (other than those set forth herein), to their Permitted Transferees.

*[Signature Pages Immediately Follow]*



IN WITNESS WHEREOF, the parties hereto have executed this Third Amended and Restated Investors' Rights Agreement as of the date first written above.

**COMPANY**

**GLOBAL-E ONLINE LTD.**

/s/ Amir Schlachet

\_\_\_\_\_  
Name: Amir Schlachet

Title: CEO

**FOUNDERS**

/s/ Amir Schlachet

\_\_\_\_\_  
**AMIR SCHLACHET**

/s/ Nir Debbi

\_\_\_\_\_  
**NIR DEBBI**

/s/ Shahar Tamari

\_\_\_\_\_  
**SHAHAR TAMARI**

*[SIGNATURE PAGE TO GLOBAL-E ONLINE LTD.  
THIRD AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT]*

IN WITNESS WHEREOF, the parties hereto have executed this Third Amended and Restated Investors' Rights Agreement as of the date first written above.

**INVESTORS**

/s/ Udi Dagan

**TSUNAMI 5 LTD.**

Name: Udi Dagan  
Title: Owner

/s/ Dan Geva

**DAN GEVA, LAW FIRM**

Name: Dan Geva  
Title:

/s/ Igal Weinstein Investments Ltd.

**IGAL WEINSTEIN INVESTMENTS LTD.**

Name:  
Title:

/s/ Beth Langsam

**REG ASSOCIATES LLC**

Name: Beth Langsam  
Title: Trustee

/s/ David Shlachet /s/ Shlachet Management Ltd.

**SCHLACHET MANAGEMENT LTD.**

Name: David Shlachet  
Title:

/s/ Shay Aba

**GOOR HOLDCO LTD.**

Name: Shay Aba  
Title: Signatory Right Holder

/s/ Dr. Israel Leshem

**DR. ISRAEL LESHEM ADV COMPANY**

Name: Dr. Israel Leshem  
Title: Director

/s/ Rotter Gabriel

**ROTER HOLDINGS LTD.**

Name: Rotter Gabriel  
Title:

/s/ Itshak Shaked

**ITSHAK SHAKED ASSETS LTD.**

Name: Itshak Shaked  
Title: CEO

/s/ Yoram Oron /s/ Yaniv Stern

**RED DOT CAPITAL PARTNERS, L.P.**

Name: Yoram Oron Yaniv Stern  
Title: Managing Partners

/s/ Oliver Steffan /s/ Christoph Tepper

**DEUTSCHE POST BETEILIGUNGEN HOLDING GMBH**

Name: Oliver Steffan Christoph Tepper  
Title: Authorized Signatories

/s/ Gael Seuvy

**CROSS SHIP S.À R.L.**

Name: Gael Seuvy  
Title:

*[SIGNATURE PAGE TO GLOBAL-E ONLINE LTD.  
THIRD AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT]*

IN WITNESS WHEREOF, the parties hereto have executed this Third Amended and Restated Investors' Rights Agreement as of the date first written above.

**INVESTORS (cont'd)**

/s/ Michal Giladi  
\_\_\_\_\_  
**MICHAL GILADI**

/s/ Moti Szuszan  
\_\_\_\_\_  
**MOTI SZUSZAN**

/s/ Ran Oz  
\_\_\_\_\_  
**RAN OZ**

/s/ Danny Koller  
\_\_\_\_\_  
**DANNY KOLLER**

/s/ David Chertok  
\_\_\_\_\_  
**DAVID CHERTOK**

/s/ Sacha Bielawski  
\_\_\_\_\_  
**SACHA BIELAWSKI**

/s/ Lior Shklarsh  
\_\_\_\_\_  
**LIOR SHKLARSH**

/s/ Ephraim Greenfield /s/ Rachel Greenfield  
\_\_\_\_\_  
**EPHRAIM & RACHEL GREENFIELD**

/s/ Maya Liquornik  
\_\_\_\_\_  
**MAYA LIQUORNIK**

/s/ David Schlachet  
\_\_\_\_\_  
**DAVID SCHLACHET**

/s/ David Ish Shalom  
\_\_\_\_\_  
**DAVID ISH SHALOM**

/s/ Lilach Asher Topilsky  
\_\_\_\_\_  
**LILACH ASHER-TOPILSKY**

/s/ Gigig Levy Weiss  
\_\_\_\_\_  
**GIGI LEVY WEISS**

/s/ Jean-Evrard Domince  
\_\_\_\_\_  
**JEAN-EVRARD DOMINICÉ**

/s/ Clifford Felig  
\_\_\_\_\_  
**CLIFF FEILG**

/s/ Abraham Brown  
\_\_\_\_\_  
**ABRAHAM BROWN**

/s/ Natan Schalachet  
\_\_\_\_\_  
**NATAN SCHALACHET**

[SIGNATURE PAGE TO GLOBAL-E ONLINE LTD.  
THIRD AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT]

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**SCHEDULE A**

**LIST OF INVESTORS**

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**SCHEDULE B**

**LIST OF FOUNDERS**

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**INDEMNIFICATION AGREEMENT**

THIS INDEMNIFICATION AGREEMENT (the “**Agreement**”), dated as of \_\_\_\_\_, 2021, is entered into by and between Global-E Online Ltd., an Israeli company whose address is 25 Basel Street, Petah Tikva 4951038, Israel (the “**Company**”), and the undersigned Director or Officer of the Company whose name appears on the signature page hereto officer (the “**Indemnitee**”).

- WHEREAS**, Indemnitee is an Office Holder (“*Nosse Misra*”), as such term is defined in the Companies Law, 5759–1999, as amended (the “**Office Holder**” and the “**Companies Law**” respectively), of the Company;
- WHEREAS**, both the Company and Indemnitee recognize the increased risk of litigation and other claims being asserted against Office Holders of companies;
- WHEREAS**, the Amended and Restated Articles of Association of the Company (the “**Articles of Association**”) authorize the Company to indemnify and advance expenses to its Office Holders and provide for insurance and exculpation to its Office Holders, in each case, to the fullest extent permitted by applicable law;
- WHEREAS**, the Company has determined that (i) the increased difficulty in attracting and retaining competent persons is detrimental to the best interests of the Company’s shareholders and that the Company should act to assure such persons that there will be increased certainty of such protection in the future, and (ii) it is reasonable, prudent and necessary for the Company contractually to obligate itself to indemnify, and to advance expenses on behalf of, such persons to the fullest extent permitted by applicable law, so that they will serve or continue to serve the Company free from undue concern that they will not be so indemnified; and
- WHEREAS**, in recognition of Indemnitee’s need for substantial protection against personal liability in order to assure Indemnitee’s continued service to the Company in an effective manner and, in part, in order to provide Indemnitee with specific contractual assurance that the indemnification, insurance and exculpation afforded by the Articles of Association will be available to Indemnitee, the Company wishes to undertake in this Agreement for the indemnification of and the advancing of expenses to Indemnitee to the fullest extent permitted by applicable law and as set forth in this Agreement and provide for insurance and exculpation of Indemnitee as set forth in this Agreement.

**NOW, THEREFORE**, the parties hereto agree as follows:

**1. INDEMNIFICATION AND INSURANCE.**

- 1.1. The Company hereby undertakes to indemnify Indemnitee to the fullest extent permitted by applicable law for any liability and expense specified in Sections 1.1.1 through 1.1.4 below, imposed on Indemnitee due to or in connection with an act performed by such Indemnitee, either prior to or after the date hereof, in Indemnitee’s capacity as an Office Holder, including, without limitation, as a director, officer, employee, agent or fiduciary of the Company, any subsidiary thereof or any other corporation, collaboration, partnership, joint venture, trust or other enterprise, in which Indemnitee serves at any time at the request of the Company (the “**Corporate Capacity**”). The term “act performed in Indemnitee’s capacity as an Office Holder” shall include, without limitation, any act, omission or failure to act and any other circumstances relating to or arising from Indemnitee’s service in a Corporate Capacity. Notwithstanding the foregoing, in the event that the Office Holder is the beneficiary of an indemnification undertaking provided by a subsidiary of the Company or any other entity with respect to his or her Corporate Capacity with such subsidiary or entity, then the indemnification obligations of the Company hereunder with respect to such Corporate Capacity shall only apply to the extent that the indemnification by such subsidiary or other entity does not actually fully cover the indemnifiable liabilities and expenses relating thereto. The following shall be hereinafter referred to as “**Indemnifiable Events**”:

- 1.1.1. Financial liability imposed on Indemnitee in favor of any person pursuant to a judgment, including a judgment rendered in the context of a settlement or an arbitrator's award approved by a court. For purposes of Section 1 of this Agreement, the term "**person**" shall include, without limitation, a natural person, firm, partnership, joint venture, trust, company, corporation, limited liability entity, unincorporated organization, estate, government, municipality, or any political, governmental, regulatory or similar agency or body;
- 1.1.2. Reasonable Expenses (as defined below) expended by Indemnitee as a result of an investigation or any proceeding instituted against the Indemnitee by an authority that is authorized to conduct such investigation or proceeding, and that was concluded without filing an indictment against the Indemnitee and without imposing on the Indemnitee a financial liability in lieu of a criminal proceeding, or that was concluded without filing an indictment against the Indemnitee but imposing a financial liability in lieu of a criminal proceeding in an offence that does not require proof of *mens rea*, or in connection with a financial sanction. In this section "conclusion of a proceeding without filing an indictment in a matter in which a criminal investigation has been instigated" and "financial liability in lieu of a criminal proceeding" shall have the meaning assigned to such terms under the Companies Law, and the term "financial sanction" shall mean such term as referred to in Section 260(a)(1a) of the Companies Law;
- 1.1.3. Reasonable Expenses expended by or imposed on Indemnitee by a court, in a proceeding instituted against Indemnitee by the Company or on its behalf or by another person, or in a criminal charge from which Indemnitee was acquitted or in which Indemnitee convicted of an offence that does not require proof of *mens rea*; and
- 1.1.4. Any other event, occurrence, matter or circumstances under any law with respect to which the Company may, or will be able to, indemnify an Office Holder (including, without limitation, in accordance with Section 56h(b)(1) of the Israeli Securities Law 5728-1968 (the "**Israeli Securities Law**"), if applicable, and Section 50P(b)(2) of the Israeli Economic Competition Law, 5758-1988 (the "**Economic Competition Law**")).

For the purpose of this Agreement, "**Expenses**" shall include, without limitation, legal fees and all other costs, expenses and obligations paid or incurred by Indemnitee in connection with investigating, defending, being a witness in or participating in (including on appeal), or preparing to defend, be a witness in or participate in any claim, action, suit, proceeding, alternative dispute resolution mechanism, hearing, inquiry or investigation relating to any matter for which indemnification hereunder may be provided. Expenses shall be considered paid or incurred by Indemnitee at such time as Indemnitee is required to pay or incur such cost or expenses, including upon receipt of an invoice or payment demand. The Company shall pay the Expenses in accordance with the provisions of Section 1.3.

- 1.2. Notwithstanding anything herein to the contrary, the Company's undertaking to indemnify the Indemnitee under Section 1.1.1 shall only be with respect to events described in **Exhibit A** hereto. The Board of Directors of the Company (the "**Board**") has determined that the categories of events listed in Exhibit A are foreseeable in light of the operations of the Company. The maximum amount of indemnification payable by the Company under Section 1.1.1 with respect to the specific events described in Exhibit A during any period of five years, shall be as set forth in Exhibit A hereto (the "**Limit**").



**Amount**”). If the Company undertook to indemnify multiple persons under agreements similar to this Agreement (the “**Indemnifiable Persons**”) the Limit Amount for the five year period commencing on the closing of the first issuance and sale of the Company’s ordinary shares to the public, pursuant to an effective registration statement under the United States Securities Act 1933, as amended, or the securities law of any other jurisdiction, and for every subsequent five year period, shall apply to all Indemnifiable Persons, in the aggregate, and if the Limit Amount is insufficient to cover all the indemnity amounts payable with respect to all Indemnifiable Persons during the relevant five year period, then such amount shall be allocated to such Indemnifiable Persons pro rata according to the percentage of their culpability, as finally determined by a court in the relevant claim, or, absent such determination or in the event such persons are parties to different claims, based on an equal pro rata allocation among such Indemnifiable Persons. The Limit Amount payable by the Company as described in Exhibit A is deemed by the Company to be reasonable in light of the circumstances. The indemnification provided under Section 1.1.1 herein shall not be subject to the limitations imposed by this Section 1.2 and Exhibit A if and to the extent such limits do not or are no longer required by the Companies Law.

- 1.3. If so requested by Indemnitee in writing, and subject to the Company’s repayment and reimbursements rights set forth in Sections 3 and 5 below, the Company shall pay amounts to cover Indemnitee’s Expenses with respect to which Indemnitee is entitled to be indemnified under Section 1.1 above, as and when incurred. The payments of such amounts shall be made by the Company directly to the Indemnitee’s legal and other advisors, as soon as practicable, but in any event no later than fifteen (15) days after written demand by such Indemnitee therefor to the Company, and any such payment shall be deemed to constitute indemnification hereunder. As part of the aforementioned undertaking, the Company will make available to Indemnitee any security or guarantee that Indemnitee may be required to post in accordance with an interim decision given by a court, governmental or administrative body, or an arbitrator, including for the purpose of substituting liens imposed on Indemnitee’s assets.
- 1.4. The Company’s obligation to indemnify Indemnitee and advance Expenses in accordance with this Agreement shall be for such period (the “**Indemnification Period**”) as Indemnitee shall be subject to any actual, possible or threatened claim, action, suit, demand or proceeding or any inquiry or investigation, whether civil, criminal or investigative, arising out of the Indemnitee’s service in the Corporate Capacity as described in Section 1.1 above, whether or not Indemnitee is still serving in such position.
- 1.5. The Company undertakes that, subject to the mandatory limitations under applicable law, as long as it may be obligated to provide indemnification and advance Expenses under this Agreement, the Company will purchase and maintain in effect directors and officers liability insurance, which will include coverage for the benefit of the Indemnitee, providing coverage in amounts as reasonably determined by the Board; provided that, the Company shall have no obligation to obtain or maintain directors and officers insurance policy if the Company determines in good faith that such insurance is not reasonably available, the premium costs for such insurance are disproportionate to the amount of coverage provided, or the coverage provided by such insurance is so limited by exclusions that it provides an insufficient benefit. The Company hereby undertakes to notify the Indemnitee prior to the expiration or termination of the directors and officers liability insurance.
- 1.6. The Company undertakes to give prompt written notice of the commencement of any claim hereunder to the insurers in accordance with the procedures set forth in each of the policies. The Company shall thereafter diligently take all actions reasonably necessary under the circumstances to cause such insurers to pay, on behalf of Indemnitee, all amounts payable as a result of such action, suit, proceeding, inquiry or investigation in

accordance with the terms of such policies. The above shall not derogate from Company's authority to freely negotiate or reach any compromise with the insurer which is reasonable at the Company's sole discretion provided that the Company shall act in good faith and in a diligent manner.

**2. SPECIFIC LIMITATIONS ON INDEMNIFICATION.**

Notwithstanding anything to the contrary in this Agreement, the Company shall not indemnify or advance Expenses to Indemnitee with respect to (i) any act, event or circumstance with respect to which it is prohibited to do so under applicable law, or (ii) a counter claim made by the Company or in its name in connection with a claim against the Company filed by the Indemnitee.

**3. REPAYMENT OF EXPENSES.**

- 3.1. In the event that the Company provides or is required to provide indemnification with respect to Expenses hereunder and at any time thereafter the Company determines, based on advice from its legal counsel, that the Indemnitee was not entitled to such payments, the amounts so indemnified by the Company will be promptly repaid by Indemnitee, unless the Indemnitee disputes the Company's determination, in which case the Indemnitee's obligation to repay to the Company shall be postponed until such dispute is resolved.
- 3.2. Indemnitee's obligation to repay to the Company for any Expenses or other sums paid hereunder shall be deemed as a loan given to Indemnitee by the Company subject to the minimum interest rate prescribed by Section 3(9) of the Income Tax Ordinance [New Version], 1961, or any other legislation replacing it, which is not considered a taxable benefit.

**4. SUBROGATION.**

In the event of payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee, who shall execute all documents required and shall do everything that may be necessary to secure such rights, including the execution of such documents necessary to enable the Company effectively to bring suit to enforce such rights.

**5. REIMBURSEMENT.**

The Company shall not be liable under this Agreement to make any payment in connection with any Indemnifiable Event to the extent Indemnitee has otherwise actually received payment under any insurance policy or otherwise (without any obligation of Indemnitee to repay any such amount) of the amounts otherwise indemnifiable hereunder. Any amounts paid to Indemnitee under such insurance policy or otherwise after the Company has indemnified Indemnitee for such liability or Expense shall be repaid to the Company promptly upon receipt by Indemnitee, in accordance with the terms set forth in Section 3.2.

**6. EFFECTIVENESS.**

The Company represents and warrants that this Agreement is valid, binding and enforceable in accordance with its terms and was duly adopted and approved by the Company, and shall be in full force and effect immediately upon its execution.

**7. NOTIFICATION AND DEFENSE OF CLAIM.**

Indemnitee shall notify the Company of the commencement of any action, suit or proceeding, and of the receipt of any notice or threat that any such legal proceeding has been or shall or may be initiated against Indemnitee (including any proceedings by or against the Company and any subsidiary thereof), promptly upon Indemnitee first becoming so aware; but the omission so to notify the Company will not relieve the Company from any liability which it may have to Indemnitee under this Agreement unless and to the extent that such failure to provide notice prejudices the Company's ability to defend such action. Notice to the Company shall be directed

to the Chief Executive Officer or Chief Financial Officer of the Company at the address shown in the preamble to this Agreement (or such other address as the Company shall designate in writing to Indemnitee). With respect to any such action, suit or proceeding as to which Indemnitee notifies the Company of the commencement thereof and without derogating from Sections 1.1 and 2:

- 7.1. The Company will be entitled to participate therein at its own expense.
- 7.2. Except as otherwise provided below, the Company, alone or jointly with any other indemnifying party similarly notified, will be entitled to assume the defense thereof, with counsel selected by the Company. Indemnitee shall have the right to employ his or her own counsel in such action, suit or proceeding, but the fees and expenses of such counsel incurred after notice from the Company of its assumption of the defense thereof shall be at the expense of Indemnitee, unless: (i) the employment of counsel by Indemnitee has been authorized in writing by the Company; (ii) the Company, in good faith, reasonably concluded that there may be a conflict of interest between the Company and Indemnitee in the conduct of the defense of such action; or (iii) the Company has not in fact employed counsel to assume the defense of such action within reasonable time, in which cases the reasonable fees and expenses of Indemnitee's counsel shall be at the expense of the Company. The Company shall not be entitled to assume the defense of any action, suit or proceeding brought by or on behalf of the Company or as to which Indemnitee and the Company shall have reached the conclusion specified in (ii) above.
- 7.3. The Company shall not be liable to indemnify Indemnitee under this Agreement for any amounts or expenses paid in connection with a settlement of any action, claim or otherwise, effected without the Company's prior written consent.
- 7.4. The Company shall have the right to conduct the defense as it sees fit in its sole discretion (provided that the Company shall conduct the defense in good faith and in a diligent manner), including the right to settle or compromise any claim or to consent to the entry of any judgment against Indemnitee without the consent of the Indemnitee, provided that, the amount of such settlement, compromise or judgment does not exceed the Limit Amount (if applicable) and is fully indemnifiable pursuant to this Agreement (subject to Section 1.2 of this Agreement) and/or applicable law, and any such settlement, compromise or judgment does not impose any penalty or limitation on Indemnitee without the Indemnitee's prior written consent. The Indemnitee's consent shall not be required if the settlement includes a complete release of Indemnitee, does not contain any admission of wrong-doing by Indemnitee, and includes monetary sanctions only as provided above. In the case of criminal proceedings the Company and/or its legal counsel will not have the right to plead guilty or agree to a plea-bargain in the Indemnitee's name without the Indemnitee's prior written consent. Neither the Company nor Indemnitee will unreasonably withhold or delay their consent to any proposed settlement.
- 7.5. Indemnitee shall fully cooperate with the Company and shall give the Company all information and access to documents, files and to his or her advisors and representatives as shall be within Indemnitee's power, in every reasonable way as may be required by the Company with respect to any claim which is the subject matter of this Agreement and in the defense of other claims asserted against the Company (other than claims asserted by Indemnitee), provided that the Company shall cover all expenses, costs and fees incidental thereto such that the Indemnitee will not be required to pay or bear such expenses, costs and fees.

#### 8. **EXCULPATION.**

Subject to the provisions of the Companies Law, the Company hereby releases, in advance, the Office Holder from liability to the Company for any damage that arises from the breach of the Office Holder's duty of care to the Company (within the meaning of such terms under Sections 252 and 253 of the Companies Law), other than breach of the duty of care towards the Company in a distribution (as such term is defined in the Companies Law).

9. **NON-EXCLUSIVITY.**

The rights of the Indemnitee hereunder shall not be deemed exclusive of any other rights Indemnitee may have under the Articles of Association, applicable law or otherwise, and to the extent that during the Indemnification Period the indemnification rights of the then serving directors and officers are more favorable to such directors or officers than the indemnification rights provided under this Agreement to Indemnitee, Indemnitee shall be entitled to the full benefits of such more favorable indemnification rights to the extent permitted by law.

10. **PARTIAL INDEMNIFICATION.**

If Indemnitee is entitled under any provision of this Agreement to indemnification by the Company for some or a portion of the expenses, judgments, fines or penalties actually or reasonably incurred by Indemnitee in connection with any proceedings, but not, however, for the total amount thereof, the Company shall nevertheless indemnify Indemnitee for the portion of such expenses, judgments, fines or penalties to which Indemnitee is entitled under any provision of this Agreement. Subject to the provisions of Section 5 above, any amount received by Indemnitee (under any insurance policy or otherwise) shall not reduce the Limit Amount hereunder and shall not derogate from the Company's obligation to indemnify the Indemnitee in accordance with the provisions of this Agreement up to the Limit Amount, as set forth in Section 1.2.

11. **BINDING EFFECT.**

This Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties hereto and their respective successors and permitted assigns. In the event of a merger or consolidation of the Company or a transfer or disposition of all or substantially all of the business or assets of the Company, the Indemnitee shall be entitled to the same indemnification and insurance provisions as the most favorable indemnification and insurance provisions afforded to the then-serving Office Holders of the Company. In the event that in connection with such transaction the Company purchases a directors and officers' "tail" or "run-off" policy for the benefit of its then serving Office Holders, then such policy shall cover Indemnitee and such coverage shall be deemed to be in satisfaction of the insurance requirements under this Agreement. This Agreement shall continue in effect during the Indemnification Period regardless of whether Indemnitee continues to serve in a Corporate Capacity.

Any amendment to the Companies Law, the Israeli Securities Law, the Economic Competition Law or other applicable law adversely affecting the right of the Indemnitee to be indemnified, insured or released pursuant hereto shall be prospective in effect, and shall not affect the Company's obligation or ability to indemnify or insure the Indemnitee for any act or omission occurring prior to such amendment, unless otherwise provided by applicable law.

12. **SEVERABILITY.**

The provisions of this Agreement shall be deemed severable and the invalidity or unenforceability of any provision shall not affect the validity or enforceability of the other provisions hereof. If any provision of this Agreement, or the application thereof or any circumstance, is invalid or unenforceable, (a) a suitable and equitable provision shall be substituted therefor in order to carry out, so far as may be valid and enforceable, the intent and purpose of such invalid or unenforceable provision and (b) the remainder of this Agreement and the application of such provision or circumstances shall not be affected by such invalidity or unenforceability, nor shall such invalidity or unenforceability affect the validity or enforceability of such provision, or the application thereof, in any other jurisdiction.

**13. NOTICE.**

All notices and other communications pursuant to this Agreement shall be in writing and shall be deemed provided if delivered personally, telecopied, sent by electronic facsimile, email, reputable overnight courier or mailed by registered or certified mail (return receipt requested), postage prepaid, to the parties at the addresses shown in the preamble to this Agreement, or to such other address as the party to whom notice is to be given may have furnished to the other party hereto in writing in accordance herewith. Any such notice or communication shall be deemed to have been delivered and received (i) in the case of personal delivery, on the date of such delivery, (ii) in the case of telecopier or an electronic facsimile or email, one business day after the date of transmission if confirmation of receipt is received, (iii) in the case of a reputable overnight courier, three business days after deposit with such reputable overnight courier service, and (iv) in the case of mailing, on the seventh business day following that on which the mail containing such communication is posted.

**14. GOVERNING LAW; JURISDICTION.**

This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Israel, without giving effect to the conflicts of law provisions of those laws. The Company and Indemnitee each hereby irrevocably consent to the exclusive jurisdiction and venue of the courts of Tel Aviv, Israel for all purposes in connection with any action or proceeding which arises out of or relates to this Agreement.

**15. ENTIRE AGREEMENT.**

This Agreement represents the entire agreement between the parties and supersedes any other agreements, contracts or understandings between the parties, whether written or oral, with respect to the subject matter of this Agreement.

**16. NO MODIFICATION AND NO WAIVER.**

No supplement, modification or amendment, termination or cancellation of this Agreement shall be binding unless executed in writing by both of the parties hereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions hereof (whether or not similar) nor shall such waiver constitute a continuing waiver. Any waiver shall be in writing. The Company hereby undertakes not to amend its Articles of Association in a manner which will adversely affect the provisions of this Agreement.

**17. ASSIGNMENTS; NO THIRD PARTY RIGHTS**

Neither party hereto may assign any of its rights or obligations hereunder except with the express prior written consent of the other party. Nothing herein shall be deemed to create or imply an obligation for the benefit of a third party. Without limitation of the foregoing, nothing herein shall be deemed to create any right of any insurer that provides directors and officers' liability insurance, to claim, on behalf of Indemnitee, any rights hereunder.

**18. INTERPRETATION; DEFINITIONS.**

Unless the context shall otherwise require: words in the singular shall also include the plural, and vice versa; any pronoun shall include the corresponding masculine, feminine and neuter forms; the words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation"; the words "herein", "hereof" and "hereunder" and words of similar import refer to this Agreement in its entirety and not to any part hereof; all references herein to Sections or clauses shall be deemed references to Sections or clauses of this Agreement; any references to any agreement or other instrument or law, statute or regulation are to it as amended, supplemented or restated, from time to time (and, in the case of any law, to any successor provisions or re-enactment or modification thereof being in force at the time); any reference to "law" shall include any supranational, national, federal, state, local, or foreign statute or law and all rules and regulations promulgated thereunder; any reference to a "day" or a number of "days" (without any explicit reference otherwise, such as to business days) shall be interpreted as a reference to a calendar day or number of calendar days; reference to month or year means according to the

Gregorian calendar; reference to a “company”, “corporate body” or “entity” shall include a, partnership, firm, company, corporation, limited liability company, association, joint venture, trust, unincorporated organization, estate, or a government municipality or any political, governmental, regulatory or similar agency or body, and reference to a “person” shall mean any of the foregoing or a natural person.

19. **COUNTERPARTS**

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and enforceable against the parties actually executing such counterpart, and all of which together shall constitute one and the same instrument; it being understood that parties need not sign the same counterpart. The exchange of an executed Agreement (in counterparts or otherwise) by facsimile or by electronic delivery in pdf format shall be sufficient to bind the parties to the terms and conditions of this Agreement, as an original.

*[SIGNATURE PAGE TO FOLLOW]*

**IN WITNESS WHEREOF**, the parties, each acting under due and proper authority, have executed this Indemnification Agreement as of the date first mentioned above, in one or more counterparts.

**Global-E Online Ltd.**

By: \_\_\_\_\_

Name and title: \_\_\_\_\_

**Indemnitee:**

Name: \_\_\_\_\_

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

Address: \_\_\_\_\_

**EXHIBIT A\***

**CATEGORY OF INDEMNIFIABLE EVENT**

1. Matters, events, occurrences or circumstances in connection or associated with employment relationships with employees or consultants or any employee union or similar or comparable organization.
2. Matters, events, occurrences or circumstances in connection or associated with business relations of any kind between the Company and its employees, independent contractors, customers, suppliers, partners, distributors, agents, resellers, representatives, licensors, licensees, service providers and other business associates.
3. Negotiations, execution, delivery and performance of agreements of any kind or nature and any decisions or deliberations relating to actions or omissions relating to the foregoing; any acts, omissions or circumstances that do or may constitute or are alleged to constitute anti-competitive acts, acts of commercial wrongdoing, or failure to meet any standard of conduct which is or may be applicable to such acts, omissions or circumstances.
4. Approval of and recommendation or information provided to shareholders with respect to any and all corporate actions, including the approval of the acts of the Company's management, their guidance and their supervision, matters relating to the approval of transactions with Office Holders (including, without limitation, all compensation related matters) or shareholders, including controlling persons and claims and allegations of failure to exercise business judgment, reasonable level of proficiency, expertise, care or any other applicable standard, with respect to the foregoing or otherwise with respect to the Company's business, strategy, operations and prospective outlook, and any discussions, deliberations, reviews or other preparatory or preliminary phases relating to any of the foregoing.
5. Violation, infringement, misappropriation, dilution and other misuse of copyrights, patents, designs, trade secrets, confidential information, proprietary information and any intellectual property rights, acts in connection with the registration, assertion or protection of rights to intellectual property and the defense of claims related to intellectual property, breach of confidentiality obligations, acts in regard of invasion of privacy or any violation of privacy or privacy related right or regulation, including with respect to databases or handling, collection or use of private information, acts in connection with slander and defamation, and claims in connection with publishing or providing any information, including any filings with any governmental authorities, whether or not required under any applicable laws.
6. Violations of or failure to comply with securities laws, and any regulations or other rules promulgated thereunder, of any jurisdiction, including without limitation, claims under the U.S. Securities Act of 1933 or the U.S. Exchange Act of 1934 or under the Israeli Securities Law, fraudulent disclosure claims, failure to comply with any securities authority or any stock exchange disclosure or other rules and any other claims relating to relationships with investors, debt holders, shareholders, optionholders, holders of any other equity or debt instrument of the Company, and otherwise with the investment community (including without limitation any such claims relating to a merger, acquisition, change in control transaction, issuance of securities, restructuring, spin out, spin off, divestiture, recapitalization or any other transaction relating to the corporate structure or organization of the Company); claims relating to or arising out of financing arrangements, any breach of financial covenants or other obligations towards investors, lenders or debt holders, class actions, violations of laws requiring the Company to obtain regulatory and governmental licenses, permits and authorizations in any jurisdiction, including in connection with disclosure, offering or other transaction related documents; actions taken in connection with the issuance, purchase, holding or disposition of any type of securities of Company, including, without limitation, the grant of options, warrants or other rights to



- purchase any of the same or any offering of the Company's securities (whether on behalf of the Company or on behalf of any holders of securities of the Company) to private investors, underwriters, resellers or to the public, and listing of such securities, or the offer by the Company to purchase securities from the public or from private investors or other holders, and any undertakings, representations, warranties and other obligations related to any of the foregoing or to the Company's status as a public company or as an issuer of securities.
7. Liabilities arising in connection with any products or services developed, distributed, rendered, sold, provided, licensed or marketed by the Company or any Affiliate thereof, and any actions or omissions in connection with the distribution, provision, sale, marketing, license or use of such products or services, including without limitation in connection with professional liability and product liability claims or regulatory or reputational matters.
  8. The offering of securities by the Company (whether on behalf of itself or on behalf of any holder of securities and any other person) to the public and/or to offerees or the offer by the Company to purchase securities from the public and/or from private investors or other holders pursuant to a prospectus, offering documents, agreements, notices, reports, tenders and/or other processes.
  9. Events, facts or circumstances in connection with change in ownership or in the structure of the Company, its reorganization, dissolution, winding up, any other arrangements concerning creditors rights, merger, change in control, issuances of securities, restructuring, spin out, spin off, divestiture, recapitalization or any other transaction relating to the corporate structure or organization of the Company, and the approval of failure to approve of any corporate actions and any matters relating to corporate governance, capital structure, articles of association or other charter or governance documents, appointment or dismissal of office holders or compensation thereof and appointment or dismissal of auditors, internal auditor or any other person performing any services for the Company.
  10. Any claim or demand made in connection with any transaction not in the ordinary course of business of the Company, as well as the sale, lease, purchase or acquisition of, or the receipt or grant of any rights with respect to, any assets or business.
  11. Any claim or demand made by any third party suffering any personal injury and/or bodily injury or damage to business or personal property or any other type of damage through any act or omission attributed to the Company, or its employees, agents or other persons acting or allegedly acting on its behalf, including, without limitation, failure to make proper safety arrangements for the Company or its employees and liabilities arising from any accidental or continuous damage or harm to the Company's employees, its contractors, its guests and visitors as a result of an accidental or continuous event, or employment conditions, permanent or temporary, in the Company's offices.
  12. Any claim or demand made directly or indirectly in connection with complete or partial failure, by the Company or its directors, officers and employees, to pay, report, keep applicable records or otherwise, of any local or foreign federal, state, county, municipal or city taxes or other taxes or compulsory payments of any nature whatsoever, including, without limitation, income, sales, use, transfer, excise, value added, registration, severance, stamp, occupation, customs, duties, real property, personal property, capital stock, social security, unemployment, disability, payroll or employee withholding or other withholding, including any interest, penalty or addition thereto, whether disputed or not.
  13. Any administrative, regulatory, judicial or civil actions orders, decrees, suits, demands, demand letters, directives, claims, liens, investigations, proceedings or notices of noncompliance or violation by any governmental entity or other person alleging potential responsibility or liability (including potential responsibility or liability for costs of enforcement investigation, cleanup, governmental response, removal or remediation, for natural resources damages, property

damage, personal injuries or penalties or for contribution, indemnification, cost recovery, compensation or injunctive relief) arising out of, based on or related to (a) the presence of, release, spill, emission, leaching, dumping, pouring, deposit, disposal, discharge, leaching or migration into the environment (each a “**Release**”) or threatened Release of, or exposure to, any hazardous, toxic, explosive or radioactive substances, wastes or other pollutants, including petroleum or petroleum distillates, asbestos or asbestos-containing material, polychlorinated biphenyls (“**PCBs**”) or PCB-containing materials or equipment, radon gas, infectious or medical wastes and all other substances or wastes of any nature regulated pursuant to any environmental law, at any location, whether or not owned, operated, leased or managed by the Company or any of its subsidiaries, or (b) circumstances forming the basis of any violation of any environmental law or environmental permit, license, registration or other authorization required under applicable environmental law.

14. Any administrative, regulatory or judicial actions, orders, decrees, suits, demands, demand letters, directives, claims, liens, investigations, proceedings or notices of noncompliance or violation by any governmental or regulatory entity or authority or any other person alleging the failure to comply with any statute, law, ordinance, rule, regulation, order or decree of any governmental entity applicable to the Company or any of its businesses, assets or operations, or the terms and conditions of any operating certificate or licensing agreement.
15. Participation and/or non-participation at Company Board meetings, expression of opinion or view and/or voting and/or abstention from voting at Company Board meetings, including, in each case, any committee thereof, as well as expression of opinion publicly in connection with the service as an Office Holder.
16. Review and approval of the Company’s financial statements and any specific items or matters within, including any action, consent or approval related to or arising from the foregoing, including, without limitations, engagement of or execution of certificates for the benefit of third parties related to the financial statements.
17. Violation of laws, rules or regulations requiring the Company to obtain regulatory and governmental licenses, permits and authorizations (including without limitation relating to export, import, encryption, antitrust or competition authorities) or laws related to any governmental grants in any jurisdiction.
18. Resolutions and/or actions relating to investments in the Company and/or its subsidiaries and/or affiliated companies and/or investment in corporate or other entities and/or investments in other traded or non-traded securities and/or any other form of investment.
19. Liabilities arising out of advertising, including misrepresentations regarding the Company’s products or services and unlawful distribution of emails.
20. Management of the Company’s bank accounts, including money management, foreign currency deposits, securities, loans and credit facilities, credit cards, bank guarantees, letters of credit, consultation agreements concerning investments including with portfolio managers, hedging transactions, options, futures, and the like.
21. All actions, consents and approvals, including any prior discussions, reviews and deliberations, relating to a distribution of dividends, in cash or otherwise, or to any other “distribution” as such term is defined under the Companies Law.
22. Any administrative, regulatory, judicial, civil or criminal, actions orders, decrees, suits, demands, demand letters, directives, claims, liens, investigations, proceedings or notices of noncompliance, violation or breaches alleging potential responsibility, liability, loss or damage (including potential responsibility or liability for costs of enforcement, investigation, cleanup,

governmental response, removal or remediation, property damage or penalties, or for contribution, indemnification, cost recovery, compensation or injunctive relief), whether alleged or claimed by customers, consumers, regulators, shareholders or others, arising out of, based on or related to: (a) cyber security, cyber attacks, data loss or breaches, unauthorized access to information, data, or databases (including but not limited to any personally identifiable information or private health information) and use or disclosure of information contained therein, not preventing or detecting the breach or failing to otherwise disclose or respond to the breach; (b) circumstances forming the basis of any violation of any law, permit, license, registration or other authorization required under applicable law governing data security, data protection, network security, information systems, privacy or any cyber environment (including, users, networks, devices, software, processes, information systems, databases, information in storage or transit, applications, services, and systems that can be connected directly or indirectly to networks); (c) failure to implement a reporting system or control, or failure to monitor or oversee the operation of such a system; (d) data destruction, extortion, theft, hacking, and denial of service attacks; losses or liabilities to others caused by errors and omissions, failure to safeguard data or defamation; or (e) security-audit, post-incident public relations and investigative expenses, criminal reward funds, data breach/privacy crisis management (including, management of an incident, investigation, remediation, data subject notification, call management, credit checking for data subjects, legal costs, court attendance and regulatory fines), extortion liability (including, losses due to a threat of extortion, professional fees related to dealing with the extortion), or network security liability (including, losses as a result of denial of access, costs related to data on third-parties and costs related to the theft of data on third-party systems).

The Limit Amount for all Indemnifiable Persons during each relevant period referred to in Section 1.2 of the Indemnification Agreement for all events described in this Exhibit A (in Sections 1-22 (inclusive) above), shall be the greater of:

(a) twenty-five percent (25%) of the Company's total shareholders' equity according to the Company's most recent financial statements as of the time of the actual payment of indemnification;

(b) US\$250 million;

(c) ten percent (10%) of the Company Total Market Cap (which shall mean the average closing price of the Company's ordinary shares over the 30 trading days prior to the actual payment of indemnification multiplied by the total number of issued and outstanding shares of the Company as of the date of actual payment); and

(d) in connection with or arising out of a public offering of the Company's securities, the aggregate amount of proceeds from the sale by the Company and/or any shareholder of Company's securities in such offering.

\* Any reference in this Exhibit A to the Company shall include the Company and any entity in which the Indemnitee serves in a Corporate Capacity.

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**GLOBAL-E ONLINE LTD.  
2021 SHARE INCENTIVE PLAN**

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*Unless otherwise defined, terms used herein shall have the meaning ascribed to them in Section 2 hereof.*

**1. PURPOSE; TYPES OF AWARDS; CONSTRUCTION.**

1.1. Purpose. The purpose of this 2021 Share Incentive Plan (as amended, this "Plan") is to afford an incentive to Service Providers of Global-E Online Ltd., an Israeli company (together with any successor corporation thereto, the "Company"), or any Affiliate of the Company, which now exists or hereafter is organized or acquired by the Company or its Affiliates, to continue as Service Providers, to increase their efforts on behalf of the Company or its Affiliates and to promote the success of the Company's business, by providing such Service Providers with opportunities to acquire a proprietary interest in the Company by the issuance of Shares or restricted Shares ("Restricted Shares") of the Company, Options, Restricted Shares Units ("RSUs"), share appreciation rights and other Share-based Awards pursuant to Sections 11 through 13 of this Plan.

1.2. Types of Awards. This Plan is intended to enable the Company to issue Awards under various tax regimes, including:

(i) pursuant and subject to the provisions of Section 102 of the Ordinance (or the corresponding provision of any subsequently enacted statute, as amended from time to time), and all regulations and interpretations adopted by any competent authority, including the Israel Tax Authority (the "ITA"), including the Income Tax Rules (Tax Benefits in Stock Issuance to Employees) 5763-2003 or such other rules so adopted from time to time (the "Rules") (such Awards that are intended to be (as set forth in the Award Agreement) and which qualify as such under Section 102 of the Ordinance and the Rules, "102 Awards");

(ii) pursuant to Section 3(i) of the Ordinance or the corresponding provision of any subsequently enacted statute, as amended from time to time (such Awards, "3(i) Awards");

(iii) Incentive Stock Options within the meaning of Section 422 of the Code, or the corresponding provision of any subsequently enacted United States federal tax statute, as amended from time to time, to be granted to Employees who are deemed to be residents of the United States, for purposes of taxation, or are otherwise subject to U.S. Federal income tax (such Awards that are intended to be (as set forth in the Award Agreement) and which qualify as an incentive stock option within the meaning of Section 422(b) of the Code, "Incentive Stock Options");

(iv) Options not intended to be (as set forth in the Award Agreement) or which do not qualify as an Incentive Stock Option ("Nonqualified Stock Options")

(v) Share appreciation rights; and

(vi) Restricted Shares, RSUs and other forms of Share-based Awards.

In addition to the issuance of Awards under the relevant tax regimes in the United States of America and the State of Israel, and without derogating from the generality of Section 25, this Plan contemplates issuances to Grantees in other jurisdictions or under other tax regimes with respect to which the Committee is empowered, but is not required, to make the requisite adjustments in this Plan and set forth the relevant conditions in an appendix to this Plan or in the Company's agreement with the Grantee in order to comply with the requirements of such other tax regimes.

1.3. Construction. To the extent any provision herein conflicts with the conditions of any relevant tax law, rule or regulation which are relied upon for tax relief in respect of a particular Award to a Grantee, the Committee is empowered, but is not required, hereunder to determine that the provisions of such law, rule or regulation shall prevail over those of this Plan and to interpret and enforce such prevailing provisions. With respect to 102 Awards, if and to the extent any action or the exercise or application of any provision hereof or authority granted hereby is conditioned or subject to obtaining a ruling or tax determination from the ITA, to the extent required by Applicable Law, then the taking of any such action or the exercise or application of such section or authority with respect to 102 Awards shall be conditioned upon obtaining such ruling or tax determination, and, if obtained, shall be subject to any condition set forth therein; it being clarified that there is no obligation to apply for any such ruling or tax determination (which shall be in the sole discretion of the Committee) and no assurance is made that if applied any such ruling or tax determination will be obtained (or the conditions thereof).

## 2. DEFINITIONS.

2.1. Terms Generally. Except when otherwise indicated by the context, (i) the singular shall include the plural and the plural shall include the singular; (ii) any pronoun shall include the corresponding masculine, feminine and neuter forms; (iii) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, restated, supplemented or otherwise modified (subject to any restrictions on such amendments, restatements, supplements or modifications set forth therein or herein), (iv) references to any law, constitution, statute, treaty, regulation, rule or ordinance, including any section or other part thereof shall refer to it as amended from time to time and shall include any successor thereof, (v) reference to a “company” or “entity” shall include a, partnership, corporation, limited liability company, association, trust, unincorporated organization, or a government or agency or political subdivision thereof, and reference to a “person” shall mean any of the foregoing or an individual, (vi) the words “herein”, “hereof” and “hereunder”, and words of similar import, shall be construed to refer to this Plan in its entirety, and not to any particular provision hereof, (vii) all references herein to Sections shall be construed to refer to Sections to this Plan; (viii) the words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”; and (ix) use of the term “or” is not intended to be exclusive.

2.2. Defined Terms. The following terms shall have the meanings ascribed to them in this Section 2:

2.3. “Affiliate” shall mean, (i) with respect to any person, any other person that, directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, such person (with the term “control” or “controlled by” within the meaning of Rule 405 of Regulation C under the Securities Act), including, without limitation, any Parent or Subsidiary, or (ii) Employer.

2.5. “Applicable Law” shall mean any applicable law, rule, regulation, statute, pronouncement, policy, interpretation, judgment, order or decree of any federal, provincial, state or local governmental, regulatory or adjudicative authority or agency, of any jurisdiction, and the rules and regulations of any stock exchange, over-the-counter market or trading system on which the Company’s shares are then traded or listed.

2.6. “Award” shall mean any issuance of Shares or Restricted Share, Options, RSUs, share appreciation rights and other Share-based Awards granted under this Plan.

2.7. “Board” shall mean the Board of Directors of the Company.

2.8. “Change in Board Event” shall mean any time at which individuals who, as of the Effective Date, constitute the Board (the “Incumbent Board”) cease for any reason to constitute at least a majority of the Board; provided, however, that any individual becoming a director subsequent to the Effective Date whose election, or nomination for election by the Company’s shareholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board shall be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board.

- 2.9. “Code” shall mean the United States Internal Revenue Code of 1986, and any applicable regulations promulgated thereunder, all as amended.
- 2.10. “Committee” shall mean a committee established or appointed by the Board to administer this Plan, subject to Section 3.1.
- 2.11. “Companies Law” shall mean the Israel Companies Law, 5759-1999, and the regulations promulgated thereunder, all as amended from time to time.
- 2.12. “Controlling Shareholder” shall have the meaning set forth in Section 32(9) of the Ordinance.
- 2.13. “Disability” shall mean (i) the inability of a Grantee to engage in any substantial gainful activity or to perform the major duties of the Grantee’s position with the Company or its Affiliates by reason of any medically determinable physical or mental impairment which has lasted or can be expected to last for a continuous period of not less than 12 months (or such other period as determined by the Committee), as determined by a qualified doctor acceptable to the Company, (ii) if applicable, a “permanent and total disability” as defined in Section 22(e)(3) of the Code or Section 409A(a)(2)(c)(i) of the Code, as amended from time to time, or (iii) as defined in a policy of the Company that the Committee deems applicable to this Plan, or that makes reference to this Plan, for purposes of this definition.
- 2.14. “Employee” shall mean any person treated as an employee (including an officer or a director who is also treated as an employee) in the records of the Company or any of its Affiliates (and in the case of 102 Awards, subject to Section 9.3 or in the case of Incentive Stock Options, who is an employee for purposes of Section 422 of the Code); provided, however, that neither service as a director nor payment of a director’s fee shall be sufficient to constitute employment for purposes of this Plan. The Company shall determine in good faith and in the exercise of its discretion whether an individual has become or has ceased to be an Employee and the effective date of such individual’s employment or termination of employment, as the case may be. For purposes of a person’s rights, if any, under this Plan as of the time of the Company’s determination, all such determinations by the Company shall be final, binding and conclusive, notwithstanding that the Company or any court of law or governmental agency subsequently makes a contrary determination.
- 2.15. “Employer” means, for purpose of a 102 Trustee Award, the Company or an Affiliate, Subsidiary or Parent thereof, which is an “employing company” within the meaning and subject to the conditions of Section 102(a) of the Ordinance.
- 2.16. “employment”, “employed” and words of similar import shall be deemed to refer to the employment of Employees or to the services of any other Service Provider, as the case may be.
- 2.17. “Exchange Act” shall mean the U.S. Securities Exchange Act of 1934, as amended, and all regulations, guidance and other interpretative authority issued thereunder.
- 2.18. “exercise,” “exercised” and words of similar import, when referring to an Award that does not require exercise or that is settled upon vesting (such as may be the case with RSUs or Restricted Shares, if so determined in their terms), shall be deemed to refer to the vesting of such an Award (regardless of whether or not the wording included reference to vesting of such an Awards explicitly).
- 2.19. “Exercise Period” shall mean the period, commencing on the date of grant of an Award, during which an Award shall be exercisable, subject to any vesting provisions thereof (including any acceleration thereof, if any) and subject to the termination provisions hereof.
- 2.20. “Exercise Price” shall mean the exercise price for each Share covered by an Option or the purchase price for each Share covered by any other Award.
- 2.21. “Fair Market Value” shall mean, as of any date, the value of a Share or other securities, property or rights as determined by the Board, in its discretion, subject to the following: (i) if, on such date, the Shares are listed on any securities exchange, the closing sales price per Share on which the Shares are principally traded on such date, or if no sale occurred on such date, the last day preceding such date on which a sale occurred, as reported in The Wall Street Journal or such other source as the Company deems reliable; (ii) if, on such date, the Shares are then quoted in an over-the-counter market, the average of the closing bid and asked prices for the Shares in that market on such date, or if there are no bid and asked prices on such date, the last day preceding such date on which there are bid and asked prices, as reported in The Wall Street Journal or such other source as the Company deems reliable; or (iii) if, on such date, the Shares

are not then listed on a securities exchange or quoted in an over-the-counter market, or in case of any other securities, property or rights, such value as the Committee, in its sole discretion, shall determine, with full authority to determine the method for making such determination and which determination shall be conclusive and binding on all parties, and shall be made after such consultations with outside legal, accounting and other experts as the Committee may deem advisable; provided, however, that, if applicable, the Fair Market Value of the Shares shall be determined in a manner that is intended to satisfy the applicable requirements of and subject to Section 409A of the Code, and with respect to Incentive Stock Options, in a manner that is intended to satisfy the applicable requirements of and subject to Section 422 of the Code, subject to Section 422(c)(7) of the Code. The Committee shall maintain a written record of its method of determining such value. If the Shares are listed or quoted on more than one established stock exchange or over-the-counter market, the Committee shall determine the principal such exchange or market and utilize the price of the Shares on that exchange or market (determined as per the method described in clauses (i) or (ii) above, as applicable) for the purpose of determining Fair Market Value.

2.22. "Grantee" shall mean a person who has been granted an Award(s) under this Plan.

2.23. "Option" shall mean a grant of options to purchase Shares, including, for the avoidance of doubt, Incentive Stock Options and Nonqualified Stock Options.

2.24. "Ordinance" shall mean the Israeli Income Tax Ordinance (New Version) 5271-1961, and the regulations and rules (including the Rules) promulgated thereunder, all as amended from time to time.

2.25. "Parent" shall mean any company (other than the Company), which now exists or is hereafter organized, (i) in an unbroken chain of companies ending with the Company if, at the time of granting an Award, each of the companies (other than the Company) owns stock possessing fifty percent (50%) or more of the total combined voting power of all classes of stock in one of the other companies in such chain, or (ii) if applicable and for purposes of Incentive Stock Options, that is a "parent corporation" of the Company, as defined in Section 424(e) of the Code.

2.26. "Retirement" shall mean a Grantee's retirement pursuant to Applicable Law or in accordance with the terms of any tax-qualified retirement plan maintained by the Company or any of its Affiliates in which the Grantee participates or is subject to.

2.27. "Securities Act" shall mean the U.S. Securities Act of 1933, and the rules and regulations promulgated thereunder, all as amended from time to time.

2.28. "Service Provider" shall mean an Employee, director, officer, consultant, advisor and any other person or entity who provides services to the Company or any Parent, Subsidiary or other Affiliate thereof. Service Providers shall include prospective Service Providers to whom Awards are granted in connection with written offers of an employment or other service relationship with the Company or any Parent, Subsidiary or any other Affiliates thereof, provided, however, that such employment or service shall have actually commenced. Notwithstanding the foregoing, unless otherwise determined by the Committee, each Service Provider shall be an "employee" as defined in the General Instructions to Form S-8 Registration Statement under the Securities Act (or any successor form thereto) at the time the Award is granted to the Service Provider.

2.29. "Share(s)" shall mean Ordinary Share(s), of no par value, of the Company (including Ordinary Shares resulting or issued as a result of share split, reverse share split, bonus shares, combination or other recapitalization events), or shares of such other class of shares of the Company as shall be designated by the Board in respect of the relevant Award(s). "Shares" include any securities or property issued or distributed with respect thereto.

2.30. "Subsidiary" shall mean any company (other than the Company), which now exists or is hereafter organized or acquired by the Company, (i) in an unbroken chain of companies beginning with the Company if, at the time of granting an Award, each of the companies other than the last company in the unbroken chain owns stock possessing fifty percent (50%) or more of the total combined voting power of all classes of stock in one of the other companies in such chain, or (ii) if applicable and for purposes of Incentive Stock Options, that is a "subsidiary corporation" of the Company, as defined in Section 424(f) of the Code.

2.31. “**tax(es)**” shall mean (a) all federal, state, local or foreign taxes, charges, fees, imposts, levies or other assessments, including all income, capital gains, alternative or add-on minimum, transfer, value added tax, real and personal property, withholding, payroll, employment, escheat, social security, disability, national security, health tax, wealth surtax, stamp, registration and estimated taxes, customs duties, fees, assessments and charges of any similar kind whatsoever (including under Section 280G of the Code) or other tax of any kind whatsoever, (b) all interest, indexation differentials, penalties, fines, additions to tax or additional amounts imposed by any taxing authority in connection with any item described in clause (a), (c) any transferee or successor liability in respect of any items described in clauses (a) or (b) payable by reason of contract, assumption, transferee liability, successor liability, operation of Applicable Law, or as a result of any express or implied obligation to assume Taxes or to indemnify any other person, and (d) any liability for the payment of any amounts of the type described in clause (a) or (b) payable as a result of being a member of an affiliated, consolidated, combined, unitary or aggregate or other group for any taxable period, including under U.S. Treasury Regulations Section 1.1502-6(a) (or any predecessor or successor thereof of any analogous or similar provision under Applicable Law) or otherwise.

2.32. “**Ten Percent Shareholder**” shall mean a Grantee who, at the time an Award is granted to the Grantee, owns shares possessing more than ten percent (10%) of the total combined voting power of all classes of shares of the Company or any Parent or Subsidiary, within the meaning of Section 422(b)(6) of the Code.

2.33. “**Trustee**” shall mean the trustee appointed by the Committee to hold the Awards (and, in relation with 102 Trustee Awards, approved by the ITA), if so appointed.

2.34. **Other Defined Terms.** The following terms shall have the meanings ascribed to them in the Sections set forth below:

<u>Term</u>	<u>Section</u>
102 Awards	1.2(i)
102 Capital Gains Track Awards	9.1
102 Non-Trustee Awards	9.2
102 Ordinary Income Track Awards	9.1
102 Trustee Awards	9.1
3(i) Awards	1.2(ii)
Award Agreement	6
Cause	6.6.4.4
Company	1.1
Effective Date	24.1
Election	9.2
Eligible 102 Grantees	9.3.1
Incentive Stock Options	1.2(iii)
Information	16.4
ITA	1.1(i)
Merger/Sale	14.2
Nonqualified Stock Options	1.2(iv)
Plan	1.1
Prior Plan(s)	5.2
Pool	1.1
Recapitalization	14.1
Required Holding Period	9.5
Restricted Period	11.2
Restricted Share Agreement	11
Restricted Share Unit Agreement	12
Restricted Share	1.1
RSUs	1.1
Rules	1.1(i)
Securities	17.1
Successor Corporation	14.2.1
Withholding Obligations	18.5



### 3. ADMINISTRATION.

3.1. To the extent permitted under Applicable Law, the Company's Amended and Restated Articles of Association (as may be amended and supplemented from time to time, the "Articles of Association") and any other governing document of the Company, this Plan shall be administered by the Committee. In the event that the Board does not appoint or establish a committee to administer this Plan, this Plan shall be administered by the Board and, accordingly, any and all references herein to the Committee shall be construed as references to the Board. In the event that an action necessary for the administration of this Plan is required under Applicable Law to be taken by the Board without the right of delegation, or if such action or power was explicitly reserved by the Board in appointing, establishing and empowering the Committee, then such action shall be so taken by the Board. In any such event, all references herein to the Committee shall be construed as references to the Board. Even if such a Committee was appointed or established, the Board may take any actions that are stated to be vested in the Committee, and shall not be restricted or limited from exercising all rights, powers and authorities under this Plan or Applicable Law.

3.2. The Board shall appoint the members of the Committee, may from time to time remove members from, or add members to, the Committee, and shall fill vacancies in the Committee, however caused, provided that the composition of the Committee shall at all times be in compliance with any mandatory requirements of Applicable Law, the Articles of Association and any other governing document of the Company. The Committee may select one of its members as its Chairman and shall hold its meetings at such times and places as it shall determine. The Committee may appoint a Secretary, who shall keep records of its meetings, and shall make such rules and regulations for the conduct of its business as it shall deem advisable and subject to mandatory requirements of Applicable Law.

3.3. Subject to the terms and conditions of this Plan, any mandatory provisions of Applicable Law and any provisions of any Company policy required under mandatory provisions of Applicable Law, and in addition to the Committee's powers contained elsewhere in this Plan, the Committee shall have full authority, in its discretion, from time to time and at any time, to determine any of the following, or to recommend to the Board any of the following if it is not authorized to take such action according to Applicable Law:

(i) eligible Grantees,

(ii) grants of Awards and setting the terms and provisions of Award Agreements (which need not be identical) and any other agreements or instruments under which Awards are made, including, the number of Shares underlying each Award and the class of Shares underlying each Award (if more than one class was designated by the Board),

(iii) the time or times at which Awards shall be granted,

(iv) the terms, conditions and restrictions applicable to each Award (which need not be identical) and any Shares acquired upon the exercise or (if applicable) vesting thereof, including, (1) designating Awards under Section 1.2; (2) the vesting schedule, the acceleration thereof and terms and conditions upon which Awards may be exercised or become vested, (3) the Exercise Price, (4) the method of payment for Shares purchased upon the exercise or (if applicable) vesting of the Awards, (5) the method for satisfaction of any tax withholding obligation arising in connection with the Awards or such Shares, including by the withholding or delivery of Shares, (6) the time of the expiration of the Awards, (7) the effect of the Grantee's termination of employment with the Company or any of its Affiliates, and (8) all other terms, conditions and restrictions applicable to the Award or the Shares not inconsistent with the terms of this Plan,

(v) to accelerate, continue, extend or defer the exercisability of any Award or the vesting thereof, including with respect to the period following a Grantee's termination of employment or other service,

(vi) the interpretation of this Plan and any Award Agreement and the meaning, interpretation and applicability of terms referred to in Applicable Law,

(vii) policies, guidelines, rules and regulations relating to and for carrying out this Plan, and any amendment, supplement or rescission thereof, as it may deem appropriate,

(viii) to adopt supplements to, or alternative versions of, this Plan, including, without limitation, as it deems necessary or desirable to comply with the laws of, or to accommodate the tax regime or custom of, foreign jurisdictions whose citizens or residents may be granted Awards,

(ix) the Fair Market Value of the Shares or other securities property or rights,

(x) the tax track (capital gains, ordinary income track or any other track available under the Section 102 of the Ordinance) for the purpose of 102 Awards,

(xi) the authorization and approval of conversion, substitution, cancellation or suspension under and in accordance with this Plan of any or all Awards or Shares,

(xii) unless otherwise provided under the terms of this Plan, the amendment, modification, waiver or supplement of the terms of any outstanding Award (including reducing the Exercise Price of an Award), provided, however, that if such amendments increase the Exercise Price of an Award or reduce the number of Shares underlying an Award, then such amendments shall require the consent of the applicable Grantee, unless such amendment is made pursuant to the exercise of rights or authorities in accordance with Sections 14 or 25,

(xiii) without limiting the generality of the foregoing, and subject to the provisions of Applicable Law, to grant to a Grantee, who is the holder of an outstanding Award, in exchange for the cancellation of such Award, a new Award having an Exercise Price lower than that provided in the Award so canceled and containing such other terms and conditions as the Committee may prescribe in accordance with the provisions of this Plan or to set a new Exercise Price for the same Award lower than that previously provided in the Award,

(xiv) to correct any defect, supply any omission or reconcile any inconsistency in this Plan or any Award Agreement and all other determinations and take such other actions with respect to this Plan or any Award as it may deem advisable to the extent not inconsistent with the provisions of this Plan or Applicable Law, and

(xv) any other matter which is necessary or desirable for, or incidental to, the administration of this Plan and any Award thereunder.

3.4. The authority granted hereunder includes the authority to modify Awards to eligible individuals who are foreign nationals or are individuals who are employed outside the State of Israel or the United States of America, to recognize differences in local law, tax policy or custom, in order to effectuate the purposes of this Plan but without amending this Plan.

3.5. The Board and the Committee shall be free at all times to make such determinations and take such actions as they deem fit. The Board and the Committee need not take the same action or determination with respect to all Awards, with respect to certain types of Awards, with respect to all Service Providers or any certain type of Service Providers and actions and determinations may differ as among the Grantees, and as between the Grantees and any other holders of securities of the Company.

3.6. All decisions, determinations, and interpretations of the Committee, the Board and the Company under this Plan shall be final and binding on all Grantees (whether before or after the issuance of Shares pursuant to Awards), unless otherwise determined by the Committee, the Board or the Company, respectively. The Committee shall have the authority (but not the obligation) to determine the interpretation and applicability of Applicable Law to any Grantee or any Awards. No member of the Committee or the Board shall be liable to any Grantee for any action taken or determination made in good faith with respect to this Plan or any Award granted hereunder.

3.7. Any officer or authorized signatory of the Company shall have the authority to act on behalf of the Company with respect to any matter, right, obligation, determination or election which is the responsibility of or which is allocated to the Company herein, provided such person has apparent authority with respect to such matter, right, obligation, determination or election. Such person or authorized signatory shall not be liable to any Grantee for any action taken or determination made in good faith with respect to this Plan or any Award granted hereunder.

#### 4. ELIGIBILITY

Awards may be granted to Service Providers of the Company or any Affiliate thereof, taking into account, at the Committee's discretion and without an obligation to do so, the qualification under each tax regime pursuant to which such Awards are granted, subject to the limitation on the granting of Incentive Stock Options set forth in Section 8.1. A person who has been granted an Award hereunder may be granted additional Awards, if the Committee shall so determine, subject to the limitations herein. However, eligibility in accordance with this Section 4 shall not entitle any person to be granted an Award, or, having been granted an Award, to be granted an additional Award.

Awards may differ in number of Shares covered thereby, the terms and conditions applying to them or on the Grantees or in any other respect (including, that there should not be any expectation (and it is hereby disclaimed) that a certain treatment, interpretation or position granted to one shall be applied to the other, regardless of whether or not the facts or circumstances are the same or similar).

#### 5. SHARES

5.1. The maximum aggregate number of Shares that may be issued pursuant to Awards under this Plan (the "Pool") shall be the sum of (a) 13,500,000 Shares plus (and without the need to further amend the Plan) (b) on January 1<sup>st</sup>, 2022 and on January 1<sup>st</sup> of each calendar year thereafter during the term of the Plan, a number of Shares equal to the lesser of: (i) five percent (5%) of the total number of Shares outstanding as of the end of the last day of the immediately preceding calendar year, and (ii) such smaller amount of Shares as is determined by the Board, if so determined prior to the January 1<sup>st</sup> of the calendar year in which the increase will occur (in each case, without the need to amend the Plan in case of such determination); in all events subject to adjustment as provided in Section 14.1. Notwithstanding the foregoing, the total number of Shares that may be issued pursuant to Incentive Stock Options granted under this Plan shall be 13,500,000, subject to adjustment as provided in Section 14.1. The Board may, at its discretion, reduce the number of Shares that may be issued pursuant to Awards under this Plan, at any time (provided that such reduction does not derogate from any issuance of Shares in respect of Awards then outstanding).

5.2. Any Shares (a) underlying an Award granted hereunder or an award granted under the Company's 2013 Share Incentive Plan, as amended (the "**Prior Plan(s)**") (in an amount not to exceed 575,400 Shares under the Prior Plan(s)) that has expired, or was cancelled, terminated, forfeited, or settled in cash in lieu of issuance of Shares, for any reason, without having been exercised; (b) if permitted by the Company, tendered to pay the Exercise Price of an Award (or the exercise price or other purchase price of any option or other award under the Prior Plan(s)), or withholding tax obligations with respect to an Award (or any awards under the Prior Plan(s)); or (c) if permitted by the Company, subject to an Award (or any award under the Prior Plan(s)) that are not delivered to a Grantee because such Shares are withheld to pay the Exercise Price of such Award (or any award under the Prior Plan(s)), or withholding tax obligations with respect to such Award (or such award); shall automatically, and without any further action on the part of the Company or any Grantee, again be available for grant of Awards and for issuance upon exercise or (if applicable) vesting thereof for the purposes of this Plan (unless this Plan shall have been terminated), unless the Board determines otherwise. Such Shares may be, in whole or in part, authorized but unissued Shares, (and, subject to obtaining a ruling as it applies to 102 Awards) treasury shares (dormant shares) or otherwise Shares that shall have been or may be repurchased by the Company (to the extent permitted pursuant to the Companies Law).

5.3. Any Shares under the Pool that are not subject to outstanding or exercised Awards at the termination of this Plan shall cease to be reserved for the purpose of this Plan.

5.4. From and after the Effective Date, no further grants or awards shall be made under the Prior Plan(s); however, Awards made under the Prior Plan(s) before the Effective Date shall continue in effect in accordance with their terms.

## 6. TERMS AND CONDITIONS OF AWARDS.

Each Award granted pursuant to this Plan shall be evidenced by a written or electronic agreement between the Company and the Grantee or a written or electronic notice delivered by the Company (the "Award Agreement"), in substantially such form or forms and containing such terms and conditions, as the Committee shall from time to time approve. The Award Agreement shall comply with and be subject to the following general terms and conditions and the provisions of this Plan (except for any provisions applying to Awards under different tax regimes), unless otherwise specifically provided in such Award Agreement, or the terms referred to in other Sections of this Plan applying to Awards under such applicable tax regimes, or terms prescribed by Applicable Law. Award Agreements need not be in the same form and may differ in the terms and conditions included therein.

6.1. Number of Shares. Each Award Agreement shall state the number of Shares covered by the Award.

6.2. Type of Award. Each Award Agreement may state the type of Award granted thereunder, provided that the tax treatment of any Award, whether or not stated in the Award Agreement, shall be as determined in accordance with Applicable Law.

6.3. Exercise Price. Each Award Agreement shall state the Exercise Price, if applicable. Unless otherwise set forth in this Plan, an Exercise Price of an Award of less than the par value of the Shares (if shares bear a par value) shall comply with Section 304 of the Companies Law. Subject to Sections 3, 7.2 and 8.2 and to the foregoing, the Committee may reduce the Exercise Price of any outstanding Award, on terms and subject to such conditions as it deems advisable. The Exercise Price shall also be subject to adjustment as provided in Section 14 hereof. The Exercise Price of any Award granted to a Grantee who is subject to U.S. federal income tax shall be determined in accordance with Section 409A of the Code.

6.4. Manner of Exercise.

6.4.1 An Award may be exercised, as to any or all Shares as to which the Award has become exercisable, (a) by written notice delivered in person or by mail (or such other methods of delivery prescribed by the Company) to the General Counsel of the Company or, if no such officer is then incumbent, to the Chief Financial Officer of the Company or to such other person as determined by the Committee, (b) by way of an exercise order submitted via the online service operated and maintained by the Company or any of its service providers, or (c) or in any other manner as the Committee shall prescribe from time to time, specifying the number of Shares with respect to which the Award is being exercised (which may be equal to or lower than the aggregate number of Shares that have become exercisable at such time, subject to the last sentence of this Section), accompanied by payment of the aggregate Exercise Price for such Shares in the manner specified in the following sentence. The Exercise Price shall be paid in full with respect to each Share, at the time of exercise and as a condition therefor, either (i) in cash, (ii) if the Company's shares are listed for trading on any securities exchange or over-the-counter market, and if the Committee so determines, all or part of the Exercise Price and any withholding taxes may be paid by the delivery (on a form prescribed by the Company) of an irrevocable direction to a securities broker approved by the Company to sell Shares and to deliver all or part of the sales proceeds to the Company or the Trustee, (iii) if the Company's shares are listed for trading on any securities exchange or over-the-counter market, and if the Committee so determines, all or part of the Exercise Price and any withholding taxes may be paid by the delivery (on a form prescribed by the Company) of an irrevocable direction to pledge Shares to a securities broker or lender approved by the Company, as security for a loan, and to deliver all or part of the loan proceeds to the Company or the Trustee, (iv) by applying the Cashless Exercise Mechanism set forth in Section 6.4.3 below, or (v) in such other manner as the Committee shall determine, which may include procedures for cashless exercise.

6.4.2 The application of Cashless Exercise Mechanism with respect to any 102 Awards shall be subject to obtaining a ruling from the ITA, to the extent required by Applicable Law.

6.4.3 Unless otherwise determined by the Committee, any and all Options (other than Incentive Stock Options) may be exercised using a cashless exercise mechanism, in which case the number of the Shares to be issued by the Company upon such exercise shall be calculated pursuant to the following formula (the "Cashless Exercise Mechanism"):

$$X = \frac{Y * (A - B)}{A}$$

Where: X = the number of Shares to be issued to the Grantee.

Y = the number of Shares, as adjusted to the date of such calculation, underlying the number of Options being exercised.

A = the Fair Market Value of one Share at the exercise date.

B = the Exercise Price of the Options being exercised.

Upon the completion of the calculation, if X is a negative number, then X shall be deemed to equal 0 (zero).

#### 6.5. Term and Vesting of Awards.

6.5.1 Each Award Agreement shall provide the vesting schedule for the Award as determined by the Committee. The Committee shall have the authority to determine the vesting schedule and accelerate the vesting of any outstanding Award at such time and under such circumstances as it, in its sole discretion, deems appropriate. Unless otherwise resolved by the Committee and stated in the Award Agreement, and subject to Sections 6.6 and 6.7 hereof, Awards shall vest and become exercisable under the following schedule: twenty-five percent (25%) of the Shares covered by the Award, on the first anniversary of the vesting commencement date determined by the Committee (and in the absence of such determination, of date on which such Award was granted), and six and one-quarter percent (6.25%) of the Shares covered by the Award at the end of each subsequent three-month period thereafter over the course of the following three (3) years; provided that the Grantee remains continuously as a Service Provider of the Company or its Affiliates throughout such vesting dates.

6.5.2 The Award Agreement may contain performance goals and measurements (which, in case of 102 Trustee Awards, may, if then required, be subject to obtaining a specific tax ruling or determination from the ITA), and the provisions with respect to any Award need not be the same as the provisions with respect to any other Award. Such performance goals may include, but are not limited to, revenues, sales, operating income, earnings before interest and taxes, return on investment, earnings per share, any combination of the foregoing or rate of growth of any of the foregoing, as determined by the Committee. The Committee may adjust performance goals pursuant to Awards previously granted to take into account changes in law and accounting and tax rules and to make such adjustments as the Committee deems necessary or appropriate to reflect the inclusion or the exclusion of the impact of extraordinary or unusual items, events or circumstances.

6.5.3 The Exercise Period of an Award will be ten (10) years from the date of grant of the Award, unless otherwise determined by the Committee and stated in the Award Agreement, but subject to the vesting provisions described above and the early termination provisions set forth in Sections 6.6 and 6.7 hereof. At the expiration of the Exercise Period, any Award, or any part thereof, that has not been exercised within the term of the Award and the Shares covered thereby not paid for in accordance with this Plan and the Award Agreement shall terminate and become null and void, and all interests and rights of the Grantee in and to the same shall expire.

## 6.6. Termination.

6.6.1 Unless otherwise determined by the Committee, and subject to this Section 6.6 and Section 6.7 hereof, an Award may not be exercised unless the Grantee was, since the date of grant of the Award throughout the vesting dates, and is then (at the time of exercise), a Service Provider.

6.6.2 In the event that the employment or service of a Grantee shall terminate (other than by reason of death, Disability or Retirement), such that Grantee is no longer a Service Provider, all Awards of such Grantee that are unvested at the time of such termination shall terminate on the date of such termination, and all Awards of such Grantee that are vested and exercisable at the time of such termination may be exercised within up to three (3) months after the date of such termination (or such different period as the Committee shall prescribe, in general or on a case-by-case basis), but in any event no later than the date of expiration of the Award's term as set forth in the Award Agreement or pursuant to this Plan; provided, however, that if the Company (or its Subsidiary or other Affiliate thereof, as applicable) shall have terminated the Grantee's employment or service for Cause (as defined below) (whether the facts or circumstances that constitute such Cause occur prior to or after termination of employment or service), or if facts or circumstances arise or are discovered with respect to the Grantee that would have constituted Cause, then all Awards theretofore granted to such Grantee (whether vested or not) shall terminate and be subject to recoupment by the Company on the date of such termination (or on such subsequent date on which such facts or circumstances arise or are discovered, as the case may be) unless otherwise determined by the Committee, and any Shares issued upon exercise or (if applicable) vesting of Awards (including other Shares or securities issued or distributed with respect thereto, and including the gross amount of any proceeds, gains or other economic benefit the Grantee actually or constructively receives upon receipt or exercise of any Award or the receipt or resale of any Shares underlying the Award), whether held by the Grantee or by the Trustee for the Grantee's benefit, shall be deemed to be irrevocably offered for sale to the Company, any of its Affiliates or any person designated by the Company to purchase, at the Company's election and subject to Applicable Law, either for no consideration, for the par value of such Shares (if such Shares bear a par value) or against payment of the Exercise Price previously received by the Company for such Shares upon their issuance, as the Committee deems fit, upon written notice to the Grantee at any time prior to, at or after the Grantee's termination of employment or service. Such Shares or other securities shall be sold and transferred within 30 days from the date of the Company's notice of its election to exercise its right. If the Grantee fails to transfer such Shares or other securities to the Company, the Company, at the decision of the Committee, shall be entitled to forfeit or repurchase such Shares and to authorize any person to execute on behalf of the Grantee any document necessary to effect such transfer, whether or not the share certificates are surrendered. The Company shall have the right and authority to effect the above either by: (i) repurchasing all of such Shares or other securities held by the Grantee or by the Trustee for the benefit of the Grantee, or designate the purchaser of all or any part of such Shares or other securities, for the Exercise Price paid for such Shares, the par value of such Shares (if such Shares bear a par value) or for no payment or consideration whatsoever, as the Committee deems fit; (ii) forfeiting all or any part of such Shares or other securities; (iii) redeeming all or any part of such Shares or other securities, for the Exercise Price paid for such Shares, the par value of such Shares (if such Shares bear a par value) or for no payment or consideration whatsoever, as the Committee deems fit; (iv) taking action in order to have all or any part of such Shares or other securities converted into deferred shares entitling their holder only to their par value (if such Shares bear a par value) upon liquidation of the Company; or (v) taking any other action which may be required in order to achieve similar results; all as shall be determined by the Committee, at its sole and absolute discretion, and the Grantee is deemed to irrevocably empower the Company or any person which may be designated by it to take any action by, in the name of or on behalf of the Grantee to comply with and give effect to such actions (including, voting such shares, filling in, signing and delivering share transfer deeds, etc.).

6.6.3 Notwithstanding anything to the contrary, the Committee, in its absolute discretion, may, on such terms and conditions as it may determine appropriate, extend the periods for which Awards held by any Grantee may continue to vest and be exercisable; it being clarified that such Awards may lose their entitlement to certain tax benefits under Applicable Law (including, without limitation, qualification of an Award as an Incentive Stock Option) as a result of the modification of such Awards and/or in the event that the Award is exercised beyond the later of: (i) three (3) months after the date of termination of the employment or service relationship; or (ii) the applicable period under Section 6.7 below with respect to a termination of the employment or service relationship because of the death, Disability or Retirement of Grantee.

6.6.4 For purposes of this Plan:

6.6.4.1. A termination of employment or service relationship of a Grantee shall not be deemed to occur (except to the extent required by the Code with respect to the Incentive Stock Option status of an Option) in case of (i) a transition or transfer of a Grantee among the Company and its Affiliates, (ii) a change in the capacity in which the Grantee is employed or renders service to the Company or any of its Affiliates or a change in the identity of the employing or engagement entity among the Company and its Affiliates, provided, in case of the foregoing clauses (i) and (ii) above, that the Grantee has remained continuously employed by and/or in the service of the Company and its Affiliates since the date of grant of the Award and throughout the vesting period; or (iii) if the Grantee takes any unpaid leave as set forth in Section 6.8 below.

6.6.4.2. An entity or an Affiliate thereof assuming an Award or issuing in substitution thereof in a transaction to which Section 424(a) of the Code applies or in a Merger/Sale in accordance with Section 14 shall be deemed as an Affiliate of the Company for purposes of this Section 6.6, unless the Committee determines otherwise.

6.6.4.3. In the case of a Grantee whose principal employer or service recipient is a Subsidiary or other Affiliate thereof, the Grantee's employment or service relationship shall also be deemed terminated for purposes of this Section 6.6 as of the date on which such principal employer or service recipient ceases to be a Subsidiary or other Affiliate thereof.

6.6.4.4. The term "Cause" shall mean (irrespective of, and in addition to, any definition included in any other agreement or instrument applicable to the Grantee, and unless otherwise determined by the Committee) any of the following: (i) any theft, fraud, embezzlement, dishonesty, willful misconduct, breach of fiduciary duty for personal profit, falsification of any documents or records of the Company or any of its Affiliates, felony or similar act by the Grantee (whether or not related to the Grantee's relationship with the Company); (ii) an act of moral turpitude by the Grantee, or any act that causes significant injury to, or is otherwise adversely affecting, the reputation, business, assets, operations or business relationship of the Company (or a Subsidiary or other Affiliate thereof, when applicable); (iii) any breach by the Grantee of any material agreement with or of any material duty of the Grantee to the Company or any Subsidiary or other Affiliate thereof (including breach of confidentiality, non-disclosure, non-use non-competition or non-solicitation covenants towards the Company or any of its Affiliates) or failure to abide by code of conduct or other policies (including, without limitation, policies relating to confidentiality and reasonable workplace conduct); (iv) any act which constitutes a breach of a Grantee's fiduciary duty towards the Company or a Subsidiary or other Affiliate thereof, including disclosure of confidential or proprietary information thereof or acceptance or solicitation to receive unauthorized or undisclosed benefits, irrespective of their nature, or funds, or promises to receive either, from individuals, consultants or corporate entities with whom the Company or a Subsidiary or other Affiliate thereof conducts business; (v) the Grantee's unauthorized use, misappropriation, destruction, or diversion of any tangible or intangible asset or corporate opportunity of the Company or any of its Affiliates (including, without limitation, the improper use or disclosure of confidential or proprietary information); or (vi) any circumstances that constitute grounds for termination for cause under the Grantee's employment or service agreement with the Company or Affiliate, to the extent applicable. For the avoidance of doubt, the determination as to whether a termination is for Cause for purposes of this Plan, shall be made in good faith by the Committee and shall be final and binding on the Grantee.

#### 6.7. Death, Disability or Retirement of Grantee.

6.7.1 If a Grantee shall die while employed by, or performing service for, the Company or any of its Affiliates, or within the three (3) month period (or such longer period of time as determined by the Board, in its discretion) after the date of termination of such Grantee's employment or service (or within such different period as the Committee may have provided pursuant to Section 6.6 hereof), or if the Grantee's employment or service with the Company or any of its Affiliates shall terminate by reason of Disability, all Awards theretofore granted to such Grantee may (to the extent otherwise vested and exercisable and unless earlier terminated in accordance with their terms) be exercised by the Grantee or by the Grantee's estate or by a person who acquired the legal right to exercise such Awards by bequest or inheritance, or by a person who acquired the legal right to exercise such Awards in accordance with applicable law in the case of Disability of the Grantee, as the case may be, at any time within one (1) year (or such longer period of time as determined by the Committee, in its discretion) after the death or Disability of the Grantee (or such different period as the Committee shall prescribe), but in any event no later than the date of expiration of the Award's term as set forth in the Award Agreement or pursuant to this Plan. In the event that an Award granted hereunder shall be exercised as set forth above by any person other than the Grantee, written notice of such exercise shall be accompanied by a certified copy of letters testamentary or proof satisfactory to the Committee of the right of such person to exercise such Award.

6.7.2 In the event that the employment or service of a Grantee shall terminate on account of such Grantee's Retirement, all Awards of such Grantee that are exercisable at the time of such Retirement may, unless earlier terminated in accordance with their terms, be exercised at any time within the three (3) month period after the date of such Retirement (or such different period as the Committee shall prescribe).

6.8. Suspension of Vesting. Unless the Committee provides otherwise, vesting of Awards granted hereunder shall be suspended during any unpaid leave of absence, other than in the case of any (i) leave of absence which was pre-approved by the Company explicitly for purposes of continuing the vesting of Awards, or (ii) transfers between locations of the Company or any of its Affiliates, or between the Company and any of its Affiliates, or any respective successor thereof. For clarity, for purposes of this Plan, military leave, statutory maternity or paternity leave or sick leave are not deemed unpaid leave of absence, unless otherwise determined by the Committee.

6.9. Securities Law Restrictions. Except as otherwise provided in the applicable Award Agreement or other agreement between the Service Provider and the Company, if the exercise of an Award following the termination of the Service Provider's employment or service (other than for Cause) would be prohibited at any time solely because the issuance of Shares would violate the registration requirements under the Securities Act or equivalent requirements under equivalent laws of other applicable jurisdictions, then the Award shall remain exercisable and terminate on the earlier of (i) the expiration of a period of three (3) months (or such longer period of time as determined by the Committee, in its discretion) after the termination of the Service Provider's employment or service during which the exercise of the Award would not be in such violation, or (ii) the expiration of the term of the Award as set forth in the Award Agreement or pursuant to this Plan. In addition, unless otherwise provided in a Grantee's Award Agreement, if the sale of any Shares received upon exercise or (if applicable) vesting of an Award following the termination of the Grantee's employment or service (other than for Cause) would violate the Company's insider trading policy, then the Award shall terminate on the earlier of (i) the expiration of a period equal to the applicable post-termination exercise period after the termination of the Grantee's employment or service during which the exercise of the Award would not be in violation of the Company's insider trading policy, or (ii) the expiration of the term of the Award as set forth in the applicable Award Agreement or pursuant to this Plan.

6.10. Other Provisions. The Award Agreement evidencing Awards under this Plan shall contain such other terms and conditions not inconsistent with this Plan as the Committee may determine, at or after the date of grant, including provisions in connection with the restrictions on transferring the Awards or Shares covered by such Awards, which shall be binding upon the Grantees and any purchaser, assignee or transferee of any Awards, and other terms and conditions as the Committee shall deem appropriate.



## 7. NONQUALIFIED STOCK OPTIONS.

Awards granted pursuant to this Section 7 are intended to constitute Nonqualified Stock Options and shall be subject to the general terms and conditions specified in Section 6 hereof and other provisions of this Plan, except for any provisions of this Plan applying to Awards under different tax laws or regulations. In the event of any inconsistency or contradictions between the provisions of this Section 7 and the other terms of this Plan, this Section 7 shall prevail. However, if for any reason the Awards granted pursuant to this Section 7 (or portion thereof) does not qualify as an Incentive Stock Option, then, to the extent of such non-qualification, such Option (or portion thereof) shall be regarded as a Nonqualified Stock Option granted under this Plan. In no event will the Board, the Company or any Parent or Subsidiary or any of their respective employees or directors have any liability to Grantee (or any other person) due to the failure of the Option to qualify for any reason as an Incentive Stock Option.

7.1. Certain Limitations on Eligibility for Nonqualified Stock Options. Nonqualified Stock Options may not be granted to a Service Provider who is deemed to be a resident of the United States for purposes of taxation or who is otherwise subject to United States federal income tax unless the Shares underlying such Options constitute "service recipient stock" under Section 409A of the Code or unless such Options comply with the payment requirements of Section 409A of the Code.

7.2. Exercise Price. The Exercise Price of a Nonqualified Stock Option shall not be less than 100% of the Fair Market Value of a Share on the date of grant of such Option unless the Committee specifically indicates that the Awards will have a lower Exercise Price and the Award complies with Section 409A of the Code. Notwithstanding the foregoing, a Nonqualified Stock Option may be granted with an exercise price lower than the minimum exercise price set forth above if such Award is granted pursuant to an assumption or substitution for another option in a manner qualifying under the provisions of that complies with Section 424(a) of the Code 1.409A-1(b)(5)(v)(D) of the U.S. Treasury Regulations or any successor guidance.

## 8. INCENTIVE STOCK OPTIONS.

Awards granted pursuant to this Section 8 are intended to constitute Incentive Stock Options and shall be granted subject to the following special terms and conditions, the general terms and conditions specified in Section 6 hereof and other provisions of this Plan, except for any provisions of this Plan applying to Awards under different tax laws or regulations. In the event of any inconsistency or contradictions between the provisions of this Section 8 and the other terms of this Plan, this Section 8 shall prevail.

8.1. Eligibility for Incentive Stock Options. Incentive Stock Options may be granted only to Employees of the Company, or to Employees of a Parent or Subsidiary, determined as of the date of grant of such Options. An Incentive Stock Option granted to a prospective Employee upon the condition that such person become an Employee shall be deemed granted effective on the date such person commences employment, with an exercise price determined as of such date in accordance with Section 8.2.

8.2. Exercise Price. The Exercise Price of an Incentive Stock Option shall not be less than one hundred percent (100%) of the Fair Market Value of the Shares covered by the Awards on the date of grant of such Option or such other price as may be determined pursuant to the Code. Notwithstanding the foregoing, an Incentive Stock Option may be granted with an exercise price lower than the minimum exercise price set forth above if such Award is granted pursuant to an assumption or substitution for another option in a manner that complies with the provisions of Section 424(a) of the Code.

8.3. Date of Grant. Notwithstanding any other provision of this Plan to the contrary, no Incentive Stock Option may be granted under this Plan after 10 years from the date this Plan is adopted, or the date this Plan is approved by the shareholders, whichever is earlier.

8.4. Exercise Period. No Incentive Stock Option shall be exercisable after the expiration of ten (10) years after the effective date of grant of such Award, subject to Section 8.6. No Incentive Stock Option granted to a prospective Employee may become exercisable prior to the date on which such person commences employment.

8.5. \$100,000 Per Year Limitation. The aggregate Fair Market Value (determined as of the date the Incentive Stock Option is granted) of the Shares with respect to which all Incentive Stock Options granted under this Plan and all other “incentive stock option” plans of the Company, or of any Parent or Subsidiary, become exercisable for the first time by each Grantee during any calendar year shall not exceed one hundred thousand United States dollars (\$100,000) with respect to such Grantee. To the extent that the aggregate Fair Market Value of Shares with respect to which such Incentive Stock Options and any other such incentive stock options are exercisable for the first time by any Grantee during any calendar year exceeds one hundred thousand United States dollars (\$100,000), such options shall be treated as Nonqualified Stock Options. The foregoing shall be applied by taking options into account in the order in which they were granted. If the Code is amended to provide for a different limitation from that set forth in this Section 8.5, such different limitation shall be deemed incorporated herein effective as of the date and with respect to such Awards as required or permitted by such amendment to the Code. If an Option is treated as an Incentive Stock Option in part and as a Nonqualified Stock Option in part by reason of the limitation set forth in this Section 8.5, the Grantee may designate which portion of such Option the Grantee is exercising. In the absence of such designation, the Grantee shall be deemed to have exercised the Incentive Stock Option portion of the Option first. Separate certificates representing each such portion may be issued upon the exercise of the Option.

8.6. Ten Percent Shareholder. In the case of an Incentive Stock Option granted to a Ten Percent Shareholder, notwithstanding the foregoing provisions of this Section 8, (i) the Exercise Price shall not be less than one hundred and ten percent (110%) of the Fair Market Value of a Share on the date of grant of such Incentive Stock Option, and (ii) the Exercise Period shall not exceed five (5) years from the effective date of grant of such Incentive Stock Option.

8.7. Payment of Exercise Price. Each Award Agreement evidencing an Incentive Stock Option shall state each alternative method by which the Exercise Price thereof may be paid.

8.8. Leave of Absence. Notwithstanding Section 6.8, a Grantee’s employment shall not be deemed to have terminated if the Grantee takes any leave as set forth in Section 6.8(i); provided, however, that if any such leave exceeds three (3) months, on the day that is three (3) months following the commencement of such leave any Incentive Stock Option held by the Grantee shall cease to be treated as an Incentive Stock Option and instead shall be treated thereafter as a Nonqualified Stock Option, unless the Grantee’s right to return to employment is guaranteed by statute or contract.

8.9. Exercise Following Termination. Notwithstanding anything else in this Plan to the contrary, Incentive Stock Options that are not exercised within three (3) months following termination of the Grantee’s employment with the Company or its Parent or Subsidiary or with a corporation (or a parent or subsidiary of such corporation) issuing or assuming an Option of such Grantee in a transaction to which Section 424(a) of the Code applies, or within one year in case of termination of the Grantee’s employment with the Company or its Parent or Subsidiary due to a Disability (within the meaning of Section 22(e)(3) of the Code), shall be deemed to be Nonqualified Stock Options.

8.10. Notice to Company of Disqualifying Disposition. Each Grantee who receives an Incentive Stock Option must agree to notify the Company in writing immediately after the Grantee makes a Disqualifying Disposition of any Shares received pursuant to the exercise of Incentive Stock Options. A “Disqualifying Disposition” is any disposition (including any sale) of such Shares before the later of (i) two years after the date the Grantee was granted the Incentive Stock Option, or (ii) one year after the date the Grantee acquired Shares by exercising the Incentive Stock Option. If the Grantee dies before such Shares are sold, these holding period requirements do not apply and no disposition of the Shares will be deemed a Disqualifying Disposition.

## 9. 102 AWARDS.

Awards granted pursuant to this Section 9 are intended to constitute 102 Awards and shall be granted subject to the following special terms and conditions, the general terms and conditions specified in Section 6 hereof and other provisions of this Plan, except for any provisions of this Plan applying to Awards under different tax laws or regulations. In the event of any inconsistency or contradictions between the provisions of this Section 9 and the other terms of this Plan, this Section 9 shall prevail.

9.1. Tracks. Awards granted pursuant to this Section 9 are intended to be granted pursuant to Section 102 of the Ordinance pursuant to either (i) Section 102(b)(2) or (3) thereof (as applicable), under the capital gain track (“102 Capital Gain Track Awards”), or (ii) Section 102(b)(1) thereof under the ordinary income track (“102 Ordinary Income Track Awards”, and together with 102 Capital Gain Track Awards, “102 Trustee Awards”). 102 Trustee Awards shall be granted subject to the special terms and conditions contained in this Section 9, the general terms and conditions specified in Section 6 hereof and other provisions of this Plan, except for any provisions of this Plan applying to Options under different tax laws or regulations.

9.2. Election of Track. Subject to Applicable Law, the Company may grant only one type of 102 Trustee Awards at any given time to all Grantees who are to be granted 102 Trustee Awards pursuant to this Plan, and shall file an election with the ITA regarding the type of 102 Trustee Awards it elects to grant before the date of grant of any 102 Trustee Awards (the “Election”). Such Election shall also apply to any other securities, including bonus shares, received by any Grantee as a result of holding the 102 Trustee Awards. The Company may change the type of 102 Trustee Awards that it elects to grant only after the expiration of at least 12 months from the end of the year in which the first grant was made in accordance with the previous Election, or as otherwise provided by Applicable Law. Any Election shall not prevent the Company from granting Awards, pursuant to Section 102(c) of the Ordinance without a Trustee (“102 Non-Trustee Awards”).

### 9.3. Eligibility for Awards.

9.3.1 Subject to Applicable Law, 102 Awards may only be granted to an “employee” within the meaning of Section 102(a) of the Ordinance (which as of the date of the adoption of this Plan means (i) individuals employed by an Israeli company being the Company or any of its Affiliates, and (ii) individuals who are serving and are engaged personally (and not through an entity) as “office holders” by such an Israeli company), but may not be granted to a Controlling Shareholder (“Eligible 102 Grantees”). Eligible 102 Grantees may receive only 102 Awards, which may either be granted to a Trustee or granted under Section 102 of the Ordinance without a Trustee.

### 9.4. 102 Award Grant Date.

9.4.1 Each 102 Award will be deemed granted on the date determined by the Committee, subject to Section 9.4.2, provided that (i) the Grantee has signed all documents required by the Company or pursuant to Applicable Law, and (ii) with respect to 102 Trustee Award, the Company has provided all applicable documents to the Trustee in accordance with the guidelines published by the ITA, and if an agreement is not signed and delivered by the Grantee within 90 days from the date determined by the Committee (subject to Section 9.4.2), then such 102 Trustee Award shall be deemed granted on such later date as such agreement is signed and delivered and on which the Company has provided all applicable documents to the Trustee in accordance with the guidelines published by the ITA. In the case of any contradiction, this provision and the date of grant determined pursuant hereto shall supersede and be deemed to amend any date of grant indicated in any corporate resolution or Award Agreement.

9.4.2 Unless otherwise permitted by the Ordinance, any grants of 102 Trustee Awards that are made on or after the date of the adoption of this Plan or an amendment to this Plan, as the case may be, that may become effective only at the expiration of thirty (30) days after the filing of this Plan or any amendment thereof (as the case may be) with the ITA in accordance with the Ordinance shall be conditional upon the expiration of such 30-day period, such condition shall be read and is incorporated by reference into any corporate resolutions approving such grants and into any Award Agreement evidencing such grants (whether or not explicitly referring to such condition), and the date of grant shall be at the expiration of such 30-day period, whether or not the date of grant indicated therein corresponds with this Section. In the case of any contradiction, this provision and the date of grant determined pursuant hereto shall supersede and be deemed to amend any date of grant indicated in any corporate resolution or Award Agreement.

#### 9.5. 102 Trustee Awards.

9.5.1 Each 102 Trustee Award, each Share issued pursuant to the exercise of any 102 Trustee Award, and any rights granted thereunder, including bonus shares, shall be issued to and registered in the name of the Trustee and shall be held in trust for the benefit of the Grantee for the requisite period prescribed by the Ordinance (the “Required Holding Period”). In the event that the requirements under Section 102 of the Ordinance to qualify an Award as a 102 Trustee Award are not met, then the Award may be treated as a 102 Non-Trustee Award or 3(9) Award, all in accordance with the provisions of the Ordinance. After expiration of the Required Holding Period, the Trustee may release such 102 Trustee Awards and any such Shares, provided that (i) the Trustee has received an acknowledgment from the ITA that the Grantee has paid any applicable taxes due pursuant to the Ordinance, or (ii) the Trustee and/or the Company and/or the Employer withholds all applicable taxes and compulsory payments due pursuant to the Ordinance arising from the 102 Trustee Awards and/or any Shares issued upon exercise or (if applicable) vesting of such 102 Trustee Awards. The Trustee shall not release any 102 Trustee Awards or Shares issued upon exercise or (if applicable) vesting thereof prior to the payment in full of the Grantee’s tax and compulsory payments arising from such 102 Trustee Awards and/or Shares or the withholding referred to in (ii) above.

9.5.2 Each 102 Trustee Award shall be subject to the relevant terms of the Ordinance, the Rules and any determinations, rulings or approvals issued by the ITA, which shall be deemed an integral part of the 102 Trustee Awards and shall prevail over any term contained in this Plan or Award Agreement that is not consistent therewith. Any provision of the Ordinance, the Rules and any determinations, rulings or approvals by the ITA not expressly specified in this Plan or Award Agreement that are necessary to receive or maintain any tax benefit pursuant to Section 102 of the Ordinance shall be binding on the Grantee. Any Grantee granted a 102 Trustee Awards shall comply with the Ordinance and the terms and conditions of the trust agreement entered into between the Company and the Trustee. The Grantee shall execute any and all documents that the Company and/or its Affiliates and/or the Trustee determine from time to time to be necessary in order to comply with the Ordinance and the Rules.

9.5.3 During the Required Holding Period, the Grantee shall not release from trust or sell, assign, transfer or give as collateral, the Shares issuable upon the exercise or (if applicable) vesting of a 102 Trustee Awards and/or any securities issued or distributed with respect thereto, until the expiration of the Required Holding Period. Notwithstanding the above, if any such sale, release or other action occurs during the Required Holding Period it may result in adverse tax consequences to the Grantee under Section 102 of the Ordinance and the Rules, which shall apply to and shall be borne solely by such Grantee. Subject to the foregoing, the Trustee may, pursuant to a written request from the Grantee, but subject to the terms of this Plan, release and transfer such Shares to a designated third party, provided that both of the following conditions have been fulfilled prior to such release or transfer: (i) payment has been made to the ITA of all taxes and compulsory payments required to be paid upon the release and transfer of the Shares, and confirmation of such payment has been received by the Trustee and the Company, and (ii) the Trustee has received written confirmation from the Company that all requirements for such release and transfer have been fulfilled according to the terms of the Company’s corporate documents, any agreement governing the Shares, this Plan, the Award Agreement and any Applicable Law.

9.5.4 If a 102 Trustee Award is exercised or (if applicable) vested, the Shares issued upon such exercise or (if applicable) vesting shall be issued in the name of the Trustee for the benefit of the Grantee.

9.5.5 Upon or after receipt of a 102 Trustee Award, if required, the Grantee may be required to sign an undertaking to release the Trustee from any liability with respect to any action or decision duly taken and executed in good faith by the Trustee in relation to this Plan, or any 102 Trustee Awards or Share granted to such Grantee thereunder.

9.6. 102 Non-Trustee Awards. The foregoing provisions of this Section 9 relating to 102 Trustee Awards shall not apply with respect to 102 Non-Trustee Awards, which shall, however, be subject to the relevant provisions of Section 102 of the Ordinance and the applicable Rules. The Committee may determine that 102 Non-Trustee Awards, the Shares issuable upon the exercise or (if applicable) vesting of a 102 Non-Trustee Awards and/or any securities issued or distributed with respect thereto, shall be allocated or issued to the Trustee, who shall hold such 102 Non-Trustee Awards and all accrued rights thereon (if any), in trust for the benefit of the Grantee and/or the Company, as the case may be, until the full payment of tax arising from the 102 Non-Trustee Awards, the Shares issuable upon the exercise or (if applicable) vesting of a 102 Non-Trustee Awards and/or any securities issued or distributed with respect thereto. The Company may choose, alternatively, to force the Grantee to provide it with a guarantee or other security, to the satisfaction of each of the Trustee and the Company, until the full payment of the applicable taxes.

9.7. Written Grantee Undertaking. To the extent and with respect to any 102 Trustee Award, and as required by Section 102 of the Ordinance and the Rules, by virtue of the receipt of such Award, the Grantee is deemed to have provided, undertaken and confirmed the following written undertaking (and such undertaking is deemed incorporated into any documents signed by the Grantee in connection with the employment or service of the Grantee and/or the grant of such Award), which undertaking shall be deemed to apply and relate to all 102 Trustee Awards granted to the Grantee, whether under this Plan or other plans maintained by the Company, and whether prior to or after the date hereof.

9.7.1 The Grantee shall comply with all terms and conditions set forth in Section 102 of the Ordinance with regard to the “Capital Gain Track” or the “Ordinary Income Track”, as applicable, and the applicable rules and regulations promulgated thereunder, as amended from time to time;

9.7.2 The Grantee is familiar with, and understands the provisions of, Section 102 of the Ordinance in general, and the tax arrangement under the “Capital Gain Track” or the “Ordinary Income Track” in particular, and its tax consequences; the Grantee agrees that the 102 Trustee Awards and Shares that may be issued upon exercise or (if applicable) vesting of the 102 Trustee Awards (or otherwise in relation to the 102 Trustee Awards), will be held by the Trustee appointed pursuant to Section 102 of the Ordinance for at least the duration of the “Holding Period” (as such term is defined in Section 102) under the “Capital Gain Track” or the “Ordinary Income Track”, as applicable. The Grantee understands that any release of such 102 Trustee Awards or Shares from trust, or any sale of the Share prior to the termination of the Holding Period, as defined above, will result in taxation at marginal tax rate, in addition to deductions of appropriate social security, health tax contributions or other compulsory payments; and

9.7.3 The Grantee agrees to the trust agreement signed between the Company, the Employer and the Trustee appointed pursuant to Section 102 of the Ordinance.

#### 10. 3(i) AWARDS.

Awards granted pursuant to this Section 10 are intended to constitute 3(i) Awards and shall be granted subject to the general terms and conditions specified in Section 6 hereof and other provisions of this Plan, except for any provisions of this Plan applying to Awards under different tax laws or regulations. In the event of any inconsistency or contradictions between the provisions of this Section 10 and the other terms of this Plan, this Section 10 shall prevail.

10.1. To the extent required by the Ordinance or the ITA or otherwise deemed by the Committee to be advisable, the 3(i) Awards and/or any shares or other securities issued or distributed with respect thereto granted pursuant to this Plan shall be issued to a Trustee nominated by the Committee in accordance with the provisions of the Ordinance or the terms of a trust agreement, as applicable. In such event, the Trustee shall hold such Awards and or other securities issued or distributed with respect thereto in trust, until exercised or (if applicable) vested by the Grantee and the full payment of tax arising therefrom, pursuant to the Company’s instructions from time to time as set forth in a trust agreement, which will have been entered into between the Company and the Trustee. If determined by the Board or the Committee, and subject to such trust agreement, the Trustee shall be responsible for withholding any taxes to which a Grantee may become liable upon issuance of Shares, whether due to the exercise or (if applicable) vesting of Awards.

10.2. Shares pursuant to a 3(9) Award shall not be issued, unless the Grantee delivers to the Company payment in cash or by bank check or such other form acceptable to the Committee of all withholding taxes due, if any, on account of the Grantee acquired Shares under the Award or gives other assurance satisfactory to the Committee of the payment of those withholding taxes.

#### 11. RESTRICTED SHARES.

The Committee may award Restricted Shares to any eligible Grantee, including under Section 102 of the Ordinance. Each Award of Restricted Shares under this Plan shall be evidenced by a written agreement between the Company and the Grantee (the “Restricted Share Agreement”), in such form as the Committee shall from time to time approve. The Restricted Shares shall be subject to all applicable terms of this Plan, which in the case of Restricted Shares granted under Section 102 of the Ordinance shall include Section 9 hereof, and may be subject to any other terms that are not inconsistent with this Plan. The provisions of the various Restricted Shares Agreements entered into under this Plan need not be identical with respect to any two Awards or Guarantees. The Restricted Share Agreement shall comply with and be subject to Section 6 and the following terms and conditions, unless otherwise specifically provided in such Agreement and not inconsistent with this Plan or Applicable Law:

11.1. Purchase Price. Section 6.4 shall not apply. Each Restricted Share Agreement shall state an amount of Exercise Price to be paid by the Grantee, if any, in consideration for the issuance of the Restricted Shares and the terms of payment thereof, which may include payment in cash or, subject to the Committee’s approval, by issuance of promissory notes or other evidence of indebtedness on such terms and conditions as determined by the Committee.

11.2. Restrictions. Restricted Shares may not be sold, assigned, transferred, pledged, hypothecated or otherwise disposed of, except by will or the laws of descent and distribution (in which case they shall be transferred subject to all restrictions then or thereafter applicable thereto), until such Restricted Shares shall have vested (the period from the date on which the Award is granted until the date of vesting of the Restricted Shares thereunder being referred to herein as the “Restricted Period”). The Committee may also impose such additional or alternative restrictions and conditions on the Restricted Shares, as it deems appropriate, including the satisfaction of performance criteria (which, in case of 102 Trustee Awards, may be subject to obtaining a specific tax ruling or determination from the ITA). Such performance criteria may include, but are not limited to, sales, earnings before interest and taxes, return on investment, earnings per share, any combination of the foregoing or rate of growth of any of the foregoing, as determined by the Committee or pursuant to the provisions of any Company policy required under mandatory provisions of Applicable Law. Certificates for shares issued pursuant to Restricted Share Awards, if issued, shall bear an appropriate legend referring to such restrictions, and any attempt to dispose of any such shares in contravention of such restrictions shall be null and void and without effect. Such certificates may, if so determined by the Committee, be held in escrow by an escrow agent appointed by the Committee, or, if a Restricted Share Award is made pursuant to Section 102 of the Ordinance, by the Trustee. In determining the Restricted Period of an Award the Committee may provide that the foregoing restrictions shall lapse with respect to specified percentages of the awarded Restricted Shares on successive anniversaries of the date of such Award. To the extent required by the Ordinance or the ITA, the Restricted Shares issued pursuant to Section 102 of the Ordinance shall be issued to the Trustee in accordance with the provisions of the Ordinance and the Restricted Shares shall be held for the benefit of the Grantee for at least the Required Holding Period.

11.3. Forfeiture; Repurchase. Subject to such exceptions as may be determined by the Committee, if the Grantee’s continuous employment with or service to the Company or any Affiliate thereof shall terminate (such that Grantee is no longer a Service Provider of either the Company or any Affiliate thereof) for any reason prior to the expiration of the Restricted Period of an Award or prior to the timely payment in full of the Exercise Price of any Restricted Shares, any Restricted Shares remaining subject to vesting or with respect to which the purchase price has not been paid in full, shall thereupon be forfeited, transferred to, and redeemed, repurchased or cancelled by, as the case may be, in any manner as set forth in Section 6.6.2(i) through (v), subject to Applicable Law and the Grantee shall have no further rights with respect to such Restricted Shares.

11.4. Ownership. During the Restricted Period the Grantee shall possess all incidents of ownership of such Restricted Shares, subject to Section 6.10 and Section 11.2, including the right to vote and receive dividends with respect to such Shares. All securities, if any, received by a Grantee with respect to Restricted Shares as a result of any stock split, stock dividend, combination of shares, or other similar transaction shall be subject to the restrictions applicable to the original Award.

## 12. RESTRICTED SHARE UNITS.

An RSU is an Award covering a number of Shares that is settled, if vested and (if applicable) exercised, by issuance of those Shares. An RSU may be awarded to any eligible Grantee, including under Section 102 of the Ordinance. The Award Agreement relating to the grant of RSUs under this Plan (the "Restricted Share Unit Agreement"), shall be in such form as the Committee shall from time to time approve. The RSUs shall be subject to all applicable terms of this Plan, which in the case of RSUs granted under Section 102 of the Ordinance shall include Section 9 hereof, and may be subject to any other terms that are not inconsistent with this Plan. The provisions of the various Restricted Share Unit Agreements entered into under this Plan need not be identical. RSUs may be granted in consideration of a reduction in the recipient's other compensation.

12.1. Exercise Price. No payment of Exercise Price shall be required as consideration for RSUs, unless included in the Award Agreement or as required by Applicable Law (including, Section 304 of the Companies Law), and Section 6.4 shall apply, if applicable.

12.2. Shareholders' Rights. The Grantee shall not possess or own any ownership rights in the Shares underlying the RSUs and no rights as a shareholder shall exist prior to the actual issuance of Shares in the name of the Grantee.

12.3. Settlements of Awards. Settlement of vested RSUs shall be made in the form of Shares. Distribution to a Grantee of an amount (or amounts) from settlement of vested RSUs can be deferred to a date after vesting as determined by the Committee. The amount of a deferred distribution may be increased by an interest factor or by dividend equivalents. Until the grant of RSUs is settled, the number of Shares underlying such RSUs shall be subject to adjustment pursuant hereto.

12.4. Section 409A Restrictions. Notwithstanding anything to the contrary set forth herein, any RSUs granted under this Plan that are not exempt from the requirements of Section 409A of the Code shall contain such restrictions or other provisions so that such RSUs will comply with the requirements of Section 409A of the Code, if applicable to the Company. Such restrictions, if any, shall be determined by the Committee and contained in the Restricted Share Unit Agreement evidencing such RSU. For example, such restrictions may include a requirement that any Shares that are to be issued in a year following the year in which the RSU vests must be issued in accordance with a fixed, pre-determined schedule.

## 13. OTHER SHARE OR SHARE-BASED AWARDS.

13.1. The Committee may grant other Awards under this Plan pursuant to which Shares (which may, but need not, be Restricted Shares pursuant to Section 11 hereof), cash (in settlement of Share-based Awards) or a combination thereof, are or may in the future be acquired or received, or Awards denominated in stock units, including units valued on the basis of measures other than market value.

13.2. The Committee may also grant stock appreciation rights without the grant of an accompanying option, which rights shall permit the Grantees to receive, at the time of any exercise of such rights, cash equal to the amount by which the Fair Market Value of the Shares in respect to which the right was granted is so exercised exceeds the exercise price thereof. The exercise price of any such stock appreciation right granted to a Grantee who is subject to U.S. federal income tax shall be determined in compliance with Section 7.2.

13.3. Such other Share-based Awards as set forth above may be granted alone, in addition to, or in tandem with any Award of any type granted under this Plan (without any obligation or assurance that that such Share-based Awards will be entitled to tax benefits under Applicable Law or to the same tax treatment as other Awards under this Plan).

#### 14. EFFECT OF CERTAIN CHANGES.

14.1. General. In the event of a division or subdivision of the outstanding share capital of the Company, any distribution of bonus shares (stock split), consolidation or combination of share capital of the Company (reverse stock split), reclassification with respect to the Shares or any similar recapitalization events (each, a "Recapitalization"), a merger (including, a reverse merger and a reverse triangular merger), consolidation, amalgamation or like transaction of the Company with or into another corporation, a reorganization (which may include a combination or exchange of shares, spin-off or other corporate divestiture or division, or other similar occurrences, the Committee shall make, without the need for a consent of any holder of an Award, such adjustments as determined by the Committee to be appropriate, in its discretion, in order to adjust (i) the number and class of shares reserved and available for grants of Awards, (ii) the number and class of shares covered by outstanding Awards, (iii) the Exercise Price per share covered by any Award, (iv) the terms and conditions concerning vesting and exercisability and the term and duration of the outstanding Awards, (v) the type or class of security, asset or right underlying the Award (which need not be only that of the Company, and may be that of the surviving corporation or any affiliate thereof or such other entity party to any of the above transactions), and (vi) any other terms of the Award that in the opinion of the Committee should be adjusted. Any fractional shares resulting from such adjustment shall be treated as determined by the Committee, and in the absence of such determination shall be rounded to the nearest whole share, and the Company shall have no obligation to make any cash or other payment with respect to such fractional shares. No adjustment shall be made by reason of the distribution of subscription rights or rights offering to outstanding shares or other issuance of shares by the Company, unless the Committee determines otherwise. The adjustments determined pursuant to this Section 14.1 (including a determination that no adjustment is to be made) shall be final, binding and conclusive.

Notwithstanding anything to the contrary included herein, and subject to Applicable Law and the applicable accounting standards, in the event of a distribution of cash dividend by the Company to all holders of Shares, the Committee shall have the authority to determine, without the need for a consent of any holder of an Award, that the Exercise Price of any Award, which is outstanding and unexercised on the record date of such distribution, shall be reduced by an amount equal to the per Share gross dividend amount distributed by the Company, and the Committee may determine that the Exercise Price following such reduction shall be not less than the par value of a Share (if such Shares bear a par value). The application of this Section with respect to any 102 Awards shall be subject to obtaining a ruling from the ITA, to the extent required by applicable law and subject to the terms and conditions of any such ruling.

14.2. Merger/Sale of Company. In the event of (i) a sale of all or substantially all of the assets of the Company, or a sale (including an exchange) of all or substantially all of the shares of the Company, to any person, or a purchase by a shareholder of the Company or by an Affiliate of such shareholder, of all the shares of the Company held by all or substantially all other shareholders or by other shareholders who are not Affiliated with such acquiring party; (ii) a merger (including, a reverse merger and a reverse triangular merger), consolidation, amalgamation or like transaction of the Company with or into another corporation; (iii) a scheme of arrangement for the purpose of effecting such sale, merger, consolidation, amalgamation or other transaction; (iv) approval by the shareholders of the Company of a complete liquidation or dissolution of the Company, (v) Change in Board Event, or (vi) such other transaction or set of circumstances that is determined by the Board, in its discretion, to be a transaction subject to the provisions of this Section 14.2 excluding any of the foregoing transactions in clauses (i) through (iv) if the Board determines that such transaction should be excluded from the definition hereof and the applicability of this Section 14.2 (each of the foregoing transactions, a "Merger/Sale"), then, without derogating from the general authority and power of the Board or the Committee under this Plan, without the Grantee's consent and action and without any prior notice requirement, the Committee may make, in its sole and absolute discretion, any determination as to the treatment of Awards, as provided herein:

14.2.1 Unless otherwise determined by the Committee, any Award then outstanding shall be assumed or be substituted by the Company, or by the successor corporation in such Merger/Sale or by any parent or Affiliate thereof, as determined by the Committee in its discretion (the "Successor Corporation"), under terms as determined by the Committee or the terms of this Plan applied by the Successor Corporation to such assumed or substituted Awards.



For the purposes of this Section 14.2.1, the Award shall be considered assumed or substituted if, following a Merger/Sale, the Award confers on the holder thereof the right to purchase or receive, for each Share underlying an Award immediately prior to the Merger/Sale, either (i) the consideration (whether shares or other securities, cash or other property, or rights, or any combination thereof) distributed to or received by holders of Shares in the Merger/Sale for each Share held on the effective date of the Merger/Sale (and if holders were offered a choice or several types of consideration, the type of consideration as determined by the Committee, which need not be the same type for all Grantees), or (ii) regardless of the consideration received by the holders of Shares in the Merger/Sale, solely shares or any type of Awards (or their equivalent) of the Successor Corporation at a value to be determined by the Committee in its discretion, or a certain type of consideration (whether shares or other securities, cash or other property, or rights, or any combination thereof) as determined by the Committee. Any of the consideration referred to in the foregoing clauses (i) and (ii) shall be subject to the same vesting and expiration terms of the Awards applying immediately prior to the Merger/Sale, unless determined by the Committee in its discretion that the consideration shall be subject to different vesting and expiration terms, or other terms, and the Committee may determine that it be subject to other or additional terms. The foregoing shall not limit the Committee's authority to determine, that in lieu of such assumption or substitution of Awards for Awards of the Successor Corporation, such Award will be substituted for shares or other securities, cash or other property, or rights, or any combination thereof, including as set forth in Section 14.2.2 hereof.

14.2.2 Regardless of whether or not Awards are assumed or substituted, the Committee may (but shall not be obligated to):

14.2.2.1. provide for the Grantee to have the right to exercise the Award in respect of Shares covered by the Award which would otherwise be exercisable or vested, under such terms and conditions as the Committee shall determine, and the cancellation of all unexercised Awards (whether vested or unvested) upon or immediately prior to the closing of the Merger/Sale, unless the Committee provides for the Grantee to have the right to exercise the Award, or otherwise for the acceleration of vesting of such Award, as to all or part of the Shares covered by the Award which would not otherwise be exercisable or vested, under such terms and conditions as the Committee shall determine;

14.2.2.2. provide for the cancellation of each outstanding Award at or immediately prior to the closing of such Merger/Sale, and if and to what extent payment shall be made to the Grantee of an amount in, shares or other securities of the Company, the acquirer or of a corporation or other business entity which is a party to the Merger/Sale, in cash or other property, in rights, or in any combination thereof, as determined by the Committee to be fair in the circumstances, and subject to such terms and conditions as determined by the Committee. The Committee shall have full authority to select the method for determining the payment (being the intrinsic ("spread") value of the option, Black-Scholes model or any other method). *Inter alia*, and without limitation of the following determination being made in other circumstances, the Committee's determination may provide that payment shall be set to zero if the value of the Shares is determined to be less than the Exercise Price, or in respect of Shares covered by the Award which would not otherwise be exercisable or vested, or that payment may be made only in excess of the Exercise Price; and/or

14.2.2.3. provide that the terms of any Award shall be otherwise amended, modified or terminated, as determined by the Committee to be fair in the circumstances.

14.2.3 The Committee may, determine: (i) that any payments made in respect of Awards shall be made or delayed to the same extent that payment of consideration to the holders of the Shares in connection with the Merger/Sale is made or delayed as a result of escrows, indemnification, earn outs, holdbacks or any other contingencies or conditions; (ii) the terms and conditions applying to the payment made or payable to the Grantees, including participation in escrow, indemnification, releases, earn-outs, holdbacks or any other contingencies; and (iii) that any

terms and conditions applying under the applicable definitive transaction agreements shall apply to the Grantees (including, appointment and engagement of a shareholders or sellers representative, payment of fees or other costs and expenses associated with such services, indemnifying such representative, and authorization to such representative within the scope of such representative's authority in the applicable definitive transaction agreements).

14.2.4 The Committee may, determine to suspend the Grantee's rights to exercise any vested portion of an Award for a period of time prior to the signing or consummation of a Merger/Sale transaction.

14.2.5 Without limiting the generality of this Section 14, if the consideration in exchange for Awards in a Merger/Sale includes any securities and due receipt thereof by any Grantee (or by the Trustee for the benefit of such Grantee) may require under applicable law (i) the registration or qualification of such securities or of any person as a broker or dealer or agent with respect to such securities; or (ii) the provision to any Grantee of any information under the Securities Act or any other securities laws, then the Committee may determine that the Grantee shall be paid in lieu thereof, against surrender of the Shares or cancellation of any other Awards, an amount in cash or other property, or rights, or any combination thereof, as determined by the Committee to be fair in the circumstances, and subject to such terms and conditions as determined by the Committee. Nothing herein shall entitle any Grantee to receive any form of consideration that such Grantee would be ineligible to receive as a result of such Grantee's failure to satisfy (in the Committee's sole determination) any condition, requirement or limitation that is generally applicable to the Company's shareholders, or that is otherwise applicable under the terms of the Merger/Sale, and in such case, the Committee shall determine the type of consideration and the terms applying to such Grantees.

14.2.6 Neither the authorities and powers of the Committee under this Section 14.2, nor the exercise or implementation thereof, shall (i) be restricted or limited in any way by any adverse consequences (tax or otherwise) that may result to any holder of an Award, and (ii) as, *inter alia*, being a feature of the Award upon its grant, be deemed to constitute a change or an amendment of the rights of such holder under this Plan, nor shall any such adverse consequences (as well as any adverse tax consequences that may result from any tax ruling or other approval or determination of any relevant tax authority) be deemed to constitute a change or an amendment of the rights of such holder under this Plan, and may be effected without consent of any Grantee and without any liability to the Company or its Affiliates or to its or their respective officers, directors, employees and representatives and the respective successors and assigns of any of the foregoing. The Committee need not take the same action with respect to all Awards or with respect to all Service Providers. The Committee may take different actions with respect to the vested and unvested portions of an Award. The Committee may determine an amount or type of consideration to be received or distributed in a Merger/Sale which may differ as among the Grantees, and as between the Grantees and any other holders of shares of the Company.

14.2.7 The Committee may determine that upon a Merger/Sale any Shares held by Grantees (or for Grantee's benefit) are sold in accordance with instructions issued by the Committee in connection with such Merger/Sale, which shall be final, conclusive and binding on all Grantees.

14.2.8 All of the Committee's determinations pursuant to this Section 14 shall be at its sole and absolute discretion, and shall be final, conclusive and binding on all Grantees (including, for clarity, as it relates to Shares issued upon exercise or vesting of any Awards or that are Awards, unless otherwise determined by the Committee) and without any liability to the Company or its Affiliates, or to their respective officers, directors, employees, shareholders and representatives, and the respective successors and assigns of any of the foregoing, in connection with the method of treatment, chosen course of action or determinations made hereunder.

14.2.9 If determined by the Committee, the Grantees shall be subject to the definitive agreement(s) in connection with the Merger/Sale as applying to holders of Shares including, such terms, conditions, representations, undertakings, liabilities, limitations, releases, indemnities, appointing and indemnifying shareholders/sellers representative, participating in transaction expenses, shareholders/sellers representative expense fund and escrow arrangement, in each case as determined by the Committee. Each Grantee shall execute (and authorizes any person designated by the Company to so execute, as well as (if applicable) the Trustee holding any Shares for the Grantee's behalf) such separate agreement(s) or instruments as may be requested by the Company, the Successor Corporation or the acquirer in connection with such in such Merger/Sale or otherwise under or for the purpose of implementing this Section 14.2, and in the form required by them. The execution of such separate agreement(s) may be a condition to the receipt of assumed or substituted Awards, payment in lieu of the Award, the exercise of any Award or otherwise to be entitled to benefit from shares or other securities, cash or other property, or rights, or any combination thereof, pursuant to this Section 14.2 (and the Company (and, if applicable, the Trustee) may exercise its authorization above and sign such agreement on behalf of the Grantee or subject the Grantee to the provisions of such agreements).

14.3. Reservation of Rights. Except as expressly provided in this Section 14 (if any), the Grantee of an Award hereunder shall have no rights by reason of any transaction or event referred to in this Section 14 (including, Recapitalization of shares of any class, any increase or decrease in the number of shares of any class, or any dissolution, liquidation, reorganization, business combination, exchange of shares, spin-off or other corporate divestiture or division, or other similar occurrences, or Merger/Sale). Any issue by the Company of shares of any class, or securities convertible into shares of stock of any class, shall not affect, and no adjustment by reason thereof shall be made with respect to, the number, type or price of shares subject to an Award. The grant of an Award pursuant to this Plan shall not affect in any way the right or power of the Company to make adjustments, reclassifications, reorganizations or changes of its capital or business structures or to merge or to consolidate or to dissolve, liquidate or sell, or transfer all or part of its business or assets or engage in any similar transactions.

#### 15. NON-TRANSFERABILITY OF AWARDS; SURVIVING BENEFICIARY.

15.1. All Awards granted under this Plan by their terms shall not be transferable other than by will or by the laws of descent and distribution, unless otherwise determined by the Committee or under this Plan, provided that with respect to Shares issued upon exercise of Awards, Shares issued upon the vesting of Awards or Awards that are Shares, the restrictions on transfer shall be the restrictions referred to in Section 16 (Conditions upon Issuance of Shares) hereof. Subject to the above provisions, the terms of such Award, this Plan and any applicable Award Agreement shall be binding upon the beneficiaries, executors, administrators, heirs and successors of such Grantee. Awards may be exercised or otherwise realized, during the lifetime of the Grantee, only by the Grantee or by his guardian or legal representative, to the extent provided for herein. Any transfer of an Award not permitted hereunder (including transfers pursuant to any decree of divorce, dissolution or separate maintenance, any property settlement, any separation agreement or any other agreement with a spouse) and any grant of any interest in any Award to, or creation in any way of any direct or indirect interest in any Award by, any party other than the Grantee shall be null and void and shall not confer upon any party or person, other than the Grantee, any rights. A Grantee may file with the Committee a written designation of a beneficiary, who shall be permitted to exercise such Grantee's Award or to whom any benefit under this Plan is to be paid, in each case, in the event of the Grantee's death before he or she fully exercises his or her Award or receives any or all of such benefit, on such form as may be prescribed by the Committee and may, from time to time, amend or revoke such designation. If no designated beneficiary survives the Grantee, the executor or administrator of the Grantee's estate shall be deemed to be the Grantee's beneficiary. Notwithstanding the foregoing, upon the request of the Grantee and subject to Applicable Law, the Committee, at its sole discretion, may permit the Grantee to transfer the Award to a trust whose beneficiaries are the Grantee and/or the Grantee's immediate family members (all or several of them).

15.2. Notwithstanding any other provisions of the Plan to the contrary, no Incentive Stock Option may be sold, transferred, pledged, assigned or otherwise alienated or hypothecated, other than by will or by the laws of descent and distribution or in accordance with a beneficiary designation pursuant to Section 15.1. Further, all Incentive Stock Options granted to a Grantee shall be exercisable during his or her lifetime only by such Grantee.

15.3. As long as the Shares are held by the Trustee in favor of the Grantee, all rights possessed by the Grantee over the Shares are personal, and may not be transferred, assigned, pledged or mortgaged, other than by will or laws of descent and distribution.

15.4. If and to the extent a Grantee is entitled to transfer an Award and/or Shares underlying an Award in accordance with the terms of the Plan and any other applicable agreements, such transfer shall be subject (in addition, to any other conditions or terms applying thereto) to receipt by the Company from such proposed transferee of a written instrument, on a form reasonably acceptable to the Company, pursuant to which such proposed transferee agrees to be bound by all provisions of the Plan and any other applicable agreements, including without limitation, any restrictions on transfer of the Award and/or Shares set forth herein (however, failure to so deliver such instrument to the Company as set forth above shall not derogate from all such provisions applying on any transferee).

15.5. The provisions of this Section 15 shall apply to the Grantee and to any purchaser, assignee or transferee of any Shares.

#### 16. CONDITIONS UPON ISSUANCE OF SHARES; GOVERNING PROVISIONS.

16.1. Legal Compliance. The grant of Awards and the issuance of Shares upon exercise or settlement of Awards shall be subject to compliance with all Applicable Law as determined by the Company, including, applicable requirements of federal, state and foreign law with respect to such securities. The Company shall have no obligations to issue Shares pursuant to the exercise or settlement of an Award and Awards may not be exercised or settled, if the issuance of Shares upon exercise or settlement would constitute a violation of any Applicable Law as determined by the Company, including, applicable federal, state or foreign securities laws or other law or regulations or the requirements of any stock exchange or market system upon which the Shares may then be listed. In addition, no Award may be exercised unless (i) a registration statement under the Securities Act or equivalent law in another jurisdiction shall at the time of exercise or settlement of the Award be in effect with respect to the shares issuable upon exercise of the Award, or (ii) in the opinion of legal counsel to the Company, the shares issuable upon exercise of the Award may be issued in accordance with the terms of an applicable exemption from the registration requirements of the Securities Act or equivalent law in another jurisdiction. The inability of the Company to obtain authority from any regulatory body having jurisdiction, if any, deemed by the Company to be necessary to the lawful issuance and sale of any Shares hereunder, and the inability to issue Shares hereunder due to non-compliance with any Company policies with respect to the sale of Shares, shall relieve the Company of any liability in respect of the failure to issue or sell such Shares as to which such requisite authority or compliance shall not have been obtained or achieved. As a condition to the exercise of an Award, the Company may require the person exercising such Award to satisfy any qualifications that may be necessary or appropriate, to evidence compliance with any Applicable Law or regulation and to make any representation or warranty with respect thereto as may be requested by the Company, including to represent and warrant at the time of any such exercise that the Shares are being purchased only for investment and without any present intention to sell or distribute such Shares, all in form and content specified by the Company.

16.2. Provisions Governing Shares. Shares issued pursuant to an Award shall be subject to this Plan and shall be subject to the Articles of Association of the Company, and any other governing documents of the Company and all policies, manuals and internal regulations of the Company, as in effect from time to time.

16.3. Share Purchase Transactions; Forced Sale. In the event that the Board approves a Merger/Sale effected by way of a forced or compulsory sale (whether pursuant to the Company's Articles of Association or pursuant to Section 341 of the Companies Law or any Shareholders Agreement or otherwise) or in the event of a transaction for the sale of all shares of the Company, then, without derogating from such provisions and in addition thereto, the Grantee shall be obligated, and shall be deemed to have agreed to the offer to effect the Merger/Sale (and the Shares held by or for the benefit of the Grantee shall be included in the shares of the Company approving the terms of such Merger/Sale for the purpose of satisfying the required majority), and shall sell all of the Shares held by or for the benefit of the Grantee on the terms and conditions applying to the holders of Shares, in accordance with the instructions then issued by the Board, whose determination shall be final. No Grantee shall contest, bring any claims or demands, or exercise any appraisal or dissenters' rights related to any of the foregoing. Each Grantee shall execute (and authorizes any person designated by the Company to so execute, as well as (if applicable) the Trustee holding any

Shares for the Grantee's behalf) such documents and agreements, as may be requested by the Company relating to matters set forth in or otherwise for the purpose of implementing this Section 16.3. The execution of such separate agreement(s) may be a condition by the Company to the exercise of any Award and the Company (and, if applicable, the Trustee) may exercise its authorization above and sign such agreement on behalf of the Grantee or subject the Grantee to the provisions of such agreements.

16.4. Data Privacy; Data Transfer. Information related to Grantees and Awards hereunder, as shall be received from Grantee or others, and/or held by, the Company or its Affiliates from time to time, and which information may include sensitive and personal information related to Grantees ("Information"), will be used by the Company or its Affiliates (or third parties appointed by any of them, including the Trustee) to comply with any applicable legal requirement, or for administration of the Plan as they deems necessary or advisable, or for the respective business purposes of the Company or its Affiliates (including in connection with transactions related to any of them). The Company and its Affiliates shall be entitled to transfer the Information among the Company or its Affiliates, and to third parties for the purposes set forth above, which may include persons located abroad (including, any person administering the Plan or providing services in respect of the Plan or in order to comply with legal requirements, or the Trustee, their respective officers, directors, employees and representatives, and the respective successors and assigns of any of the foregoing), and any person so receiving Information shall be entitled to transfer it for the purposes set forth above. The Company shall use commercially reasonable efforts to ensure that the transfer of such Information shall be limited to the reasonable and necessary scope. By receiving an Award hereunder, Grantee acknowledges and agrees that the Information is provided at Grantee's free will and Grantee consents to the storage and transfer of the Information as set forth above.

17. [RESERVED].

18. AGREEMENT REGARDING TAXES; DISCLAIMER.

18.1. If the Company shall so require, as a condition of exercise or (if applicable) vesting of an Award, the release of Shares by the Trustee or the vesting or settlement of an Award, a Grantee shall agree that, no later than the date of such occurrence, the Grantee will pay to the Company (or the Trustee, as applicable) or make arrangements satisfactory to the Company and the Trustee (if applicable) regarding payment of any applicable taxes and compulsory payments of any kind required by Applicable Law to be withheld or paid.

18.2. TAX LIABILITY. ALL TAX CONSEQUENCES UNDER ANY APPLICABLE LAW WHICH MAY ARISE FROM THE GRANT OF ANY AWARDS OR THE EXERCISE OR (IF APPLICABLE) VESTING THEREOF, THE SALE OR DISPOSITION OF ANY SHARES GRANTED HEREUNDER OR ISSUED UPON EXERCISE OR (IF APPLICABLE) THE VESTING OF ANY AWARD, THE ASSUMPTION, SUBSTITUTION, CANCELLATION OR PAYMENT IN LIEU OF AWARDS OR FROM ANY OTHER ACTION IN CONNECTION WITH THE FOREGOING (INCLUDING WITHOUT LIMITATION ANY TAXES AND COMPULSORY PAYMENTS, SUCH AS SOCIAL SECURITY OR HEALTH TAX PAYABLE BY THE GRANTEE OR THE COMPANY IN CONNECTION THEREWITH) SHALL BE BORNE AND PAID SOLELY BY THE GRANTEE, AND THE GRANTEE SHALL INDEMNIFY THE COMPANY, ITS SUBSIDIARIES AND AFFILIATES AND THE TRUSTEE, AND SHALL HOLD THEM HARMLESS AGAINST AND FROM ANY LIABILITY FOR ANY SUCH TAX OR PAYMENT OR ANY PENALTY, INTEREST OR INDEXATION THEREON. EACH GRANTEE AGREES TO, AND UNDERTAKES TO COMPLY WITH, ANY RULING, SETTLEMENT, CLOSING AGREEMENT OR OTHER SIMILAR AGREEMENT OR ARRANGEMENT WITH ANY TAX AUTHORITY IN CONNECTION WITH THE FOREGOING WHICH IS APPROVED BY THE COMPANY.

18.3. NO TAX ADVICE. THE GRANTEE IS ADVISED TO CONSULT WITH A TAX ADVISOR WITH RESPECT TO THE TAX CONSEQUENCES OF RECEIVING, EXERCISING OR DISPOSING OF AWARDS HEREUNDER. THE COMPANY DOES NOT ASSUME ANY RESPONSIBILITY TO ADVISE THE GRANTEE ON SUCH MATTERS, WHICH SHALL REMAIN SOLELY THE RESPONSIBILITY OF THE GRANTEE.

18.4. **TAX TREATMENT.** THE COMPANY AND ITS AFFILIATES (INCLUDING THE EMPLOYER) DO NOT UNDERTAKE OR ASSUME ANY LIABILITY OR RESPONSIBILITY TO THE EFFECT THAT ANY AWARD SHALL QUALIFY WITH ANY PARTICULAR TAX REGIME OR RULES APPLYING TO PARTICULAR TAX TREATMENT, OR BENEFIT FROM ANY PARTICULAR TAX TREATMENT OR TAX ADVANTAGE OF ANY TYPE AND THE COMPANY AND ITS AFFILIATES (INCLUDING THE EMPLOYER) SHALL BEAR NO LIABILITY IN CONNECTION WITH THE MANNER IN WHICH ANY AWARD IS TREATED FOR TAX PURPOSES, REGARDLESS OF WHETHER THE AWARD WAS GRANTED OR WAS INTENDED TO QUALIFY UNDER ANY PARTICULAR TAX REGIME OR TREATMENT. THIS PROVISION SHALL SUPERSEDE ANY TYPE OF AWARDS OR TAX QUALIFICATION INDICATED IN ANY CORPORATE RESOLUTION OR AWARD AGREEMENT, WHICH SHALL AT ALL TIMES BE SUBJECT TO THE REQUIREMENTS OF APPLICABLE LAW. THE COMPANY AND ITS AFFILIATES (INCLUDING THE EMPLOYER) DO NOT UNDERTAKE AND SHALL NOT BE REQUIRED TO TAKE ANY ACTION IN ORDER TO QUALIFY ANY AWARD WITH THE REQUIREMENT OF ANY PARTICULAR TAX TREATMENT AND NO INDICATION IN ANY DOCUMENT TO THE EFFECT THAT ANY AWARD IS INTENDED TO QUALIFY FOR ANY TAX TREATMENT SHALL IMPLY SUCH AN UNDERTAKING. THE COMPANY AND ITS AFFILIATES (INCLUDING THE EMPLOYER) DO NOT UNDERTAKE TO REPORT FOR TAX PURPOSES ANY AWARD IN ANY PARTICULAR MANNER, INCLUDING IN ANY MANNER CONSISTENT WITH ANY PARTICULAR TAX TREATMENT. NO ASSURANCE IS MADE BY THE COMPANY OR ANY OF ITS AFFILIATES (INCLUDING THE EMPLOYER) THAT ANY PARTICULAR TAX TREATMENT ON THE DATE OF GRANT WILL CONTINUE TO EXIST OR THAT THE AWARD WOULD QUALIFY AT THE TIME OF EXERCISE, VESTING OR DISPOSITION THEREOF WITH ANY PARTICULAR TAX TREATMENT. THE COMPANY AND ITS AFFILIATES (INCLUDING THE EMPLOYER) SHALL NOT HAVE ANY LIABILITY OR OBLIGATION OF ANY NATURE IN THE EVENT THAT AN AWARD DOES NOT QUALIFY FOR ANY PARTICULAR TAX TREATMENT, REGARDLESS WHETHER THE COMPANY COULD HAVE OR SHOULD HAVE TAKEN ANY ACTION TO CAUSE SUCH QUALIFICATION TO BE MET AND SUCH QUALIFICATION REMAINS AT ALL TIMES AND UNDER ALL CIRCUMSTANCES AT THE RISK OF THE GRANTEE. THE COMPANY DOES NOT UNDERTAKE OR ASSUME ANY LIABILITY TO CONTEST A DETERMINATION OR INTERPRETATION (WHETHER WRITTEN OR UNWRITTEN) OF ANY TAX AUTHORITIES, INCLUDING IN RESPECT OF THE QUALIFICATION UNDER ANY PARTICULAR TAX REGIME OR RULES APPLYING TO PARTICULAR TAX TREATMENT. IF THE AWARDS DO NOT QUALIFY UNDER ANY PARTICULAR TAX TREATMENT IT COULD RESULT IN ADVERSE TAX CONSEQUENCES TO THE GRANTEE.

18.5. The Company or any Subsidiary or other Affiliate thereof (including the Employer) may take such action as it may deem necessary or appropriate, in its discretion, for the purpose of or in connection with withholding of any taxes and compulsory payments which the Trustee, the Company or any Subsidiary or other Affiliate thereof (including the Employer) (or any applicable agent thereof) is required by any Applicable Law to withhold in connection with any Awards, including, without limitations, any income tax, social benefits, social insurance, health tax, pension, payroll tax, fringe benefits, excise tax, payment on account or other tax-related items related to the Grantee's participation in the Plan and applicable by law to the Grantee (collectively, "Withholding Obligations"). Such actions may include (i) requiring a Grantees to remit to the Company or the Employer in cash an amount sufficient to satisfy such Withholding Obligations and any other taxes and compulsory payments, payable by the Company or the Employer in connection with the Award or the exercise or (if applicable) the vesting thereof; (ii) subject to Applicable Law, allowing the Grantees to surrender Shares to the Company, in an amount that at such time, reflects a value that the Committee determines to be sufficient to satisfy such Withholding Obligations; (iii) withholding Shares otherwise issuable upon the exercise of an Award at a value which is determined by the Company to be sufficient to satisfy such Withholding Obligations; (iv) allowing Grantees to satisfy all or part of the Withholding Obligations by the delivery (on a form prescribed by the Company) of an irrevocable direction to a securities broker approved by the Company to sell Shares and to deliver all or part of the sales proceeds to the Company or the Trustee; or (iv) any combination of the foregoing. The Company shall not be obligated to allow the exercise or vesting of any Award by or on behalf of a Grantee until all tax consequences arising therefrom are resolved in a manner acceptable to the Company.

18.6. Each Grantee shall notify the Company in writing promptly and in any event within ten (10) days after the date on which such Grantee first obtains knowledge of any tax authority inquiry, audit, assertion, determination, investigation, or question relating in any manner to the Awards granted or received hereunder or Shares issued thereunder and shall continuously inform the Company of any developments, proceedings, discussions and negotiations relating to such matter, and shall allow the Company and its representatives to participate in any proceedings and discussions concerning such matters. Upon request, a Grantee shall provide to the Company any information or document relating to any matter described in the preceding sentence, which the Company, in its discretion, requires.

18.7. With respect to 102 Non-Trustee Options, if the Grantee ceases to be employed by the Company, Parent, Subsidiary or any Affiliate (including the Employer), the Grantee shall extend to the Company and/or the Employer a security or guarantee for the payment of taxes due at the time of sale of Shares, all in accordance with the provisions of Section 102 of the Ordinance and the Rules.

18.8. If a Grantee makes an election under Section 83(b) of the Code to be taxed with respect to an Award as of the date of transfer of Shares rather than as of the date or dates upon which the Grantee would otherwise be taxable under Section 83(a) of the Code, such Grantee shall deliver a copy of such election to the Company upon or prior to the filing such election with the U.S. Internal Revenue Service. Neither the Company nor any Affiliate (including the Employer) shall have any liability or responsibility relating to or arising out of the filing or not filing of any such election or any defects in its construction.

#### 19. RIGHTS AS A SHAREHOLDER; VOTING AND DIVIDENDS.

19.1. Subject to Section 11.4, a Grantee shall have no rights as a shareholder of the Company with respect to any Shares covered by an Award until the Grantee shall have exercised or (as applicable) vests in the Award, paid any Exercise Price therefor and becomes the record holder of the subject Shares. In the case of 102 Awards, the Trustee shall have no rights as a shareholder of the Company with respect to the Shares covered by such Award until the Trustee becomes the record holder for such Shares for the Grantee's benefit, and the Grantee shall not be deemed to be a shareholder and shall have no rights as a shareholder of the Company with respect to the Shares covered by the Award until the date of the release of such Shares from the Trustee to the Grantee and the transfer of record ownership of such Shares to the Grantee (provided, however, that the Grantee shall be entitled to receive from the Trustee any cash dividend or distribution made on account of the Shares held by the Trustee for such Grantee's benefit, subject to any tax withholding and compulsory payment). No adjustment shall be made for dividends (ordinary or extraordinary, whether in shares or other securities, cash or other property, or rights, or any combination thereof) or distribution of other rights for which the record date is prior to the date on which the Grantee or Trustee (as applicable) becomes the record holder of the Shares covered by an Award, except as provided in Section 14 hereof.

19.2. With respect to all Awards issued in the form of Shares hereunder or upon the exercise or (if applicable) the vesting of Awards hereunder, any and all voting rights attached to such Shares shall be subject to Section 6.10, and the Grantee shall be entitled to receive dividends distributed with respect to such Shares, subject to the provisions of the Company's Articles of Association, as amended from time to time, and subject to any Applicable Law.

19.3. The Company may, but shall not be obligated to, register or qualify the sale of Shares under any applicable securities law or any other Applicable Law.

#### 20. NO REPRESENTATION BY COMPANY.

By granting the Awards, the Company is not, and shall not be deemed as, making any representation or warranties to the Grantee regarding the Company, its business affairs, its prospects or the future value of its Shares and such representations and warranties are hereby disclaimed. The Company shall not be required to provide to any Grantee any information, documents or material in connection with the Grantee's considering an exercise of an Award. To the extent that any information, documents or materials are provided, the Company shall have no liability with respect thereto. Any decision by a Grantee to exercise an Award shall solely be at the risk of the Grantee.

## 21. NO RETENTION RIGHTS.

Nothing in this Plan, any Award Agreement or in any Award granted or agreement entered into pursuant hereto shall confer upon any Grantee the right to continue in the employ of, or be in the service of the Company or any Subsidiary or other Affiliate thereof as a Service Provider or to be entitled to any remuneration or benefits not set forth in this Plan or such agreement, or to interfere with or limit in any way the right of the Company or any such Subsidiary or other Affiliate thereof to terminate such Grantee's employment or service (including, any right of the Company or any of its Affiliates to immediately cease the Grantee's employment or service or to shorten all or part of the notice period, regardless of whether notice of termination was given by the Company or its Affiliates or by the Grantee). Awards granted under this Plan shall not be affected by any change in duties or position of a Grantee, subject to Sections 6.6 through 6.8. No Grantee shall be entitled to claim and the Grantee hereby waives any claim against the Company or any Subsidiary or other Affiliate thereof that he or she was prevented from continuing to vest Awards as of the date of termination of his or her employment with, or services to, the Company or any Subsidiary or other Affiliate thereof. No Grantee shall be entitled to any compensation in respect of the Awards which would have vested had such Grantee's employment or engagement with the Company (or any Subsidiary or other Affiliate thereof) not been terminated.

## 22. PERIOD DURING WHICH AWARDS MAY BE GRANTED.

Awards may be granted pursuant to this Plan from time to time within a period of ten (10) years from the Effective Date. From and after such date (as extended) no grants of Awards may be made and this Plan shall continue to be in full force and effect with respect to Awards or Shares issued thereunder that remain outstanding.

## 23. AMENDMENT OF THIS PLAN AND AWARDS.

23.1. The Board at any time and from time to time may suspend, terminate, modify or amend this Plan, whether retroactively or prospectively. Any amendment effected in accordance with this Section shall be binding upon all Grantees and all Awards, whether granted prior to or after the date of such amendment, and without the need to obtain the consent of any Grantee. No termination or amendment of this Plan shall affect any then outstanding Award unless expressly provided by the Board.

23.2. Subject to changes in Applicable Law that would permit otherwise, without the approval of the Company's shareholders, there shall be (i) no increase in the maximum aggregate number of Shares that may be issued under this Plan as Incentive Stock Options (except by operation of the provisions of Section 14.1), (ii) no change in the class of persons eligible to receive Incentive Stock Options, and (iii) no other amendment of this Plan that would require approval of the Company's shareholders under any Applicable Law or the rules of the applicable stock market or exchange, if any, on which the Shares are principally quoted or traded. Unless not permitted by Applicable Law, if the grant of an Award is subject to approval by shareholders, the date of grant of the Award shall be determined as if the Award had not been subject to such approval. Failure to obtain approval by the shareholders shall not in any way derogate from the valid and binding effect of any grant of an Award that is not an Incentive Stock Option.

23.3. The Board or the Committee at any time and from time to time may modify or amend any Award theretofore granted, including any Award Agreement, whether retroactively or prospectively.

## 24. APPROVAL.

24.1. This Plan shall take effect upon its adoption by the Board and approval by the shareholders (the "Effective Date").

24.2. 102 Awards are conditional upon the filing with or approval by the ITA, if required, as set forth in Section 9.4. Failure to so file or obtain such approval shall not in any way derogate from the valid and binding effect of any grant of an Award, which is not a 102 Award.

## 25. RULES PARTICULAR TO SPECIFIC COUNTRIES; SECTION 409A.

25.1. Notwithstanding anything herein to the contrary, the terms and conditions of this Plan may be supplemented or amended with respect to a particular country or tax regime by means of an appendix to this Plan, and to the extent that the terms and conditions set forth in any appendix conflict with any provisions of this Plan, the provisions of such appendix shall govern. Terms and conditions set forth in such appendix shall apply only to Awards granted to Grantees under the jurisdiction of the specific country or such other



tax regime that is the subject of such appendix and shall not apply to Awards issued to a Grantee not under the jurisdiction of such country or such other tax regime. The adoption of any such appendix shall be subject to the approval of the Board or the Committee, and if determined by the Committee to be required in connection with the application of certain tax treatment, pursuant to applicable stock exchange rules or regulations or otherwise, then also the approval of the shareholders of the Company at the required majority.

25.2. This Section 25.2 shall only apply to Awards granted to Grantees who are subject to United States Federal income tax.

25.2.1 It is the intention of the Company that no Award shall be deferred compensation subject to Section 409A of the Code unless and to the extent that the Committee specifically determines otherwise as provided in Section 25.2.2, and the Plan and the terms and conditions of all Awards shall be interpreted and administered accordingly.

25.2.2 The terms and conditions governing any Awards that the Committee determines will be subject to Section 409A of the Code, including any rules for payment or elective or mandatory deferral of the payment or delivery of Shares or cash pursuant thereto, and any rules regarding treatment of such Awards in the event of a Merger/Sale, shall be set forth in the applicable Award Agreement and shall be intended to comply in all respects with Section 409A of the Code, and the Plan and the terms and conditions of such Awards shall be interpreted and administered accordingly.

25.2.3 The Company shall have complete discretion to interpret and construe the Plan and any Award Agreement in any manner that establishes an exemption from (or compliance with) the requirements of Section 409A of the Code. If for any reason, such as imprecision in drafting, any provision of the Plan and/or any Award Agreement does not accurately reflect its intended establishment of an exemption from (or compliance with) Section 409A of the Code, as demonstrated by consistent interpretations or other evidence of intent, such provision shall be considered ambiguous as to its exemption from (or compliance with) Section 409A of the Code and shall be interpreted by the Company in a manner consistent with such intent, as determined in the discretion of the Company. If, notwithstanding the foregoing provisions of this Section 25.2.3, any provision of the Plan or any such agreement would cause a Grantee to incur any additional tax or interest under Section 409A of the Code, the Company may reform such provision in a manner intended to avoid the incurrence by such Grantee of any such additional tax or interest; provided that the Company shall maintain, to the extent reasonably practicable, the original intent and economic benefit to the Grantee of the applicable provision without violating the provisions of Section 409A of the Code. For the avoidance of doubt, no provision of this Plan shall be interpreted or construed to transfer any liability for failure to comply with the requirements of Section 409A from any Grantee or any other individual to the Company or any of its affiliates, employees or agents.

25.2.4 Notwithstanding any other provision in the Plan, any Award Agreement, or any other written document establishing the terms and conditions of an Award, if any Grantee is a "specified employee," within the meaning of Section 409A of the Code, as of the date of his or her "separation from service" (as defined under Section 409A of the Code), then, to the extent required by Treasury Regulation Section 1.409A-3(i)(2) (or any successor provision), any payment made to such Grantee on account of his or her separation from service shall not be made before a date that is six months after the date of his or her separation from service. The Committee may elect any of the methods of applying this rule that are permitted under Treasury Regulation Section 1.409A-3(i)(2)(ii) (or any successor provision).

25.2.5 Notwithstanding any other provision of this Section 25.2 to the contrary, although the Company intends to administer the Plan so that Awards will be exempt from, or will comply with, the requirements of Section 409A of the Code, the Company does not warrant that any Award under the Plan will qualify for favorable tax treatment under Section 409A of the Code or any other provision of federal, state, local, or non-United States law. The Company shall not be liable to any Grantee for any tax, interest, or penalties the Grantee might owe as a result of the grant, holding, vesting, exercise, or payment of any Award under the Plan.

## 26. GOVERNING LAW; JURISDICTION.

This Plan and all determinations made and actions taken pursuant hereto shall be governed by the laws of the State of Israel, except with respect to matters that are subject to tax laws, regulations and rules of any specific jurisdiction, which shall be governed by the respective laws, regulations and rules of such jurisdiction. Certain definitions, which refer to laws other than the laws of such jurisdiction, shall be construed in accordance with such other laws. The competent courts located in Tel-Aviv-Jaffa, Israel shall have exclusive jurisdiction over any dispute arising out of or in connection with this Plan and any Award granted hereunder. By signing any Award Agreement or any other agreement relating to an Award, each Grantee irrevocably submits to such exclusive jurisdiction.

## 27. NON-EXCLUSIVITY OF THIS PLAN.

The adoption of this Plan shall not be construed as creating any limitations on the power or authority of the Company to adopt such other or additional incentive or other compensation arrangements of whatever nature as the Company may deem necessary or desirable or preclude or limit the continuation of any other plan, practice or arrangement for the payment of compensation or fringe benefits to employees generally, or to any class or group of employees, which the Company or any Affiliate now has or will lawfully put into effect, including any retirement, pension, savings and stock purchase plan, insurance, death and disability benefits and executive short-term or long-term incentive plans.

## 28. MISCELLANEOUS.

28.1. Survival. The Grantee shall be bound by and the Shares issued upon exercise or (if applicable) the vesting of any Awards granted hereunder shall remain subject to this Plan after the exercise or (if applicable) the vesting of Awards, in accordance with the terms of this Plan, whether or not the Grantee is then or at any time thereafter employed or engaged by the Company or any of its Affiliates.

28.2. Additional Terms. Each Award awarded under this Plan may contain such other terms and conditions not inconsistent with this Plan as may be determined by the Committee, in its sole discretion.

28.3. Fractional Shares. No fractional Share shall be issuable upon exercise or vesting of any Award and the number of Shares to be issued shall be rounded down to the nearest whole Share (and the Company shall have liability to compensate for such fractional shares at any time), with in any Share remaining at the last vesting date due to such rounding to be issued upon exercise at such last vesting date.

28.4. Severability. If any provision of this Plan, any Award Agreement or any other agreement entered into in connection with an Award shall be determined to be illegal or unenforceable by any court of law in any jurisdiction, the remaining provisions hereof and thereof shall be severable and enforceable in accordance with their terms, and all provisions shall remain enforceable in any other jurisdiction. In addition, if any particular provision contained in this Plan, any Award Agreement or any other agreement entered into in connection with an Award shall for any reason be held to be excessively broad as to duration, geographic scope, activity or subject, it shall be construed by limiting and reducing such provision as to such characteristic so that the provision is enforceable to fullest extent compatible with Applicable Law as it shall then appear.

28.5. Captions and Titles. The use of captions and titles in this Plan or any Award Agreement or any other agreement entered into in connection with an Award is for the convenience of reference only and shall not affect the meaning or interpretation of any provision of this Plan or such agreement.

28.6. Prohibition on Executive Officer Loans. Notwithstanding any other provision of the Plan to the contrary, no Grantee who is a member of the Board or an "executive officer" of the Company within the meaning of Section 13(k) of the Exchange Act shall be permitted to make payment with respect to any Awards granted under the Plan, or continue any extension of credit with respect to such payment, with a loan from the Company or a loan arranged by the Company in violation of Section 13(k) of the Exchange Act.

28.7. Clawback Provisions. All Awards (including the gross amount of any proceeds, gains or other economic benefit the Grantee actually or constructively receives upon receipt or exercise of any Award or the receipt or resale of any Shares underlying the Award) will be subject to recoupment by the Company to the extent required to comply with Applicable Law or any policy of the Company (subject to Applicable Law) providing for the reimbursement of incentive compensation, whether or not such policy was in place at the time of grant of an Award.

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**COMPENSATION POLICY**

**GLOBAL-E ONLINE LTD.**

**Compensation Policy for Executive Officers and Directors**

(As Adopted on March, 2021)

## A. Overview and Objectives

### 1. Introduction

This document sets forth the Compensation Policy for Executive Officers and Directors (this “**Compensation Policy**” or “**Policy**”) of Global-E Online Ltd. (“**Global-e**” or the “**Company**”), in accordance with the requirements of the Companies Law, 5759-1999 (the “**Companies Law**”).

Compensation is a key component of Global-e’s overall human capital strategy to attract, retain, reward, and motivate highly skilled individuals that will enhance Global-e’s value and otherwise assist Global-e to reach its business and financial long-term goals. Accordingly, the structure of this Policy is established to tie the compensation of each officer to Global-e’s goals and performance.

For purposes of this Policy, “Executive Officers” shall mean “Office Holders” as such term is defined in Section 1 of the Companies Law, excluding, unless otherwise expressly indicated herein, non-employee members of the Global-e’s Board (and such committees formed by the Board).

This Policy is subject to applicable law and is not intended, and should not be interpreted as limiting or derogating from, provisions of applicable law to the extent not permitted.

This Policy shall apply to compensation agreements and arrangements which will be approved after the date on which this Policy is adopted and shall serve as Global-e’s Compensation Policy for five (5) years, commencing as of its adoption, unless amended earlier.

The Compensation Committee and the Board of Directors of Global-e (the “**Compensation Committee**” and the “**Board**”, respectively) shall review and reassess the adequacy of this Policy from time to time, as required by the Companies Law.

In determining the terms of the compensation pursuant to this Policy, the Compensation Committee will take into consideration information prepared and presented by the Company’s management, Company’s management’s recommendations, as well as information that may be provided by third party advisors who may be engaged by the Compensation Committee from time to time.

### 2. Objectives

Global-e’s objectives and goals in setting this Policy are to attract, motivate and retain highly experienced leaders who will contribute to Global-e’s success and enhance shareholder value, while demonstrating professionalism in a highly achievement-oriented culture that is based on merit and rewards excellent performance in the long term, and embedding Global-e’s core values as part of a motivated behavior. To that end, this Policy is designed, among others:

- 2.1. to closely align the interests of the Executive Officers with those of Global-e’s shareholders in order to enhance shareholder value;
- 2.2. to align a significant portion of the Executive Officers’ compensation with Global-e’s short and long-term goals and performance;
- 2.3. to provide the Executive Officers with a structured compensation package, including competitive salaries, performance-motivating cash and equity incentive programs and benefits, and to be able to present to each Executive Officer an opportunity to advance in a growing organization;
- 2.4. to strengthen the retention and the motivation of Executive Officers in the long-term;
- 2.5. to provide appropriate awards in order to incentivize superior individual excellency and corporate performance; and
- 2.6. to maintain consistency in the way Executive Officers are compensated.

### 3. **Compensation Instruments**

Compensation instruments under this Policy may include the following:

- 3.1. base salary;
- 3.2. benefits;
- 3.3. cash bonuses;
- 3.4. equity based compensation;
- 3.5. change of control terms; and
- 3.6. retirement and termination terms.

### 4. **Overall Compensation—Ratio Between Fixed and Variable Compensation**

- 4.1. This Policy aims to balance the mix of “Fixed Compensation” (comprised of base salary and benefits) and “Variable Compensation” (comprised of cash bonuses and equity-based compensation) in order to, among other things, appropriately incentivize Executive Officers to meet Global-e’s short and long-term goals while taking into consideration the Company’s need to manage a variety of business risks.
- 4.2. The total annual target bonus and equity-based compensation per vesting annum (based on the fair market value at the time of grant calculated on a linear basis) of each Executive Officer shall not exceed 95% of such Executive Officer’s total compensation package for such year.

### 5. **Inter-Company Compensation Ratio**

- 5.1. In the process of drafting and updating this Policy, Global-e’s Board and Compensation Committee have examined the ratio between employer cost associated with the engagement of the Executive Officers, including directors, and the average and median employer cost associated with the engagement of Global-e’s other employees (including contractor employees as defined in the Companies Law) (the “**Ratio**”).
- 5.2. The possible ramifications of the Ratio on the daily working environment in Global-e were examined and will continue to be examined by Global-e from time to time in order to ensure that levels of executive compensation, as compared to the overall workforce will not have a negative impact on work relations in Global-e.

## **B. Base Salary and Benefits**

### 6. **Base Salary**

- 6.1. A base salary provides stable compensation to Executive Officers and allows Global-e to attract and retain competent executive talent and maintain a stable management team. The base salary varies among Executive Officers, and is individually determined according to the educational background, prior vocational experience, qualifications, company’s role, business responsibilities and the past performance of each Executive Officer.
- 6.2. Since a competitive base salary is essential to Global-e’s ability to attract and retain highly skilled professionals, Global-e will seek to establish a base salary that is competitive with base salaries paid to Executive Officers in a peer group of other companies operating in technology sectors which are similar in their characteristics to Global-e’s, as much as possible, while considering, among others, such companies’ size and characteristics including their revenues, profitability rate, growth rates, market capitalization, number of employees and operating arena (in Israel and globally), the list of which shall be reviewed and approved by the Compensation Committee. To that end, Global-e shall utilize as a

reference, comparative market data and practices, which will include a compensation survey that analyses and compares the level of the overall compensation package offered to an Executive Officer of the Company with compensation packages in positions with similar scope and responsibilities (to that of the relevant officer) in such companies. Such compensation survey may be conducted internally or through an external independent consultant.

- 6.3. The Compensation Committee and the Board may periodically consider and approve base salary adjustments for Executive Officers. The main considerations for approving salary adjustment are similar to those used in initially determining the base salary, but may also include change of role or responsibilities, recognition for professional achievements, regulatory or contractual requirements, budgetary constraints or market trends. When approving salary adjustments for the Executive Officers, the Compensation Committee and the Board will also consider the previous and existing compensation arrangements of the Executive Officer whose base salary is being considered for adjustment. Any limitation herein based on the annual base salary shall be calculated based on the monthly base salary applicable at the time of consideration of the respective grant or benefit.

## 7. Benefits

- 7.1. The following benefits may be granted to the Executive Officers in order, among other things, to comply with legal requirements:
- 7.1.1. paid time off / vacation days in accordance with market practice (as relevant in the domicile of the applicable Executive Officer);
  - 7.1.2. sick days in accordance with domicile market practice;
  - 7.1.3. convalescence pay according to applicable law;
  - 7.1.4. monthly remuneration for a study fund, per domicile market practice, and as allowed by applicable law and with reference to Global-e's practice and the practice in peer group companies;
  - 7.1.5. Global-e shall contribute on behalf of the Executive Officer to an insurance policy or a pension fund, as allowed by applicable law and with reference to Global-e's policies and procedures and the practice in peer group companies (including contributions on bonus payments); and
  - 7.1.6. Global-e shall contribute on behalf of the Executive Officer towards work disability insurance, per domicile market practice, and as allowed by applicable law and with reference to Global-e's policies and procedures and to the practice in peer group companies.
- 7.2. Executive Officers will receive domicile-applicable, based on, and subject to, the principles of this Policy, as customary and as applicable in the relevant jurisdiction in which they are employed, and will not be entitled to any duplicates or such benefits that are not applicable in such domicile or any compensation 'in-lieu' of benefits provided in other domiciles. Such customary benefits shall be determined based on the methods described in Section 6.2 of this Policy (with the necessary changes and adjustments).
- 7.3. In events of relocation or repatriation of an Executive Officer to another geography, such Executive Officer may receive customary benefits applicable in the relevant jurisdiction in which he or she is employed following the relocation, in lieu of the benefits otherwise applicable the relocating Executive Officer in the origin country, but may be entitled to additional payments to reflect adjustments in cost of living. Such benefits may include reimbursement for out-of-pocket one-time payments and other ongoing expenses, such as housing allowance, car allowance, and home leave visit, etc.

- 7.4. Global-e may offer additional benefits to its Executive Officers, which will be comparable to customary market practices, such as, but not limited to: cellular and land line phone benefits, company car and travel benefits, reimbursement of business travel including a daily stipend when traveling and other business related expenses, insurances, other benefits (such as newspaper subscriptions, academic and professional studies), etc., provided, however, that such additional benefits shall be determined in accordance with Global-e's policies and procedures, and shall be set on a domicile-basis.

### **C. Cash Bonuses**

#### **8. Annual Cash Bonuses—The Objective**

- 8.1. Compensation in the form of an annual cash bonus is an important element in aligning the Executive Officers' compensation with Global-e's objectives and business goals. Therefore, annual cash bonuses will reflect a pay-for-performance element, with payout eligibility and levels determined based on actual financial and operational results, in addition to other factors the Compensation Committee may establish as a policy parameter.
- 8.2. An annual cash bonus may be awarded to Executive Officers upon the attainment of pre-set periodical objectives and individual targets as may be approved by the Compensation Committee (and, if required by law, by the Board) for each fiscal year, or in connection with such Executive Officer's engagement, in case of newly hired Executive Officers, taking into account Global-e's short and long-term goals, as well as its compliance and risk management policies. The Compensation Committee (and, if required by law, the Board) may approve applicable minimum thresholds that must be met for entitlement to the annual cash bonus (all or any portion thereof) and the principle formula for calculating any annual cash bonus payout, with respect to each fiscal year. In special circumstances (e.g., regulatory changes, significant changes in Global-e's business environment, a significant organizational change, a significant merger and acquisition event etc.), the Compensation Committee and the Board may approve a modification of the objectives and/or their relative weights during the fiscal year, or of the payouts following the conclusion of the year.
- 8.3. In the event the employment of an Executive Officer is terminated prior to the end of a fiscal year, the Company may (but shall not be obligated to) pay such Executive Officer an annual cash bonus (which may or may not be pro-rated), taking into consideration any contractual commitments or obligations.
- 8.4. The actual annual bonus paid to the Executive Officers shall be approved by the Compensation Committee and the Board.

#### **9. Annual Cash Bonuses—The Formula**

- 9.1. The performance objectives for the annual cash bonus of Global-e's Executive Officers, other than the CEO, may be determined and approved by the CEO (in lieu of the Compensation Committee) and may be based on company, division and individual objectives. The performance measurable objectives, which include the objectives and the weight to be assigned to each achievement in the overall evaluation, will be based, among other things, on overall company performance measures, which are based on actual financial and operational results, such as (by way of example and not by way of limitation) revenues, operating income and cash flow and may further include, divisional or personal objectives which may include operational objectives, such as (by way of example and not by way of limitation) market share, initiation of new markets and operational efficiency, customer focused objectives, project milestone objectives and investment in human capital objectives, such as (by way of example and not by way of limitation) employee satisfaction, employee retention and employee training and leadership programs. The Company may also grant annual cash bonuses to Global-e's Executive Officers on a discretionary basis.
- 9.2. The target annual cash bonus that an Executive Officer, other than the CEO, will be entitled to receive for any given fiscal year, will not exceed 125% of such Executive Officer's annual base salary.



- 9.3. The annual cash bonus of Global-e's CEO will be mainly based on performance measurable objectives and subject to minimum thresholds as provided in Section 8.2 above. Such performance measurable objectives will be determined annually by Global-e's Compensation Committee (and, if required by law, by Global-e's Board) and will be based on company and/or personal objectives. These performance measurable objectives, which include the objectives and the weight to be assigned to each achievement in the overall evaluation, will be based on overall company performance measures, which are based on actual financial and operational results, such as (by way of example and not by way of limitation) revenues, sales, operating income, cash flow or Company's annual operating plan and long-term plan.
  - 9.4. The less significant part of the annual cash bonus granted to Global-e's CEO, and in any event not more than 30% of the annual cash bonus, may be based on a discretionary evaluation of the CEO's overall performance by the Compensation Committee and the Board based on quantitative and qualitative criteria.
  - 9.5. The target annual cash bonus that the CEO will be entitled to receive for any given fiscal year, will not exceed 125% of his or her annual base salary.
10. **Other Bonuses**
- 10.1. Special Bonus. Global-e may grant its Executive Officers a special bonus as an award for special achievements (such as in connection with mergers and acquisitions, offerings, achieving target budget or business plan under exceptional circumstances, or special recognition in case of retirement) or as a retention award at the CEO's discretion for Executive Officers other than the CEO (and in the CEO's case, at the Compensation Committee's and the Board's discretion), subject to any additional approval as may be required by the Companies Law (the "**Special Bonus**"). Any such Special Bonus will not exceed 200% of the Executive Officer's annual base salary. Special Bonus can be paid, in whole or in part, in equity in lieu of cash.
  - 10.2. Signing Bonus. Global-e may grant a newly recruited Executive Officer a signing bonus, at the CEO's discretion for Executive Officers other than the CEO (and in the CEO's case, at the Compensation Committee's and the Board's discretion), subject to any additional approval as may be required by the Companies Law (the "**Signing Bonus**"). Any such Signing Bonus will not exceed 100% of the Executive Officer's annual base salary.
  - 10.3. Relocation/ Repatriation Bonus. Global-e may grant its Executive Officers a special bonus in the event of relocation or repatriation of an Executive Officer to another geography (the "**Relocation Bonus**"). Any such Relocation bonus will include customary benefits associated with such relocation and its monetary value will not exceed 100% of the Executive Officer's annual base salary.
11. **Compensation Recovery ("Clawback")**
- 11.1. In the event of an accounting restatement, Global-e shall be entitled to recover from its Executive Officers the bonus compensation or performance-based equity compensation in the amount in which such compensation exceeded what would have been paid based on the financial statements, as restated, provided that a claim is made by Global-e prior to the second anniversary following the filing of such restated financial statements.
  - 11.2. Notwithstanding the aforesaid, the compensation recovery will not be triggered in the following events:
    - 11.2.1. The financial restatement is required due to changes in the applicable financial reporting standards; or
    - 11.2.2. The Compensation Committee has determined that Clawback proceedings in the specific case would be impossible, impractical, or not commercially or legally efficient.

- 11.3. Nothing in this Section 11 derogates from any other “Clawback” or similar provisions regarding disgorging of profits imposed on Executive Officers by virtue of applicable securities laws or a separate contractual obligation.

#### **D. Equity Based Compensation**

##### **12. The Objective**

- 12.1. The equity-based compensation for Global-e’s Executive Officers will be designed in a manner consistent with the underlying objectives of the Company in determining the base salary and the annual cash bonus, with its main objectives being to enhance the alignment between the Executive Officers’ interests with the long-term interests of Global-e and its shareholders, and to strengthen the retention and the motivation of Executive Officers in the long term. In addition, since equity-based awards are structured to vest over several years, their incentive value to recipients is aligned with longer-term strategic plans.
- 12.2. The equity-based compensation offered by Global-e is intended to be in a form of share options and/or other equity-based awards, such as RSUs or performance stock units, in accordance with the Company’s equity incentive plan in place as may be updated from time to time.
- 12.3. All equity-based incentives granted to Executive Officers (other than bonuses paid in equity in lieu of cash) shall normally be subject to vesting periods in order to promote long-term retention of the awarded Executive Officers. Unless determined otherwise in a specific award agreement or in a specific compensation plan approved by the Compensation Committee and the Board, grants to Executive Officers other than non-employee directors shall vest based on time, gradually over a period of at least 2-4 years, or based on performance. The exercise price of options shall be determined in accordance with Global-e’s policies as may be adopted from time to time, the main terms of which shall be disclosed as required by law or other applicable accounting requirements.
- 12.4. All other terms of the equity awards shall be in accordance with Global-e’s incentive plans and other related practices and policies. Accordingly, the Board may, following approval by the Compensation Committee, make modifications to such awards consistent with the terms of such incentive plans, subject to any additional approval as may be required by the Companies Law.

##### **13. General Guidelines for the Grant of Awards**

- 13.1. The equity-based compensation shall be granted from time to time and be individually determined and awarded according to the performance, educational background, prior business experience, qualifications, role and the personal responsibilities of the Executive Officer.
- 13.2. Notwithstanding the aforementioned in Section 13.1, the total fair market value of an annual equity-based compensation at the time of grant (not including bonuses paid in equity in lieu of cash) shall not exceed with respect to each Executive Officer (including the CEO)—the higher of (y) 500% of his or her annual base salary or (z) 0.35% of the Company’s fair market value.
- 13.3. The fair market value of the equity-based compensation for the Executive Officers will be determined by multiplying the number of shares underlying the grant by the market price of Global-e’s ordinary shares on or around the time of the grant or according to other acceptable valuation practices at the time of grant, in each case, as determined by the Compensation Committee and the Board.

## **E. Retirement and Termination of Service Arrangements**

### **14. Advanced Notice Period**

Global-e may provide any Executive Officer (including the CEO) according to his/her seniority in the Company, his/her contribution to the Company's goals and achievements and the circumstances of retirement a prior notice of termination of up to twelve (12) months, during which the Executive Officer may be entitled to all of the compensation elements, and to the continuation of vesting of his/her equity-based compensation. Such advance notice may or may not be provided in addition to severance, provided, however, that the Compensation Committee shall take into consideration the Executive Officer's entitlement to advance notice in establishing any entitlement to severance and vice versa.

### **15. Adjustment Period**

Global-e may provide an additional adjustment period of up to six (6) months to any Executive Officer according to his/her seniority in the Company, his/her contribution to the Company's goals and achievements and the circumstances of retirement, during which the Executive Officer may be entitled to all of the compensation elements, and to the continuation of vesting of his/her equity-based compensation.

### **16. Additional Retirement and Termination Benefits**

Global-e may provide additional retirement and terminations benefits and payments as may be required by applicable law (e.g., mandatory severance pay under Israeli labor laws), or which will be comparable to customary market practices.

### **17. Non-Compete Grant**

Upon termination of employment and subject to applicable law, Global-e may grant to its Executive Officers a non-compete grant as an incentive to refrain from competing with Global-e for a defined period of time. The terms and conditions of the non-compete grant shall be decided by the Board and shall not exceed such Executive Officer's monthly base salary multiplied by twelve (12). The Board shall consider the existing entitlements of the Executive Officer in connection with the consideration of any non-compete grant.

### **18. Limitation Retirement and Termination of Service Arrangements**

The total non-statutory payments under Section 14-17 above for a given Executive Officer shall not exceed the Executive Officer's monthly base salary multiplied by twenty-four (24). The limitation under this Section 18 does not apply to benefits and payments provided under other chapters of this Policy.

## **F. Exculpation, Indemnification and Insurance**

### **19. Exculpation**

Global-e may exempt its directors and Executive Officers in advance for all or any of his/her liability for damage in consequence of a breach of the duty of care vis-a-vis Global-e, to the fullest extent permitted by applicable law.

### **20. Insurance and Indemnification**

20.1. Global-e may indemnify its directors and Executive Officers to the fullest extent permitted by applicable law, for any liability and expense that may be imposed on the director or the Executive Officer, as provided in the indemnity agreement between such individuals and Global-e, all subject to applicable law and the Company's articles of association.

20.2. Global-e will provide directors' and officers' liability insurance (the "**Insurance Policy**") for its directors and Executive Officers as follows:

- 20.2.1. The limit of liability of the insurer shall not exceed the greater of \$500 million or 50% of the Company's shareholders equity based on the most recent financial statements of the Company at the time of approval by the Compensation Committee; and
  - 20.2.2. The Insurance Policy, as well as the limit of liability and the premium for each extension or renewal shall be approved by the Compensation Committee (and, if required by law, by the Board) which shall determine that the sums are reasonable considering Global-e's exposures, the scope of coverage and the market conditions and that the Insurance Policy reflects the current market conditions, and it shall not materially affect the Company's profitability, assets or liabilities.
- 20.3. Upon circumstances to be approved by the Compensation Committee (and, if required by law, by the Board), Global-e shall be entitled to enter into a "run off" Insurance Policy of up to seven (7) years, with the same insurer or any other insurance, as follows:
- 20.3.1. The limit of liability of the insurer shall not exceed the greater of \$500 million or 50% of the Company's shareholders equity based on the most recent financial statements of the Company at the time of approval by the Compensation Committee; and
  - 20.3.2. The Insurance Policy, as well as the limit of liability and the premium for each extension or renewal shall be approved by the Compensation Committee (and, if required by law, by the Board) which shall determine that the sums are reasonable considering the Company's exposures covered under such policy, the scope of cover and the market conditions, and that the Insurance Policy reflects the current market conditions and that it shall not materially affect the Company's profitability, assets or liabilities.
- 20.4. Global-e may extend the Insurance Policy in place to include cover for liability pursuant to a future public offering of securities as follows:
- 20.4.1. The Insurance Policy, as well as the additional premium shall be approved by the Compensation Committee (and if required by law, by the Board) which shall determine that the sums are reasonable considering the exposures pursuant to such public offering of securities, the scope of cover and the market conditions and that the Insurance Policy reflects the current market conditions, and it does not materially affect the Company's profitability, assets or liabilities.

#### **G. Arrangements upon Change of Control**

21. The following benefits may be granted to any Executive Officers (in addition to, or in lieu of, the benefits applicable in the case of any retirement or termination of service) upon or in connection with a "Change of Control" or, where applicable, in the event of a Change of Control following which the employment of the Executive Officer is terminated or adversely adjusted in a material way:
- 21.1. Vesting acceleration of outstanding equity-based awards;
  - 21.2. Extended exercising period of equity-based compensation for a period of up to two (2) years, following the date of employment termination; and
  - 21.3. Up to an additional six (6) months of continued base salary and benefits following the date of employment termination (the "**Additional Adjustment Period**"). For avoidance of doubt, such additional Adjustment Period may be in addition to the advance notice and adjustment periods pursuant to Sections 14 and 15 of this Policy, but subject to the limitation set forth in Section 18 of this Policy.
  - 21.4. A cash bonus not to exceed 250% of the Executive Officer's annual base salary.

**H. Board of Directors Compensation**

- 22. All Global-e’s non-employee Board members may be entitled to an annual cash fee retainer of up to \$35,000 (and up to \$60,000 for the chairperson of Global-e’s Board), and in addition an annual committee membership fee retainer of up to \$20,000, or an annual committee chairperson cash fee retainer of up to \$30,000 (it is being clarified that the payment for the chairpersons would be in lieu of (and not in addition) to the payments referenced above for committee membership).
- 23. The compensation of the Company’s external directors, if elected, shall be in accordance with the Companies Regulations (Rules Regarding the Compensation and Expenses of an External Director), 5760-2000, as amended by the Companies Regulations (Relief for Public Companies Traded in Stock Exchange Outside of Israel), 5760-2000, as such regulations may be amended from time to time.
- 24. Each non-employee member of Global-e’s Board may be granted equity-based compensation. The total fair market value of a “welcome” or an annual equity-based compensation at the time of grant shall not exceed the higher of (i) \$350,000 or (x) 0.05% of the Company’s fair market value. Such equity-based awards shall vest in accordance with a vesting schedule that may vary from a period of 6 months to 4 years.
- 25. All other terms of the equity awards shall be in accordance with Global-e’s incentive plans and other related practices and policies. Accordingly, the Board may, following approval by the Compensation Committee, make modifications to such awards consistent with the terms of such incentive plans, subject to any additional approval as may be required by the Companies Law.
- 26. In addition, members of Global-e’s Board may be entitled to reimbursement of expenses in connection with the performance of their duties.
- 27. It is hereby clarified that the compensation (and limitations) stated under Section H will not apply to directors who serve as Executive Officers.

**I. Miscellaneous**

- 28. Nothing in this Policy shall be deemed to grant to any of Global-e’s Executive Officers, employees, directors, or any third party any right or privilege in connection with their employment by or service to the Company, nor deemed to require Global-e to provide any compensation or benefits to any person. Such rights and privileges shall be governed by applicable personal employment agreements or other separate compensation arrangements entered into between Global-e and the recipient of such compensation or benefits. The Board may determine that none or only part of the payments, benefits and perquisites detailed in this Policy shall be granted, and is authorized to cancel or suspend a compensation package or any part of it.
- 29. An Immaterial Change in the Terms of Employment of an Executive Officer other than the CEO may be approved by the CEO, provided that the amended terms of employment are in accordance with this Policy. An “Immaterial Change in the Terms of Employment” means a change in the terms of employment of an Executive Officer with an annual total cost to the Company not exceeding an amount equal to three (3) monthly base salaries of such employee.
- 30. In the event that new regulations or law amendment in connection with Executive Officers’ and directors’ compensation will be enacted following the adoption of this Policy, Global-e may follow such new regulations or law amendments, even if such new regulations are in contradiction to the compensation terms set forth herein.

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This Policy is designed solely for the benefit of Global-e and none of the provisions thereof are intended to provide any rights or remedies to any person other than Global-e.

**GLOBAL-E ONLINE LTD.**  
**2021 EMPLOYEE SHARE PURCHASE PLAN**

**ARTICLE I.**  
**PURPOSE**

The purpose of this Plan is to assist Eligible Employees of the Company and its Designated Subsidiaries in acquiring a share ownership interest in the Company.

The Plan consists of two components: (i) the Section 423 Component and (ii) the Non-Section 423 Component. The Section 423 Component is intended to qualify as an “employee stock purchase plan” under Section 423 of the Code and shall be administered, interpreted and construed in a manner consistent with the requirements of Section 423 of the Code. The Non-Section 423 Component authorizes the grant of rights which need not qualify as rights granted pursuant to an “employee stock purchase plan” under Section 423 of the Code. Rights granted under the Non-Section 423 Component shall be granted pursuant to separate Offerings containing such sub-plans, appendices, rules or procedures as may be adopted by the Administrator and designed to achieve tax, securities laws or other objectives for Eligible Employees and Designated Subsidiaries but shall not be intended to qualify as an “employee stock purchase plan” under Section 423 of the Code. Except as otherwise determined by the Administrator or provided herein, the Non-Section 423 Component will operate and be administered in the same manner as the Section 423 Component. Offerings intended to be made under the Non-Section 423 Component will be designated as such by the Administrator at or prior to the time of such Offering.

For purposes of this Plan, the Administrator may designate separate Offerings under the Plan in which Eligible Employees will participate. The terms of these Offerings need not be identical, even if the dates of the applicable Offering Period(s) in each such Offering are identical, provided that the terms of participation are the same within each separate Offering under the Section 423 Component (as determined under Section 423 of the Code). Solely by way of example and without limiting the foregoing, the Company could, but shall not be required to, provide for simultaneous Offerings under the Section 423 Component and the Non-Section 423 Component of the Plan.

**ARTICLE II.**  
**DEFINITIONS AND CONSTRUCTION**

Wherever the following terms are used in the Plan they shall have the meanings specified below, unless the context clearly indicates otherwise.

2.1 “**Administrator**” means the entity, including any committee specifically designated by the Board, that conducts the general administration of the Plan as provided in Article XI.

2.2 “**Affiliate**” means any entity on which the Company has an equity or other ownership interests.

2.3 “**Agent**” means the brokerage firm, bank or other financial institution, entity or person(s), if any, engaged, retained, appointed or authorized to act as the agent of the Company or an Employee with regard to the Plan.

2.4 “**Applicable Law**” means the requirements relating to the administration of equity incentive plans under U.S. federal and state securities, tax and other applicable laws, rules and regulations, the applicable rules of any stock exchange or quotation system on which Shares are listed or quoted and the applicable laws and rules of any non-U.S. country or other jurisdiction where rights under this Plan are granted.

2.5 “**Board**” means the Board of Directors of the Company.

2.6 “**Code**” means the U.S. Internal Revenue Code of 1986, as amended, and the regulations issued thereunder.

2.7 “**Company**” means Global-E Online Ltd., an Israeli company, or any successor.

2.8 “**Compensation**” of an Eligible Employee means, unless otherwise determined by the Administrator, the gross base compensation received by such Eligible Employee as compensation for services to the Company or any Designated Subsidiary, including overtime payments and excluding sales commissions, incentive compensation, bonuses, expense reimbursements, fringe benefits and other special payments.

2.9 “**Designated Subsidiary**” means any Subsidiary designated by the Administrator in accordance with Section 11.2(b), such designation to specify whether such participation is in the Section 423 Component or Non-Section 423 Component. A Designated Subsidiary may participate in either the Section 423 Component or Non-Section 423 Component, but not both; provided that a Subsidiary that, for U.S. tax purposes, is disregarded from the Company or any Subsidiary that participates in the Section 423 Component shall automatically constitute a Designated Subsidiary that participates in the Section 423 Component. The designation by the Administrator of Designated Subsidiaries and changes in such designations by the Administrator shall not require shareholder approval. Only entities that are subsidiary corporations of the Company within the meaning of Section 424 of the Code may be designated as Designated Subsidiaries for purposes of the Section 423 Component, and if an entity does not so qualify, it shall automatically be deemed to be a Designated Subsidiary in the Non-Section 423 Component.

2.10 “**Effective Date**” means the date upon which the Plan is approved by the shareholders of the Company, provided that the Board has adopted the Plan on, or within 12 months prior to, such date.

2.11 “**Eligible Employee**” means:

(a) With respect to the Section 423 Component of the Plan, an Employee who does not, immediately after any rights under this Plan are granted, own (directly or through attribution) share possessing 5% or more of the total combined voting power or value of all classes of Shares and other securities of the Company, a Parent or a Subsidiary (as determined under Section 423(b)(3) of the Code). For purposes of the foregoing, the rules of Section 424(d) of the Code with regard to the attribution of share ownership shall apply in determining the share ownership of an individual, and a share that an Employee may purchase under outstanding options shall be treated as a share owned by the Employee. With respect to an Employee participating in the Non-Section 423 Component, such qualification shall not apply, unless otherwise required by Applicable Law.

(b) Notwithstanding the foregoing, the Administrator may provide in an Offering Document that an Employee shall not be eligible to participate in an Offering Period under the Section 423 Component if: (i) such Employee is a highly compensated employee within the meaning of Section 423(b)(4)(D) of the Code; (ii) such Employee has not met a service requirement designated by the Administrator pursuant to Section 423(b)(4)(A) of the Code (which service requirement may not exceed two years); (iii) such Employee’s customary employment is for twenty hours per week or less; (iv) such Employee’s customary employment is for less than five months in any calendar year; and/or (v) such Employee is a citizen or resident of a non-U.S. jurisdiction and the grant of a right to purchase Shares under

the Plan to such Employee would be prohibited under the laws of such non-U.S. jurisdiction or the grant of a right to purchase Shares under the Plan to such Employee in compliance with the laws of such non-U.S. jurisdiction would cause the Plan to violate the requirements of Section 423 of the Code, as determined by the Administrator in its sole discretion; provided, further, that any exclusion in clauses (i), (ii), (iii), (iv) or (v) shall be applied in an identical manner under each Offering Period to all Employees, in accordance with Treasury Regulation Section 1.423-2(e).

(c) With respect to the Non-Section 423 Component, the foregoing rules shall apply in determining who is an “Eligible Employee,” except (i) the Administrator may limit eligibility further within the Company or a Designated Subsidiary so as to only designate some Employees of the Company or a Designated Subsidiary as Eligible Employees, and (ii) to the extent the foregoing eligibility rules are not consistent with applicable local laws, the applicable local laws shall control.

2.12 “**Employee**” means any individual who renders services to the Company or any Designated Subsidiary in the status of an employee, and, with respect to the Section 423 Component, a person who is an employee within the meaning of Section 3401(c) of the Code. For purposes of an individual’s participation in, or other rights under the Plan, all determinations by the Company shall be final, binding and conclusive, notwithstanding that any court of law or governmental agency subsequently makes a contrary determination. For purposes of the Plan, the employment relationship shall be treated as continuing intact while the individual is on sick leave or other leave of absence approved by the Company or Designated Subsidiary and meeting the requirements of Treasury Regulation Section 1.421-1(h)(2). Where the period of leave exceeds three (3) months and the individual’s right to reemployment is not guaranteed either by statute or by contract, the employment relationship shall be deemed to have terminated on the first day immediately following such three (3)-month period.

2.13 “**Enrollment Date**” means the first Trading Day of each Offering Period.

2.14 “**Fair Market Value**” means, as of any date, the value of Shares determined as follows: (i) if the Shares are listed on any established stock exchange, its Fair Market Value will be the closing sales price for such Shares as quoted on such exchange for such date, or if no sale occurred on such date, the last day preceding such date during which a sale occurred, as reported in The Wall Street Journal or another source the Administrator deems reliable; (ii) if the Shares are not traded on a stock exchange but are quoted on a national market or other quotation system, the closing sales price on such date, or if no sales occurred on such date, then on the last date preceding such date during which a sale occurred, as reported in The Wall Street Journal or another source the Administrator deems reliable; or (iii) without an established market for the Shares, the Administrator will determine the Fair Market Value in its discretion.

2.15 “**Non-Section 423 Component**” means those Offerings under the Plan, together with the sub-plans, appendices, rules or procedures, if any, adopted by the Administrator as a part of this Plan, in each case, pursuant to which rights to purchase Shares during an Offering Period may be granted to Eligible Employees that need not satisfy the requirements for rights to purchase Shares granted pursuant to an “employee stock purchase plan” that are set forth under Section 423 of the Code.

2.16 “**Offering**” means an offer under the Plan of a right to purchase Shares that may be exercised during an Offering Period as further described in Article IV hereof. Unless otherwise specified by the Administrator, each Offering to the Eligible Employees of the Company or a Designated Subsidiary shall be deemed a separate Offering, even if the dates and other terms of the applicable Offering Periods of each such Offering are identical, and the provisions of the Plan will separately apply to each Offering. To the extent permitted by Treas. Reg. § 1.423-2(a)(1), the terms of each separate Offering under the Section 423 Component need not be identical, provided that the terms of the Section 423 Component and an Offering thereunder together satisfy Treas. Reg. § 1.423-2(a)(2) and (a)(3).



- 2.17 “**Offering Document**” has the meaning given to such term in Section 4.1.
- 2.18 “**Offering Period**” has the meaning given to such term in Section 4.1.
- 2.19 “**Ordinary Shares**” means Ordinary Shares, no par value, of the Company and such other securities of the Company that may be substituted therefore.
- 2.20 “**Parent**” means any corporation, other than the Company, in an unbroken chain of corporations ending with the Company if, at the time of the determination, each of the corporations other than the Company owns shares possessing 50% or more of the total combined voting power of all classes of shares in one of the other corporations in such chain.
- 2.21 “**Participant**” means any Eligible Employee who has executed a subscription agreement and been granted rights to purchase Shares pursuant to this Plan.
- 2.22 “**Payday**” means the regular and recurring established day for payment of Compensation to an Employee of the Company or any Designated Subsidiary.
- 2.23 “**Plan**” means this 2021 Employee Share Purchase Plan, including both the Section 423 Component and Non-Section 423 Component and any other sub-plans or appendices hereto, as amended from time to time.
- 2.24 “**Purchase Date**” means the last Trading Day of each Offering Period or such other date as determined by the Administrator and set forth in the Offering Document.
- 2.25 “**Purchase Price**” means the purchase price designated by the Administrator in the applicable Offering Document (which purchase price, for purposes of the Section 423 Component, shall not be less than 85% of the Fair Market Value of a Share on the Enrollment Date or on the Purchase Date, whichever is lower); provided, however, that, in the event no purchase price is designated by the Administrator in the applicable Offering Document, the purchase price for the Offering Periods covered by such Offering Document shall be 85% of the Fair Market Value of a Share on the Enrollment Date or on the Purchase Date, whichever is lower; provided, further, that the Purchase Price may be adjusted by the Administrator pursuant to Article VIII and shall not be less than the par value of a Share.
- 2.26 “**Section 423 Component**” means those Offerings under the Plan, together with the sub-plans, appendices, rules or procedures, if any, adopted by the Administrator as a part of this Plan, in each case, pursuant to which rights to purchase Shares during an Offering Period may be granted to Eligible Employees that are intended to satisfy the requirements for rights to purchase Shares granted pursuant to an “employee stock purchase plan” that are set forth under Section 423 of the Code.
- 2.27 “**Securities Act**” means the U.S. Securities Act of 1933, as amended.
- 2.28 “**Share**” means an Ordinary Share.
- 2.29 “**Subsidiary**” means any corporation, other than the Company, in an unbroken chain of corporations beginning with the Company if, at the time of the determination, each of the corporations other than the last corporation in an unbroken chain owns shares possessing 50% or more of the total combined voting power of all classes of shares in one of the other corporations in such chain; provided, however, that a limited liability company or partnership may be treated as a Subsidiary to the extent either (a) such entity is treated as a disregarded entity under Treasury Regulation Section 301.7701-3(a) by reason of the Company or any other Subsidiary that is a corporation being the sole owner of such entity, or (b) such entity

elects to be classified as a corporation under Treasury Regulation Section 301.7701-3(a) and such entity would otherwise qualify as a Subsidiary. In addition, with respect to the Non-Section 423 Component, Subsidiary shall include any corporate or non-corporate entity in which the Company has a direct or indirect equity interest or significant business relationship.

2.30 "**Trading Day**" means a day on which national stock exchanges in the United States are open for trading.

2.31 "**Treas. Reg.**" means U.S. Department of the Treasury regulations.

### **ARTICLE III. SHARES SUBJECT TO THE PLAN**

3.1 **Number of Shares.** Subject to Article VIII, the aggregate number of Shares that may be issued pursuant to rights granted under the Plan shall be 2,500,000 Shares. In addition to the foregoing, subject to Article VIII, on the first day of each calendar year beginning on January 1, 2022 and ending on and including January 1, 2030, the number of Shares available for issuance under the Plan shall be increased by that number of Shares equal to the lesser of (a) 0.5% of the Shares outstanding on the last day of the immediately preceding calendar year, as determined on a fully diluted basis, and (b) such smaller number of Shares as may be determined by the Board. If any right granted under the Plan shall for any reason terminate without having been exercised, the Shares not purchased under such right shall again become available for issuance under the Plan. Notwithstanding anything in this Section 3.1 to the contrary, the number of Shares that may be issued or transferred pursuant to the rights granted under the Section 423 Component of the Plan shall not exceed an aggregate of [●] Shares, subject to Article VIII.

3.2 **Shares Distributed.** Any Shares distributed pursuant to the Plan may consist, in whole or in part, of authorized and unissued Shares, treasury shares or Shares purchased on the open market.

### **ARTICLE IV. OFFERING PERIODS; OFFERING DOCUMENTS; PURCHASE DATES**

4.1 **Offering Periods.** The Administrator may from time to time grant or provide for the grant of rights to purchase Shares under the Plan to Eligible Employees during one or more periods (each, an "**Offering Period**") selected by the Administrator. The terms and conditions applicable to each Offering Period shall be set forth in an "**Offering Document**" adopted by the Administrator, which Offering Document shall be in such form and shall contain such terms and conditions as the Administrator shall deem appropriate and shall be incorporated by reference into and made part of the Plan and shall be attached hereto as part of the Plan. The provisions of separate Offerings or Offering Periods under the Plan need not be identical.

4.2 **Offering Documents.** Each Offering Document with respect to an Offering Period shall specify (through incorporation of the provisions of this Plan by reference or otherwise):

(a) the length of the Offering Period, which period shall not exceed twenty-seven months;

(b) the maximum number of Shares that may be purchased by any Eligible Employee during such Offering Period, which, in the absence of a contrary designation by the Administrator, shall be [●] Shares; and

(c) such other provisions as the Administrator determines are appropriate, subject to the Plan.

**ARTICLE V.  
ELIGIBILITY AND PARTICIPATION**

5.1 Eligibility. Any Eligible Employee who shall be employed by the Company or a Designated Subsidiary on a given Enrollment Date for an Offering Period shall be eligible to participate in the Plan during such Offering Period, subject to the requirements of this Article V and, for the Section 423 Component, the limitations imposed by Section 423(b) of the Code.

5.2 Enrollment in Plan.

(a) Except as otherwise set forth in an Offering Document or determined by the Administrator, an Eligible Employee may become a Participant in the Plan for an Offering Period by delivering a subscription agreement to the Company by such time prior to the Enrollment Date for such Offering Period (or such other date specified in the Offering Document) designated by the Administrator and in such form as the Company provides.

(b) Each subscription agreement shall designate a whole percentage of such Eligible Employee's Compensation to be withheld by the Company or the Designated Subsidiary employing such Eligible Employee on each Payday during the Offering Period as payroll deductions under the Plan. The percentage of Compensation designated by an Eligible Employee may not be less than 1% and may not be more than the maximum percentage specified by the Administrator in the applicable Offering Document (which percentage shall be 20% in the absence of any such designation) as payroll deductions. The payroll deductions made for each Participant shall be credited to an account for such Participant under the Plan and shall be deposited with the general funds of the Company.

(c) A Participant may increase or decrease the percentage of Compensation designated in his or her subscription agreement, subject to the limits of this Section 5.2, or may suspend his or her payroll deductions, at any time during an Offering Period; provided, however, that the Administrator may limit the number of changes a Participant may make to his or her payroll deduction elections during each Offering Period in the applicable Offering Document (and in the absence of any specific designation by the Administrator, a Participant shall be allowed to decrease (but not increase) his or her payroll deduction elections one time during each Offering Period). Any such change or suspension of payroll deductions shall be effective with the first full payroll period following five business days after the Company's receipt of the new subscription agreement (or such shorter or longer period as may be specified by the Administrator in the applicable Offering Document). In the event a Participant suspends his or her payroll deductions, such Participant's cumulative payroll deductions prior to the suspension shall remain in his or her account and shall be applied to the purchase of Shares on the next occurring Purchase Date and shall not be paid to such Participant unless he or she withdraws from participation in the Plan pursuant to Article VII.

(d) Except as otherwise set forth in an Offering Document or determined by the Administrator, a Participant may participate in the Plan only by means of payroll deduction and may not make contributions by lump sum payment for any Offering Period.

5.3 Payroll Deductions. Except as otherwise provided in the applicable Offering Document, payroll deductions for a Participant shall commence on the first Payday following the Enrollment Date and shall end on the last Payday in the Offering Period to which the Participant's authorization is applicable, unless sooner terminated by the Participant as provided in Article VII or suspended by the Participant or the Administrator as provided in Section 5.2 and Section 5.6, respectively. Notwithstanding any other

provisions of the Plan to the contrary, in non-U.S. jurisdictions where participation in the Plan through payroll deductions is prohibited, the Administrator may provide that an Eligible Employee may elect to participate through contributions to the Participant's account under the Plan in a form acceptable to the Administrator in lieu of or in addition to payroll deductions; provided, however, that, for any Offering under the Section 423 Component, the Administrator shall take into consideration any limitations under Section 423 of the Code when applying an alternative method of contribution.

5.4 Effect of Enrollment. A Participant's completion of a subscription agreement will enroll such Participant in the Plan for each subsequent Offering Period on the terms contained therein until the Participant either submits a new subscription agreement, withdraws from participation under the Plan as provided in Article VII or otherwise becomes ineligible to participate in the Plan.

5.5 Limitation on Purchase of Shares. An Eligible Employee may be granted rights under the Section 423 Component only if such rights, together with any other rights granted to such Eligible Employee under "employee stock purchase plans" of the Company, any Parent or any Subsidiary, as specified by Section 423(b)(8) of the Code, do not permit such employee's rights to purchase shares of the Company or any Parent or Subsidiary to accrue at a rate that exceeds \$25,000 of the fair market value of such shares (determined as of the first day of the Offering Period during which such rights are granted) for each calendar year in which such rights are outstanding at any time. This limitation shall be applied in accordance with Section 423(b)(8) of the Code.

5.6 Suspension of Payroll Deductions. Notwithstanding the foregoing, to the extent necessary to comply with Section 423(b)(8) of the Code and Section 5.5 (with respect to the Section 423 Component) or the other limitations set forth in this Plan, a Participant's payroll deductions may be suspended by the Administrator at any time during an Offering Period. The balance of the amount credited to the account of each Participant that has not been applied to the purchase of Shares by reason of Section 423(b)(8) of the Code, Section 5.5 or the other limitations set forth in this Plan shall be paid to such Participant in one lump sum in cash as soon as reasonably practicable after the Purchase Date.

5.7 Non-U.S. Employees. In order to facilitate participation in the Plan, the Administrator may provide for such special terms applicable to Participants who are citizens or residents of a non-U.S. jurisdiction, or who are employed by a Designated Subsidiary outside of the United States, as the Administrator may consider necessary or appropriate to accommodate differences in local law, tax policy or custom. Except as permitted by Section 423 of the Code, with respect to the Section 423 Component, such special terms may not be more favorable than the terms of rights granted under the Section 423 Component to Eligible Employees who are residents of the United States. Such special terms may be set forth in an addendum to the Plan in the form of an appendix or sub-plan (which appendix or sub-plan may be designed to govern Offerings under the Section 423 Component or the Non-Section 423 Component, as determined by the Administrator). To the extent that the terms and conditions set forth in an appendix or sub-plan conflict with any provisions of the Plan, the provisions of the appendix or sub-plan shall govern. The adoption of any such appendix or sub-plan shall be pursuant to Section 11.2(f). Without limiting the foregoing, the Administrator is specifically authorized to adopt rules and procedures, with respect to Participants who are non-U.S. nationals or employed in non-U.S. jurisdictions, regarding the exclusion of particular Subsidiaries from participation in the Plan, eligibility to participate, the definition of Compensation, handling of payroll deductions or other contributions by Participants, payment of interest, conversion of local currency, data privacy security, payroll tax, withholding procedures, establishment of bank or trust accounts to hold payroll deductions or contributions.

5.8 Leave of Absence. During leaves of absence approved by the Company meeting the requirements of Treasury Regulation Section 1.421-1(h)(2) under the Code, a Participant may continue participation in the Plan by making cash payments to the Company on his or her normal Payday equal to the Participant's authorized payroll deduction.

**ARTICLE VI.  
GRANT AND EXERCISE OF RIGHTS**

6.1 Grant of Rights. On the Enrollment Date of each Offering Period, each Eligible Employee participating in such Offering Period shall be granted a right to purchase the maximum number of Shares specified under Section 4.2, subject to the limits in Section 5.5, and shall have the right to buy, on each Purchase Date during such Offering Period (at the applicable Purchase Price), such number of whole Shares as is determined by dividing (a) such Participant's payroll deductions accumulated prior to such Purchase Date and retained in the Participant's account as of the Purchase Date, by (b) the applicable Purchase Price (rounded down to the nearest Share). The right shall expire on the last day of the Offering Period.

6.2 Exercise of Rights. On each Purchase Date, each Participant's accumulated payroll deductions and any other additional payments specifically provided for in the applicable Offering Document will be applied to the purchase of whole Shares, up to the maximum number of Shares permitted pursuant to the terms of the Plan and the applicable Offering Document, at the Purchase Price. No fractional Shares shall be issued upon the exercise of rights granted under the Plan, unless the Offering Document specifically provides otherwise. Any cash in lieu of fractional Shares remaining after the purchase of whole Shares upon exercise of a purchase right will be credited to a Participant's account and carried forward and applied toward the purchase of whole Shares for the next following Offering Period. Shares issued pursuant to the Plan may be evidenced in such manner as the Administrator may determine and may be issued in certificated form or issued pursuant to book-entry procedures.

6.3 Pro Rata Allocation of Shares. If the Administrator determines that, on a given Purchase Date, the number of Shares with respect to which rights are to be exercised may exceed (a) the number of Shares that were available for issuance under the Plan on the Enrollment Date of the applicable Offering Period, or (b) the number of Shares available for issuance under the Plan on such Purchase Date, the Administrator may in its sole discretion provide that the Company shall make a pro rata allocation of the Shares available for purchase on such Enrollment Date or Purchase Date, as applicable, in as uniform a manner as shall be practicable and as it shall determine in its sole discretion to be equitable among all Participants for whom rights to purchase Shares are to be exercised pursuant to this Article VI on such Purchase Date, and shall either (i) continue all Offering Periods then in effect, or (ii) terminate any or all Offering Periods then in effect pursuant to Article IX. The Company may make pro rata allocation of the Shares available on the Enrollment Date of any applicable Offering Period pursuant to the preceding sentence, notwithstanding any authorization of additional Shares for issuance under the Plan by the Company's shareholders subsequent to such Enrollment Date. The balance of the amount credited to the account of each Participant that has not been applied to the purchase of Shares shall be paid to such Participant in one lump sum in cash as soon as reasonably practicable after the Purchase Date or such earlier date as determined by the Administrator.

6.4 Withholding. At the time a Participant's rights under the Plan are exercised, in whole or in part, or at the time some or all of the Shares issued under the Plan is disposed of, the Participant must make adequate provision for the Company's federal, state, or other tax withholding obligations, if any, that arise upon the exercise of the right or the disposition of the Shares. At any time, the Company may, but shall not be obligated to, withhold from the Participant's compensation or Shares received pursuant to the Plan the amount necessary for the Company to meet applicable withholding obligations, including any withholding required to make available to the Company any tax deductions or benefits attributable to sale or early disposition of Shares by the Participant.

6.5 Conditions to Issuance of Shares. The Company shall not be required to issue or deliver any certificate or certificates for, or make any book entries evidencing, Shares purchased upon the exercise of rights under the Plan prior to fulfillment of all of the following conditions: (a) the admission of such Shares to listing on all stock exchanges, if any, on which the Shares are then listed; (b) the completion of any registration or other qualification of such Shares under any state or federal law or under the rulings or regulations of the Securities and Exchange Commission or any other governmental regulatory body, that the Administrator shall, in its absolute discretion, deem necessary or advisable; (c) the obtaining of any approval or other clearance from any state or federal governmental agency that the Administrator shall, in its absolute discretion, determine to be necessary or advisable; (d) the payment to the Company of all amounts that it is required to withhold under federal, state or local law upon exercise of the rights, if any; and (e) the lapse of such reasonable period of time following the exercise of the rights as the Administrator may from time to time establish for reasons of administrative convenience.

## **ARTICLE VII. WITHDRAWAL; CESSATION OF ELIGIBILITY**

7.1 Withdrawal. A Participant may withdraw all but not less than all of the payroll deductions credited to his or her account and not yet used to exercise his or her rights under the Plan at any time by giving written notice to the Company in a form acceptable to the Company no later than one week prior to the end of the Offering Period. All of the Participant's payroll deductions credited to his or her account during an Offering Period shall be paid to such Participant as soon as reasonably practicable after receipt of notice of withdrawal and such Participant's rights for the Offering Period shall be automatically terminated, and no further payroll deductions for the purchase of Shares shall be made for such Offering Period. If a Participant withdraws from an Offering Period, payroll deductions shall not resume at the beginning of the next Offering Period unless the Participant timely delivers to the Company a new subscription agreement.

7.2 Future Participation. A Participant's withdrawal from an Offering Period shall not have any effect upon his or her eligibility to participate in any similar plan that may hereafter be adopted by the Company or a Designated Subsidiary or in subsequent Offering Periods that commence after the termination of the Offering Period from which the Participant withdraws.

7.3 Cessation of Eligibility. Upon a Participant's ceasing to be an Eligible Employee for any reason, he or she shall be deemed to have elected to withdraw from the Plan pursuant to this Article VII and the payroll deductions credited to such Participant's account during the Offering Period shall be paid to such Participant or, in the case of his or her death, to the person or persons entitled thereto under Section 12.4, as soon as reasonably practicable, and such Participant's rights for the Offering Period shall be automatically terminated. If a Participant transfers employment from the Company or any Designated Subsidiary participating in the Section 423 Component to any Designated Subsidiary participating in the Non-Section 423 Component, such transfer shall not be treated as a termination of employment, but the Participant shall immediately cease to participate in the Section 423 Component; however, any contributions made for the Offering Period in which such transfer occurs shall be transferred to the Non-Section 423 Component, and such Participant shall immediately join the then-current Offering under the Non-Section 423 Component upon the same terms and conditions in effect for the Participant's participation in the Section 423 Component, except for such modifications otherwise applicable for Participants in such Offering. A Participant who transfers employment from any Designated Subsidiary participating in the Non-Section 423 Component to the Company or any Designated Subsidiary participating in the Section 423 Component shall not be treated as terminating the Participant's employment and shall remain a Participant in the Non-Section 423 Component until the earlier of (i) the end of the current Offering Period under the Non-Section 423 Component or (ii) the Enrolment Date of the first Offering Period in which the Participant is eligible to participate following such transfer. Notwithstanding the foregoing, the Administrator may establish different rules to govern transfers of employment between entities participating in the Section 423 Component and the Non-Section 423 Component, consistent with the applicable requirements of Section 423 of the Code.

**ARTICLE VIII.**  
**ADJUSTMENTS UPON CHANGES IN SHARES**

8.1 Changes in Capitalization. Subject to Section 8.3, in the event that the Administrator determines that any dividend or other distribution (whether in the form of cash, Shares, other securities, or other property), change in control, reorganization, merger, amalgamation, consolidation, combination, repurchase, redemption, recapitalization, liquidation, dissolution, or sale, transfer, exchange or other disposition of all or substantially all of the assets of the Company, or sale or exchange of Shares or other securities of the Company, issuance of warrants or other rights to purchase Shares or other securities of the Company, or other similar corporate transaction or event, as determined by the Administrator, affects the Shares such that an adjustment is determined by the Administrator to be appropriate in order to prevent dilution or enlargement of the benefits or potential benefits intended by the Company to be made available under the Plan or with respect to any outstanding purchase rights under the Plan, the Administrator shall make equitable adjustments, if any, to reflect such change with respect to (a) the aggregate number and type of Shares (or other securities or property) that may be issued under the Plan (including, but not limited to, adjustments of the limitations in Section 3.1 and the limitations established in each Offering Document pursuant to Section 4.2 on the maximum number of Shares that may be purchased); (b) the class(es) and number of Shares and price per Share subject to outstanding rights; and (c) the Purchase Price with respect to any outstanding rights.

8.2 Other Adjustments. Subject to Section 8.3, in the event of any transaction or event described in Section 8.1 or any unusual or nonrecurring transactions or events affecting the Company, any Affiliate of the Company, or the financial statements of the Company or any Affiliate, or of changes in Applicable Law or accounting principles, the Administrator, in its discretion, and on such terms and conditions as it deems appropriate, is hereby authorized to take any one or more of the following actions whenever the Administrator determines that such action is appropriate in order to prevent the dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan or with respect to any right under the Plan, to facilitate such transactions or events or to give effect to such changes in laws, regulations or principles:

(a) To provide for either (i) termination of any outstanding right in exchange for an amount of cash, if any, equal to the amount that would have been obtained upon the exercise of such right had such right been currently exercisable or (ii) the replacement of such outstanding right with other rights or property selected by the Administrator in its sole discretion;

(b) To provide that the outstanding rights under the Plan shall be assumed by the successor or survivor corporation, or a parent or subsidiary thereof, or shall be substituted for by similar rights covering the shares of the successor or survivor corporation, or a parent or subsidiary thereof, with appropriate adjustments as to the number and kind of shares and prices;

(c) To make adjustments in the number and type of Shares (or other securities or property) subject to outstanding rights under the Plan and/or in the terms and conditions of outstanding rights and rights that may be granted in the future;

(d) To provide that Participants' accumulated payroll deductions may be used to purchase Shares prior to the next occurring Purchase Date on such date as the Administrator determines in its sole discretion and the Participants' rights under the ongoing Offering Period(s) shall be terminated; and

(e) To provide that all outstanding rights shall terminate without being exercised.

8.3 No Adjustment Under Certain Circumstances. Unless determined otherwise by the Administrator, no adjustment or action described in this Article VIII or in any other provision of the Plan shall be authorized to the extent that such adjustment or action would cause the Section 423 Component of the Plan to fail to satisfy the requirements of Section 423 of the Code.

8.4 No Other Rights. Except as expressly provided in the Plan, no Participant shall have any rights by reason of any subdivision or consolidation of shares of any class, the payment of any dividend, any increase or decrease in the number of shares of any class or any dissolution, liquidation, merger, or consolidation of the Company or any other corporation. Except as expressly provided in the Plan or pursuant to action of the Administrator under the Plan, no issuance by the Company of shares of any class, or securities convertible into shares of any class, shall affect, and no adjustment by reason thereof shall be made with respect to, the number of Shares subject to outstanding rights under the Plan or the Purchase Price with respect to any outstanding rights.

## **ARTICLE IX. AMENDMENT, MODIFICATION AND TERMINATION**

9.1 Amendment, Modification and Termination. The Administrator may amend, suspend or terminate the Plan at any time and from time to time; provided, however, that approval of the Company's shareholders shall be required to amend the Plan to: (a) increase the aggregate number, or change the type, of shares that may be sold pursuant to rights under the Plan under Section 3.1 (other than an adjustment as provided by Article VIII) or (b) change the corporations or classes of corporations whose employees may be granted rights under the Plan.

9.2 Certain Changes to Plan. Without shareholder consent and without regard to whether any Participant rights may be considered to have been adversely affected (and, with respect to the Section 423 Component of the Plan, after taking into account Section 423 of the Code), the Administrator shall be entitled to change the Offering Periods, limit the frequency and/or number of changes in the amount withheld from Compensation during an Offering Period, establish the exchange ratio applicable to amounts withheld in a currency other than U.S. dollars, permit payroll withholding in excess of the amount designated by a Participant in order to adjust for delays or mistakes in the Company's processing of withholding elections, establish reasonable waiting and adjustment periods and/or accounting and crediting procedures to ensure that amounts applied toward the purchase of Shares for each Participant properly correspond with amounts withheld from the Participant's Compensation, and establish such other limitations or procedures as the Administrator determines in its sole discretion to be advisable that are consistent with the Plan.

9.3 Actions In the Event of Unfavorable Financial Accounting Consequences. In the event the Administrator determines that the ongoing operation of the Plan may result in unfavorable financial accounting consequences, the Administrator may, in its discretion and, to the extent necessary or desirable, modify or amend the Plan to reduce or eliminate such accounting consequence including, but not limited to:

(a) altering the Purchase Price for any Offering Period including an Offering Period underway at the time of the change in Purchase Price;

(b) shortening any Offering Period so that the Offering Period ends on a new Purchase Date, including an Offering Period underway at the time of the Administrator action; and

(c) allocating Shares.



Such modifications or amendments shall not require shareholder approval or the consent of any Participant.

9.4 Payments Upon Termination of Plan. Upon termination of the Plan, the balance in each Participant's Plan account shall be refunded as soon as practicable after such termination, without any interest thereon, or the Offering Period may be shortened so that the purchase of Shares occurs prior to the termination of the Plan.

**ARTICLE X.  
TERM OF PLAN**

The Plan shall become effective on the Effective Date. The effectiveness of the Plan shall be subject to approval of the Plan by the Company's shareholders within twelve months before or after the date the Plan is first approved by the Board. No right may be granted under the Plan prior to such shareholder approval. No rights may be granted under the Plan during any period of suspension of the Plan or after termination of the Plan.

**ARTICLE XI.  
ADMINISTRATION**

11.1 Administrator. Unless otherwise determined by the Board, the Administrator of the Plan shall be the Compensation Committee of the Board (or another committee or a subcommittee of the Board to which the Board delegates administration of the Plan). The Board may at any time vest in the Board any authority or duties for administration of the Plan. The Administrator may delegate administrative tasks under the Plan to the services of an Agent or Employees to assist in the administration of the Plan, including establishing and maintaining an individual securities account under the Plan for each Participant.

11.2 Authority of Administrator. The Administrator shall have the power, subject to, and within the limitations of, the express provisions of the Plan:

(a) To determine when and how rights to purchase Shares shall be granted and the provisions of each offering of such rights (which need not be identical).

(b) To designate from time to time which Subsidiaries of the Company shall be Designated Subsidiaries, which designation may be made without the approval of the shareholders of the Company.

(c) To impose a mandatory holding period pursuant to which Employees may not dispose of or transfer Shares purchased under the Plan for a period of time determined by the Administrator in its discretion.

(d) To construe and interpret the Plan and rights granted under it, and to establish, amend and revoke rules and regulations for its administration. The Administrator, in the exercise of this power, may correct any defect, omission or inconsistency in the Plan, in a manner and to the extent it shall deem necessary or expedient to make the Plan fully effective.

(e) To amend, suspend or terminate the Plan as provided in Article IX.

(f) Generally, to exercise such powers and to perform such acts as the Administrator deems necessary or expedient to promote the best interests of the Company and its Subsidiaries and to carry out the intent that the Plan be treated as an “employee stock purchase plan” within the meaning of Section 423 of the Code for the Section 423 Component.

(g) The Administrator may adopt sub-plans applicable to particular Designated Subsidiaries or locations, which sub-plans may be designed to be outside the scope of Section 423 of the Code. The rules of such sub-plans may take precedence over other provisions of this Plan, with the exception of Section 3.1 hereof, but unless otherwise superseded by the terms of such sub-plan, the provisions of this Plan shall govern the operation of such sub-plan.

11.3 Decisions Binding. The Administrator’s interpretation of the Plan, any rights granted pursuant to the Plan, any subscription agreement and all decisions and determinations by the Administrator with respect to the Plan are final, binding, and conclusive on all parties.

## **ARTICLE XII. MISCELLANEOUS**

12.1 Restriction upon Assignment. A right granted under the Plan shall not be transferable other than by will or the applicable laws of descent and distribution, and is exercisable during the Participant’s lifetime only by the Participant. Except as provided in Section 12.4 hereof, a right under the Plan may not be exercised to any extent except by the Participant. The Company shall not recognize and shall be under no duty to recognize any assignment or alienation of the Participant’s interest in the Plan, the Participant’s rights under the Plan or any rights thereunder.

12.2 Rights as a Shareholder. With respect to Shares subject to a right granted under the Plan, a Participant shall not be deemed to be a shareholder of the Company, and the Participant shall not have any of the rights or privileges of a shareholder, until such Shares have been issued to the Participant or his or her nominee following exercise of the Participant’s rights under the Plan. No adjustments shall be made for dividends (ordinary or extraordinary, whether in cash securities, or other property) or distribution or other rights for which the record date occurs prior to the date of such issuance, except as otherwise expressly provided herein or as determined by the Administrator.

12.3 Interest. No interest shall accrue on the payroll deductions or contributions of a Participant under the Plan.

12.4 Designation of Beneficiary.

(a) A Participant may, in the manner determined by the Administrator, file a written designation of a beneficiary who is to receive any Shares and/or cash, if any, from the Participant’s account under the Plan in the event of such Participant’s death subsequent to a Purchase Date on which the Participant’s rights are exercised but prior to delivery to such Participant of such Shares and cash. In addition, a Participant may file a written designation of a beneficiary who is to receive any cash from the Participant’s account under the Plan in the event of such Participant’s death prior to exercise of the Participant’s rights under the Plan. If the Participant is married and resides in a community property state, a designation of a person other than the Participant’s spouse as his or her beneficiary shall not be effective without the prior written consent of the Participant’s spouse.

(b) Such designation of beneficiary may be changed by the Participant at any time by written notice to the Company. In the event of the death of a Participant and in the absence of a beneficiary validly designated under the Plan who is living at the time of such Participant's death, the Company shall deliver such Shares and/or cash to the executor or administrator of the estate of the Participant, or if no such executor or administrator has been appointed (to the knowledge of the Company), the Company, in its discretion, may deliver such Shares and/or cash to the spouse or to any one or more dependents or relatives of the Participant, or if no spouse, dependent or relative is known to the Company, then to such other person as the Company may designate.

12.5 Notices. All notices or other communications by a Participant to the Company under or in connection with the Plan shall be deemed to have been duly given when received in the form specified by the Company at the location, or by the person, designated by the Company for the receipt thereof.

12.6 Equal Rights and Privileges. Subject to Section 5.7, all Eligible Employees will have equal rights and privileges under the Section 423 Component so that the Section 423 Component of this Plan qualifies as an "employee stock purchase plan" within the meaning of Section 423 of the Code. Subject to Section 5.7, any provision of the Section 423 Component that is inconsistent with Section 423 of the Code will, without further act or amendment by the Company, the Board or the Administrator, be reformed to comply with the equal rights and privileges requirement of Section 423 of the Code. Eligible Employees participating in the Non-Section 423 Component need not have the same rights and privileges as other Eligible Employees participating in the Non-Section 423 Component or as Eligible Employees participating in the Section 423 Component.

12.7 Use of Funds. All payroll deductions received or held by the Company under the Plan may be used by the Company for any corporate purpose, and the Company shall not be obligated to segregate such payroll deductions.

12.8 Reports. Statements of account shall be given to Participants at least annually, which statements shall set forth the amounts of payroll deductions, the Purchase Price, the number of Shares purchased and the remaining cash balance, if any.

12.9 No Employment Rights. Nothing in the Plan shall be construed to give any person (including any Eligible Employee or Participant) the right to remain in the employ of the Company or any Parent or Subsidiary or affect the right of the Company or any Parent or Subsidiary to terminate the employment of any person (including any Eligible Employee or Participant) at any time, with or without cause.

12.10 Notice of Disposition of Shares. Each Participant shall give prompt notice to the Company of any disposition or other transfer of any Shares purchased upon exercise of a right under the Section 423 Component of the Plan if such disposition or transfer is made: (a) within two years from the Enrollment Date of the Offering Period in which the Shares were purchased or (b) within one year after the Purchase Date on which such Shares were purchased. Such notice shall specify the date of such disposition or other transfer and the amount realized, in cash, other property, assumption of indebtedness or other consideration, by the Participant in such disposition or other transfer.

12.11 Governing Law. The Plan and any agreements hereunder shall be administered, interpreted and enforced in accordance with the laws of the State of Israel, disregarding any state's choice of law principles requiring the application of a jurisdiction's laws other than the State of Israel. Certain definitions, which refer to the laws of such jurisdiction, shall be construed in accordance with other such laws. The competent courts located in Tel-Aviv-Jaffa, Israel shall have exclusive jurisdiction over any dispute arising out of or in connection with this Plan and any award granted hereunder.

12.12 Electronic Forms. To the extent permitted by Applicable Law and in the discretion of the Administrator, an Eligible Employee may submit any form or notice as set forth herein by means of an electronic form approved by the Administrator. Before the commencement of an Offering Period, the Administrator shall prescribe the time limits within which any such electronic form shall be submitted to the Administrator with respect to such Offering Period in order to be a valid election.

\* \* \* \* \*

**GLOBAL-E ONLINE LTD.**  
**2021 EMPLOYEE SHARE PURCHASE PLAN**  
**ISRAELI APPENDIX**

This Israeli Appendix (the “**Appendix**”) to the 2021 Employee Share Purchase Plan (as amended from time to time, the “**Plan**”) of Global-E Online Ltd. (the “**Company**”) shall apply only to persons who are, or are deemed to be, residents of the State of Israel for Israeli tax purposes.

**1. GENERAL**

1.1. The Administrator, in its discretion, may grant a right to purchase Awards to Eligible Employees and shall determine whether any Award is intended to be a 102 Award. Each exercise of a right to purchase an Award shall be evidenced by a Subscription Agreement, which shall expressly identify the Award type, and be in such form and contain such provisions, as the Administrator shall from time to time deem appropriate.

1.2. The Plan shall apply to any Awards and rights to purchase Awards, in each case granted pursuant to this Appendix, provided, that the provisions of this Appendix shall supersede and govern in the case of any inconsistency or conflict, either explicit or implied, arising between the provisions of this Appendix and the Plan.

1.3. Unless otherwise defined in this Appendix, capitalized terms contained herein shall have the same meanings given to them in the Plan.

**2. DEFINITIONS.**

2.1. “**102 Award**” means any Award intended to qualify (as set forth in the Subscription Agreement) and which qualifies under Section 102, provided it is settled only in Share.

2.2. “**102 Capital Gain Track Award**” means any Award granted by the Company to an Employee pursuant to Section 102(b)(2) or (3) (as applicable) of the Ordinance under the capital gain track.

2.3. “**102 Non-Trustee Award**” means any Award granted by the Company to an Employee pursuant to Section 102(c) of the Ordinance without a Trustee.

2.4. “**102 Ordinary Income Track Award**” means any Award granted by the Company to an Employee pursuant to Section 102(b)(1) of the Ordinance under the ordinary income track.

2.5. “**102 Trustee Awards**” means, collectively, 102 Capital Gain Track Awards and 102 Ordinary Income Track Awards.

2.6. “**Affiliate**” means, with respect to any person, any other person that, directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, such person (with the term “control” or “controlled by” within the meaning of Rule 405 of Regulation C under the Securities Act), including, without limitation, any Parent or Subsidiary.

2.7. “**Award**” shall mean any Share purchased according to the Plan.

2.8. “**Election**” as defined in Section 3.2 below.

2.9. “**Employee**” means an “employee” within the meaning of Section 102(a) of the Ordinance (which as of the date of the adoption of this Appendix means (i) an individual employed by an Employer, and (ii) an individual who is serving and is engaged personally (and not through an entity) as an “office holder” by an Employer, excluding any controlling shareholder as to such term is defined in Section 32(9) of the Ordinance.), provided such Employee also satisfies the eligibility requirements under the Plan.

2.10. “**Employer**” means, for purpose of a 102 Trustee Award, an Affiliate, Subsidiary or Parent which is an “employing company” within the meaning and subject to the conditions of Section 102(a) of the Ordinance.

2.11. “**ITA**” means the Israel Tax Authority.

2.12. “**Ordinance**” means the Israeli Income Tax Ordinance (New Version), 1961, including the Rules and any other regulations, rules, orders or procedures promulgated thereunder, as may be amended or replaced from time to time.

2.13. “**Required Holding Period**” as defined in Section 3.5.1 below.

2.14. “**Rules**” means the Income Tax Rules (Tax Benefits in Share Issuance to Employees) 5763-2003.

2.15. “**Section 102**” means Section 102 of the Ordinance.

2.16. “**Trust Agreement**” means the agreement to be signed between the Company, an Employer and the Trustee for the purposes of Section 102.

2.17. “**Trustee**” means the trustee appointed by the Company’s Administrator to hold the Awards and approved by the ITA.

2.18. “**Subscription Agreement**” means a written or electronic agreement between the Company and the Participant or a written or electronic notice delivered by the Company evidencing the exercise of an Award granted pursuant to the Plan, in substantially such form or forms and containing such terms and conditions, as the Administrator shall from time to time approve.

2.19. “**Withholding Obligations**” as defined in Section 4.5 below.

### 3. 102 AWARDS

3.1. Tracks. Awards granted pursuant to this Section 3 are intended to be granted as either 102 Capital Gain Track Awards or 102 Ordinary Income Track Awards. 102 Trustee Awards shall be granted subject to the special terms and conditions contained in this Section 3 and the general terms and conditions of the Plan, except for any provisions of the Plan applying to Awards under different tax laws or regulations.

3.2. Election of Track. Subject to Applicable Law, the Company may grant only one type of 102 Trustee Award at any given time to all Employees who are to be granted 102 Trustee Awards pursuant to this Appendix, and shall file an election with the ITA regarding the type of 102 Trustee Award it elects to grant before the date of grant of any 102 Trustee Award (the “**Election**”). Such Election shall also apply to any other securities received by any Employee as a

result of holding the 102 Trustee Awards. The Company may change the type of 102 Trustee Award that it elects to grant only after the expiration of at least 12 months from the end of the year in which the first grant was made in accordance with the previous Election, or as otherwise provided by Applicable Law. Any Election shall not prevent the Company from granting 102 Non-Trustee Awards.

3.3. Eligibility for Awards. Subject to Applicable Law, 102 Awards may only be granted to Employees. Such 102 Awards may either be granted to a Trustee or granted under Section 102 without a Trustee.

3.4. 102 Award Grant Date.

3.4.1. Each 102 Award will be deemed granted on the date determined by the Administrator, subject to the provisions of the Plan, provided that (i) the Employee has signed all documents required by the Company or pursuant to Applicable Law, and (ii) with respect to any 102 Trustee Award, the Company has provided all applicable documents to the Trustee in accordance with the guidelines published by the ITA.

3.4.2. Unless otherwise permitted by the Ordinance, any grants of 102 Trustee Awards that are made on or after the date of the adoption of the Plan and this Appendix or an amendment to the Plan or this Appendix, as the case may be, that may become effective only at the expiration of thirty (30) days after the filing of the Plan and this Appendix or any amendment thereof (as the case may be) with the ITA in accordance with the Ordinance shall be conditional upon the expiration of such 30-day period, and such condition shall be read and is incorporated by reference into any corporate resolutions approving such grants and into any Subscription Agreement evidencing such grants (whether or not explicitly referring to such condition), and the date of grant shall be at the expiration of such 30-day period, whether or not the date of grant indicated therein corresponds with this Section. In the case of any contradiction, this provision and the date of grant determined pursuant hereto shall supersede and be deemed to amend any date of grant indicated in any corporate resolution or Subscription Agreement.

3.5. 102 Trustee Awards.

3.5.1. Each Share issued pursuant to the 102 Trustee Award shall be allocated or issued to and registered in the name of the Trustee and shall be held in trust or controlled by the Trustee for the benefit of the Participant for the requisite period prescribed by the Ordinance (the "**Required Holding Period**"). In the event that the requirements under Section 102 to qualify an Award as a 102 Trustee Award are not met, then the Award may be treated as a 102 Non-Trustee Award (as determined by the Company), all in accordance with the provisions of the Ordinance. After the expiration of the Required Holding Period, the Trustee may release such 102 Trustee Awards and any such Shares, provided that (i) the Trustee has received an acknowledgment from the ITA that the Participant has paid any applicable taxes due pursuant to the Ordinance, or (ii) the Trustee and/or the Company and/or the Employer withhold(s) all applicable taxes and compulsory payments due pursuant to the Ordinance arising from the 102 Trustee Awards. The Trustee shall not release any 102 Trustee Awards prior to the payment in full of the Participant's tax and compulsory payments arising from such 102 Trustee Awards or the withholding referred to in (ii) above.

3.5.2. Each 102 Trustee Award shall be subject to the relevant terms of the Ordinance, the Rules and any determinations, rulings or approvals issued by the ITA, which shall be deemed an integral part of the 102 Trustee Awards and shall prevail over any term contained in the Plan, this Appendix or the Subscription Agreement that is not consistent therewith. Any provision of the Ordinance, the Rules and any determinations, rulings or approvals by the ITA not expressly specified in the Plan, this Appendix or Subscription Agreement that are necessary to receive or maintain any tax benefit pursuant to Section 102 shall be binding on the Participant. Any Participant granted a 102 Trustee Award shall comply with the Ordinance and the terms and conditions of the Trust Agreement entered into between the Company and the Trustee. The Participant shall execute any and all documents that the Company and/or the Affiliate and/or the Trustee determine from time to time to be necessary in order to comply with the Ordinance and the Rules.

3.5.3. During the Required Holding Period, the Participant shall not release from trust or sell, assign, transfer or give as collateral, the Shares issuable in connection with a 102 Trustee Award and/or any securities issued or distributed with respect thereto, until the expiration of the Required Holding Period. Notwithstanding the above, if any such sale, release or other action occurs during the Required Holding Period it may result in adverse tax consequences to the Participant under Section 102 and the Rules, which shall apply to and shall be borne solely by such Participant. Subject to the foregoing, the Trustee may, pursuant to a written request from the Participant, but subject to the terms of the Plan and this Appendix, release and transfer such Shares to a designated third party, provided that both of the following conditions have been fulfilled prior to such release or transfer: (i) payment has been made to the ITA of all taxes and compulsory payments required to be paid upon the release and transfer of the Shares, and confirmation of such payment has been received by the Trustee and the Company, and (ii) the Trustee has received written confirmation from the Company that all requirements for such release and transfer have been fulfilled according to the terms of the Company's corporate documents, any agreement governing the Shares, the Plan, this Appendix, the Subscription Agreement and any Applicable Law.

3.5.4. Upon or after receipt of a 102 Trustee Award, if required, the Participant may be required to sign an undertaking to release the Trustee from any liability with respect to any action or decision duly taken and executed in good faith by the Trustee in relation to the Plan, this Appendix, or any 102 Trustee Awards granted to such Participant hereunder.

3.6. 102 Non-Trustee Awards. The foregoing provisions of this Section 3 relating to 102 Trustee Awards shall not apply with respect to 102 Non-Trustee Awards, which shall, however, be subject to the relevant provisions of Section 102 and the applicable Rules. The Administrator may determine that 102 Non-Trustee Awards and/or any securities issued or distributed with respect thereto, shall be allocated or issued to the Trustee, who shall hold such 102 Non-Trustee Award and all accrued rights thereon (if any) in trust for the benefit of the Participant and/or the Company, as the case may be, until the full payment of tax arising from the 102 Non-Trustee Awards and/or any securities issued or distributed with respect thereto. The Company may choose, alternatively, to require the Participant to provide the Company with a guarantee or other security, to the satisfaction of each of the Trustee and the Company, until the full payment of the applicable taxes.



3.7. **Written Participant Undertaking.** With respect to any 102 Trustee Award, as required by Section 102 and the Rules, by virtue of the receipt of such Award, the Participant is deemed to have provided, undertaken and confirmed the following written undertaking (and such undertaking is deemed incorporated into any documents signed by the Participant in connection with the grant of such Award), and which undertaking shall be deemed to apply and relate to all 102 Trustee Awards granted to the Participant, whether under the Plan and this Appendix or other plans maintained by the Company, and whether prior to or after the date hereof:

3.7.1. The Participant shall comply with all terms and conditions set forth in Section 102 with regard to the “Capital Gain Track” or the “Ordinary Income Track”, as applicable, and the applicable rules and regulations promulgated thereunder, as amended from time to time;

3.7.2. The Participant is familiar with, and understands the provisions of, Section 102 in general, and the tax arrangement under the “Capital Gain Track” or the “Ordinary Income Track” in particular, and its tax consequences; the Participant agrees that the 102 Trustee Awards will be held by a Trustee appointed pursuant to Section 102 for at least the duration of the “Holding Period” (as such term is defined in Section 102) under the “Capital Gain Track” or the “Ordinary Income Track”, as applicable. The Participant understands that any release of such 102 Trustee Awards or Shares from trust, or any sale of the Shares prior to the termination of the Holding Period, as defined above, will result in taxation at the marginal tax rate, in addition to deductions of appropriate social security, health tax contributions or other compulsory payments; and

3.7.3. The Participant agrees to the Trust Agreement signed between the Company, the Employer and the Trustee appointed pursuant to Section 102.

#### 4. **AGREEMENT REGARDING TAXES; DISCLAIMER**

4.1. If the Company shall so require, as a condition of the release of Shares by the Trustee, a Participant shall agree that, no later than the date of such occurrence, the Participant will pay to the Company (or the Trustee, as applicable) or make arrangements satisfactory to the Company and the Trustee (if applicable) regarding payment of any applicable taxes and compulsory payments of any kind required by Applicable Law to be withheld or paid.

4.2. **TAX LIABILITY.** ALL TAX CONSEQUENCES UNDER ANY APPLICABLE LAW WHICH MAY ARISE FROM THE GRANT OF ANY AWARDS, THE SALE OR DISPOSITION OF ANY SHARES GRANTED HEREUNDER, THE ASSUMPTION, SUBSTITUTION, CANCELLATION OR PAYMENT IN LIEU OF AWARDS OR FROM ANY OTHER ACTION IN CONNECTION WITH THE FOREGOING (INCLUDING WITHOUT LIMITATION ANY TAXES AND COMPULSORY PAYMENTS, SUCH AS SOCIAL SECURITY OR HEALTH TAX PAYABLE BY THE PARTICIPANT OR THE COMPANY IN CONNECTION THEREWITH) SHALL BE BORNE AND PAID SOLELY BY THE PARTICIPANT, AND THE PARTICIPANT SHALL INDEMNIFY THE COMPANY, THE AFFILIATE AND THE TRUSTEE, AND SHALL HOLD THEM HARMLESS AGAINST AND FROM ANY LIABILITY FOR ANY SUCH TAX OR PAYMENT OR ANY PENALTY, INTEREST OR INDEXATION THEREON. EACH PARTICIPANT AGREES TO, AND UNDERTAKES TO COMPLY WITH, ANY RULING, SETTLEMENT, CLOSING AGREEMENT OR OTHER SIMILAR AGREEMENT OR ARRANGEMENT WITH ANY TAX AUTHORITY IN CONNECTION WITH THE FOREGOING WHICH IS APPROVED BY THE COMPANY.

4.3. **NO TAX ADVICE.** THE PARTICIPANT IS ADVISED TO CONSULT WITH A TAX ADVISOR WITH RESPECT TO THE TAX CONSEQUENCES OF RECEIVING, EXERCISING OR DISPOSING OF AWARDS HEREUNDER. THE COMPANY DOES NOT ASSUME ANY RESPONSIBILITY TO ADVISE THE PARTICIPANT ON SUCH MATTERS, WHICH SHALL REMAIN SOLELY THE RESPONSIBILITY OF THE PARTICIPANT.

4.4. **TAX TREATMENT.** THE COMPANY AND ITS AFFILIATES (INCLUDING THE EMPLOYER) DOES NOT UNDERTAKE OR ASSUME ANY LIABILITY OR RESPONSIBILITY TO THE EFFECT THAT ANY AWARD SHALL QUALIFY WITH ANY PARTICULAR TAX REGIME OR RULES APPLYING TO PARTICULAR TAX TREATMENT, OR BENEFIT FROM ANY PARTICULAR TAX TREATMENT OR TAX ADVANTAGE OF ANY TYPE AND THE COMPANY AND ITS AFFILIATES (INCLUDING THE EMPLOYER) SHALL BEAR NO LIABILITY IN CONNECTION WITH THE MANNER IN WHICH ANY AWARD IS EVENTUALLY TREATED FOR TAX PURPOSES, REGARDLESS OF WHETHER THE AWARD WAS GRANTED OR WAS INTENDED TO QUALIFY UNDER ANY PARTICULAR TAX REGIME OR TREATMENT. THIS PROVISION SHALL SUPERSEDE ANY DESIGNATION OF AWARDS OR TAX QUALIFICATION INDICATED IN ANY CORPORATE RESOLUTION OR SUBSCRIPTION AGREEMENT, WHICH SHALL AT ALL TIMES BE SUBJECT TO THE REQUIREMENTS OF APPLICABLE LAW. THE COMPANY AND ITS AFFILIATES (INCLUDING THE EMPLOYER) DO NOT UNDERTAKE AND SHALL NOT BE REQUIRED TO TAKE ANY ACTION IN ORDER TO QUALIFY ANY AWARD WITH THE REQUIREMENTS OF ANY PARTICULAR TAX TREATMENT AND NO INDICATION IN ANY DOCUMENT TO THE EFFECT THAT ANY AWARD IS INTENDED TO QUALIFY FOR ANY TAX TREATMENT SHALL IMPLY SUCH AN UNDERTAKING. NO ASSURANCE IS MADE BY THE COMPANY, ANY OF ITS AFFILIATES (INCLUDING THE EMPLOYER) THAT ANY PARTICULAR TAX TREATMENT ON THE DATE OF GRANT WILL CONTINUE TO EXIST OR THAT THE AWARD WILL QUALIFY AT THE TIME OF DISPOSITION THEREOF WITH ANY PARTICULAR TAX TREATMENT. THE COMPANY AND THE AFFILIATE (INCLUDING THE EMPLOYER) SHALL NOT HAVE ANY LIABILITY OR OBLIGATION OF ANY NATURE IN THE EVENT THAT AN AWARD DOES NOT QUALIFY FOR ANY PARTICULAR TAX TREATMENT, REGARDLESS WHETHER THE COMPANY OR ITS AFFILIATES (INCLUDING THE EMPLOYER) COULD HAVE TAKEN ANY ACTION TO CAUSE SUCH QUALIFICATION TO BE MET AND SUCH QUALIFICATION REMAINS AT ALL TIMES AND UNDER ALL CIRCUMSTANCES AT THE RISK OF THE PARTICIPANT. THE COMPANY AND ITS AFFILIATES (INCLUDING THE EMPLOYER) DO NOT UNDERTAKE OR ASSUME ANY LIABILITY TO CONTEST A DETERMINATION OR INTERPRETATION (WHETHER WRITTEN OR UNWRITTEN) OF ANY TAX AUTHORITY, INCLUDING IN RESPECT OF THE QUALIFICATION UNDER ANY PARTICULAR TAX REGIME OR RULES APPLYING TO PARTICULAR TAX TREATMENT. IF THE AWARDS DO NOT QUALIFY UNDER ANY PARTICULAR TAX TREATMENT IT COULD RESULT IN ADVERSE TAX CONSEQUENCES TO THE PARTICIPANT.

4.5. The Company or the Affiliate (including the Employer) may take such action as it may deem necessary or appropriate, in its discretion, for the purpose of or in connection with withholding of any taxes and compulsory payments which the Trustee, the Company or the Affiliate (including the Employer) is required by any Applicable Law to withhold in connection with any Awards, including, without limitations, any income tax, social benefits, social insurance, health tax, pension, payroll tax, fringe benefits, excise tax, payment on account or other tax-related

items related to the Participant's participation in the Plan and applicable by law to the Participant (collectively, "**Withholding Obligations**"). Such actions may include (i) requiring Participants to remit to the Company or the Employer in cash an amount sufficient to satisfy such Withholding Obligations and any other taxes and compulsory payments, payable by the Company or the Employer in connection with the Award; (ii) subject to Applicable Law, allowing the Participants to surrender Shares, in an amount that at such time, reflects a value that the Administrator determines to be sufficient to satisfy such Withholding Obligations; or (iii) any combination of the foregoing.

4.6. Each Participant shall notify the Company in writing promptly and in any event within ten (10) days after the date on which such Participant first obtains knowledge of any tax bureau inquiry, audit, assertion, determination, investigation, or question relating in any manner to the Awards granted or received hereunder or Shares issued thereunder and shall continuously inform the Company of any developments, proceedings, discussions and negotiations relating to such matter, and shall allow the Company and its representatives to participate in any proceedings and discussions concerning such matters. Upon request, a Participant shall provide to the Company any information or document relating to any matter described in the preceding sentence, which the Company, in its discretion, requires.

4.7. With respect to 102 Non-Trustee Awards, if the Participant ceases to be employed by the Company or any Parent, Subsidiary or Affiliate (including the Employer), the Participant shall extend to the Company and/or the Employer a security or guarantee for the payment of taxes due at the time of sale of Shares, all in accordance with the provisions of Section 102 and the Rules.

## **5. RIGHTS AND OBLIGATIONS AS A SHAREHOLDER**

5.1. A Participant shall have no rights as a shareholder of the Company with respect to any Shares covered by an Award until the Participant becomes the record holder of the subject Shares. In the case of 102 Awards (if such Awards are being held by a Trustee), the Trustee shall have no rights as a shareholder of the Company with respect to the Shares covered by such Award until the Trustee becomes the record holder for such Shares for the Participant's benefit, and the Participant shall not be deemed to be a shareholder and shall have no rights as a shareholder of the Company with respect to the Shares covered by the Award until the date of the release of such Shares from the Trustee to the Participant and the transfer of record ownership of such Shares to the Participant (provided however that the Participant shall be entitled to receive from the Trustee any cash dividend or distribution made on account of the Shares held by the Trustee for such Participant's benefit, subject to any tax withholding and compulsory payment). No adjustment shall be made for dividends (ordinary or extraordinary, whether in cash, securities or other property) or distribution of other rights for which the record date is prior to the date on which the Participant or Trustee (as applicable) becomes the record holder of the Shares covered by an Award, except as provided in the Plan.

5.2. With respect to Shares issued in connection with Awards hereunder, any and all voting rights attached to such Shares shall be subject to the provisions of the Plan, and the Participant shall be entitled to receive dividends distributed with respect to such Shares, subject to the provisions of the Company's Articles of Association, as amended from time to time, and subject to any Applicable Law.

5.3. The Company may, but shall not be obligated to, register or qualify the sale of Shares under any applicable securities law or any other Applicable Law.

5.4. Shares issued pursuant to an Award shall be subject to the Company's Articles of Association (as amended from time to time), any limitation, restriction or obligation applicable to shareholders included in any shareholders agreement applicable to all or substantially all of the holders of Shares (regardless of whether or not the Participant is a formal party to such shareholders agreement), any other governing documents of the Company, and all policies, manuals and internal regulations adopted by the Company from time to time, in each case, as may be amended from time to time, including any provisions included therein concerning restrictions or limitations on disposition of Shares (such as, but not limited to, right of first refusal and lock up/market stand-off) or grant of any rights with respect thereto, forced sale and bring along provisions, any provisions concerning restrictions on the use of inside information and other provisions deemed by the Company to be appropriate in order to ensure compliance with Applicable Laws. Each Participant shall execute such separate agreement(s) as may be requested by the Company relating to matters set forth in this Section 5.4.

## **6. GOVERNING LAW**

6.1. This Appendix shall be governed by and construed in accordance with the laws of the State of Israel (excluding its choice-of-law provisions) except that applicable Israeli laws, rules and regulations (as amended) shall apply to any mandatory tax matters arising hereunder.

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THIS WARRANT (THIS “WARRANT”) AND THE SECURITIES ISSUABLE UPON THE EXERCISE HEREOF HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR UNDER THE SECURITIES LAWS OF ANY STATE. THESE SECURITIES MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED EXCEPT AS PERMITTED UNDER THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT OR AN EXEMPTION THEREFROM. THE ISSUER OF THESE SECURITIES MAY REQUIRE AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE ISSUER THAT SUCH OFFER, SALE OR TRANSFER, PLEDGE OR HYPOTHECATION OTHERWISE COMPLIES WITH THE SECURITIES ACT AND ANY APPLICABLE STATE SECURITIES LAWS.

Warrant No. 3

Date of Issuance: April 12, 2021

Number of Ordinary Shares: As set forth on Exhibit A  
(subject to adjustment)

**Global-E Online Ltd.**

**Share Purchase Warrant**

Global-E Online Ltd., a company incorporated under the laws of the State of Israel (the “Company,” and which shall include any corporation or other entity that succeeds to the Company’s obligations under this Warrant, whether by permitted assignment, by merger or consolidation or otherwise), for value received, hereby certifies that Shopify International Limited, a corporation governed by the laws of Canada, or its registered assigns (the “Registered Holder”), is entitled, subject to the terms set forth below and including the terms relating to vesting and exercise set forth on Exhibit A attached hereto, to purchase from the Company, at any time after the date hereof and on or before the Expiration Date (as defined in Section 8) the number of Company’s ordinary shares (the “Ordinary Shares”) at a price of \$0.01 per share. The Ordinary Shares purchasable upon exercise of this Warrant, and the purchase price per share, each as adjusted from time to time pursuant to the provisions of this Warrant, are hereinafter referred to as the “Warrant Shares” and the “Purchase Price,” respectively.

This Warrant is issued pursuant to, and is subject to the terms and conditions of, the Service and Partnership Agreement between the Company and Shopify Inc. and Shopify International Limited dated as of April 12, 2021 (the “Agreement”) and as part of the consideration thereunder.

The following is a statement of the rights of the Registered Holder and the conditions to which this Warrant is subject, and to which the Registered Holder, by the acceptance of this Warrant, agrees:

1. **Number of Shares**. Subject to the terms and conditions hereinafter set forth, including on Exhibit A attached hereto, the Registered Holder is entitled, upon surrender of this Warrant, to purchase from the Company the number of Warrant Shares (subject to adjustment as provided herein) set forth in Exhibit A attached hereto.

2. **Exercise**.

a. **Method of Exercise**. This Warrant may be exercised by the Registered Holder, in whole or in part, at any time or from time to time on any day before the Expiration Date, subject to the terms and conditions set forth on Exhibit A attached hereto, by delivering a purchase/exercise form in the form appended hereto as Exhibit B duly executed by such Registered Holder or by such Registered Holder’s duly authorized attorney, at the principal office of the Company, or at such other office or agency as the Company may designate, along with a copy of this Warrant.

b. **Payment**. Unless the Registered Holder is exercising this Warrant pursuant to a Net Issue Exercise in the manner specified in Section 2(d), the Registered Holder shall also, as a condition to any exercise of this Warrant, deliver to the Company payment in full for the Purchase Price payable in respect of the number of Warrant Shares purchased upon such exercise. The Purchase Price may be paid by cash, check or wire transfer.

**Partial Exercise.** Upon a partial exercise of this Warrant, this Warrant shall be cancelled and replaced with a new Warrant (the “Replacement Warrant”) on terms identical to those contained in this Warrant, except that the maximum number of Warrant Shares issuable upon exercise is equal to the maximum number of Warrant Shares issuable under this Warrant (as set forth above) reduced by (i) the number of Warrant Shares set forth on the purchase/exercise form, or (ii) the number of shares calculated pursuant to Section 2(d), as applicable.

**d. Net Issue Exercise.**

- (i) In lieu of exercising this Warrant and delivering payment in the manner provided in Section 2(b), the Registered Holder may elect to exercise all or any portion of this Warrant by net exercise by giving notice of such election on the purchase/exercise form appended hereto as Exhibit B duly executed by such Registered Holder or by such Registered Holder’s duly authorized attorney, at the principal office of the Company, or at such other office or agency as the Company may designate, along with a copy of this Warrant, in which event the Company shall issue to such Registered Holder a number of Warrant Shares computed using the following formula:

$$X = \frac{Y(A - B)}{A}$$

where

X = the number of Warrant Shares to be issued to the Registered Holder.

Y = the number of Warrant Shares purchasable under this Warrant as set out on the purchase/exercise form.

A = the fair market value of one Warrant Share on the date of such net exercise.

B = the Purchase Price.

- (ii) For purposes of this Section 2(d), the “fair market value of Warrant Share on the date of net exercise” shall mean with respect to each Warrant Share:
- (A) (a) if the exercise is in connection with consummation of the sale of the securities of the Company (or an affiliate (as defined in Rule 405 under the Securities Act) thereof) pursuant to a registration statement filed by the Company (or an affiliate thereof) under the Securities Act, in connection with a firm commitment underwritten offering to the general public (an “IPO”), and if the Company’s registration statement relating to such public offering has been declared effective by the Securities and Exchange Commission, then the fair market value shall be the initial “Price to Public” per share specified in the final prospectus with respect to the offering, or (b) if this Warrant is exercised following the IPO, then the Fair Market Value shall equal the average of the closing prices of the Company’s Ordinary Share, as reported on the principal stock exchange on which the Company’s shares are traded at such time for the thirty (30) consecutive trading days immediately preceding the exercise of the Warrant; or (c) if this Warrant is exercised in connection with a Merger and Acquisition or a Liquidation Event—the price per Warrant Share paid or otherwise distributed in such transaction or other event;
- (B) if (A) is not applicable, the fair market value of Warrant Share shall be at the per share valuation as determined by an independent third-party valuation firm within the prior twelve (12) months approved in good faith by the Company’s Board of Directors (the “Board”), unless the Company is at such time subject to a consolidation or merger of the Company with or into another corporation (other than a consolidation or merger in which the Company is the surviving entity), or any transfer of all or substantially all of the assets of the Company, in which case the fair market value of Warrant Share shall be deemed to be the value received by the holders of Ordinary Shares pursuant to such acquisition.
- e. Issuance of Shares.** Upon exercise of the Warrant, and as a condition of such exercise, the Registered Holder shall become (if not already) party to that certain Third Amended and Restated Investors’ Rights Agreement, dated March 22, 2021, by and among the Company and the other parties named therein, as amended from time to time, a true and correct copy of which has been provided to the Registered Holder (the “Investors’ Rights Agreement”), by delivering a joinder in the form appended hereto as Exhibit D duly executed by such Registered Holder. As soon as practicable after the exercise of this Warrant in whole or in part, and in any event within ten (10) business days thereafter, the Company will, at its expense, cause to be issued in the name of, and delivered to, the Registered Holder:
- i. certificate or certificates for the number of Warrant Shares to which such Registered Holder shall be entitled;
  - ii. in case such exercise is in part only, a Replacement Warrant as provided in Section 2(c); and
  - iii. if applicable, a check payable to the Registered Holder for any cash amounts payable as described in Section 12.
- f. Automatic Exercise.** If this Warrant remains outstanding as of the Expiration Date then, at such time, this Warrant shall, automatically and without any action on the part of the Registered Holder, be exercised pursuant to Section 2(d) effective immediately prior to the termination of this Warrant pursuant to Section 8, unless the Registered Holder shall have earlier provided written notice to the Company that the Registered Holder desires that this Warrant terminate unexercised. If this Warrant is automatically exercised pursuant to this Section 2(f) the Company shall notify the Registered Holder of such exercise as soon as reasonably practicable.
- g. Effective Time of Exercise.** Each exercise of this Warrant shall be deemed to have been made upon the satisfaction of all of the conditions set forth herein. At such time, the person or persons in whose name or names any certificates for Warrant Shares shall be issuable upon such exercise as provided herein shall be deemed to have become the holder or holders of record of the Warrant Shares represented by such certificates.
- h. Taxes.** The issuance of the Warrant, and the Warrant Shares upon the exercise of the Warrant, shall be made without the deduction or withholding of any taxes, levies, assessments, imposts, duties or similar charges imposed by any taxing authority (“Taxes”), unless otherwise required by law. If such deduction or withholding is so required, the Company shall pay the amount of such Taxes so imposed to the applicable taxing authority, and shall pay such additional amounts to the Registered Holder so that the Registered Holder receives the net amount after such deduction or withholding that it would have received had no such deduction or withholding been imposed.

### 3. Adjustments.

a. **Share Splits and Dividends.** The Purchase Price and the number of Warrant Shares for which this Warrant remains exercisable shall each be proportionally adjusted to reflect any share dividend, share split, reverse share split or other similar event affecting the number of outstanding Warrant Shares.

b. **Adjustment for Other Dividends and Distributions.** In case the Company shall make or issue, or shall fix a record date for the determination of eligible holders entitled to receive, a dividend or other distribution payable with respect to the Warrant Shares that is payable in (a) securities of the Company (other than issuances with respect to which adjustment is made under Section 3(a) or Section 3(c)) or (b) assets (other than cash) which dividend or distribution is actually made (each, a "Dividend Event"), then, and in each such case, Registered Holder, upon exercise of this Warrant at any time after such Dividend Event, shall receive, in addition to the Warrant Shares, the securities or such other assets of the Company that would have been payable to Registered Holder if Registered Holder had completed such exercise of this Warrant immediately prior to such Dividend Event.

c. **Adjustment for Reorganization, Consolidation, Merger.** In case of any recapitalization or reorganization of the Company or in case the Company shall consolidate with or merge into one or more other corporations or entities which results in a change of the Warrant Shares (each, a "Reorganization Event"), then, and in each such case, Registered Holder, upon the exercise of this Warrant after such Reorganization Event, shall be entitled to receive, in lieu of the shares or other securities and property that Registered Holder, would have been entitled to receive upon such exercise prior to such Reorganization Event, the shares or other securities or property which Registered Holder, would have been entitled to receive upon such Reorganization Event if, immediately prior to such Reorganization Event, Registered Holder, had completed such exercise of this Warrant, all subject to further adjustment as provided in this Warrant. If after such Reorganization Event the Warrant is exercisable for securities of a corporation or entity other than the Company, then such corporation or entity shall duly execute and deliver to Registered Holder, a supplement hereto acknowledging such corporation's or other entity's obligations under this Warrant, and in each such case the terms of this Warrant shall be applicable to the shares or other securities or property receivable upon the exercise of this Warrant after the consummation of such Reorganization Event.

d. **No Change Necessary.** The form of this Warrant need not be changed because of any adjustment in the Purchase Price or in the number of Warrant Shares issuable upon its exercise.

e. **Notice.** The Company shall provide prompt notice to the Registered Holder, using commercially reasonable efforts to provide such notice at least 5 business days in advance, of any adjustment made pursuant to this Section 3; provided that, for notice in connection with a Reorganization Event, if providing such notice would cause the Company to violate any contractual or other restrictions that the Company is then subject to with respect to confidentiality of a particular transaction or otherwise, the Company shall only be required to provide to the Registered Holder such form of notice and upon such timing that the Company is required to provide to holders of shares of the same series and class of shares as the Warrant Shares. The Company will also provide information requested by Registered Holder that is reasonably necessary to enable Registered Holder to comply with Registered Holder's accounting or reporting requirements.

### 4. Transfers.

a. **Unregistered Security.** Each holder of this Warrant acknowledges that, as of the date hereof, none of the Company's securities (including this Warrant and the Warrant Shares) have been registered under the Securities Act, and agrees not to sell, pledge, distribute, offer for sale, transfer or otherwise dispose of this Warrant or any Warrant Shares issued upon its exercise (or any securities issued by the Company upon conversion or exchange thereof) in the absence of (i) an effective registration statement under the Securities Act as to the sale of any such securities and registration or qualification of such securities under any applicable U.S. federal or state securities law then in effect, or (ii) an opinion of counsel, satisfactory to the Company, that such registration and qualification are not required. Each certificate or other instrument for Warrant Shares issued upon the exercise of this Warrant (and any securities issued by the Company upon conversion or exchange thereof) shall bear a legend substantially to the foregoing effect. The Warrant Shares issuable pursuant to this Warrant shall have the registration rights described in Section 7 hereto.



b. **Transferability.** Subject to the provisions of Section 4(a) hereof, this Warrant may be transferred and assigned and all rights hereunder are transferable, in whole or in part, to an affiliate (as defined in Rule 405 under the Securities Act) of the Registered Holder upon surrender of this Warrant with a properly executed assignment (in the form of Exhibit C hereto) at the principal office of the Company and subject to the provisions of Section 4.a. hereof.

c. **Warrant Register.** The Company will maintain a register containing the names and addresses of the Registered Holder(s) of this Warrant. Until any transfer of this Warrant is made in the warrant register, the Company may treat the Registered Holder of this Warrant as the absolute owner hereof for all purposes. Any Registered Holder may change such Registered Holder's address as shown on the warrant register by written notice to the Company requesting such change.

5. **Representations and Warranties of the Registered Holder.** The Registered Holder hereby represents and warrants to the Company that:

a. **Authorization.** The Registered Holder has full power and authority to enter into this Warrant. The Warrant, when executed and delivered by the Registered Holder, will constitute a valid and legally binding obligation of the Registered Holder, enforceable in accordance with its terms, except as limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and any other laws of general application affecting enforcement of creditors' rights generally, and as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies.

b. **Purchase Entirely for Own Account.** This Warrant is issued to the Registered Holder in reliance upon the Registered Holder's representation to the Company, which by the Registered Holder's acceptance of this Warrant, the Registered Holder hereby confirms, that the Warrant to be acquired by the Registered Holder and the Warrant Shares (and any securities issued by the Company upon conversion or exchange thereof) (collectively, the "Securities") will be acquired for investment for the Registered Holder's own account, not as a nominee or agent, and not with a view to the resale or distribution of any part thereof.

c. **Restricted Securities.** The Registered Holder understands that the Securities have not been, and, other than as provided herein, will not be, registered under the Securities Act, by reason of a specific exemption from the registration provisions of the Securities Act which depends upon, among other things, the *bona fide* nature of the investment intent and the accuracy of the Registered Holder's representations as expressed herein. The Registered Holder understands that unless and until registered the Securities are "restricted securities" under applicable U.S. federal and state securities laws and that, pursuant to these laws, the Registered Holder must hold the Securities indefinitely unless they are registered with the Securities and Exchange Commission and, if applicable, qualified by state authorities, or an exemption from such registration and qualification requirements is available. The Registered Holder understands that no public market now exists for any of the securities issued by the Company, and that the Company has made no assurances that a public market will ever exist for the Securities.

d. **Accredited Investor.** The Registered Holder is an accredited investor as defined in Rule 501(a) of Regulation D promulgated under the Securities Act.

e. **Market Stand-Off Agreement.** The Registered Holder agrees that, in connection with an IPO, the Warrant Shares shall be subject to the "lock-up" provisions in Section 1.16 of the Investors' Rights Agreement, and the Registered Holder agrees to execute an agreement reflecting Section 1.16 of the Investors' Rights Agreement as may be requested by the Company or the managing underwriters at the time of an IPO.

6. **Representations, Warranties and Covenants of the Company.** The Company hereby represents and warrants to the Registered Holder that:

a. **Corporate Power.** The Company has full power and authority to execute, deliver and issue this Warrant. The Warrant, when executed and delivered by the Company, will constitute a valid and legally binding obligation of the Company, enforceable in accordance with its terms, except as limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and any other laws of general application affecting enforcement of creditors' rights generally, and as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies.

b. **Authorization.** All corporate action on the part of the Company, its directors and shareholders necessary for the authorization, execution, issuance, delivery and performance by the Company of this Warrant has been taken. <sup>1</sup>

c. **Capitalization.** As of the date hereof, the authorized share capital of the Company consists of:

i. 5,902,275,000 Ordinary Shares, 21,903,600 shares of which are issued and outstanding; 11,578,800 Series A Preferred Shares, 11,578,500 of which are issued and outstanding; 12,218,400 Series A-1 Preferred Shares, 12,218,400 of which are issued and outstanding; 22,416,600 Series B-1 Preferred Shares, 22,416,600 of which are issued and outstanding; 10,675,200 Series B-2 Preferred Shares, 10,675,200 of which are issued and outstanding; 9,957,600 Series C Preferred Shares, 9,493,200 of which are issued and outstanding; 16,654,800 Series D-1 Preferred Shares, 16,654,800 of which are issued and outstanding; and 14,223,600 Series E Preferred Shares, 14,223,600 of which are issued and outstanding. All of the outstanding shares have been duly authorized, are fully paid and nonassessable and were issued in compliance with all applicable federal and state securities laws.

ii. The Company has reserved 26,113,200 Ordinary Shares for issuance to officers, directors, employees and consultants of the Company pursuant to its equity compensation plans which have been duly adopted by the Company's Board of Directors (the "Board") and approved by the Company's shareholders (collectively, the "Incentive Plans"). Of such reserved Ordinary Shares, 12,613,200 Ordinary Shares underline outstanding options.

iii. Except (A) for conversion privileges of the Company's preferred shares, warrants to purchase [464,400] shares of Ordinary Shares and the outstanding options issued pursuant to the Incentive Plans, (B) as set forth in the Investors' Rights Agreement, and (C) in connection with the IPO contemplated pursuant to the Registration on Form F-1 (File No. 333-253999) (the "Contemplated IPO"), there are no outstanding options, warrants, rights (including conversion or preemptive rights and rights of first refusal or similar rights) or agreements, orally or in writing, for the purchase or acquisition from the Company of any shares of its share capital.

d. **Reservation of Warrant Shares.** The Warrant Shares issuable upon exercise of this Warrant (and any securities issuable by the Company upon conversion or exchange thereof) has been duly authorized and validly reserved by the Company and when issued in accordance with the provisions of this Warrant against the receipt of the Purchase Price or pursuant to the net exercise provision set forth in Section 2(d) hereof will be validly issued, fully paid and non-assessable, and will be free of any taxes, liens, mortgages, charges, security interests, preemptive rights, transfer or other restrictions or other claims or third party's rights or encumbrances of any nature whatsoever; provided, however, that the Warrant Shares issuable pursuant to this Warrant may be subject to restrictions on transfer under state and/or federal securities laws and the Company's amended and restated articles of association, as may be amended from time to time (the "Articles"), including the Public Company Articles (as defined below).

e. **Offering.** Subject in part to the truth and accuracy of the Registered Holder's representations set forth in Section 5 hereof, the offer, issuance and sale of this Warrant is, and the issuance of the Warrant Shares upon exercise of this Warrant (and the issuance of any securities issuable by the Company upon conversion or exchange thereof) will be, exempt from the registration requirements of the Securities Act, and are exempt from the qualification requirements of any applicable state securities laws; and neither the Company nor anyone acting on its behalf will take any action hereafter that would cause the loss of such exemptions.

f. **Charter Documents.** The Company has provided the Registered Holder true and complete copies of (A) the Articles effective as of the date hereof and (B) the amended and restated articles of association that have been adopted by the Company's shareholders and that will become effective immediately prior to, and contingent upon, the consummation of the Contemplated IPO (the "Public Company Articles"). The Company shall not by amendment of the Articles or the Public Company Articles or through a reorganization, transfer or sale of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or

performance of any of the terms to be observed or performed under this Warrant, but shall at all times in good faith reasonably assist in carrying out of all the provisions of this Warrant and in taking all such action as may be reasonably necessary or appropriate to protect the rights of the Registered Holder under this Warrant against impairment. However, the Company shall not be deemed to have impaired the rights of the Registered Holder (i) if the Articles or the Public Company Articles are amended or waived in a manner that does not (individually or when considered in the context of any other actions being taken in connection with such amendments or waivers) affect the Registered Holder in a manner different from the effect that such amendments or waivers have on the rights of other holders of the same series and class as the Warrant Shares or (ii) in connection with the adoption and the effectiveness of the Public Company Articles; provided, however, that, notwithstanding the foregoing, the Company shall not impose any restrictions on the transferability or alienability of the Warrant Shares other than (x) as may be in effect as of the date hereof or (y) contemplated under the Public Company Articles, in each case, without the written consent of the Registered Holder.

**g. Financial and Other Reports.** Until the consummation of an IPO (including, the Contemplated IPO), the Company shall furnish to the Registered Holder, solely to the extent necessary for purposes of the Registered Holder's compliance (as determined by the Registered Holder in its reasonable discretion) with regulatory, accounting and reporting requirements applicable to the Registered Holder, (i) within 180 days after the close of each fiscal year of the Company, audited financial statements of the Company and the notes thereto including a balance sheet, together with an income statement and a cash flow statement, for such fiscal year; and (ii) promptly after the closing of each equity financing consummated by the Company after the date hereof, a post-closing summary capitalization table and other information relating to the then-current valuation of the Company including any 409A valuation (or equivalent) reports, *provided, however*, that the Company shall not be obligated to furnish a capitalization table or valuation following the repurchase of the Ordinary Shares from former employees, directors or consultants (the "Repurchased Shares") and the subsequent resale of all or part of the Repurchased Shares if the Repurchased Shares represent less than 5% of the issued and outstanding Ordinary Shares, on a fully-diluted basis, at the time of repurchase, and (iii) at any time and from time to time, such information as the Registered Holder may reasonably request ((i) through (iii) collectively the "Information Rights"). Any such information provided to the Registered Holder pursuant to the Information Rights shall be used by the Registered Holder solely for such regulatory, accounting and reporting requirements. Notwithstanding anything in this Section 6(g) to the contrary, if in connection with a Merger and Acquisition (as defined below) the Registered Holder receives securities of a privately held company, then the Company shall use commercially reasonable efforts to cause the Information Rights described in this Section 6(g) to be deemed to continue to apply to such company.

#### **7. Registration Rights.**

The Warrant Shares issuable pursuant to this Warrant shall have registration rights as set forth in Section 1 of the Investors' Rights Agreement and shall be Registrable Securities as defined therein. The provisions set forth in the Investors' Rights Agreement relating to such registration rights in effect as of date hereof may not be amended, modified or waived by the Company without the prior written consent of the Registered Holder unless such amendment, modification or waiver affects the rights under the Investors' Rights Agreement associated with the Warrant Shares in the same manner as such amendment, modification, or waiver affects the rights under the Investors' Rights Agreement associated with all other shares of the same series and class of Warrant Shares.

**8. Termination.** This Warrant (and the right to purchase securities upon exercise hereof) shall terminate upon the earliest to occur of the following (the "Expiration Date"):

- a. the tenth (10th) anniversary of the date hereof, or
- b. immediately prior to the consummation of a Merger and Acquisition or a Liquidation Event (as defined in the Company's Articles), or
- c. immediately prior to the consummation of an IPO (other than the Contemplated IPO) (a "New IPO"),

provided that the Registered Holder shall be given reasonable notice of such Merger and Acquisition, Liquidation Event or New IPO (and the Company shall use commercially reasonable efforts to provide such notice at least 5 business days in advance of the consummation of the Merger and Acquisition, Liquidation Event or New IPO) and the opportunity to exercise this Warrant prior to or concurrently with the consummation of such Merger and Acquisition, Liquidation Event or New IPO.

**9. Notices of Certain Transactions.** In case:

a. the Company shall take a record of the holders of its outstanding shares of the same class as the Warrant Shares (or other shares or securities at the time deliverable upon the exercise of this Warrant) for the purpose of entitling or enabling them to receive any dividend or other distribution, or to receive any right to subscribe for or purchase any shares of any class or any other securities, or to receive any other right, or

b. of any capital reorganization of the Company, any reclassification of the share capital of the Company, any consolidation or merger of the Company, any Merger and Acquisition, any Liquidation Event, or any New IPO

then, and in each such case, the Company will mail or cause to be mailed to the Registered Holder of this Warrant a notice specifying, as the case may be, (i) the date on which a record is to be taken for the purpose of such dividend, distribution or right, and stating the amount and character of such dividend, distribution or right, or (ii) the effective date on which such reorganization, reclassification, consolidation, merger, transfer, dissolution, liquidation, winding-up, redemption or conversion is to take place, and the time, if any is to be fixed, as of which the holders of record of the Company's outstanding shares of the same class as the Warrant Shares (or such other shares or securities at the time deliverable upon such reorganization, reclassification, consolidation, merger, transfer, dissolution, liquidation, winding-up, redemption or conversion) are to be determined. Such notice shall be mailed at least 5 business days prior to the record date or effective date for the event specified in such notice. In addition, the Company shall use commercially reasonable efforts to provide the Registered Holder with prompt written notice of any amendment to the term "Merger and Acquisition" set forth in the Articles, other than in connection with the adoption and effectiveness of the Public Company Articles. Notwithstanding anything to the contrary set forth in this Section 9, if providing any contemplated notice would cause the Company to violate any contractual or other restrictions that the Company is subject to with respect to confidentiality of a particular transaction or otherwise, the Company shall only be required to provide to the Registered Holder such form of notice and upon such timing that the Company is required to provide to holders of shares of the same series and class as the Warrant Shares.

**10. Replacement of Warrants.** Upon receipt of evidence reasonably satisfactory to the Company of the loss, theft, destruction or mutilation of this Warrant and (in the case of loss, theft or destruction) upon delivery of an indemnity agreement (with surety if reasonably required) in an amount reasonably satisfactory to the Company, or (in the case of mutilation) upon surrender and cancellation of this Warrant, the Company will issue, in lieu thereof, a new Warrant of like tenor.

**11. No Rights as Shareholder.** Until and to the extent of the exercise of this Warrant, the Registered Holder of this Warrant shall not have or exercise any rights by virtue hereof as a shareholder of the Company.

**12. No Fractional Shares.** No fractional Warrant Shares will be issued in connection with any exercise hereunder. In lieu of any fractional shares which would otherwise be issuable, the Company shall pay cash equal to the product of such fraction multiplied by the fair market value of one Warrant Share on the date of exercise, as determined in accordance with Section 2(d)(ii).

**13. Survival of Representations.** Unless otherwise set forth in this Warrant, the representations, warranties and covenants contained in or made pursuant to this Warrant shall survive the execution and delivery of this Warrant.

**14. Attorney's Fees.** If any action at law or in equity (including arbitration) is necessary to enforce or interpret the terms of any of this Warrant, the prevailing party shall be entitled to reasonable attorney's fees, costs and necessary disbursements in addition to any other relief to which such party may be entitled.

**15. Miscellaneous.**

a. **Governing Law.** The validity, interpretation, construction and performance of this Warrant, and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of the state of New York, without giving effect to principles of conflicts of law.

b. **Jurisdiction and Venue.** With respect to any conflicts arising out of or related to this Warrant, the parties consent to the exclusive jurisdiction of, and venue in, the competent courts in New York.

c. **Entire Agreement.** This Warrant, together with the Agreement, sets forth the entire agreement and understanding of the parties relating to the subject matter herein and supersedes all prior or contemporaneous discussions, understandings and agreements, whether oral or written, between them relating to the subject matter hereof.

d. **Amendments and Waivers.** No modification of or amendment to this Warrant, nor any waiver of any rights under this Warrant, shall be effective unless in writing signed by the Company and the Registered Holder. No delay or failure to require performance of any provision of this Warrant shall constitute a waiver of that provision as to that or any other instance.

e. **Successors and Assigns.** The rights and obligations of the Company and the Registered Holder shall be binding upon and benefit the respective successors, assigns and permitted transferees of the parties.

f. **Notices.** Any notice, demand or request required or permitted to be given under this Warrant shall be in writing and shall be delivered personally, messenger or courier service, mailed by certified or registered mail, postage prepaid, or sent by electronic mail. Each such notice or other communication shall for all purposes of this Warrant be treated as effective or having been given (i) if delivered personally, by messenger or courier service, when delivered, (ii) if sent by mail, on its receipt, or (iii) if sent by electronic mail, when directed to the relevant electronic mail address, if sent during normal business hours of the recipient, or if not sent during normal business hours of the recipient, then on the recipient's next business day. Any notice or communication shall be addressed to the party to be notified at such party's address as set forth on the signature page, as subsequently modified by written notice, or if no address is specified on the signature page, at the most recent address set forth in the Company's books and records.

g. **Severability.** If any provision of this Warrant 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 Warrant, and such court will replace such illegal, void or unenforceable provision of this Warrant with a valid and enforceable provision that will achieve, to the extent possible, the same economic, business and other purposes of the illegal, void or unenforceable provision. The balance of this Warrant shall be enforceable in accordance with its terms.

h. **Construction.** This Warrant is the result of negotiations between and has been reviewed by each of the parties hereto and their respective counsel, if any; accordingly, this Warrant shall be deemed to be the product of all of the parties hereto, and no ambiguity shall be construed in favor of or against any one of the parties hereto.

i. **Titles and Subtitles.** The titles and subtitles used in this Warrant are included for convenience only and are not to be considered in construing or interpreting this Warrant.

j. **Counterparts.** This Warrant may be executed in any number of counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument.

*[Signature Page Follows]*

IN WITNESS WHEREOF, the Company and the Registered Holder have executed this Warrant as of the date first set forth above.

**THE COMPANY:**

GLOBAL-E ONLINE LTD.

By: /s/ Amir Schlachet

Name: Amir Schlachet

Title: CEO

Address: 25 Basel Street, Petah Tikva, 4951038

Email:

ACCEPTED AND AGREED:

**THE REGISTERED HOLDER:**

SHOPIFY INC.

By: /s/ Amy Shapero

Name: Amy Shapero

Title: Chief Financial Officer

Address: 151 O'Connor Street, Ground Floor, Ottawa,  
Ontario, CA K2P 2L8

Email: contract\_notices@shopify.com

## Exhibit A

### NUMBER OF WARRANT SHARES

Up to an aggregate of 8,037,738 Ordinary Shares (subject to adjustment as provided in the Warrant to which this Exhibit A is attached, the "Total Shares"); which will vest and become exercisable as follows:

- 3,177,710 of the Total Shares shall be vested and exercisable upon the effective date of the Agreement; and
- the remaining 4,860,028 of the Total Shares (the "Remainder Amount") shall vest monthly as follows: 1/12 of the Remainder Amount (i.e. 405,002) shall vest and become exercisable on the two-month anniversary of the effective date of the Agreement, and 1/24<sup>th</sup> of the Remainder Amount (i.e., 202,501) shall vest and become exercisable on each monthly anniversary date of the effective date of the Agreement thereafter such that the full 60% amount shall be vested and exercisable as of the two-year anniversary of the effective date of the Agreement; provided, however, that no vesting of the Remainder Amount shall occur following the termination of the Agreement in accordance with the terms thereof (other than if the Agreement is terminated by the Company pursuant to Section 6.2 2 (Termination for Convenience) of the Agreement).

Notwithstanding anything herein to the contrary, the vesting of the Remainder Amount shall be accelerated such that the Remainder Amount shall be fully vested and exercisable effective upon the earlier of (i) termination of the Agreement by the Company in accordance with Section 6.2 (Termination for Convenience) of the Agreement, (ii) immediately prior to a Merger and Acquisition or a Liquidation Event, and (iii) immediately prior to consummation of a New IPO.

Terms used herein without definition will have the meanings assigned thereto in the Warrant.

**Exhibit B**

**PURCHASE/EXERCISE FORM**

To: Global-E Online Ltd.

Dated:

The undersigned, pursuant to the provisions set forth in the attached Warrant No.\_\_\_\_\_, hereby irrevocably elects to:

- (a) purchase \_\_\_\_\_ shares of the capital stock covered by such Warrant and herewith makes payment of \$\_\_\_\_\_, representing the full purchase price for such shares at the price per share provided for in such Warrant,

OR

- (b) net exercise such Warrant for \_\_\_\_\_ shares purchasable under the Warrant pursuant to the Net Issue Exercise provisions of Section 2(d) of such Warrant.

The undersigned acknowledges that it has reviewed the representations and warranties of the Registered Holder set forth in the Warrant and by its signature below hereby makes such representations and warranties to the Company.

Defined terms contained in this form shall have the meanings assigned to them in the Warrant.

**ACKNOWLEDGED AND AGREED TO BY  
THE REGISTERED HOLDER:**

Shopify Inc.

By: \_\_\_\_\_

Name:

Title:

Address:

Email:



**Exhibit C**

**ASSIGNMENT FORM**

FOR VALUE RECEIVED, \_\_\_\_\_ hereby sells, assigns and transfers all of the rights of the undersigned under the attached Warrant with respect to the number of Ordinary Shares covered thereby set forth below, unto:

Name of Assignee

Address

No. of Shares

**ACKNOWLEDGED AND AGREED TO BY  
THE REGISTERED HOLDER:**

(Registered Holder)

By: \_\_\_\_\_

Name:

Title:

Address:

Email:

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**Exhibit D**

**JOINDER**

THIS WARRANT (THIS “WARRANT”) AND THE SECURITIES ISSUABLE UPON THE EXERCISE HEREOF HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR UNDER THE SECURITIES LAWS OF ANY STATE. THESE SECURITIES MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED EXCEPT AS PERMITTED UNDER THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT OR AN EXEMPTION THEREFROM. THE ISSUER OF THESE SECURITIES MAY REQUIRE AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE ISSUER THAT SUCH OFFER, SALE OR TRANSFER, PLEDGE OR HYPOTHECATION OTHERWISE COMPLIES WITH THE SECURITIES ACT AND ANY APPLICABLE STATE SECURITIES LAWS.

Warrant No. 4

Date of Issuance: April 12, 2021

Number of Ordinary Shares: As set forth on Exhibit A  
(subject to adjustment)

**Global-E Online Ltd.**

**Share Purchase Warrant**

Global-E Online Ltd., a company incorporated under the laws of the State of Israel (the “Company,” and which shall include any corporation or other entity that succeeds to the Company’s obligations under this Warrant, whether by permitted assignment, by merger or consolidation or otherwise), for value received, hereby certifies that Shopify International Limited, a corporation governed by the laws of Ireland, or its registered assigns (the “Registered Holder”), is entitled, subject to the terms set forth below and including the terms relating to vesting and exercise set forth on Exhibit A attached hereto, to purchase from the Company, at any time after the date hereof and on or before the Expiration Date (as defined in Section 8) the number of Company’s ordinary shares (the “Ordinary Shares”) at a price of \$0.01 per share. The Ordinary Shares purchasable upon exercise of this Warrant, and the purchase price per share, each as adjusted from time to time pursuant to the provisions of this Warrant, are hereinafter referred to as the “Warrant Shares” and the “Purchase Price,” respectively.

This Warrant is issued pursuant to, and is subject to the terms and conditions of, the Service and Partnership Agreement between the Company, Shopify Inc. and Shopify International Limited dated as of April 12, 2021 (the “Agreement”) and as part of the consideration thereunder.

The following is a statement of the rights of the Registered Holder and the conditions to which this Warrant is subject, and to which the Registered Holder, by the acceptance of this Warrant, agrees:

1. **Number of Shares**. Subject to the terms and conditions hereinafter set forth, including on Exhibit A attached hereto, the Registered Holder is entitled, upon surrender of this Warrant, to purchase from the Company the number of Warrant Shares (subject to adjustment as provided herein) set forth in Exhibit A attached hereto.

2. **Exercise**.

a. **Method of Exercise**. This Warrant may be exercised by the Registered Holder, in whole or in part, at any time or from time to time on any day before the Expiration Date, subject to the terms and conditions set forth on Exhibit A attached hereto, by delivering a purchase/exercise form in the form appended hereto as Exhibit B duly executed by such Registered Holder or by such Registered Holder’s duly authorized attorney, at the principal office of the Company, or at such other office or agency as the Company may designate, along with a copy of this Warrant.

b. **Payment**. Unless the Registered Holder is exercising this Warrant pursuant to a Net Issue Exercise in the manner specified in Section 2(d), the Registered Holder shall also, as a condition to any exercise of this Warrant, deliver to the Company payment in full for the Purchase Price payable in respect of the number of Warrant Shares purchased upon such exercise. The Purchase Price may be paid by cash, check or wire transfer.

**Partial Exercise.** Upon a partial exercise of this Warrant, this Warrant shall be cancelled and replaced with a new Warrant (the “Replacement Warrant”) on terms identical to those contained in this Warrant, except that the maximum number of Warrant Shares issuable upon exercise is equal to the maximum number of Warrant Shares issuable under this Warrant (as set forth above) reduced by (i) the number of Warrant Shares set forth on the purchase/exercise form, or (ii) the number of shares calculated pursuant to Section 2(d), as applicable.

**d. Net Issue Exercise.**

- (i) In lieu of exercising this Warrant and delivering payment in the manner provided in Section 2(b), the Registered Holder may elect to exercise all or any portion of this Warrant by net exercise by giving notice of such election on the purchase/exercise form appended hereto as Exhibit B duly executed by such Registered Holder or by such Registered Holder’s duly authorized attorney, at the principal office of the Company, or at such other office or agency as the Company may designate, along with a copy of this Warrant, in which event the Company shall issue to such Registered Holder a number of Warrant Shares computed using the following formula:

$$X = \frac{Y(A - B)}{A}$$

where

X = the number of Warrant Shares to be issued to the Registered Holder.

Y = the number of Warrant Shares purchasable under this Warrant as set out on the purchase/exercise form.

A = the fair market value of one Warrant Share on the date of such net exercise.

B = the Purchase Price.

- (ii) For purposes of this Section 2(d), the “fair market value of Warrant Share on the date of net exercise” shall mean with respect to each Warrant Share:
- (A) (a) if the exercise is in connection with consummation of the sale of the securities of the Company (or an affiliate (as defined in Rule 405 under the Securities Act) thereof) pursuant to a registration statement filed by the Company (or an affiliate thereof) under the Securities Act, in connection with a firm commitment underwritten offering to the general public (an “IPO”), and if the Company’s registration statement relating to such public offering has been declared effective by the Securities and Exchange Commission, then the fair market value shall be the initial “Price to Public” per share specified in the final prospectus with respect to the offering, or (b) if this Warrant is exercised following the IPO, then the Fair Market Value shall equal the average of the closing prices of the Company’s Ordinary Share, as reported on the principal stock exchange on which the Company’s shares are traded at such time for the thirty (30) consecutive trading days immediately preceding the exercise of the Warrant; or (c) if this Warrant is exercised in connection with a Merger and Acquisition or a Liquidation Event—the price per Warrant Share paid or otherwise distributed in such transaction or other event;
- (B) if (A) is not applicable, the fair market value of Warrant Share shall be at the per share valuation as determined by an independent third-party valuation firm within the prior twelve (12) months approved in good faith by the Company’s Board of Directors (the “Board”), unless the Company is at such time subject to a consolidation or merger of the Company with or into another corporation (other than a consolidation or merger in which the Company is the surviving entity), or any transfer of all or substantially all of the assets of the Company, in which case the fair market value of Warrant Share shall be deemed to be the value received by the holders of Ordinary Shares pursuant to such acquisition.
- e. Issuance of Shares.** Upon exercise of the Warrant, and as a condition of such exercise, the Registered Holder shall become (if not already) party to that certain Third Amended and Restated Investors’ Rights Agreement, dated March 22, 2021, by and among the Company and the other parties named therein, as amended from time to time, a true and correct copy of which has been provided to the Registered Holder (the “Investors’ Rights Agreement”), by delivering a joinder in the form appended hereto as Exhibit D duly executed by such Registered Holder. As soon as practicable after the exercise of this Warrant in whole or in part, and in any event within ten (10) business days thereafter, the Company will, at its expense, cause to be issued in the name of, and delivered to, the Registered Holder:
- i. certificate or certificates for the number of Warrant Shares to which such Registered Holder shall be entitled;
  - ii. in case such exercise is in part only, a Replacement Warrant as provided in Section 2(c); and
  - iii. if applicable, a check payable to the Registered Holder for any cash amounts payable as described in Section 12.
- f. Automatic Exercise.** If this Warrant remains outstanding as of the Expiration Date then, at such time, this Warrant shall, automatically and without any action on the part of the Registered Holder, be exercised pursuant to Section 2(d) effective immediately prior to the termination of this Warrant pursuant to Section 8, unless the Registered Holder shall have earlier provided written notice to the Company that the Registered Holder desires that this Warrant terminate unexercised. If this Warrant is automatically exercised pursuant to this Section 2(f) the Company shall notify the Registered Holder of such exercise as soon as reasonably practicable.
- g. Effective Time of Exercise.** Each exercise of this Warrant shall be deemed to have been made upon the satisfaction of all of the conditions set forth herein. At such time, the person or persons in whose name or names any certificates for Warrant Shares shall be issuable upon such exercise as provided herein shall be deemed to have become the holder or holders of record of the Warrant Shares represented by such certificates.
- h. Taxes.** The issuance of the Warrant, and the Warrant Shares upon the exercise of the Warrant, shall be made without the deduction or withholding of any taxes, levies, assessments, imposts, duties or similar charges imposed by any taxing authority (“Taxes”), unless otherwise required by law. If such deduction or withholding is so required, the Company shall pay the amount of such Taxes so imposed to the applicable taxing authority, and shall pay such additional amounts to the Registered Holder so that the Registered Holder receives the net amount after such deduction or withholding that it would have received had no such deduction or withholding been imposed.

### 3. Adjustments.

a. **Share Splits and Dividends.** The Purchase Price and the number of Warrant Shares for which this Warrant remains exercisable shall each be proportionally adjusted to reflect any share dividend, share split, reverse share split or other similar event affecting the number of outstanding Warrant Shares.

b. **Adjustment for Other Dividends and Distributions.** In case the Company shall make or issue, or shall fix a record date for the determination of eligible holders entitled to receive, a dividend or other distribution payable with respect to the Warrant Shares that is payable in (a) securities of the Company (other than issuances with respect to which adjustment is made under Section 3(a) or Section 3(c)) or (b) assets (other than cash) which dividend or distribution is actually made (each, a “Dividend Event”), then, and in each such case, Registered Holder, upon exercise of this Warrant at any time after such Dividend Event, shall receive, in addition to the Warrant Shares, the securities or such other assets of the Company that would have been payable to Registered Holder if Registered Holder had completed such exercise of this Warrant immediately prior to such Dividend Event.

c. **Adjustment for Reorganization, Consolidation, Merger.** In case of any recapitalization or reorganization of the Company or in case the Company shall consolidate with or merge into one or more other corporations or entities which results in a change of the Warrant Shares (each, a “Reorganization Event”), then, and in each such case, Registered Holder, upon the exercise of this Warrant after such Reorganization Event, shall be entitled to receive, in lieu of the shares or other securities and property that Registered Holder, would have been entitled to receive upon such exercise prior to such Reorganization Event, the shares or other securities or property which Registered Holder, would have been entitled to receive upon such Reorganization Event if, immediately prior to such Reorganization Event, Registered Holder, had completed such exercise of this Warrant, all subject to further adjustment as provided in this Warrant. If after such Reorganization Event the Warrant is exercisable for securities of a corporation or entity other than the Company, then such corporation or entity shall duly execute and deliver to Registered Holder, a supplement hereto acknowledging such corporation’s or other entity’s obligations under this Warrant, and in each such case the terms of this Warrant shall be applicable to the shares or other securities or property receivable upon the exercise of this Warrant after the consummation of such Reorganization Event.

d. **No Change Necessary.** The form of this Warrant need not be changed because of any adjustment in the Purchase Price or in the number of Warrant Shares issuable upon its exercise.

e. **Notice.** The Company shall provide prompt notice to the Registered Holder, using commercially reasonable efforts to provide such notice at least 5 business days in advance, of any adjustment made pursuant to this Section 3; provided that, for notice in connection with a Reorganization Event, if providing such notice would cause the Company to violate any contractual or other restrictions that the Company is then subject to with respect to confidentiality of a particular transaction or otherwise, the Company shall only be required to provide to the Registered Holder such form of notice and upon such timing that the Company is required to provide to holders of shares of the same series and class of shares as the Warrant Shares. The Company will also provide information requested by Registered Holder that is reasonably necessary to enable Registered Holder to comply with Registered Holder’s accounting or reporting requirements.

### 4. Transfers.

a. **Unregistered Security.** Each holder of this Warrant acknowledges that, as of the date hereof, none of the Company’s securities (including this Warrant and the Warrant Shares) have been registered under the Securities Act, and agrees not to sell, pledge, distribute, offer for sale, transfer or otherwise dispose of this Warrant or any Warrant Shares issued upon its exercise (or any securities issued by the Company upon conversion or exchange thereof) in the absence of (i) an effective registration statement under the Securities Act as to the sale of any such securities and registration or qualification of such securities under any applicable U.S. federal or state securities law then in effect, or (ii) an opinion of counsel, satisfactory to the Company, that such registration and qualification are not required. Each certificate or other instrument for Warrant Shares issued upon the exercise of this Warrant (and any securities issued by the Company upon conversion or exchange thereof) shall bear a legend substantially to the foregoing effect. The Warrant Shares issuable pursuant to this Warrant shall have the registration rights described in Section 7 hereto.

b. **Transferability.** Subject to the provisions of Section 4(a) hereof, this Warrant may be transferred and assigned and all rights hereunder are transferable, in whole or in part, to an affiliate (as defined in Rule 405 under the Securities Act) of the Registered Holder upon surrender of this Warrant with a properly executed assignment (in the form of Exhibit C hereto) at the principal office of the Company and subject to the provisions of Section 4.a. hereof.

c. **Warrant Register.** The Company will maintain a register containing the names and addresses of the Registered Holder(s) of this Warrant. Until any transfer of this Warrant is made in the warrant register, the Company may treat the Registered Holder of this Warrant as the absolute owner hereof for all purposes. Any Registered Holder may change such Registered Holder's address as shown on the warrant register by written notice to the Company requesting such change.

5. **Representations and Warranties of the Registered Holder.** The Registered Holder hereby represents and warrants to the Company that:

a. **Authorization.** The Registered Holder has full power and authority to enter into this Warrant. The Warrant, when executed and delivered by the Registered Holder, will constitute a valid and legally binding obligation of the Registered Holder, enforceable in accordance with its terms, except as limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and any other laws of general application affecting enforcement of creditors' rights generally, and as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies.

b. **Purchase Entirely for Own Account.** This Warrant is issued to the Registered Holder in reliance upon the Registered Holder's representation to the Company, which by the Registered Holder's acceptance of this Warrant, the Registered Holder hereby confirms, that the Warrant to be acquired by the Registered Holder and the Warrant Shares (and any securities issued by the Company upon conversion or exchange thereof) (collectively, the "Securities") will be acquired for investment for the Registered Holder's own account, not as a nominee or agent, and not with a view to the resale or distribution of any part thereof.

c. **Restricted Securities.** The Registered Holder understands that the Securities have not been, and, other than as provided herein, will not be, registered under the Securities Act, by reason of a specific exemption from the registration provisions of the Securities Act which depends upon, among other things, the *bona fide* nature of the investment intent and the accuracy of the Registered Holder's representations as expressed herein. The Registered Holder understands that unless and until registered the Securities are "restricted securities" under applicable U.S. federal and state securities laws and that, pursuant to these laws, the Registered Holder must hold the Securities indefinitely unless they are registered with the Securities and Exchange Commission and, if applicable, qualified by state authorities, or an exemption from such registration and qualification requirements is available. The Registered Holder understands that no public market now exists for any of the securities issued by the Company, and that the Company has made no assurances that a public market will ever exist for the Securities.

d. **Accredited Investor.** The Registered Holder is an accredited investor as defined in Rule 501(a) of Regulation D promulgated under the Securities Act.

e. **Market Stand-Off Agreement.** The Registered Holder agrees that, in connection with an IPO, the Warrant Shares shall be subject to the "lock-up" provisions in Section 1.16 of the Investors' Rights Agreement, and the Registered Holder agrees to execute an agreement reflecting Section 1.16 of the Investors' Rights Agreement as may be requested by the Company or the managing underwriters at the time of an IPO.

6. **Representations, Warranties and Covenants of the Company.** The Company hereby represents and warrants to the Registered Holder that:

a. **Corporate Power.** The Company has full power and authority to execute, deliver and issue this Warrant. The Warrant, when executed and delivered by the Company, will constitute a valid and legally binding obligation of the Company, enforceable in accordance with its terms, except as limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and any other laws of general application affecting enforcement of creditors' rights generally, and as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies.

b. **Authorization.** All corporate action on the part of the Company, its directors and shareholders necessary for the authorization, execution, issuance, delivery and performance by the Company of this Warrant has been taken. <sup>1</sup>

c. **Capitalization.** As of the date hereof, the authorized share capital of the Company consists of:

i. 5,902,275,000 Ordinary Shares, 21,903,600 shares of which are issued and outstanding; 11,578,800 Series A Preferred Shares, 11,578,500 of which are issued and outstanding; 12,218,400 Series A-1 Preferred Shares, 12,218,400 of which are issued and outstanding; 22,416,600 Series B-1 Preferred Shares, 22,416,600 of which are issued and outstanding; 10,675,200 Series B-2 Preferred Shares, 10,675,200 of which are issued and outstanding; 9,957,600 Series C Preferred Shares, 9,493,200 of which are issued and outstanding; 16,654,800 Series D-1 Preferred Shares, 16,654,800 of which are issued and outstanding; and 14,223,600 Series E Preferred Shares, 14,223,600 of which are issued and outstanding. All of the outstanding shares have been duly authorized, are fully paid and nonassessable and were issued in compliance with all applicable federal and state securities laws.

ii. The Company has reserved 26,113,200 Ordinary Shares for issuance to officers, directors, employees and consultants of the Company pursuant to its equity compensation plans which have been duly adopted by the Company's Board of Directors (the "Board") and approved by the Company's shareholders (collectively, the "Incentive Plans"). Of such reserved Ordinary Shares, 12,613,200 Ordinary Shares underline outstanding options.

iii. Except (A) for conversion privileges of the Company's preferred shares, warrants to purchase 464,400 shares of Ordinary Shares and the outstanding options issued pursuant to the Incentive Plans, (B) as set forth in the Investors' Rights Agreement, and (C) in connection with the IPO contemplated pursuant to the Registration on Form F-1 (File No. 333-253999) (the "Contemplated IPO"), there are no outstanding options, warrants, rights (including conversion or preemptive rights and rights of first refusal or similar rights) or agreements, orally or in writing, for the purchase or acquisition from the Company of any shares of its share capital.

d. **Reservation of Warrant Shares.** The Warrant Shares issuable upon exercise of this Warrant (and any securities issuable by the Company upon conversion or exchange thereof) has been duly authorized and validly reserved by the Company and when issued in accordance with the provisions of this Warrant against the receipt of the Purchase Price or pursuant to the net exercise provision set forth in Section 2(d) hereof will be validly issued, fully paid and non-assessable, and will be free of any taxes, liens, mortgages, charges, security interests, preemptive rights, transfer or other restrictions or other claims or third party's rights or encumbrances of any nature whatsoever; provided, however, that the Warrant Shares issuable pursuant to this Warrant may be subject to restrictions on transfer under state and/or federal securities laws and the Company's amended and restated articles of association, as may be amended from time to time (the "Articles"), including the Public Company Articles (as defined below).

e. **Offering.** Subject in part to the truth and accuracy of the Registered Holder's representations set forth in Section 5 hereof, the offer, issuance and sale of this Warrant is, and the issuance of the Warrant Shares upon exercise of this Warrant (and the issuance of any securities issuable by the Company upon conversion or exchange thereof) will be, exempt from the registration requirements of the Securities Act, and are exempt from the qualification requirements of any applicable state securities laws; and neither the Company nor anyone acting on its behalf will take any action hereafter that would cause the loss of such exemptions.

f. **Charter Documents.** The Company has provided the Registered Holder true and complete copies of (A) the Articles effective as of the date hereof and (B) the amended and restated articles of association that have been adopted by the Company's shareholders and that will become effective immediately prior to, and contingent upon, the consummation of the Contemplated IPO (the "Public Company Articles"). The Company shall not by amendment of the Articles or the Public Company Articles or through a reorganization, transfer or sale of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or



performance of any of the terms to be observed or performed under this Warrant, but shall at all times in good faith reasonably assist in carrying out of all the provisions of this Warrant and in taking all such action as may be reasonably necessary or appropriate to protect the rights of the Registered Holder under this Warrant against impairment. However, the Company shall not be deemed to have impaired the rights of the Registered Holder (i) if the Articles or the Public Company Articles are amended or waived in a manner that does not (individually or when considered in the context of any other actions being taken in connection with such amendments or waivers) affect the Registered Holder in a manner different from the effect that such amendments or waivers have on the rights of other holders of the same series and class as the Warrant Shares or (ii) in connection with the adoption and the effectiveness of the Public Company Articles; provided, however, that, notwithstanding the foregoing, the Company shall not impose any restrictions on the transferability or alienability of the Warrant Shares other than (x) as may be in effect as of the date hereof or (y) contemplated under the Public Company Articles, in each case, without the written consent of the Registered Holder.

g. **Financial and Other Reports.** Until the consummation of an IPO (including, the Contemplated IPO), the Company shall furnish to the Registered Holder, solely to the extent necessary for purposes of the Registered Holder's compliance (as determined by the Registered Holder in its reasonable discretion) with regulatory, accounting and reporting requirements applicable to the Registered Holder, (i) within 180 days after the close of each fiscal year of the Company, audited financial statements of the Company and the notes thereto including a balance sheet, together with an income statement and a cash flow statement, for such fiscal year; and (ii) promptly after the closing of each equity financing consummated by the Company after the date hereof, a post-closing summary capitalization table and other information relating to the then-current valuation of the Company including any 409A valuation (or equivalent) reports, *provided, however*, that the Company shall not be obligated to furnish a capitalization table or valuation following the repurchase of the Ordinary Shares from former employees, directors or consultants (the "Repurchased Shares") and the subsequent resale of all or part of the Repurchased Shares if the Repurchased Shares represent less than 5% of the issued and outstanding Ordinary Shares, on a fully-diluted basis, at the time of repurchase, and (iii) at any time and from time to time, such information as the Registered Holder may reasonably request ((i) through (iii) collectively the "Information Rights"). Any such information provided to the Registered Holder pursuant to the Information Rights shall be used by the Registered Holder solely for such regulatory, accounting and reporting requirements. Notwithstanding anything in this Section 6(g) to the contrary, if in connection with a Merger and Acquisition (as defined below) the Registered Holder receives securities of a privately held company, then the Company shall use commercially reasonable efforts to cause the Information Rights described in this Section 6(g) to be deemed to continue to apply to such company.

#### 7. **Registration Rights.**

The Warrant Shares issuable pursuant to this Warrant shall have registration rights as set forth in Section 1 of the Investors' Rights Agreement and shall be Registrable Securities as defined therein. The provisions set forth in the Investors' Rights Agreement relating to such registration rights in effect as of date hereof may not be amended, modified or waived by the Company without the prior written consent of the Registered Holder unless such amendment, modification or waiver affects the rights under the Investors' Rights Agreement associated with the Warrant Shares in the same manner as such amendment, modification, or waiver affects the rights under the Investors' Rights Agreement associated with all other shares of the same series and class of Warrant Shares.

8. **Termination.** This Warrant (and the right to purchase securities upon exercise hereof) shall terminate upon the earliest to occur of the following (the "Expiration Date"):

- a. the tenth (10th) anniversary of the date hereof, or
- b. immediately prior to the consummation of a Merger and Acquisition or a Liquidation Event (as defined in the Company's Articles), or
- c. immediately prior to the consummation of an IPO (other than the Contemplated IPO) (a "New IPO"),

provided that the Registered Holder shall be given reasonable notice of such Merger and Acquisition, Liquidation Event or New IPO (and the Company shall use commercially reasonable efforts to provide such notice at least 5 business days in advance of the consummation of the Merger and Acquisition, Liquidation Event or New IPO) and the opportunity to exercise this Warrant prior to or concurrently with the consummation of such Merger and Acquisition, Liquidation Event or New IPO.

**9. Notices of Certain Transactions.** In case:

a. the Company shall take a record of the holders of its outstanding shares of the same class as the Warrant Shares (or other shares or securities at the time deliverable upon the exercise of this Warrant) for the purpose of entitling or enabling them to receive any dividend or other distribution, or to receive any right to subscribe for or purchase any shares of any class or any other securities, or to receive any other right, or

b. of any capital reorganization of the Company, any reclassification of the share capital of the Company, any consolidation or merger of the Company, any Merger and Acquisition, any Liquidation Event, or any New IPO

then, and in each such case, the Company will mail or cause to be mailed to the Registered Holder of this Warrant a notice specifying, as the case may be, (i) the date on which a record is to be taken for the purpose of such dividend, distribution or right, and stating the amount and character of such dividend, distribution or right, or (ii) the effective date on which such reorganization, reclassification, consolidation, merger, transfer, dissolution, liquidation, winding-up, redemption or conversion is to take place, and the time, if any is to be fixed, as of which the holders of record of the Company's outstanding shares of the same class as the Warrant Shares (or such other shares or securities at the time deliverable upon such reorganization, reclassification, consolidation, merger, transfer, dissolution, liquidation, winding-up, redemption or conversion) are to be determined. Such notice shall be mailed at least 5 business days prior to the record date or effective date for the event specified in such notice. In addition, the Company shall use commercially reasonable efforts to provide the Registered Holder with prompt written notice of any amendment to the term "Merger and Acquisition" set forth in the Articles, other than in connection with the adoption and effectiveness of the Public Company Articles. Notwithstanding anything to the contrary set forth in this Section 9, if providing any contemplated notice would cause the Company to violate any contractual or other restrictions that the Company is subject to with respect to confidentiality of a particular transaction or otherwise, the Company shall only be required to provide to the Registered Holder such form of notice and upon such timing that the Company is required to provide to holders of shares of the same series and class as the Warrant Shares.

**10. Replacement of Warrants.** Upon receipt of evidence reasonably satisfactory to the Company of the loss, theft, destruction or mutilation of this Warrant and (in the case of loss, theft or destruction) upon delivery of an indemnity agreement (with surety if reasonably required) in an amount reasonably satisfactory to the Company, or (in the case of mutilation) upon surrender and cancellation of this Warrant, the Company will issue, in lieu thereof, a new Warrant of like tenor.

**11. No Rights as Shareholder.** Until and to the extent of the exercise of this Warrant, the Registered Holder of this Warrant shall not have or exercise any rights by virtue hereof as a shareholder of the Company.

**12. No Fractional Shares.** No fractional Warrant Shares will be issued in connection with any exercise hereunder. In lieu of any fractional shares which would otherwise be issuable, the Company shall pay cash equal to the product of such fraction multiplied by the fair market value of one Warrant Share on the date of exercise, as determined in accordance with Section 2(d)(ii).

**13. Survival of Representations.** Unless otherwise set forth in this Warrant, the representations, warranties and covenants contained in or made pursuant to this Warrant shall survive the execution and delivery of this Warrant.

**14. Attorney's Fees.** If any action at law or in equity (including arbitration) is necessary to enforce or interpret the terms of any of this Warrant, the prevailing party shall be entitled to reasonable attorney's fees, costs and necessary disbursements in addition to any other relief to which such party may be entitled.

**15. Miscellaneous.**

a. **Governing Law.** The validity, interpretation, construction and performance of this Warrant, and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of the state of New York, without giving effect to principles of conflicts of law.

b. **Jurisdiction and Venue.** With respect to any conflicts arising out of or related to this Warrant, the parties consent to the exclusive jurisdiction of, and venue in, the competent courts in New York.

c. **Entire Agreement.** This Warrant, together with the Agreement, sets forth the entire agreement and understanding of the parties relating to the subject matter herein and supersedes all prior or contemporaneous discussions, understandings and agreements, whether oral or written, between them relating to the subject matter hereof.

d. **Amendments and Waivers.** No modification of or amendment to this Warrant, nor any waiver of any rights under this Warrant, shall be effective unless in writing signed by the Company and the Registered Holder. No delay or failure to require performance of any provision of this Warrant shall constitute a waiver of that provision as to that or any other instance.

e. **Successors and Assigns.** The rights and obligations of the Company and the Registered Holder shall be binding upon and benefit the respective successors, assigns and permitted transferees of the parties.

f. **Notices.** Any notice, demand or request required or permitted to be given under this Warrant shall be in writing and shall be delivered personally, messenger or courier service, mailed by certified or registered mail, postage prepaid, or sent by electronic mail. Each such notice or other communication shall for all purposes of this Warrant be treated as effective or having been given (i) if delivered personally, by messenger or courier service, when delivered, (ii) if sent by mail, on its receipt, or (iii) if sent by electronic mail, when directed to the relevant electronic mail address, if sent during normal business hours of the recipient, or if not sent during normal business hours of the recipient, then on the recipient's next business day. Any notice or communication shall be addressed to the party to be notified at such party's address as set forth on the signature page, as subsequently modified by written notice, or if no address is specified on the signature page, at the most recent address set forth in the Company's books and records.

g. **Severability.** If any provision of this Warrant 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 Warrant, and such court will replace such illegal, void or unenforceable provision of this Warrant with a valid and enforceable provision that will achieve, to the extent possible, the same economic, business and other purposes of the illegal, void or unenforceable provision. The balance of this Warrant shall be enforceable in accordance with its terms.

h. **Construction.** This Warrant is the result of negotiations between and has been reviewed by each of the parties hereto and their respective counsel, if any; accordingly, this Warrant shall be deemed to be the product of all of the parties hereto, and no ambiguity shall be construed in favor of or against any one of the parties hereto.

i. **Titles and Subtitles.** The titles and subtitles used in this Warrant are included for convenience only and are not to be considered in construing or interpreting this Warrant.

j. **Counterparts.** This Warrant may be executed in any number of counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument.

*[Signature Page Follows]*

IN WITNESS WHEREOF, the Company and the Registered Holder have executed this Warrant as of the date first set forth above.

**THE COMPANY:**

GLOBAL-E ONLINE LTD.

By: /s/ Amir Schlachet

Name: Amir Schlachet

Title: CEO

Address: 25 Basel Street, Petah Tikva, 4951038

Email:

ACCEPTED AND AGREED:

**THE REGISTERED HOLDER:**

SHOPIFY INTERNATIONAL LIMITED

By: /s/ John Riordan

Name: John Riordan

Title: Director

Address: 2nd Floor, Victoria Buildings 1-2 Haddington Road Dublin  
4, D04 XN32, Ireland

Email: contract\_notices@shopify.com

## Exhibit A

### NUMBER OF WARRANT SHARES

Up to an aggregate of 11,566,501 Ordinary Shares (subject to adjustment as provided in the Warrant to which this Exhibit A is attached, the “Total Shares”); which will vest and become exercisable as follows:

- 4,572,803% of the Total Shares shall be vested and exercisable upon the effective date of the Agreement; and
- the remaining 6,993,698 of the Total Shares (the “Remainder Amount”) shall vest monthly as follows: 1/12 of the Remainder Amount (i.e., 582,808) shall vest and become exercisable on the two-month anniversary of the effective date of the Agreement, and 1/24<sup>th</sup> of the Remainder Amount (i.e., 291,404) shall vest and become exercisable on each monthly anniversary date of the effective date of the Agreement thereafter such that the full Remainder Amount shall be vested and exercisable as of the two-year anniversary of the effective date of the Agreement; provided, however, that no vesting of the Remainder Amount shall occur following the termination of the Agreement in accordance with the terms thereof (other than if the Agreement is terminated by the Company pursuant to Section 6.2 2 (Termination for Convenience) of the Agreement).

Notwithstanding anything herein to the contrary, the vesting of the Remainder Amount shall be accelerated such that the Remainder Amount shall be fully vested and exercisable effective upon the earlier of (i) termination of the Agreement by the Company in accordance with Section 6.2 (Termination for Convenience) of the Agreement, (ii) immediately prior to a Merger and Acquisition or a Liquidation Event, and (iii) immediately prior to consummation of a New IPO.

Terms used herein without definition will have the meanings assigned thereto in the Warrant.

**Exhibit B**

**PURCHASE/EXERCISE FORM**

Dated:

To: Global-E Online Ltd.

The undersigned, pursuant to the provisions set forth in the attached Warrant No.\_\_\_\_\_, hereby irrevocably elects to:

- (a) purchase \_\_\_\_\_ shares of the capital stock covered by such Warrant and herewith makes payment of \$\_\_\_\_\_, representing the full purchase price for such shares at the price per share provided for in such Warrant,

OR

- (b) net exercise such Warrant for \_\_\_\_\_ shares purchasable under the Warrant pursuant to the Net Issue Exercise provisions of Section 2(d) of such Warrant.

The undersigned acknowledges that it has reviewed the representations and warranties of the Registered Holder set forth in the Warrant and by its signature below hereby makes such representations and warranties to the Company.

Defined terms contained in this form shall have the meanings assigned to them in the Warrant.

**ACKNOWLEDGED AND AGREED TO BY  
THE REGISTERED HOLDER:**

Shopify International Limited.

By: \_\_\_\_\_

Name:

Title:

Address:

Email:

**Exhibit C**

**ASSIGNMENT FORM**

FOR VALUE RECEIVED, \_\_\_\_\_ hereby sells, assigns and transfers all of the rights of the undersigned under the attached Warrant with respect to the number of Ordinary Shares covered thereby set forth below, unto:

Name of Assignee

Address

No. of Shares

**ACKNOWLEDGED AND AGREED TO BY  
THE REGISTERED HOLDER:**

(Registered Holder)

By: \_\_\_\_\_

Name:

Title:

Address:

Email:

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**Exhibit D**

**JOINDER**



[\*\*\*] Certain information in this document has been excluded pursuant to Regulation S-K, Item 601(b)(10). Such excluded information is not material and would likely cause competitive harm to the registrant if publicly disclosed.

## SERVICES AND PARTNERSHIP AGREEMENT

THIS SERVICE AND PARTNERSHIP AGREEMENT (“**Agreement**”) is effective as of April 12, 2021 (“**Effective Date**”) and is made between Shopify Inc., with an address at 151 O’Connor Street, Ottawa, Ontario, Canada, K2P 2L8, Shopify International Limited, with an address at 2nd Floor Victoria Buildings 1-2 Haddington Road, Dublin 4, D04 XN32, Ireland (referred to jointly herein as “**Shopify**”) and Global-e Online Ltd., with an address at 25 Bazel St., Petah Tikva, Israel (“**GLBE**”). Shopify and GLBE are referred to individually as a “**Party**”, and collectively as the “**Parties.**” For the purposes of this Agreement, except as otherwise specified, references to either Party shall be deemed to be references also to such Party’s Affiliates (as defined below) and shall bind such Affiliates.

### 1. Introduction.

GLBE offers, administers and provides access to certain Services (as defined below) acting as ‘merchant of record’ for the sale of goods offered by online merchants. GLBE and Shopify are entering into this Agreement for GLBE to make the Services, acting as merchant of record, available to Merchants (as defined below), all in accordance with the terms and conditions set forth in this Agreement.

### 2. Definitions.

2.1. “**Affiliates**” means any entity that directly or indirectly controls, is controlled by or is under common control with a Party.

2.2. “**Applicable Law**” means all federal, state, and local laws and regulations, directives and any other relevant authorities, guidance and requirements, including those of Regulatory Authorities or payment networks, applicable to the Parties’ performance under this Agreement, including, but not limited to, as may be applicable, securities laws and regulations (including those of the U.S. Securities and Exchange Commission (the “**SEC**”) or with the Canadian securities regulators), privacy and data protection laws and regulations, anti-money laundering (“**AML**”), Office of Foreign Assets Control (“**OFAC**”), and applicable anti-bribery and anti-corruption laws including the Foreign Corrupt Practices Act.

2.3. “**Change of Control**” means the sale of all or substantially all the assets of a Party; any merger, consolidation or acquisition of a Party with, by or into another corporation, entity or person; or any change in the ownership of more than fifty percent (50%) of the voting capital stock of a Party in one or more related transactions by another corporation (including its affiliates), entity, or person.

2.4. “**Confidential Information**” of the Party making disclosure thereof (“**Disclosing Party**”) means all data and information, regardless of the form or media, relating to the Disclosing Party of which the receiving Party (“**Receiving Party**”) becomes aware as a consequence of, or in relation to, the performance of its obligations or rights under this Agreement, which (i) is not generally known by the public, and (ii) is reasonably identified as confidential at the time of disclosure or which, under the circumstances surrounding disclosure, ought to be reasonably considered as confidential. Confidential Information includes (a) any information about Disclosing Party’s and its Affiliates’ (1) employees, (2) business plans, methods and practices, (3) marketing plans, method and practices, including data flows, product processes and security features, (4) financial information, (5) price lists and pricing policies, (6) contracts and contractual relations with customers, (7) customer names and lists, and (8) personally identifiable information (as defined under Applicable Law); (b) technical information and requirements, drawings, engineering data, performance specifications; (c) the existence and terms and conditions of this Agreement; and (d) confidential information of third parties.

2.5. [\*\*\*]

2.6. “**GLBE Services**” means localization and merchant of record services, including merchant onboarding services, localized welcome messaging for international buyers, local currency pricing, merchant of record services, local acquiring, local payment methods, duty and tax calculation, international shipping, international returns, buyer-facing customer service, import and export compliance services, and other associated compliance services to enable international direct-to-consumer selling by Merchants.

2.7. “**Gross Merchandise Volume**” or “**GMV**” means the total value of all sales (including shipping and tax amounts) for all transactions processed through the GLBE Shopify App for Merchants (either through the Shopify native checkout or through the GLBE checkout).

2.8. “**Materials**” means any content, information, materials and items provided or made accessible by a Party pursuant to this Agreement, including APIs, links, text, images, audio, video and other copyright works, and software, tools, technologies and other functional items, and any other intellectual property in whatever format. Shopify Materials and GLBE Materials shall be construed accordingly.

2.9. “**Merchants**” means any merchant users of the Shopify commerce platform who will expressly elect to use the GLBE Services, and other merchant users of the Shopify commerce platform currently using GLBE Services.

2.10. “**Security Event**” means the unauthorized acquisition of or access to any confidential or personally identifiable information that has been provided by or made available on, or through the Shopify platform or the API, including due to access or use by an unauthorized person or due to unauthorized use.

2.11. “**Shopify API Terms**” means the Shopify API License and Terms of use, as amended from time to time, available at <https://www.shopify.com/legal/api-terms>.

2.12. “**Shopify Partner Terms**” means the Shopify Partner Program Agreement, as amended from time to time, available at <https://www.shopify.ca/partners/terms>.

2.13. “**Taxes**” means any taxes, levies, assessments, imposts, duties or similar charges imposed by any taxing authority.

### 3. Commercial Arrangement

#### 3.1. Strategic Partnership

3.1.1. Commencing on the Effective Date, Shopify and GLBE shall become strategic partners as provided hereinafter and shall continue their co-operation in order to secure and strengthen the existing collaboration to increase effective cross-border trade and benefit from mutual strong growth in the activity of the Merchants.

3.1.2. To affect such strategic partnership, each of GLBE and Shopify shall commit to certain undertakings and obligations towards the other party as further described hereinafter.

#### 3.2. Scope of Relationship

3.2.1. For the duration of the Term, GLBE will be the exclusive third-party provider of an end-to-end cross-border solution that includes localization, merchant of record, duty and tax calculation and remittance, and shipping services for Merchants in a single solution with permissions to access and integrate into the Shopify platform checkout.

3.2.2. Notwithstanding anything to the contrary, Shopify will be entitled to offer its own native, whitelabel, or branded partnership merchant of record solution to any merchants without limitation. Further, each Party will remain free to contract with others with respect to the subject matter of the Agreement, and to provide services that are the same as or similar to those provided by the other party, provided that it does not use the other party's Confidential Information in so doing. Shopify, may, at its sole discretion, or based on merchants' needs, refer clients to use the GLBE Services, provided however, that in no event will Shopify be required to refer any merchants to GLBE, in preference over other providers of similar services.

3.2.3. The Parties will cooperate in good faith to set mutual goals for the partnership.

### 3.3. Consideration

3.3.1. **Shopify Revenue Share.** During the Term, Shopify is entitled to the "**Shopify Revenue Share**", for each Merchant who uses the GLBE Services during the Term, calculated as the product of (i) the [\*\*\*] during an applicable calendar month, multiplied by (ii) [\*\*\*]. Notwithstanding the aforementioned, with respect to [\*\*\*], including such [\*\*\*] with respect to which payments were due and made to Shopify prior to the Effective Date, then commencing on the Effective Date and continuing for the [\*\*\*] period thereafter, the Shopify Revenue Share will be calculated as the product of (i) the [\*\*\*] during an applicable calendar month, multiplied by (ii) [\*\*\*]. Commencing as of immediately following [\*\*\*], the Shopify Revenue Share payable for such [\*\*\*] will [\*\*\*] from [\*\*\*] and will continue throughout the Term as of that point. Without derogating from this provisions of this Section 3.3.1, Shopify and GLBE will discuss in good faith and from time to time and will mutually agree on a case by case basis, [\*\*\*] with respect to [\*\*\*]. The discussion will take place between GLBE's CRO and Shopify's Partnership Manager, unless otherwise agreed on an ad-hoc basis.

3.3.2. **Warrant Agreement.** At the time of execution of this Agreement, the Parties shall enter into the warrant agreement attached hereto as **Schedule 3.3.2.**

3.3.3. **Payouts to Shopify.** No later than [\*\*\*] business days following the end of each calendar month during the Term, GLBE will transfer, in U.S. dollars via wire transfer or ACH, to Shopify's U.S. bank account (the "**Shopify Account**") the aggregate amount of Shopify Revenue Share due for such calendar month pursuant to Sections 3.3.1.

3.3.4. **Statement of Accounts.** GLBE hereby acknowledges and agrees to submit relevant reports to Shopify and shall do so on a monthly basis for each month (or portion of a month), as defined herein. GLBE will submit to Shopify each month via email [\*\*\*], a statement detailing the total amount of Shopify Revenue Share for the month, including the total Gross Merchandise Volume segmented according to [\*\*\*] processed by Merchant country location and which is transacted for Merchants through Shopify's native checkout and [\*\*\*], and any other associated information requested by Shopify, all of which will be compiled by GLBE acting in good faith. GLBE will provide Shopify such statement in substantially the format set out in **Schedule 3.3.4**, which will be deemed accepted after 30 days from submission. The reporting by GLBE will be at all times in sufficient detail to permit Shopify to validate the amount of any such payment.

### 3.4. GLBE Obligations

3.4.1. GLBE will render the GLBE Services directly to the Merchants, and will perform the GLBE Services in a professional manner, in compliance with Applicable Law, and consistent with high industry standards. GLBE, at its sole expense, shall be responsible for ensuring the Merchants' meet the GLBE eligibility criteria to use the GLBE Services.

3.4.2. GLBE, at its sole expense, shall: (i) develop all Merchant agreements and disclosures governing or related to the GLBE Services; and (ii) be responsible for ensuring that such Merchant agreements comply with Applicable Law. GLBE will provide to Shopify all template Merchant agreements in use by GLBE with respect to GLBE Services provided to Merchants at any time for review by Shopify. GLBE will consider, in good faith, any modifications suggested by Shopify.

3.4.3. GLBE, at its sole expense, shall provide the GLBE Services to Merchants, in accordance with the applicable Merchant services agreement (to be entered into exclusively by GLBE and the Merchant, and not by Shopify, based on commercial terms to be agreed upon directly between GLBE and the Merchant), and will be exclusively liable and responsible towards the Merchant for all its obligations under the applicable Merchant services agreement.

3.4.4. GLBE will make all necessary modifications to the GLBE Services to integrate the GLBE Services in such a manner that is satisfactory to Shopify in its sole reasonable discretion. GLBE will make all such modifications within [\*\*\*] of Shopify providing GLBE with access to the API referred to in section 3.5.3 below. GLBE will work with Shopify in good faith throughout the term of this Agreement in order to make any modifications to the GLBE Services that Shopify deems necessary to improve, update, enhance, or maintain the integration with the Shopify platform.

3.4.5. GLBE will be responsible for all customer support and servicing directly related to the provision of the GLBE Services to Merchants. Nothing in this subsection 3.4.5 shall be construed to limit the scope of Shopify's relationship with any Merchants using the GLBE Services or its ability to provide support to Merchants.

### 3.5. Shopify Obligations

3.5.1. Shopify shall, for the term of this Agreement, host the merchant platform as well as the Shopify native checkout (together the "**Platform**"). Shopify's obligation will be to configure and maintain the Platform in a manner that will allow GLBE to perform its obligations under this Agreement and its direct service commitments to Merchants in compliance with Applicable Law.

3.5.2. Shopify will be further obligated to allow the integration of applicable elements of the GLBE Services to the Shopify native checkout. Such applicable elements will be determined by Shopify in its sole discretion, and Shopify will at all times have sole authority to improve, update, and modify its native checkout.

3.5.3. Shopify will make available all of the required APIs that Shopify determines in its sole and reasonable discretion to be necessary to permit GLBE to integrate the GLBE Services into the Shopify platform.

3.6. **Committees.** The Parties will establish an operating committee ("**Strategic Operating Committee**") to oversee and review all aspects of the partnership, including a sub-committee for commercial aspects, and a sub-committee for technological and development aspects. The Strategic Operating Committee will consist of persons with sufficient enterprise responsibility and knowledge of a business unit integral to the performance or supervision of the partnership, as applicable, within each Party (e.g., business development, product/engineering).

## 4. Audit

4.1. GLBE shall maintain consistently applied, accurate and complete books, records and other documents (including electronic files) to document compliance with this Agreement. GLBE shall maintain the applicable books, records and other documents in conformance with generally accepted accounting principles.

4.2. Shopify will have the right at any time to itself perform, or appoint an independent auditor under appropriate non-disclosure conditions, to audit GLBE's books, records and other relevant documents (including electronic files) reasonably required by Shopify to validate the accuracy and completeness of the reporting provided by GLBE under Section 3.3.4.

4.3. GLBE shall be required to comply with all Shopify audit requirements, including but not limited to providing Shopify or its independent auditor, as applicable, with access to GLBE's books, records and other relevant documents (including electronic files) necessary to confirm GLBE's compliance with this Agreement. The foregoing access shall include electronic access to such books, records and documents; providing such access within the time frame requested by Shopify; cooperating with Shopify and responding to any requests from Shopify in a timely fashion, and providing Shopify with access to any relevant personnel, *provided however*, that GLBE will not be required to provide any information, access, records or books that could compromise GLBE's confidentiality or other undertakings towards third parties which are not relevant for the performance of the audit or the validity of the reporting obligations under Section 3.3.4.

4.4. If any such audit reveals financial non-compliance by GLBE:

4.4.1. Shopify or the independent auditor who conducted such audit, as applicable, will provide GLBE with a report (along with supporting documentation) indicating any discrepancies and other failures by GLBE to fulfill its financial obligations under this Agreement;

4.4.2. prompt adjustment will be made by GLBE to compensate for any overpayments or underpayments disclosed by any such audit; and

4.4.3. any expense incurred as part of such examination will be paid by Shopify unless such examination reveals an underpayment of the amounts due from GLBE to Shopify during the audit period that exceeds three (3%) percent of the amount actually due during such period, in which case GLBE will reimburse Shopify for the costs of the audit and will pay the underpayment amount to Shopify within thirty (30) days of the conclusion of the audit.

4.5. If any such audit reveals any technical or other discrepancies or non-compliance, GLBE will be provided with 45 days' notice to remedy such non-compliance, failing which Shopify may terminate this Agreement.

## **5. Representations, Warranties and Covenants.**

5.1. **GLBE Representations, Warranties and Covenants.** GLBE represents, warrants and covenants to Shopify that:

5.1.1. Entering into and carrying out of the terms and conditions of this Agreement will not violate or constitute a breach of any obligation binding GLBE;

5.1.2. GLBE is duly organized, validly existing and in good standing under the laws of the state of jurisdiction of its formation and has full corporate power and authority to carry on its business as currently conducted;

5.1.3. When executed and delivered by GLBE, this Agreement will constitute the legal, valid and binding obligation of GLBE, enforceable in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium and other applicable laws of general application relating to or affecting creditors' rights and general principles of equity;

5.1.4. GLBE has obtained and is in compliance with all licenses, permits, memberships, consents and authorizations required to perform all its obligations under this Agreement and other agreements that must be executed to effect the services provided by GLBE as expressly set forth herein, and which shall be maintained at all times during the term of this Agreement;

5.1.5. To GLBE's knowledge, any Materials and the intellectual property rights to such Materials it may provide to Shopify do not violate the intellectual property rights of any third party;

5.1.6. There is no pending, nor to the knowledge of GLBE, threatened, suit, action, arbitration or other proceedings of a legal, administrative or regulatory nature, or any governmental investigation, against it or any of its affiliates or any officer, director or employee that has not been previously disclosed in writing and that would materially or adversely affect its financial condition or its ability to perform services under or in connection with this Agreement;

5.1.7. GLBE shall at all times comply with and conduct its activities in connection with this Agreement in accordance with Applicable Law;

5.1.8. GLBE shall perform all obligations hereunder in a timely, skillful, professional and workman-like manner by qualified personnel exercising care, skill and diligence consistent with good practices in the financial services industry, and will devote adequate resources to meet its obligations hereunder, in accordance with the terms and conditions of this Agreement;

5.1.9. GLBE has implemented and will maintain an enterprise governance, third-party risk management, and a compliance program that includes legal and regulatory training requirements related to its services contemplated under this Agreement; and

5.1.10. GLBE's services and deliverables, including GLBE Materials, will be free from all viruses, worms, Trojan horses, and malicious code.

5.1.11. GLBE will at all times comply with and conduct its activities in connection with this Agreement in accordance with the Shopify Partner Terms and the Shopify API Terms, except to the extent such terms are inconsistent with this Agreement, in which case the terms of this Agreement shall apply.

5.2. **Shopify Representations, Warranties and Covenants.** Shopify represents, warrants, and covenants to GLBE that:

5.2.1. Entering into and carrying out of the terms and conditions of this Agreement will not violate or constitute a breach of any obligation binding Shopify;

5.2.2. Shopify is duly organized, validly existing and in good standing under the laws of the state of jurisdiction of its formation and has full corporate power and authority to carry on its business as currently conducted;

5.2.3. Shopify has obtained and is in compliance with all licenses, permits, memberships, consents and authorizations required to perform all its obligations under this Agreement;

5.2.4. To Shopify's knowledge, Materials and the intellectual property rights to such Materials it may provide to Shopify do not violate the intellectual property rights of any third party; and

5.2.5. When executed and delivered by Shopify, this Agreement will constitute the legal, valid and binding obligation of Shopify, enforceable in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium and other Applicable Laws of general application relating to or affecting creditors' rights and general principles of equity.

5.2.6. There is no pending, nor to the knowledge of Shopify, threatened, suit, action, arbitration or other proceedings of a legal, administrative or regulatory nature, or any governmental investigation, against it or any of its affiliates or any officer, director or employee that has not been previously disclosed in writing and that would materially or adversely affect its ability to perform its obligations under or in connection with this Agreement;

5.2.7. Shopify shall at all times comply with and conduct its activities in connection with this Agreement in accordance with Applicable Law;

5.2.8. Shopify shall perform all obligations hereunder in a timely, skillful, professional and workman-like manner by qualified personnel exercising care, skill and diligence consistent with good practices in the financial services industry, and will devote adequate resources to meet its obligations hereunder, in accordance with the terms and conditions of this Agreement;

5.2.9. Shopify's services and deliverables, including Shopify Materials, to the extent applicable or as required for this Agreement, will be free from all viruses, worms, Trojan horses, and malicious code.

## 6. Term and Termination.

6.1. **Term.** The term of this Agreement begins on the Effective Date and will remain in effect for an initial term of three (3) years ("**Initial Term**"), unless otherwise terminated as permitted herein. After the Initial Term, this Agreement shall automatically renew for successive 1-year periods (each, a "**Renewal Term**") unless a Party provides the other Party with written notice of its election to terminate this Agreement at least 180 days prior to the expiration the then-current Renewal Term as applicable. The Initial Term together with all Renewal Terms shall be collectively referred to herein as the "**Term.**"

6.2. **Termination for Convenience.** Either Party may immediately terminate this Agreement for convenience by providing 180-days prior written notice to the other Party.

6.3. **Termination for Cause.** In addition to any other termination rights set forth in the Agreement, either Party ("**Terminating Party**") may terminate this Agreement immediately upon notice to the other Party ("**Non-Terminating Party**") (subject to the cure periods and notices noted below, if any) if:

6.3.1. Non-Terminating Party breaches any material provision relating to its security or confidentiality obligations of this Agreement;

6.3.2. Non-Terminating Party materially breaches any provision of this Agreement and the breach is capable of cure but Non-Terminating Party fails to cure such breach within 30 days following written notice to Non-Terminating Party from Terminating Party specifying in reasonable detail the nature of the claimed breach;

6.3.3. Non-Terminating Party materially breaches the Agreement in a manner that cannot be remedied;

6.3.4. GLBE undergoes a Change of Control;

6.3.5. Non-Terminating Party generally fails to pay its debts as they become due, admits in writing its inability to pay its debts generally, makes a general assignment for the benefit of creditors or any proceedings or filing of any petition seeking relief under Title 11 of the United States Code or if any other federal, state or foreign bankruptcy, insolvency, liquidation or similar law is instituted by or against Non-Terminating Party or Non-Terminating Party takes any corporate action to authorize any of the actions set forth in this subsection; provided that this termination right shall only apply to an involuntary petition or proceeding under Title 11 of the United States Code or any other federal, state or foreign bankruptcy, insolvency, liquidation or similar law if such involuntary petition or proceeding is not dismissed within 60 days;

6.3.6. A court of competent jurisdiction (or other administrative body or Regulatory Authority empowered to issue such orders) issues a final order or judgment holding that this Agreement or the services and deliverables offered hereunder are in violation of or are prohibited by Applicable Law;

6.3.7. There is any obligation placed on Terminating Party by a Regulatory Authority or any other third party after the Effective Date that the Terminating Party determines, in its sole and reasonable discretion, would materially diminish the economic value of the Agreement to the Terminating Party, make performance infeasible, or otherwise have a material and adverse effect on the Terminating Party; or

6.3.8. With immediate effect, if so required by a Regulatory Authority or Applicable Law, or Non-Terminating Party is issued a warning or any other form of reprimand by a Regulatory Authority, and if the Regulatory Authority permits a cure, Non-Terminating Party then fails to remedy or cure such situation within 90 days or the cure period designated by Applicable Law or Regulatory Authority, whichever is earlier, following written notice to Non-Terminating Party specifying in reasonable detail the nature of the cause. In the event the non-Terminating Party does not comply with such requirement, the non-Terminating Party shall be responsible for all Losses to the Terminating Party arising from or related to such non-compliance.

6.4. **Effect of Termination.** In the event either Party terminates this Agreement for any reason whatsoever, then each Party will return or destroy, as requested by the Disclosing Party, all Confidential Information of the other Party, except to the extent (i) this Agreement requires or permits the express retention of the Confidential Information; (ii) in accordance with the Receiving Party's record retention policy; (iii) such Confidential Information is retained in automated backups provided that the Receiving Party does not access such Confidential Information; or (iv) as otherwise required by Applicable Law and in which case, such Confidential Information will remain subject to the confidentiality provisions of this Agreement until such time that such obligations expire and the applicable Party certifies the return or destruction of such Confidential Information in accordance with this Section 6.4 (Effect of Termination) and Section 7 (Confidential Information).

## 7. Confidential Information.

7.1. **Obligations for Confidential Information.** Each Party shall hold the Confidential Information of the other Party in confidence and the Receiving Party will disclose such information only to its Personnel who reasonably require access to such Confidential Information. Disclosing Party will be liable for all damages arising out of such third parties' disclosure of Confidential Information. A Receiving Party may use the Confidential Information only as necessary for Receiving Party's performance under or pursuant to rights granted in this Agreement and for no other purpose. A Receiving Party shall protect or be required to protect, in the case of Receiving Parties that are third parties so authorized to receive Confidential Information pursuant to this Agreement, the Disclosing Party's Confidential Information using at least the same degree of care it uses to protect its own Confidential Information, but no less than a reasonable degree of care, to prevent the unauthorized use, disclosure or duplication (except as required for backup systems or to carry out the purpose of the Agreement) of such Confidential Information.

7.2. **Compelled Disclosure.** If a court or governmental agency having proper jurisdiction over the Parties requires a Receiving Party to disclose any Confidential Information, then Receiving Party will promptly provide the Disclosing Party notice of such requirement (to the extent permissible under applicable law) to enable the Disclosing Party to seek an appropriate protective order.

7.3. **Authorized Disclosure.** A Receiving Party may disclose the Disclosing Party's Confidential Information with the written authorization of the Disclosing Party.

7.4. **Exclusions.** Subject to the last sentence of this Section 7.4 (Exclusions), the term "Confidential Information" excludes any portion of such information that a Receiving Party can establish by clear and convincing evidence to have been: (i) publicly known without breach of this Agreement; (ii) known by the Receiving Party prior to its receipt from the Disclosing Party; (iii) received in good faith from a third-party source that to Receiving Party's reasonable knowledge rightfully disclosed such information without an obligation of confidentiality; or (iv) developed independently by Receiving Party without use or reference to the Disclosing Party's Confidential Information.

7.5. **Filings.** Neither Party shall file the Agreement (including any addendum, schedule, supplement or attachment), or any future amendment or supplement hereto, with the SEC or with the Canadian securities regulators unless such filing is required under Applicable Law. In the event that a Party determines that the Agreement (or amendment or supplement) must be filed with the SEC or with the Canadian securities regulators under applicable law, it shall take all actions necessary to obtain confidential treatment to the extent possible for the Agreement and all exhibits, addenda, schedules, supplements and attachments (including all pricing attachments).

7.6. **Remedies.** If the Receiving Party or its representatives or agents breach the obligations set forth in this Section 7 (Confidential Information), then irreparable injury may result to the Disclosing Party or third parties entrusting Confidential Information to the Disclosing Party. Therefore, the Disclosing Party's remedies at law may be inadequate and the Disclosing Party will be entitled to seek an injunction to restrain any continuing breach. Notwithstanding any limitation on Receiving Party's liability, the Disclosing Party will further be entitled to any other rights and remedies that it may have at law or in equity.

## 8. Intellectual Property Rights.

8.1. **Shopify Materials.** To the extent that Shopify provides any Shopify Materials to GLBE pursuant to this Agreement, the following shall apply:

8.1.1. **License.** Shopify hereby grants to GLBE a limited, non-exclusive, non-transferable, non-sublicensable and revocable license to the Shopify Materials during the Term, solely as necessary for GLBE fulfill its obligations under this Agreement and for no other purpose.



8.1.2. **Ownership.** The Shopify Materials are owned by Shopify and licensed to GLBE and not sold to GLBE. Shopify owns and reserves all right, title and interest in and to the Shopify Materials and all Intellectual Property Rights therein.

8.1.3. **Risk of Loss.** To the extent that Shopify provides any Shopify Materials to GLBE for the performance of its obligations under this Agreement, GLBE will: (i) take all reasonable precautions to protect such property against loss, damage, theft or disappearance; (ii) take no actions that affect Shopify's title or interest; (iii) abide by specifications and use instructions; (iv) not give access to any third party without Shopify's prior written consent; and (v) not reverse engineer, decompile, disassemble, modify, create derivative works of or otherwise create, attempt to create or derive, or permit or assist any third party to create or derive, the source code underlying the Shopify Materials.

8.1.4. **Approval.** To the extent that GLBE will display the Shopify Materials in any publicly-available medium, GLBE will seek Shopify's prior written consent for such display, such consent not to be unreasonably withheld, conditioned or delayed by Shopify.

8.1.5. **Removal of Shopify Materials.** Shopify, acting reasonably, shall be entitled to request the removal of all or certain of the Shopify Materials from any medium in which they are used by GLBE and, upon receipt of such request GLBE shall cease using such Shopify Materials within 10 business days.

8.2. **GLBE Materials.** To the extent that GLBE provides any GLBE Materials to Shopify pursuant to this Agreement, the following shall apply:

8.2.1. **License.** GLBE hereby grants to Shopify a limited, non-exclusive, non-transferable, non-sublicensable and revocable license to the GLBE Materials during the Term, solely as necessary for Shopify to fulfill its obligations under this Agreement and for no other purpose.

8.2.2. **Ownership.** The GLBE Materials are owned by GLBE and licensed to Shopify and not sold to Shopify. GLBE owns and reserves all right, title and interest in and to the GLBE Materials and all Intellectual Property Rights therein.

8.2.3. **Risk of Loss.** To the extent that GLBE provides any GLBE Materials to Shopify for the performance of its obligations under this Agreement, Shopify will: (i) take all reasonable precautions to protect such property against loss, damage, theft or disappearance; (ii) take no actions that affect GLBE's title or interest; (iii) abide by specifications and use instructions; (iv) not give access to any third party without GLBE's prior written consent; and (v) not reverse engineer, decompile, disassemble, modify, create derivative works of or otherwise create, attempt to create or derive, or permit or assist any third party to create or derive, the source code underlying the GLBE Materials.

8.2.4. **Removal of GLBE Materials.** GLBE, acting reasonably, shall be entitled to request the removal of all or certain of the GLBE Materials from any medium in which they are used by Shopify and, upon receipt of such request Shopify shall cease using such Shopify Materials within 10 business days.

8.3. **Reservation of Intellectual Property Rights.** Nothing in this Agreement shall be construed as granting either Party a license to use in any way the Intellectual Property Rights of the other Party, except as provided in this Agreement. Neither Party shall take any action that interferes with the other Party's Intellectual Property Rights or attempt to copyright or patent any part of the other Party's Intellectual Property Rights or attempt to register any trademark, service mark or trade name that is identical or confusingly similar to the other Party's marks.

## 9. Miscellaneous.

9.1. **Public Releases; Required Release.** All media releases, public announcements and public disclosures by Shopify or GLBE or their representatives, employees, partners or agents, relating to this Agreement, including, without limitation, promotional or marketing material, but not including any disclosure required by legal, accounting or regulatory requirements beyond the reasonable control of the releasing Party, shall be coordinated with and approved by both Parties in writing prior to the release thereof. Each Party may file the Agreement

(including any addendum, schedule, supplement or attachment), or any future amendment or supplement hereto, with the SEC or with the Canadian securities regulators if such filing is required under the applicable regulations or Applicable Law. In the event that a Party determines that the Agreement (or amendment or supplement) must be filed with the SEC or with the Canadian securities regulators under applicable law, it shall take all actions necessary to obtain confidential treatment to the extent possible for the Agreement and all exhibits, addenda, schedules, supplements and attachments (including all pricing attachments).

**9.2. Non-Disparagement.** In public communications or direct private communications with Merchants, GLBE will not make disparaging or derogatory statements about Shopify or any Shopify product or service and further will not seek to encourage or induce a Merchant to cease using any Shopify service; provided, however, nothing herein shall: (a) prohibit GLBE from engaging in general marketing of its products or services which are competitive to the products and services of Shopify and which are issued in accordance with section 9.1, or (b) prohibit complaints by employees of GLBE in their individual capacity as consumers or customers of Shopify or its affiliates.

**9.3. Escalation.** Any dispute, controversy or claim relating to all or any of the provisions of this Agreement shall be referred to the senior management of the Parties - GLBE's CRO and Shopify's Commercial Lead - for good faith discussions and resolution. If any dispute, controversy, or claim cannot be resolved by such good faith discussions between the above mentioned senior managers within three business days, it shall be referred to a discussion between GLBE's President and Shopify's Vice President, Merchant Services for expeditious resolution.

#### **9.4. Independent Contractors.**

9.4.1. GLBE and Shopify agree that they are independent contractors to each other in performing their respective obligations hereunder. This Agreement will not be construed as creating a relationship of employment, agency, partnership, joint venture or any other form of legal association. Neither Party has any power to bind the other Party or to assume or to create any obligation or responsibility on behalf of the other Party or in the other Party's name.

9.4.2. Each Party's personnel are not eligible for, nor may they participate in, any employee benefit plans of the other Party, and the non-employing Party will not insure the employing Party for workers' compensation coverage or for unemployment insurance. Each Party is solely responsible for and agrees to comply with all federal and state laws and regulations with respect to: (i) hire, tenure, and conditions of employment; (ii) hours of work, salaries and compensation (including unemployment compensation); (iii) deductions and withholdings; (iv) payment of any and all contributions, taxes and assessments, with respect to all Party Personnel who provide services hereunder; and (v) the keeping of records and making of reports.

**9.5. Notices.** For a notice or other communication under this Agreement to be valid, it must be in writing and delivered via email, or by a globally recognized express delivery service or fax (followed by an email copy, receipt of which need not be acknowledged) to the other party at the address listed herein. Any such notice or communication will be deemed to have been delivered and received (1) in the case of email, on the date the recipient acknowledges having received the email, with an automatic "read receipt" constituting acknowledgment of an email for purposes of this Section and (2) in the case of a globally recognized express delivery service, the business day on which receipt by the addressee is confirmed pursuant to the service's systems, and (3) by fax on the date of delivery of such fax with a confirmation of such fax being delivered. Either party may update its address for notice by giving the other party written notice of the new address.

#### **9.6. Taxes.**

9.6.1. Each Party is responsible for all its respective applicable Taxes that arise from or as a result of any activities under this Agreement or with respect to Party's dealings with a Merchant.

9.6.2. The payment of any consideration by GLBE to Shopify under this Agreement shall be made without the deduction or withholding of any Taxes, unless otherwise required by law. If such deduction or withholding is so required, GLBE shall pay the amount of such Taxes so imposed to the applicable taxing authority, and shall pay such additional amounts to Shopify so that Shopify receives the net amount after such deduction or withholding that it would have received had no such deduction or withholding been imposed.

**9.7. Indemnities.**

9.7.1. GLBE agrees to defend, indemnify and hold harmless Shopify, its affiliates, subsidiaries, officers, directors, shareholders and employees against any third party claim, suit or demand (including reasonable legal fees) made or incurred by any third party due to or arising out of (a) a breach of this Agreement; (b) GLBE's gross negligence, fraud, or wilful misconduct in carrying out the terms of this Agreement; (c) a claim that the GLBE Services infringes any third party's intellectual property rights; (d) any Merchant's use of the GLBE Services, including any claim made by customs or tax authorities; (e) any violation of Applicable Laws; (f) harm, injury or loss related to a product sold by GLBE in connection with the GLBE Services; or (g) any Security Event which occurs on any GLBE information system.

9.7.2. Shopify agrees to defend, indemnify and hold harmless GLBE, its affiliates, subsidiaries, officers, directors, shareholders and employees against any third party claim, suit or demand (including reasonable legal fees) made or incurred by any third party due to or arising out of (a) a breach of this Agreement; (b) Shopify's gross negligence, fraud, or wilful misconduct in carrying out the terms of this Agreement; or (c) any Security Event which occurs on any Shopify's information system.

**9.8. Limitation of Liability.**

9.8.1. IN NO EVENT SHALL EITHER PARTY (OR ITS AFFILIATES, DIRECTORS, OFFICERS, EMPLOYEES OR REPRESENTATIVES) BE LIABLE FOR INDIRECT, SPECIAL, INCIDENTAL, EXEMPLARY, OR CONSEQUENTIAL DAMAGES, INCLUDING LOST PROFITS (HOWEVER ARISING, INCLUDING NEGLIGENCE) ARISING OUT OF OR IN ANY WAY RELATING TO THIS AGREEMENT.

9.8.2. IN NO EVENT SHALL EITHER PARTY OR ITS AFFILIATES, DIRECTORS, OFFICERS, EMPLOYEES, OR REPRESENTATIVES BE LIABLE FOR AN AMOUNT EXCEEDING ANY AMOUNTS PAID BY GLBE UNDER THIS AGREEMENT IN THE [\*\*\*] PRECEDING THE OCCURRENCE OF FACTS THAT FIRST GIVE RISE TO ANY LIABILITY HEREUNDER, PROVIDED THAT DURING THE FIRST [\*\*\*] OF THE TERM SUCH LIMITATION WILL BE BASED ON THE AVERAGE MONTHLY REVENUE SHARE PAID UNDER THIS AGREEMENT PRIOR TO THE DATE OF THE FIRST CLAIM GIVING RISE TO SUCH LIABILITY MULTIPLIED BY [\*\*\*]. THE EXISTENCE OF MORE THAN ONE CLAIM OR EVENT FROM WHICH LIABILITY ARISES WILL NOT ENLARGE THIS AGGREGATE LIMITATION. THIS AGGREGATE LIMIT IS A SINGLE, GLOBAL LIMIT THAT APPLIES COLLECTIVELY (AND NOT INDIVIDUALLY) TO EVENTS GIVING RISE TO LIABILITY OF EACH PARTY.

9.8.3. EXCLUSIONS. THE LIMITATIONS OF LIABILITY SET FORTH HEREIN SHALL NOT APPLY TO (A) GLBE'S OBLIGATION TO PAY CONSIDERATION DUE PURSUANT TO SECTION 3; OR (B) EITHER PARTY'S INDEMNIFICATION OBLIGATIONS UNDER THIS AGREEMENT.

9.9. **Entire Agreement.** This Agreement, together with the Partner Terms and the API Terms, as applicable, constitute the complete and entire agreement of the Parties with respect to the relationship between the Parties and in particular the subject matter hereof, and supersedes all prior oral and written agreements, understandings, and communications between the Parties, and further this Agreement prevails over any inconsistency with the Shopify Partner Terms and the Shopify API Terms. For the avoidance of doubt this Agreement shall not terminate or be deemed to be terminated or amended even if the Shopify Partner Terms and Shopify API Terms are amended, varied, expire or otherwise replaced, changed by Shopify.

9.10. **Amendment and Waiver.** No amendment of this Agreement will be effective unless it is in writing and signed by both Parties. No waiver of a party's failure to comply with an obligation under this Agreement will be effective unless it is in writing and signed by the other party.

9.11. **Governing Law and Forum.** This Agreement is governed by the laws of the Province of Ontario and the laws of Canada applicable therein without giving effect to its principles of conflicts of law. Any dispute regarding this Agreement must be decided by a court of competent jurisdiction located in Ontario, Canada.

9.12. This Agreement may be executed and delivered in any number of counterparts, each of which will be deemed an original and all of which together will constitute one and the same instrument.

\*\*\*\*\*

IN WITNESS WHEREOF, the Parties have executed this Agreement by their authorized representatives as of the Agreement Effective Date.

/s/ Amir Schlachet  
GLOBAL E-ONLINE LTD.

By: Amir Schlachet

Title: CEO

/s/ Amy Shapero  
SHOPIFY INC.

By: Amy Shapero

Title: Chief Financial Officer

/s/ John Riordan  
SHOPIFY INTERNATIONAL LIMITED

By: John Riordan

Title: Director



**CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

We consent to the reference to our firm under the caption “Experts” and to the use of our report dated February 19, 2021 (except for the effects of the share split as described in Note 5a, the effect of the restatement as described in Note 14 and subsequent event as described in Note 15 as to which the date is April 13, 2021) in Amendment No. 1 to the Registration Statement (Form F-1 No. 333-253999) and the related Prospectus of Global-e Online Ltd. dated April 13, 2021.

April 13, 2021

/s/ Kost Forer Gabbay & Kasierer

Tel-Aviv, Israel

A Member of Ernst & Young Global

CONSENT TO BE NAMED AS DIRECTOR

In connection with the Registration Statement on Form F-1 (including any and all amendments, including post-effective amendments, or supplements thereto, the "Registration Statement") of Global-E Online Ltd. (the "Company"), the undersigned hereby consents to being named and described in the Registration Statement filed with the U.S. Securities and Exchange Commission as a person to become a director of the Company, with such appointment to become effective as of immediately prior to, and contingent upon, the closing of the offering described in the Registration Statement, and to the filing or attachment of this Consent with such Registration Statement.

IN WITNESS WHEREOF, the undersigned has executed this Consent as of the 19<sup>th</sup>, day of March, 2021.

/s/ Tzvia Broida

Name: Tzvia Broida



CONSENT TO BE NAMED AS DIRECTOR

In connection with the Registration Statement on Form F-1 (including any and all amendments, including post-effective amendments, or supplements thereto, the "Registration Statement") of Global-E Online Ltd. (the "Company"), the undersigned hereby consents to being named and described in the Registration Statement filed with the U.S. Securities and Exchange Commission as a person to become a director of the Company, with such appointment to become effective as of immediately prior to, and contingent upon, the closing of the offering described in the Registration Statement, and to the filing or attachment of this Consent with such Registration Statement.

IN WITNESS WHEREOF, the undersigned has executed this Consent as of the 18<sup>th</sup>, day of March, 2021.

/s/ Anna J. Bakst

Name: Anna J. Bakst

CONSENT TO BE NAMED AS DIRECTOR

In connection with the Registration Statement on Form F-1 (including any and all amendments, including post-effective amendments, or supplements thereto, the "Registration Statement") of Global-E Online Ltd. (the "Company"), the undersigned hereby consents to being named and described in the Registration Statement filed with the U.S. Securities and Exchange Commission as a person to become a director of the Company, with such appointment to become effective as of immediately prior to, and contingent upon, the closing of the offering described in the Registration Statement, and to the filing or attachment of this Consent with such Registration Statement.

IN WITNESS WHEREOF, the undersigned has executed this Consent as of the 19<sup>th</sup>, day of March, 2021.

/s/ Iris Epple-Righi

Name: Iris Epple-Righi