

Elsight offers long-term incentive for CEO

Elsight Limited (ASX: ELS) (Elsight or the Company) is pleased to announce that it has offered a long-term incentive component for Chief Executive Officer, Yoav Amitai.

Following Mr Amitai's appointment as CEO on 7 October 2020 and the CEO remuneration update announced on 31 March 2021, the Company has now offered a long-term incentive component to Mr Amitai which aligns his performance with the Company and its shareholders.

Since his appointment, Mr Amitai has overseen the successful implementation of the 'design win' strategy, along with other strategic initiatives which has Elsight well positioned for further commercial success. This long-term incentive component has been designed to ensure appropriate rewards are in place for the continued commercial success of Elsight.

In accordance with ASX Listing Rule 3.16.4 the Company advises that Mr Amitai will be issued with a total of up to 3,583,452 unlisted options (**Options**) expiring on 26 May 2027. The Options will be issued pursuant to the Company's Employee Share Option Plan (**ESOP**) and in four (4) Tranches, which shall have the terms and conditions set out at **Annexure A**.

The terms of Mr Amitai's Executive Service Agreement are otherwise unchanged.

Authorised for release by the Board of Directors of Elsight Limited.

-ENDS-

For more information, please contact:

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About Elsight

Elsight (ASX:ELS) (www.elsight.com) Elsight delivers Absolute Connection with 24/7 Confidence. Our proprietary bonding technology incorporates both software and hardware elements to deliver extremely reliable, secure, high bandwidth, real-time connectivity - even in the most challenging areas for stationary, portable, or actively mobile situational requirements.

Annexure A – Terms and Conditions of CEO Options

| TRANCHE | NO. OF OPTIONS | EXERCISE PRICE OF OPTIONS | EXPIRATION DATE | VESTING CONDITIONS |
|-----------|----------------|---|-----------------|--|
| TRANCHE 1 | 895,863 | A\$0.48 (25% premium to 30-day VWAP to 26 May 2022) | 26 May 2027 | Revenue milestone of US\$3.0M in one (1) year in each of the years 2022 or 2023 |
| TRANCHE 2 | 895,863 | A\$0.48 (25% premium to 30-day VWAP to 26 May 2022) | 26 May 2027 | <ul style="list-style-type: none"> Closing 20-day Volume Weighted Average Price (VWAP) of A\$0.90 commencing 1 January 2023 until 31 December 2024, or Closing 45-day VWAP of A\$0.90 until 31 December 2022 |
| TRANCHE 3 | 895,863 | A\$0.48 (25% premium to 30-day VWAP to 26 May 2022) | 26 May 2027 | <ul style="list-style-type: none"> Closing 20-day VWAP of A\$1.80 Commencing 1 January 2023 until 31 December 2024, or Closing 45-day VWAP of A\$1.80 until 31 December 2023. |
| TRANCHE 4 | 895,863 | A\$0.48 (25% premium to 30-day VWAP to 26 May 2022) | 26 May 2027 | <ul style="list-style-type: none"> 25% on the first anniversary of the Vesting Date; thereafter 6.25% of the options shall vest at the end of each succeeding quarter as long as the holder remains an Employee of the company or provide services and has not given notice of his intention to resign as an Employee or to stop providing services on each such vesting date. |