



CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION

U.S. dollars in thousands

	As of March 31, 2024	As of December 31, 2023
	Unaudited	Audited
CURRENT ASSETS:		
Cash and cash equivalents	\$ 11,915	\$ 20,772
Short-term bank deposits	14,698	10,291
Trade receivables	539	357
Other receivables and prepaid expenses	3,154	2,973
Inventories	716	76
	<u>31,022</u>	<u>34,469</u>
LONG-TERM ASSETS:		
Long-term deposits and other receivables	26	28
Investment accounted for using the equity method	133	-
Right-of-use-assets	879	980
Property, plant and equipment, net	1,796	2,455
Intangible assets, net	12,924	13,169
	<u>15,758</u>	<u>16,632</u>
	<u>\$ 46,780</u>	<u>\$ 51,101</u>
CURRENT LIABILITIES:		
Trade payables	\$ 1,041	\$ 1,785
Employees and payroll accruals	2,432	2,537
Lease liability	715	853
Liabilities in respect of government grants	561	388
Deferred revenues and other advances	416	362
Other payables	964	1,019
	<u>6,129</u>	<u>6,944</u>
LONG-TERM LIABILITIES:		
Lease liability	286	285
Liabilities in respect of government grants	4,237	4,426
Deferred revenues and other advances	402	393
Convertible SAFE	10,343	10,368
	<u>15,268</u>	<u>15,472</u>
SHAREHOLDERS' EQUITY:		
Ordinary shares of NIS 0.02 par value:		
Authorized – 150,000,000 ordinary shares; Issued and outstanding – 50,623,278 shares as of March 31, 2024 and 50,584,888 shares as of December 31, 2023	286	286
Share premium and other capital reserve	269,452	269,353
Accumulated deficit	(261,449)	(257,586)
	<u>8,289</u>	<u>12,053</u>
Equity attributable to equity holders of the Company		
	<u>17,094</u>	<u>16,632</u>
Non-controlling interests		
	<u>25,383</u>	<u>28,685</u>
Total equity		
	<u>\$ 46,780</u>	<u>\$ 51,101</u>

CONSOLIDATED INTERIM STATEMENTS OF PROFIT OR LOSS

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

	Three months ended March 31,		Year ended December 31,
	2024	2023	2023
	Unaudited		Audited
Revenues	\$ 4,190	\$ 641	\$ 5,640
Cost of revenues	310	322	1,692
Gross profit	3,880	319	3,948
Operating expenses:			
Research and development, net	4,801	4,800	20,777
Sales and marketing	992	800	3,611
General and administrative	1,654	1,515	6,068
Other expenses	519	-	-
Total operating expenses, net	7,966	7,115	30,456
Operating loss	(4,086)	(6,796)	(26,508)
Financing income	407	308	1,486
Financing expenses	(166)	(538)	(965)
Financing income (expenses), net	241	(230)	521
Loss before taxes on income	(3,845)	(7,026)	(25,987)
Tax benefit	-	(45)	(33)
Loss	\$ (3,845)	\$ (6,981)	\$ (25,954)
Attributable to:			
Equity holders of the Company	(3,863)	(6,271)	(23,879)
Non-controlling interests	18	(710)	(2,075)
	\$ (3,845)	\$ (6,981)	\$ (25,954)
Basic and diluted loss per share, attributable to equity holders of the Company	\$ (0.08)	\$ (0.15)	\$ (0.52)
Weighted average number of shares used in computing basic and diluted loss per share	50,622,922	41,489,001	45,685,619

CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS

U.S. dollars in thousands

	Three months ended		Year ended
	March 31,		December 31,
	2024	2023	2023
	Unaudited		Audited
<u>Cash flows from operating activities:</u>			
Loss	\$ (3,845)	\$ (6,981)	\$ (25,954)
Adjustments to reconcile loss to net cash used in operating activities:			
Adjustments to the profit or loss items:			
Depreciation	426	401	1,641
Amortization of intangible assets	245	240	971
Share-based compensation	539	418	1,877
Revaluation of convertible SAFE	(25)	194	254
Net financing income	(194)	(54)	(666)
Loss (gain) from sale and impairment of property, plant and equipment	519	(26)	(26)
Tax benefit	-	(45)	(33)
	<u>1,510</u>	<u>1,128</u>	<u>4,018</u>
Changes in asset and liability items:			
Decrease (increase) in trade receivables	(182)	98	(9)
Increase in other receivables	(179)	(291)	(1,445)
Decrease (increase) in inventories	(640)	(25)	490
Decrease in deferred taxes	-	94	94
Increase (decrease) in trade payables	(685)	121	742
Increase (decrease) in employees and payroll accruals	(105)	55	550
Decrease in other payables	(61)	(553)	(534)
Increase (decrease) in deferred revenues and other advances	(71)	8	(288)
	<u>(1,923)</u>	<u>(493)</u>	<u>(400)</u>
Cash received (paid) during the year for:			
Interest received	171	138	905
Interest paid	(23)	(36)	(115)
Taxes paid	-	-	(31)
	<u>-</u>	<u>-</u>	<u>(31)</u>
Net cash used in operating activities	\$ (4,110)	\$ (6,244)	\$ (21,577)

CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS

U.S. dollars in thousands

	Three months ended March 31,		Year ended December 31,
	2024	2023	2023
	Unaudited		Audited
<u>Cash flows from investing activities:</u>			
Purchase of property, plant and equipment	\$ (141)	\$ (359)	\$ (785)
Proceeds from sale of marketable securities	-	637	6,924
Purchase of marketable securities	-	-	(503)
Proceeds from sale of property, plant and equipment	10	26	26
Investment in bank deposits, net	(4,231)	-	(10,200)
Net cash provided by (used in) investing activities	(4,362)	304	(4,538)
<u>Cash flows from financing activities:</u>			
Issuance of a subsidiary preferred shares to non-controlling interests	-	-	9,523
Proceeds from issuance of ordinary shares, net of issuance expenses	3	268	8,449
Repayment of lease liability	(231)	(206)	(836)
Proceeds from government grants	-	26	1,089
Repayment of government grants	(139)	(35)	(73)
Net cash provided by (used in) financing activities	(367)	53	18,152
Exchange rate differences - cash and cash equivalent balances	(18)	(93)	(245)
Decrease in cash and cash equivalents	(8,857)	(5,980)	(8,208)
Cash and cash equivalents at the beginning of the period	20,772	28,980	28,980
Cash and cash equivalents at the end of the period	\$ 11,915	\$ 23,000	\$ 20,772
<u>Significant non-cash activities</u>			
Acquisition of property, plant and equipment	\$ 22	\$ 69	\$ 81
Investment in equity-accounted investee with corresponding deferred revenues	133	-	-
Increase of right-of-use asset recognized with corresponding lease liability	\$ 130	\$ 71	\$ 194