



**SISRAM MEDICAL LIMITED**

*(incorporated in Israel with limited liability)*

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**RULES OF THE  
2021 RESTRICTED SHARE UNIT SCHEME**

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Adopted by a resolution of the shareholders of  
Sisram Medical Limited on [●] 2021

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**SISRAM MEDICAL LIMITED**  
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**RULES OF THE 2021 RESTRICTED SHARE UNIT SCHEME**

**1. DEFINITIONS AND INTERPRETATION**

1.1 In this Scheme, unless the context otherwise requires, the following expressions have the meanings set out below:

**Adoption Date** means [●] 2021, being the date on which this Scheme is adopted by a resolution of the Shareholders;

**Applicable Period** has the meaning ascribed to it in **paragraph 7.4**;

**associate** has the meaning ascribed to it in the Listing Rules;

**Auditors** means the auditors of the Company from time to time;

**Board** means the board of Directors from time to time or a duly authorised committee of the Board or such other committee as the Board may authorise;

**Business Day** means any day on which the Stock Exchange is open for the business of dealing in securities;

**Cash Payment** means an amount in cash to be paid to a Grantee in satisfaction of an RSU upon its vesting, the amount of which shall be determined by the Company in accordance with the formula set out below:

**Cash Payment = A x B**

where:

**A** = the number of Shares in respect of which the RSU has vested; and  
**B** = the Market Value of a Share on the Vesting Date or, if the Vesting Date is not a Business Day, the Market Value of a Share on the last Business Day preceding the Vesting Date,

and the Company's determination of the amount of the Cash Payment shall, in the absence of fraud or manifest error, be binding on the Company, the Trustee and the relevant Grantee;

**Cause** means, with respect to a Grantee, such event as will entitle the Company and/or any of its subsidiaries to terminate the employment or service of the Grantee with immediate notice without compensation under the relevant employment or service agreement or equivalent or, if it is not otherwise provided for in such agreement, (a) the commission of an act of theft, embezzlement, fraud, dishonesty, ethical breach or other similar acts or commission of a criminal offence, (b) a material breach of any agreement or understanding between the Grantee and the Company and/or any of its subsidiaries, including any applicable invention assignment, employment, non-competition, confidentiality or other similar agreement, (c) misrepresentation or omission of any material fact in connection with his employment or service agreement or equivalent, (d) a material failure to perform the customary duties of an employee of the Company and/or any of its subsidiaries (where relevant), to obey the reasonable directions of a supervisor or to abide by the policies or codes of conduct of the Group or any member of the Group or (e) any conduct that is or is reasonably likely to be materially adverse to the name, reputation or interests of the Group;

**Company** means Sisram Medical Limited, a limited liability company incorporated under the laws of Israel, the Shares of which are listed on the Stock Exchange;

**Companies (WUMP) Ordinance** means the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), as amended and restated from time to time;

**Competitor** means any corporation, partnership, joint venture, trust, individual proprietorship, firm, governmental unit or other enterprise (including any of their respective affiliates) that carries on activities for profit or is engaged in or is about to become engaged in any activities of any nature that competes (directly or indirectly) with a product, process, technique, procedure, device or service of the Company or any of its subsidiaries;

**connected person** has the meaning ascribed to it in the Listing Rules;

**Director** means a director of the Company;

**Disability** means a disability, whether temporary or permanent, partial or total as determined by the Board in its absolute discretion;

**Grant** means the grant of an RSU made to a Participant in accordance with **paragraph 3**;

**Grantee** means any Participant who accepts a Grant in accordance with the terms of this Scheme or, where the context so permits, any person entitled to any such RSU in consequence of the death of the original Grantee or the legal personal representative of such person;

**Group** means the Company and its subsidiaries;

**Hong Kong** means the Hong Kong Special Administrative Region of the People's Republic of China;

**Israeli Companies Law** means the Companies Law 5759-1999 of Israel and the regulations promulgated thereunder, as amended and restated from time to time;

**Listing Date** means the date on which the Shares are first listed and from which dealings in the Shares are permitted to take place on the Main Board of the Stock Exchange;

**Listing Rules** means the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended or supplemented from time to time;

**Market Value** means, in relation to a Share on any day, the closing price of a Share as stated in the daily quotations sheets issued by the Stock Exchange;

**New Approval Date** has the meaning ascribed to it in **paragraph 7.2**;

**Notice of Grant** has the meaning ascribed to it in **paragraph 3.2**;

**Participants** means the Directors (including executive Directors and non-executive Directors, but excluding independent non-executive Directors), the directors of the Company's subsidiaries, the employees of the Group and any other persons who the Board considers, in its absolute discretion, have contributed or will contribute to the Group;

**RSU** means a restricted share unit, being a contingent right to receive Shares or a Cash Payment, in either case granted pursuant to this Scheme;

LR17.03(2)

**Securities and Futures Ordinance** means the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended and restated from time to time;

**Scheme** means this restricted share unit scheme in its present form or as amended from time to time in accordance with the provisions hereof;

**Scheme Mandate Limit** means the total number of Shares in respect of which RSUs may be granted pursuant to this Scheme and any other share-based incentive schemes of the Company, and subject to any renewal by the Shareholders, the Scheme Mandate Limit would initially be 22,107,780 Shares;

**Shareholder(s)** means holder(s) of Shares;

**Shares** means fully paid ordinary shares in the share capital of the Company or, if there has been a sub-division, reduction, consolidation, reclassification or reconstruction of the share capital of the Company, the shares forming part of the ordinary share capital of the Company of such nominal amount as shall result from any such sub-division, reduction, consolidation, reclassification or reconstruction;

**Stock Exchange** means The Stock Exchange of Hong Kong Limited;

**subsidiary** has the meaning ascribed to it in the Listing Rules;

**Term** has the meaning ascribed to it in **paragraph 2.4**;

**Trustee** means the professional trustee that may be appointed by the Company pursuant to **paragraph 2.6**;

**vest** means the Grantee becoming entitled to receive all or some of the Shares underlying the RSU granted to him in accordance with the terms of the relevant RSU and of this Scheme; and

**Vesting Date** means the date on which an RSU vests.

1.2 Paragraph headings are inserted for convenience of reference only and shall be ignored in the interpretation of this Scheme. References to **paragraphs** are to the paragraphs of this Scheme. Words importing the singular include the plural and *vice versa*, words importing a gender or the neuter include both genders and the neuter references to persons include bodies corporate or unincorporate.

1.3 References in this Scheme to any document are to that document as amended, consolidated, supplemented, novated or replaced from time to time.

1.4 References (express or implied) in this Scheme to ordinances and to statutory and regulatory provisions and the Listing Rules shall be construed as references to those ordinances or statutory and regulatory provisions and the Listing Rules as respectively amended or re-enacted or as their application is modified by other provisions (whether before or after the date hereof) from time to time and shall include any provisions of which there are re-enactments (whether with or without modification) and any orders, regulations, instruments, other subordinate legislation or practice notes under the relevant ordinance, statutory or regulatory provision or the Listing Rules.

1.5 In construing this Scheme:

- (a) the rule known as the *ejusdem generis* rule shall not apply and accordingly, general words introduced by the word “other” shall not be given a restrictive meaning by reason of the fact that they are preceded by words indicating a particular class of acts, matters or things; and
- (b) general words shall not be given a restrictive meaning by reason of the fact that they are followed by particular examples intended to be embraced by the general words.

## **2. PURPOSE, DURATION AND ADMINISTRATION OF THIS SCHEME**

2.1 The purpose of this Scheme is to attract skilled and experienced personnel, to incentivise them to remain with the Group and to motivate them to strive for the future development and expansion of the Group by providing them with the opportunity to acquire equity interests in the Company.

2.2 This Scheme shall be subject to the administration of the Board whose decision as to all matters arising in relation to this Scheme or its interpretation or effect shall (save as otherwise provided herein) be final and binding on all parties. The Board shall have the right to (a) interpret and construe the provisions of this Scheme; (b) determine the persons (if any) who shall be granted RSUs pursuant to this Scheme; (c) determine the terms on which RSUs are granted; (d) determine the number of Shares to be granted under each RSU; (e) subject to **paragraphs 10 and 11.1**, make such adjustments to the terms of this Scheme and to the terms of RSUs granted pursuant to this Scheme as the Board deems necessary provided that it shall notify the relevant Grantee(s) of such adjustment(s) by written notice; and (f) make such other decisions or determinations as it shall deem appropriate in relation to the RSUs and/or the administration of this Scheme provided that the same are not inconsistent with the provisions of this Scheme.

2.3 This Scheme shall take effect subject to the passing of an ordinary resolution by the Shareholders to approve and adopt this Scheme and to authorise the Board to make Grants pursuant to this Scheme and to allot and issue or otherwise deal with Shares in connection with this Scheme.

2.4 Subject to **paragraphs 2.3 and 13**, this Scheme shall be valid and effective for the period commencing on the Adoption Date and expiring on the 5<sup>th</sup> anniversary thereof or such earlier date as the Scheme is terminated in accordance with **paragraph 13** (the *Term*), after which period no further RSUs shall be offered or granted but the provisions of this Scheme shall remain in full force and effect in all other respects. RSUs granted during the Term shall continue to be valid in accordance with their terms of Grant after the end of the Term.

2.5 No member of the Board shall be personally liable by reason of any contract or other instrument executed by him or on his behalf in his capacity as a member of the Board nor for any mistake of judgment made in good faith in relation to the administration or interpretation of this Scheme, and to the extent permitted by law the Company shall indemnify on demand and hold harmless each Director, employee or officer of the Company to whom any duty or power relating to the administration or interpretation of this Scheme may be allocated or delegated, against any cost or expense (including legal fees) or liability (including any sum paid in settlement of a claim with the approval of the Board) arising out of any act or omission to act in connection with this Scheme unless arising out of such person’s own negligence, fraud or bad faith.

2.6 The Company may (but is not obliged to) appoint the Trustee to assist with the administration and vesting of RSUs granted pursuant to this Scheme. The Company may to the extent permitted by the Israeli Companies Law and the Listing Rules (a) allot and issue

Shares to the Trustee to be held by the Trustee pending the vesting of the RSUs granted and which will be used to satisfy the RSUs upon vesting and/or (b) direct and procure the Trustee to make on-market purchases of Shares to satisfy the RSUs upon vesting. The Company shall to the extent permitted by the Israeli Companies Law provide sufficient funds to the Trustee by whatever means as the Board may in its absolute discretion determine to enable the Trustee to satisfy its obligations in connection with the administration and vesting of RSUs.

### **3. GRANT OF RSUS**

3.1 If any RSUs which may be granted pursuant to this Scheme are to be satisfied by the Company through allotting and issuing the relevant number of Shares to the Grantee, such Grant shall be conditional upon the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Shares that may be allotted and issued by the Company to satisfy such RSUs. On and subject to the terms of this Scheme and the Listing Rules, the Board shall be entitled (but shall not be bound) at any time during the Term to make a Grant to any Participant, as the Board may in its absolute discretion select.

3.2 A Grant shall be made to a Participant by a notice (the *Notice of Grant*) in such form as the Board may from time to time determine requiring the Participant to undertake to hold the RSU on the terms on which it is to be granted and to be bound by the terms of this Scheme and any other terms and conditions as contained in the Notice of Grant and shall remain open for acceptance by the Participant for such time to be determined by the Board, provided that no such Grant shall be open for acceptance after the expiry of the Term or after the Participant to whom the Grant is made has ceased to be a Participant. The RSU may be evidenced by a deed.

3.3 The Notice of Grant shall specify the terms on which the RSUs are to be granted, including:

- (a) the date of Grant and number of Shares underlying the RSUs;
- (b) the Vesting Date;
- (c) any performance conditions or other conditions that must be satisfied in order for the RSUs to vest in whole or in part; and
- (d) any other terms which the Board has determined shall apply to the RSUs.

3.4 The Board may, in its absolute discretion, determine whether all or any of the RSUs granted or to be granted under the Scheme shall be satisfied upon vesting by the allotment and issue or transfer of Shares or by a Cash Payment. Any such determination may be made on a case-by-case basis or generally at any time prior to the Grant or Vesting Date of the RSUs in question, and the Board shall notify the relevant Grantees of such determination.

3.5 No Grant shall be made to, nor shall any Grant be capable of acceptance by, any Participant at a time when the Participant would or might be prohibited from dealing in the Shares by the Listing Rules or by any other applicable laws, regulations or rules (including any dealing code of the Company).

3.6 A Grant is accepted when the Company receives written notice (in electronic or hard copy form or such other form as the Board may accept) of the Grantee's acceptance. The Company may require the Grantee to pay a remittance of the sum of HK\$1.00 or such other amount to be set out in the Notice of Grant in any other currency as may be determined by the

Board as consideration for the Grant of the RSU. Such remittance is not refundable in any circumstances.

3.7 If the Grant is not accepted within the time period and in the manner specified by the Company, the Grant will be deemed to have been irrevocably declined and it shall lapse with immediate effect.

3.8 The Company may not Grant any RSU after inside information has come to its knowledge until such time as that information has ceased to constitute inside information. In particular, the Company may not Grant any RSU during the period commencing one month immediately before the earlier of:

- (a) the date of the meeting of the Board (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and
- (b) the deadline for the Company to publish an announcement of its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules),

and ending on the date of the results announcement. Where a Grant is to a Director, no Grant may be made on any day on which the financial results of the Company are published and during the period of:

- (c) 60 days immediately preceding the publication date of the annual results or, if shorter, the period from the end of the relevant financial year up to the publication date of the results; and
- (d) 30 days immediately preceding the publication date of the quarterly results (if any) and half-year results or, if shorter, the period from the end of the relevant quarterly or half-year period up to the publication date of the results.

#### **4. GRANT OF RSUS TO CONNECTED PERSONS**

Any Grant to any Director, chief executive or substantial shareholder of the Company, or any of their respective associates, shall be subject to the prior approval of the independent non-executive Directors and all Grants to connected persons shall be subject to compliance with the requirements of the Israeli Companies Law and the Listing Rules, including where necessary the prior approval of the Shareholders.

#### **5. VESTING**

5.1 Subject to and in accordance with the terms of this Scheme and the specific terms applicable to each RSU, an RSU shall vest on the Vesting Date. If the vesting of an RSU is subject to the satisfaction of performance or other conditions and such conditions are not satisfied, the RSU shall lapse automatically in respect of such proportion of underlying Shares as have not vested.

5.2 Subject to **paragraph 14.5**, RSUs which have vested shall be satisfied as soon as practicable on or after the Vesting Date and in any event by no later than 15 Business Days following the Vesting Date, at the Company's absolute discretion by:



- (a) the Company allotting and issuing the relevant number of Shares to the Grantee credited as fully paid; or
- (b) the Company directing and procuring the Trustee to transfer to the Grantee the relevant number of Shares; or
- (c) the Company paying or procuring the payment of a Cash Payment (and the Company may in its discretion pay or procure the payment of the Cash Payment in Hong Kong dollars or the equivalent in the Grantee's local currency (converted on the basis of such exchange rate as the Company may in its discretion determine)).

5.3 Notwithstanding the foregoing, if the Company, the Trustee or any Grantee would or might be prohibited by the Listing Rules or by any other applicable laws, regulations or rules (including any dealing code of the Company) from dealing in the Shares on the Vesting Date or within the period specified above, the date on which the RSUs shall vest or the relevant Shares under such RSUs shall be allotted and issued or transferred (as the case may be) to the Grantee shall occur as soon as possible after the date when such dealing is permitted.

5.4 Shares to be allotted and issued or transferred pursuant to the Scheme will rank *pari passu* in all respects with the Shares then in issue except for any rights attaching to Shares by reference to a record date before the date of issue.

5.5 A Grantee shall have no rights in respect of any Share subject to an RSU until the Shares are allotted and issued or transferred to him (as the case may be) under the terms of this Scheme.

## 6. CORPORATE EVENTS

6.1 In the event of:

- (a) a general offer by way of a takeover or otherwise (other than by way of scheme of arrangement pursuant to **paragraph 6.1(b)** below) which is made by any person to acquire all the Shares (other than those already owned by the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror) and such offer becoming or being declared unconditional prior to the Vesting Date of any RSU; or
- (b) a general offer by any person for Shares by way of scheme of arrangement is made to all the Shareholders and which is approved by the necessary number of Shareholders at the requisite meeting(s) prior to the Vesting Date of any RSU; or
- (c) a compromise or arrangement (other than a scheme of arrangement contemplated in **paragraph 6.1(b)**) between the Company and the Shareholders and/or the creditors of the Company is proposed for the purposes of or in connection with a plan for the reconstruction of the Company or its amalgamation with any other company or companies prior to the Vesting Date of any RSU,

the Board shall, subject to **paragraph 6.3** and prior to the offer becoming or being declared unconditional or (in the case of **paragraphs 6.1(b) or 6.1(c)** prior to the date of the relevant meeting(s)), determine in its absolute discretion whether any RSU that has not vested shall vest. To the extent that any RSU does not vest, it shall lapse automatically on (in the case of **paragraph (a)**) the date on which the offer closes; (in the case of **paragraph 6.1(b)**) the record date for determining entitlements under the scheme of arrangement; and (in the case of **paragraph 6.1 (c)**) on the date of the meeting of Shareholders or creditors.

6.2 In the event a notice is given by the Company to the Shareholders to convene a general meeting for the purposes of considering and, if thought fit, approving a resolution to voluntarily wind-up the Company prior to the Vesting Date of any RSU, the Company shall give notice thereof to all the Grantees on the same day as it despatches to the Shareholders the notice convening the meeting. Notwithstanding any other terms on which the RSU was granted, the RSU shall vest in accordance with **paragraph 6.3**. The Company shall as soon as possible and in any event no later than one Business Day immediately prior to the date of the proposed general meeting, procure the allotment and issue or transfer of the relevant number of Shares to the Grantee which falls to be allotted and issued or transferred on such vesting of the RSU or procure that a Cash Payment (or a combination of Shares and a Cash Payment) be made to the Grantee.

6.3 The number of Shares in respect of which any RSU vests pursuant to **paragraphs 6.1** or **6.2** (if any) and the date or dates on which any such vesting will occur shall be determined by the Board in its absolute discretion by reference to factors which may include (a) the extent to which any performance or other conditions to vesting have been satisfied as at the relevant event and (b) the proportion of the period from the date of Grant to the normal Vesting Date that has elapsed as at the relevant event.

## 7. MAXIMUM NUMBER OF SHARES UNDERLYING THE RSUs

7.1 At any time during the Term, the maximum aggregate number of Shares with respect to which RSUs may be granted pursuant to this Scheme shall be calculated in accordance with the following formula:

$$X = A - B$$

where:

**X** = the maximum aggregate number of Shares with respect to which RSUs may be granted pursuant to this Scheme;

**A** = the Scheme Mandate Limit; and

**B** = the maximum aggregate number of Shares that may be allotted and issued and/or transferred upon the vesting of RSUs already granted pursuant to this Scheme (subject to **paragraph 7.2**).

Shares in respect of RSUs which have lapsed in accordance with the terms of this Scheme or which have been satisfied by the making of a Cash Payment will not be counted for the purposes of determining the maximum aggregate number of Shares in respect of which RSUs may be granted pursuant to this Scheme.

7.2 The Scheme Mandate Limit may be renewed subject to prior Shareholders' approval, but in any event, the total number of Shares in respect of which RSUs may be granted pursuant to this Scheme following the date of approval of the renewed limit (the **New Approval Date**) under the limit as renewed must not exceed 5 per cent. of the Shares in issue as at the New Approval Date. Shares in respect of which RSUs are granted pursuant to this Scheme (including those outstanding, lapsed or vested RSUs) prior to the New Approval Date will not be counted for the purpose of determining the maximum aggregate number of Shares in respect of which the RSUs may be granted following the New Approval Date under the limit as renewed. For the avoidance of doubt, Shares issued prior to the New Approval Date pursuant to the vesting of RSUs pursuant to this Scheme of the Company will be counted for the purpose of determining the number of Shares in issue as at the New Approval Date.

7.3 If the Company proposes to make Grants during the period between one annual general meeting and the subsequent annual general meeting of the Company which may be satisfied by the Company allotting and issuing new Shares upon the vesting of the RSUs, the Company may, at the annual general meeting of the Company, propose for the Shareholders to consider and, if thought fit, approve an ordinary resolution granting a mandate specifying:

- (a) the maximum number of new Shares in respect of which RSUs may be granted during the Applicable Period; and
- (b) that the Board has the power to allot, issue and deal with Shares in respect of which RSUs are granted during the Applicable Period as and when the RSUs vest.

7.4 The mandate referred to in **paragraph 7.3** shall remain in effect during the period from the passing of the ordinary resolution granting the mandate until the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the end of the period within which the Company is required by any applicable laws or by the bye-laws of the Company to hold the next annual general meeting of the Company; and
- (c) the variation or revocation of such mandate by an ordinary resolution of the Shareholders in a general meeting,

(the *Applicable Period*).

## **8. TRANSFERABILITY**

8.1 An RSU shall be personal to the Grantee and shall not be assignable or transferable by the Grantee and the Grantee shall not, without the prior written consent of the Board, in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any third party over or in relation to the RSU, provided that subject to **paragraph 8.2** below, following the Grantee's death, RSUs may be transferred by will or by the laws of testacy and distribution.

8.2 The terms of this Scheme and the Notice of Grant shall be binding upon the executors, administrators, legal personal representatives, heirs, successors and permitted assigns and transferees of the Grantee.

## **9. LAPSE OR CANCELLATION OF RSUS**

9.1 Notwithstanding any other provisions of the Scheme, an RSU that has not vested shall lapse automatically on the earliest of:

- (a) the date of termination of the Grantee's employment, service or engagement by a member of the Group for Cause (or the date notice of termination is given to the Grantee, if earlier);
- (b) the date of termination of the Grantee's employment, service or engagement by a member of the Group without Cause (including by reason of resignation, retirement, death, Disability, non-renewal of the employment or service agreement (or equivalent) upon its expiration (or the date notice of termination is given to the Grantee, if earlier);

- (c) the date on which the Grantee:
  - (i) becomes an officer, director, employee, consultant, adviser, partner of, or a shareholder or other proprietor owning more than a 5 per cent. interest in, any Competitor; or
  - (ii) knowingly performs any act that may confer any competitive benefit or advantage upon any Competitor;
- (d) the date on which the RSU is not accelerated or vested (and therefore lapse) pursuant to **paragraphs 6.1 and 6.2**;
- (e) the date on which the Grantee (whether intentionally or otherwise) commits a breach of **paragraph 8.1**;
- (f) the date on which the Grantee is declared bankrupt or enters into any arrangement or compromise with his creditors generally; and
- (g) in respect an RSU which is subject to performance or other vesting condition(s), the date on which the condition(s) to vesting of the RSU is not satisfied (save that the RSU shall lapse only in respect of such proportion of underlying Shares as have not vested because of the application of such performance or other vesting condition(s)).

9.2 The Board shall have the right to determine whether the Grantee's employment, service or engagement has been terminated for Cause, the effective date of such termination for Cause and whether someone is a Competitor, and such determination by the Board shall be final and conclusive. For the avoidance of doubt, the termination of employment, service or engagement of a Grantee due to an internal transfer to another member of the Group shall not affect any vested or unvested RSUs.

9.3 Any vested RSU which has not yet been satisfied shall not be affected by the termination of employment, engagement or service, howsoever arising.

9.4 The Board may at any time cancel any RSUs previously granted but which have not yet vested and may, at its discretion, make a Grant of new RSUs to the same Grantee. Where the Company cancels RSUs and makes a Grant of new RSUs to the same Grantee, the Grant of such new RSUs may only be made with available RSUs to the extent not yet granted (excluding the cancelled RSUs) within the limits prescribed by **paragraph 7**.

## **10. REORGANISATION OF CAPITAL STRUCTURE**

10.1 In the event of an alteration in the capital structure of the Company by way of a capitalisation of profits or reserves, bonus issue, rights issue, open offer, subdivision or consolidation of shares or reduction of the share capital of the Company in accordance with applicable laws and the Listing Rules (other than any alteration in the capital structure of the Company as a result of an issue of Shares as consideration in a transaction to which the Company or any of its subsidiaries is a party or in connection with any share option, restricted share or other equity-based incentive plans of the Company) whilst any RSU has not vested or has vested but has not yet been satisfied, the Board may adjust the nominal value or number of Shares subject to an RSU and/or the Scheme Mandate Limit as it, in its absolute discretion, thinks fit so that any such adjustments give the Grantees the same proportion of the share capital of the Company as that to which such Participants were previously entitled.

10.2 In respect of any such adjustments (other than any made on a capitalisation issue), the Auditors or an independent financial adviser to the Company (as the case may be) must confirm to the Board in writing that the adjustments are in their opinion fair and reasonable. The capacity of the Auditors or the independent financial adviser to the Company (as the case may be) in this **paragraph 10** is that of an expert and not of an arbitrator and its certification shall, in the absence of manifest error, be final and binding on the Company and the Grantees. The costs of the Auditors or the independent financial adviser to the Company (as the case may be) shall be borne by the Company.

## **11. DISPUTES**

11.1 Any dispute arising in connection with this Scheme shall be referred to the decision of the Board in the first instance, which decision shall, in the absence of manifest error, be final and binding on the Company, the Grantee and to the extent permitted the Trustee. Should the Board, in its sole discretion, decide, any dispute referred to it may subsequently be referred to the decision of the Auditors who shall then act as experts and not as arbitrators and whose decision shall, in the absence of manifest error, be final and binding on the Company, the Grantee and to the extent permitted the Trustee. In such cases, the costs of the Auditors shall be shared equally between the Company and the relevant Grantee.

## **12. ALTERATION OF THIS SCHEME**

12.1 Save as provided in this **paragraph 12**, the Board may alter any of the terms of this Scheme at any time, provided that such alterations comply with the requirements of the Israeli Companies Law and the Listing Rules, to the extent applicable.

12.2 Subject to the Israeli Companies Laws and the Listing Rules, the Board may amend any performance condition that applies to an RSU if there is an event that causes it to consider that the performance condition should be amended.

## **13. TERMINATION**

13.1 The Company by ordinary resolution in general meeting or the Board may at any time terminate this Scheme and in such event, no further RSUs may be granted but in all other respects the terms of this Scheme shall remain in full force and effect in respect of RSUs which are granted during the Term and which remain unvested immediately prior to the termination of this Scheme.

## **14. MISCELLANEOUS**

14.1 The Company shall bear the costs of establishing and administering this Scheme.

14.2 A Grantee shall be entitled to access copies of all notices and other documents sent by the Company to the Shareholders through the Company's website.

14.3 Any notice or other communication between the Company and a Grantee may be given by sending the same by prepaid post or personal delivery to, in the case of the Company, its principal place of business in Hong Kong or such other address as notified to the Grantee from time to time and, in the case of the Grantee, his address as notified to the Company from time to time.

14.4 Any notice or other communication served:

- (a) by post (i) by or on behalf of the Company shall be deemed to have been served two Business Days after the same was put in the post; and (ii) by the Grantee shall not be deemed to have been served until the same shall have been received by the Company;
- (b) by any electronic means (i) by or on behalf of the Company shall be deemed to have been served at the time at which such notice is sent; and (ii) by the Grantee shall not be deemed to have been served until the same shall have been received by the Company; and
- (c) by the Company or by a Grantee by hand shall be deemed to be served when delivered.

14.5 Any liability of a Grantee to tax or social security contributions in respect of an RSU shall be for the account of the Grantee and the allotment and issue and/or transfer of Shares or the making of a Cash Payment pursuant to the vesting of his RSUs shall be conditional on the Grantee complying with any arrangements specified by the Company or the Trustee for the payment of any tax and social security contributions (including, without limitation, authorising (a) the Company or the Trustee to sell, on behalf of the Grantee, a sufficient number of the Shares allotted and issued and/or transferred to the Grantee pursuant to the vesting of his RSUs to satisfy any tax and social security contribution liability or (b) the Company to withhold the amount of any tax and social security contribution liability from any Cash Payment, remuneration or other amounts owing to the Grantee).

14.6 All allotments and issues and/or transfers of Shares and Cash Payments will be subject to all applicable laws, regulations, rules and requirements for the time being in force in any relevant jurisdiction. A Grantee shall be responsible for obtaining any governmental, regulatory or other official consent or approval and going through any other governmental, regulatory or other official procedures that may be required by any country or jurisdiction for the Grant or vesting of his RSU. A Grantee shall pay all tax and discharge all other liabilities to which he may become subject as a result of his participation in this Scheme or the vesting of any RSU. The Company or any of its subsidiaries may coordinate or assist a Grantee in complying with such applicable requirements and taking any other actions as may be required by any applicable laws, regulations or rules, however, neither the Company nor any of its subsidiaries shall be responsible for any failure by a Grantee to obtain any such consent or for any tax or other liability to which a Grantee may become subject as a result of his participation in this Scheme. A Grantee shall, on demand, indemnify the Company in full against all claims and demands which may be made against the Company or any member of the Group (whether alone or jointly with other party or parties) for or in respect of or in connection with any failure on the part of the Grantee to obtain any necessary consent referred to above or to pay tax or other liabilities referred to above and against all incidental costs and expenses which may be incurred by the Company or any member of the Group.

14.7 Participation in this Scheme shall be at the Board's absolute discretion and neither participation in this Scheme nor the receipt of a Grant pursuant to this Scheme shall create any right to or expectation of any future participation or offer under this Scheme or any other equity-based incentive plans of the Group.

14.8 This Scheme shall not form part of any contract of employment or engagement of services between the Company or any of its subsidiaries and any Participant and the rights and obligations of any Participant under the terms of his office, employment or engagement in services shall not be affected by the participation of the Participant in this Scheme or any right which he may have to participate in it and this Scheme shall afford such Participant no additional rights to compensation or damages in consequence of the termination (howsoever

caused) of such office, employment or engagement for any reason (whether lawful or unlawful).

14.9 This Scheme (and other documents relating to this Scheme) does not constitute an offer or invitation to the public within the meaning of the Companies (WUMP) Ordinance or the Securities and Futures Ordinance. Shares offered in relation to this Scheme (and any such documents) may not be offered or sold in Hong Kong by means of any document, except in circumstances which do not result in the document being a “prospectus” as defined in the Companies (WUMP) Ordinance or which do not constitute an offer to the public within the meaning of that Ordinance.

14.10 No person may issue or possess for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to Shares offered in relation to this Scheme, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to shares which are or are intended to be disposed of only to persons outside Hong Kong.

14.11 The Board shall have the power from time to time to make or vary regulations for the administration and operation of this Scheme, provided that the same are not inconsistent with the other provisions of this Scheme.

14.12 The Board shall be entitled to establish such arrangements as it deems reasonably necessary with respect to the mechanisms to implement the vesting of RSUs and the related registration, recording and reporting matters to ensure that the Grantees and the Company can comply with all applicable securities, foreign exchange and tax regulations of all relevant jurisdictions. Each Grantee shall authorise the Company to establish all necessary brokerage and other accounts on the Grantee’s behalf and shall provide to the Company such information as the Board deems necessary in connection with the Company’s and the Grantee’s compliance with the foregoing obligations.

14.13 If any provision of this Scheme or its application to any person or in any circumstances is illegal, invalid or unenforceable to any extent, such illegality, invalidity or unenforceability shall not prejudice the effectiveness of the remainder of this Scheme or the application of such provision to other persons or in other circumstances and each other provision of this Scheme shall be legal, valid and enforceable to the fullest extent permitted by law.

14.14 This Scheme and all RSUs granted hereunder shall be governed by and construed in accordance with the laws of Hong Kong.