

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**U.S. dollars in thousands (except share and per share data)**

	As of December 31,	
	2018	2017
	Unaudited	Audited
CURRENT ASSETS:		
Cash and cash equivalents	\$ 5,810	\$ 3,435
Marketable securities	26,065	59,940
Short-term bank deposits	22,592	8,380
Trade receivables	160	132
Other receivables and prepaid expenses	861	904
	<u>55,488</u>	<u>72,791</u>
LONG-TERM ASSETS:		
Long-term deposits	19	19
Property, plant and equipment, net	3,187	4,792
	<u>3,206</u>	<u>4,811</u>
	<u>\$ 58,694</u>	<u>\$ 77,602</u>
CURRENT LIABILITIES:		
Trade payables	\$ 1,015	\$ 1,110
Liabilities in respect of government grants	988	104
Deferred revenues and other advances	412	516
Other payables	3,016	2,934
	<u>5,431</u>	<u>4,664</u>
LONG-TERM LIABILITIES:		
Liabilities in respect of government grants	2,898	3,438
Deferred revenues and other advances	28	89
Severance pay liability, net	31	33
	<u>2,957</u>	<u>3,560</u>
SHAREHOLDERS' EQUITY:		
Ordinary shares of NIS 0.02 par value:		
Authorized – 150,000,000 ordinary shares; Issued and outstanding – 25,754,297 and 25,750,547 shares at December 31, 2018 and 2017, respectively	142	142
Share premium and other capital reserves	187,701	186,268
Accumulated deficit	(137,790)	(117,032)
	<u>50,053</u>	<u>69,378</u>
Equity attributable to equity holders of the Company		
Non-controlling interests	253	-
	<u>50,306</u>	<u>69,378</u>
Total equity	<u>\$ 58,694</u>	<u>\$ 77,602</u>

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

U.S. dollars in thousands (except share and per share data)

	Year ended December 31,		Three months ended December 31,	
	2018	2017	2018	2017
	Unaudited	Audited	Unaudited	
Revenues	\$ 1,747	\$ 3,381	\$ 635	\$ 734
Cost of revenues	1,452	2,845	627	634
Gross profit	295	536	8	100
Operating expenses:				
Research and development, net	14,686	16,987	3,858	4,668
Business development	2,084	1,686	474	422
General and administrative	3,514	3,810	943	1,029
Total operating expenses	20,284	22,483	5,275	6,119
Operating loss	(19,989)	(21,947)	(5,267)	(6,019)
Financing income	1,413	2,125	217	356
Financing expenses	(2,206)	(1,005)	(783)	(561)
Financing income (expenses), net	(793)	1,120	(566)	(205)
Loss before taxes on income	(20,782)	(20,827)	(5,833)	(6,224)
Taxes on income (tax benefit)	30	11	(4)	-
Loss	\$ (20,812)	\$ (20,838)	\$ (5,829)	\$ (6,224)
Attributable to:				
Equity holders of the Company	(20,758)	(20,838)	(5,801)	(6,224)
Non-controlling interests	(54)	-	(28)	-
	\$ (20,812)	\$ (20,838)	\$ (5,829)	\$ (6,224)
Basic and diluted loss per share, attributable to equity holders of the Company	\$ (0.81)	\$ (0.81)	\$ (0.23)	\$ (0.24)
Weighted average number of shares used in computing basic and diluted loss per share	25,753,411	25,673,276	25,754,297	25,750,179

CONSOLIDATED STATEMENTS OF CASH FLOWS

U.S. dollars in thousands

	Year ended		Three months ended	
	December 31,		December 31,	
	2018	2017	2018	2017
	Unaudited	Audited	Unaudited	
<u>Cash flows from operating activities</u>				
Loss	\$ (20,812)	\$ (20,838)	\$ (5,829)	\$ (6,224)
Adjustments to reconcile loss to net cash used in operating activities:				
Adjustments to the profit or loss items:				
Depreciation	2,020	2,145	513	521
Share-based compensation	1,731	2,244	360	596
Net financing expenses (income)	694	(1,454)	544	125
Taxes on income (tax benefit)	30	11	(4)	-
	<u>4,475</u>	<u>2,946</u>	<u>1,413</u>	<u>1,242</u>
Changes in asset and liability items:				
Decrease (increase) in trade receivables	(28)	37	76	836
Decrease in other receivables	95	221	716	44
Decrease (increase) in long-term deposits	-	(6)	2	(4)
Increase (decrease) in trade payables	(114)	(86)	303	295
Increase in other payables	51	138	345	259
Decrease in deferred revenues and other advances	(165)	(500)	(194)	(505)
	<u>(161)</u>	<u>(196)</u>	<u>1,248</u>	<u>925</u>
Cash received (paid) during the period for:				
Interest received	1,360	2,173	221	491
Taxes paid	(23)	(14)	-	-
Net cash used in operating activities	<u>(15,161)</u>	<u>(15,929)</u>	<u>(2,947)</u>	<u>(3,566)</u>

CONSOLIDATED STATEMENTS OF CASH FLOWS

U.S. dollars in thousands

	Year ended		Three months ended	
	December 31,		December 31,	
	2018	2017	2018	2017
	Unaudited	Audited	Unaudited	
<u>Cash flows from investing activities</u>				
Purchase of property, plant and equipment	\$ (374)	\$ (590)	\$ (118)	\$ (148)
Proceeds from sale of marketable securities	63,639	22,737	30,205	8,925
Purchase of marketable securities	(31,700)	(11,659)	(17,299)	(5,451)
Proceeds from (investment in) bank deposits, net	(14,212)	4,757	(10,092)	1,137
Net cash provided by investing activities	<u>17,353</u>	<u>15,245</u>	<u>2,696</u>	<u>4,463</u>
<u>Cash flows from financing activities</u>				
Proceeds from exercise of options	9	683	-	1
Proceeds from government grants	354	339	133	73
Repayment of government grants	(66)	(208)	(1)	-
Net cash provided by financing activities	<u>297</u>	<u>814</u>	<u>132</u>	<u>74</u>
Exchange rate differences - cash and cash equivalent balances	<u>(114)</u>	<u>69</u>	<u>219</u>	<u>7</u>
Increase in cash and cash equivalents	2,375	199	100	978
Cash and cash equivalents, beginning of the period	<u>3,435</u>	<u>3,236</u>	<u>5,710</u>	<u>2,457</u>
Cash and cash equivalents, end of the period	<u>\$ 5,810</u>	<u>\$ 3,435</u>	<u>\$ 5,810</u>	<u>\$ 3,435</u>