UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 20-F

☐ **REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2024

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

☐ **SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission file number 001-36187

EVOGENE LTD.

(Exact name of Registrant as specified in its charter)

N/A

(Translation of Registrant's name into English)

Israel

(Jurisdiction of incorporation or organization)

13 Gad Feinstein Street, Park Rehovot, Rehovot 7638517, Israel

(Address of principal executive offices)

Ofer Haviv
President and Chief Executive Officer
Telephone: +972-8-931-1900
Facsimile: +972-8-946-6724
Email: legal@evogene.com
13 Gad Feinstein Street, Park Rehovot, Rehovot
7638517, Israel
(Name, Telephone, E-mail and/or Facsimile number and Address of Company Contact Person)

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Ordinary shares, par value NIS 0.2 per share	**EVGN**	**Nasdaq Global Market**

Securities registered or to be registered pursuant to Section 12(g) of the Act: **None.**

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act: **None.**

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report: **As of December 31, 2024, the registrant had outstanding 6,514,589 ordinary shares, par value NIS 0.2 per share.**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes ☐ No ☒

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.

Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§229.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐	Accelerated filer ☐
Non-accelerated filer ☒	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 13(a) of the Exchange Act. ☐

† The term "new or revised financial accounting standard" refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☐

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP ☐	International Financial Reporting Standards as issued by the International Accounting Standards Board ☒	Other ☐

If "Other" has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow.

Item 17 ☐ Item 18 ☐

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes ☐ No ☒

FORM 20-F
ANNUAL REPORT FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024

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CERTAIN TERMS AND CONVENTIONS

In this Annual Report, unless otherwise specifically stated or the context otherwise requires:

- references to "Evogene," "we," "us," "our," "our company" and "the company" refer to Evogene Ltd. and its consolidated subsidiaries, consisting of AgPlenus Ltd., or AgPlenus, Biomica Ltd., or Biomica, Casterra Ag Ltd., or Casterra, Lavie Bio Ltd., or Lavie Bio, and their consolidated subsidiaries;
- references to "U.S. dollars," "USD," "$" or "dollars" are to United States dollars;
- references to "NIS" or "shekels" are to New Israeli Shekels;
- references to the "U.S." are to the United States;
- references to "ordinary shares," "our shares" and similar expressions refer to our Ordinary Shares, par value NIS 0.2 per share;
- references to the "articles of association" are to our Amended and Restated Articles of Association, which became effective upon the closing of the U.S. initial public offering, as subsequently amended;
- references to the "Companies Law" are to the Israeli Companies Law, 5759-1999, as amended;
- references to the "Securities Act" are to the Securities Act of 1933, as amended;
- references to the "Exchange Act" are to the Securities Exchange Act of 1934, as amended;
- references to the "NYSE" are to the New York Stock Exchange;
- references to the "Nasdaq" are to the Nasdaq Stock Market LLC or the Nasdaq Global Market;
- references to the "TASE" are to the Tel Aviv Stock Exchange; and
- references to the "SEC" are to the United States Securities and Exchange Commission.

On July 24, 2024, we effected a reverse share split of our issued and outstanding ordinary shares, at a ratio of 1-for-10, or the Reverse Split, such that each ten (10) ordinary shares, par value NIS 0.02 per share, were consolidated into one (1) ordinary share, par value NIS 0.2 per share. Unless the context expressly indicates otherwise, all references to share and per share amounts referred to in this Annual Report on Form 20-F reflect the amounts after giving effect to the Reverse Split.

Unless derived from our financial statements or otherwise noted, amounts presented in this Annual Report are translated at the rate of NIS 3.647 = USD 1.00, the exchange rate between the NIS and the U.S. dollar reported by the Bank of Israel as of December 31, 2024.

This Annual Report includes other statistical, market and industry data and forecasts which we obtained from publicly available information and independent industry publications and reports that we believe to be reliable sources. Some data is also based on our good faith estimates, which are derived from management's knowledge of the industry and independent sources. These publicly available industry publications and reports generally state that they obtain their information from sources that they believe to be reliable, but they do not guarantee the accuracy or completeness of the information. Although we believe that these sources are reliable and are not aware of any misstatements regarding the industry data presented in this Annual Report, we have not independently verified the information contained in such publications. Certain estimates and forecasts involve uncertainties and risks and are subject to change based on various factors, including those discussed under the headings "—Special Note Regarding Forward-Looking Statements" and "Item 3. Risk Factors—D. Risk Factors" in this Annual Report. For the avoidance of doubt, no material on our website forms any part of this Annual Report. References in this Annual Report to documents on our website or any other website are included as an aid to the location of such documents and such documents are not incorporated by reference herein.

Throughout this Annual Report, we refer to various trademarks, service marks and trade names that we use in our business. The "Evogene" design logo, "Evogene" and other trademarks or service marks of Evogene Ltd. and its subsidiaries appearing in this Annual Report are the property of Evogene Ltd. or of its subsidiaries, as applicable. We have several other registered trademarks, service marks and pending applications relating to our computational technologies. Other trademarks and service marks appearing in this Annual Report are the property of their respective holders. Solely for convenience, the trademarks and trade names in this Annual Report are referred to without the ® and ™ symbols, but such references should not be construed as any indicator that their respective owners will not assert, to the fullest extent under applicable law, their rights thereto. We do not intend the use or display of other companies' trademarks and trade names to imply a relationship with, or endorsement or sponsorship of us by, any other companies.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

In addition to historical facts, this Annual Report contains forward-looking statements within the meaning of Section 27A of the Securities Act, Section 21E of the Exchange Act, and the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. We have based these forward-looking statements on our current expectations and projections about future events. Forward-looking statements include information concerning our possible or assumed future results of our business, financial condition, results of operations, liquidity, anticipated growth strategies, anticipated trends in our industry, market size, our potential growth opportunities, plans and objectives. Forward-looking statements include all statements that are not historical facts and can be identified by terms such as "anticipates," "believes," "could," "seeks," "estimates," "expects," "intends," "may," "plans," "potential," "predicts," "projects," "should," "will," "would" or similar expressions that convey uncertainty of future events or outcomes and the negatives of those terms.

These forward-looking statements may include, but are not limited to, statements relating to our objectives, plans and strategies, statements that contain projections of results of operations or of financial condition and all statements (other than statements of historical facts) that address activities, events or developments that we expect, project, believe, anticipate, intend or project will or may occur in the future. The statements that we make regarding the following matters are forward-looking by their nature:

- our expectations regarding our revenue, expenses and other operating results;
- whether we or our subsidiaries are able to raise capital on commercially reasonable terms to sustain the financial condition of each respective entity;
- the extent to which we continue to maintain our holdings in our subsidiary companies;
- the extent to which our discoveries and product candidates will have the desired effect so as to reach the stage of commercialization;
- whether we are able to achieve commercialization of our product candidates;
- whether we and our collaborators are able to allocate the resources needed to develop commercial products from our discoveries and product candidates;
- the length and degree of complexity of the process of our developing commercial products based on our discoveries and product candidates and the probability of our success, and the success of our collaborators, in developing such products;
- whether we are able to efficiently produce and scale up the production of our products, whether ourselves or through third party contractors, to achieve our commercialization targets;
- the degree of success of third parties whom we rely on to conduct certain activities, such as field-trials and pre-clinical studies;
- whether we can mitigate risks associated with disruptions to our information technology and systems, including cybersecurity threats and reliance on cloud computing services;
- whether we can maintain and expand our collaboration agreements in a consolidating industry with limited major players;
- whether we and our subsidiaries are able to comply with applicable law and the associated regulatory requirements that currently apply or become applicable to each respective business;
- the extent of the future growth of the agriculture, human health and industrial application industries in which we operate;

- whether we can maintain our current business models;
- the actual commercial value of our key product candidates;
- whether we or our collaborators receive regulatory approvals for the product candidates developed by us or our collaborators;
- whether milestones are met by us or by our collaborators with respect to our product candidates that generate revenues and whether products containing or based on our discoveries are commercialized and generate revenues or royalties;
- whether we are able to recruit, retain and develop knowledgeable or specialized personnel to perform our research and development work;
- the degree of our success at adapting to the continuous technological changes in our industries;
- whether we can maintain our collaboration agreements with our current collaborators or enter into new collaboration agreements and expand our research and development to new fields;
- whether we can improve our existing, or develop and launch new, computational technologies and screening and validation systems;
- whether we can patent our discoveries and protect our trade secrets and proprietary know-how;
- whether we can mitigate risks associated with potential product liability, environmental hazards, and regulatory compliance in handling toxic materials; and
- conditions in Israel, including Israel's conflicts with Hamas and other parties in the region, as well as political and economic instability.

The preceding list is not intended to be an exhaustive list of all of our forward-looking statements. The forward-looking statements are based on our beliefs, assumptions and expectations of future performance, taking into account the information currently available to us. These statements are only predictions based upon our current expectations and projections about future events. There are important factors that could cause our actual results, levels of activity, performance or achievements to differ materially from the results, levels of activity, performance or achievements expressed or implied by the forward-looking statements. In particular, you should consider the risks described in "Item 3.D. Risk Factors" and the additional information contained in "Item 4. Information on the Company" and "Item 5. Operating and Financial Review and Prospects."

The forward-looking statements made in this Annual Report relate only to events as of the date on which the statements are made. We undertake no obligation to update any forward-looking statements made in this Annual Report to reflect events or circumstances after the date of this Annual Report or to reflect new information or the occurrence of unanticipated events, except as required by law. We may not actually achieve the plans, intentions or expectations disclosed in our forward-looking statements, and you should not place undue reliance on our forward-looking statements. Our forward-looking statements do not reflect the potential impact of any future acquisitions, mergers, dispositions, joint ventures or investments.

SUMMARY RISK FACTORS

The risk factors described below are a summary of the principal risk factors associated with an investment in us. These are not the only risks we face. You should carefully consider these risk factors, together with the risk factors set forth in Item 3.D of this Annual Report and the other reports and documents filed by us with the SEC.

- We have a history of operating losses and negative cash flow, and may never achieve or maintain profitability. We may continue to incur operating losses and/or implement cost-cutting measures in the future. Various factors may delay, hinder, or prevent achievement of research and development, or R&D, milestones and commercialization of our product candidates. Moreover, we may experience difficulties in collecting royalties or never receive them, potentially resulting in costly litigation and loss of reputation.

- We may need substantial additional capital in the future which may dilute our shareholders. Additionally, subsidiary financings have diluted, and may continue to dilute, our equity holdings in our subsidiary companies, which will likely negatively impact and/or decrease our results of operations, including revenues, and the benefits of the value that may be created in such subsidiary companies. Additionally, we may need to finance the cost of the development of our independent product candidates ourselves.

- Our discoveries and product candidates may not result in commercially viable products. In addition, our product development cycle is lengthy and uncertain and various factors may delay or prevent commercialization of our product candidates. We may never sell or earn royalties on the sale of commercial products based on our discoveries.

- If we are unable to maintain our Computational Predictive Biology, or CPB, platform and its technological engines, our and our subsidiaries' research and development activities may be substantially reduced.

- Failure to efficiently produce and scale our products, whether in-house or through contractors, could hinder our commercialization goals. Furthermore, we or our collaborators may fail to meet obligations under the collaboration agreements.

- We depend on a few collaborators to develop and commercialize product candidates. A reduction in research spending by key companies in our target markets could threaten our collaborations, affecting their continuation or expansion and hindering our ability to form new collaborations.

- We are operating in multiple industries, each of which consists of multiple companies with much greater resources than us. If we are unable to compete effectively, our financial resources will be diluted and our financial results will suffer.

- Our efforts to develop and commercialize any of our products may be unsuccessful.

- If Lavie Bio is unable to establish successful marketing distribution and/or retail channels for the commercialization of its products, it will not be able to meet its commercialization plans.

- We may fail to attract, recruit, retain and develop qualified employees, which could materially and adversely impact our business, financial condition and results of operations.

- Our business is regulated by government agencies. Failure to obtain necessary approvals could halt our operations. Changes in laws and regulations may raise costs, reduce revenues, and disrupt operations. Dual reporting requirements in Israel and the U.S. may increase compliance costs and distract management.

- Disruption to our information technology and systems, including risks associated with cloud computing, ransomware attacks, and evolving cybersecurity threats, could adversely affect our reputation and future demand for our products or collaborative relationships.

- We currently need, and in the future we may need, to obtain licenses for third-party technology that may not be available to us or are available only on commercially unreasonable terms.

- Our licenses granted to our collaborators may limit our opportunities to enter into additional licensing or other arrangements.
- We might face significant liabilities from product liability, warrant liability or personal injury claims and litigation. Our operations involve health and environmental hazards due to handling toxic materials.
- Ending leases, altering terms, or being locked into long-term leases may threaten our operations and significantly impact our financial status or performance.
- Our contracts with foreign businesses and our operations in Africa and South America expose us to additional market and operational risks.
- Growing cycles and adverse weather conditions may decrease our results from operations.
- Our success depends on our ability to protect our intellectual property and our proprietary technologies. Any change to the patent laws in applicable jurisdictions may impair our ability to protect our product candidates.
- If we or one of our collaborators are sued for infringing the intellectual property rights of a third party, such litigation could be costly and time consuming and could prevent us or our collaborators from developing or commercializing our product candidates.
- We may be required to pay royalties to employees who develop inventions that have been or will be commercialized by us.
- Our agreements with our employees and with third parties may not adequately prevent disclosure of trade secrets, know-how and other proprietary information. In addition, we may not be able to fully enforce covenants not to compete with our key employees.
- Conditions in Israel, including the war against Hamas and regional instability, could adversely impact our business and operations.
- Exchange rate fluctuations between the U.S. dollar and the NIS may negatively affect our financial results and interest rate fluctuations may negatively affect our financial results, financial condition, or investments.
- The terms of our Israeli government grants may require us to satisfy specified conditions in order to manufacture products and transfer technologies supported by such grants outside of Israel.
- Your rights and responsibilities as a shareholder are under Israeli law, potentially differing from those of U.S. corporations. Israeli law might hinder or discourage acquisitions of our shares or assets.
- The price of our ordinary shares may fluctuate significantly. Further, there is no guarantee of a continuing public market to resell our ordinary shares. In addition, our ordinary shares are traded on more than one market and this may result in price variations.
- The requirements of being a public company in the U.S. and Israel may strain our resources and distract our management, which could make it difficult to manage our business.
- Any inability to meet the Nasdaq listing requirements may have an adverse effect on our share price and lead to our delisting from Nasdaq.
- If we fail to maintain effective internal control over financial reporting, the price of our ordinary shares may be adversely affected.

PART I

ITEM 1 IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISERS

Not applicable.

ITEM 2. OFFER STATISTICS AND EXPECTED TIMETABLE

Not applicable.

ITEM 3. KEY INFORMATION

A. [Reserved]

B. Capitalization and Indebtedness

Not applicable.

C. Reasons for the Offer and Use of Proceeds

Not applicable.

D. Risk Factors

Our business faces significant risks. You should carefully consider all of the information set forth in this Annual Report and in our other filings with the SEC, including the following risk factors which we face and which are faced by the industries in which we operate. Our business, financial condition or results of operations could be materially adversely affected by any of these risks. This report also contains forward-looking statements that involve risks and uncertainties. Our results could materially differ from those anticipated in those forward-looking statements, as a result of certain factors, including the risks described below and elsewhere in this report and our other SEC filings. See "Special Note Regarding Forward-Looking Statements" on page 5.

Risks Related to Our Business and Industry

We have a history of operating losses and negative cash flow, and we may never achieve or maintain profitability.

We have a history of losses, and incurred operating losses of approximately $22.2 million, $26.5 million and $26.9 million for the years ended December 31, 2024, 2023 and 2022, respectively. There is no assurance that our efforts in developing our product candidates will result in commercially successful products. We expect to continue to incur losses in future periods, until we begin earning significant revenues or royalties on our products, the product candidates we are currently developing or any new product candidates we develop in the future, if at all. Because we will incur significant costs and expenses for these efforts before we obtain any incremental revenues from them, our losses in future periods could be significant. In addition, we may find that these efforts are more expensive than we anticipate or that they do not result in profitability in the time period we anticipate, which would further increase our losses. For example, if we are unable to adequately control the costs associated with operating our business, including our costs of development and sales, we may deplete our cash resources and may be unable to continue to finance our business from our existing cash resources, and, our business, financial condition, operating results and prospects will suffer. For more information concerning our cash resources, please see "Liquidity and Capital Resources" in Item 5.B below.

Our management identified there were conditions that raised substantial doubt about our ability to continue as a going concern for a period of one-year from the date this Annual Report. We have approved a plan to improve our available cash balances, liquidity and cash flows generated from operations. We have identified several potential actions including cost preservation measures that would be initiated in a timely manner to address our liquidity needs over the twelve-month period from the date of this Annual Report. For more information concerning management's plan, please see "Liquidity and Capital Resources" and "Critical Accounting Estimates" in Items 5.B and 5.E, respectively, below.

We, and our subsidiaries, may need substantial additional capital in the future, which may cause dilution to our existing shareholders, restrict our operations or require us to relinquish rights to our product candidates or intellectual property. If additional capital is not available, we may have to delay, reduce or cease operations.

We and our subsidiaries may seek additional funding in the future, which may consist of equity offerings, collaborations, licensing arrangements or any other means to develop our product candidates (including through our subsidiaries and collaborators), fund research and data surveys, or other general corporate purposes. To the extent that we raise additional capital through, for example, the sale of equity or convertible debt securities, our existing shareholders' ownership interest will be further diluted, and the terms may include liquidation or other preferences that adversely affect our shareholders' rights. The incurrence of indebtedness or the issuance of certain equity securities could result in increased fixed payment obligations and could also result in certain restrictive covenants, such as limitations on our ability to incur additional debt or to issue additional equity, limitations on our ability to acquire or license intellectual property rights and other operating restrictions that could adversely impact our ability to conduct our business. In addition, the issuance of additional equity securities by us, or the possibility of such issuance, may cause the market price of our ordinary shares to decline. Securing additional financing may also divert our management's attention from our day-to-day activities, which may adversely affect our ability to develop and commercialize our product candidates.

Additional funding may not be available to us on acceptable terms, or at all. In the event that we enter into collaborations or licensing arrangements in order to raise capital, we may be required to accept unfavorable terms, including relinquishing or licensing to a third party on unfavorable terms our rights to product candidates or intellectual property that we otherwise would seek to develop or commercialize ourselves or reserve for future potential arrangements when we might be able to achieve more favorable terms.

If we, or our subsidiaries, are unable to raise additional capital when required or on acceptable terms, we may be required to:

- delay, scale back or discontinue the development, manufacturing scale-up or commercialization of our or our subsidiaries' product candidate;
- accept for one or more of our or our subsidiaries' product candidates terms that are less favorable than might otherwise be available; or
- relinquish or license to additional parties, on unfavorable terms, our rights to our or our subsidiaries' product candidates that we or our subsidiaries otherwise would seek to develop or commercialize ourselves.

Any such consequence will have a material adverse effect on our business, operating results and prospects and on our ability to develop our or our subsidiaries' product candidates ourselves or through collaborators.

Our shareholders may experience dilution in the future.

From time to time in the future, we may issue additional ordinary shares or offer debt or other equity securities, including additional ordinary shares, warrants to purchase ordinary shares, or senior or subordinated notes or other debt securities convertible into equity. Issuing additional ordinary shares, other equity securities or securities convertible into equity may dilute the economic and voting rights of our existing shareholders, reduce the market price of our ordinary shares or both. Debt securities convertible into equity could be subject to adjustments in the conversion rate pursuant to which certain events may increase the number of equity securities issuable upon conversion. Our decision to issue securities in any future offering will depend on market conditions and other factors, which may adversely affect the amount, timing or nature of our future offerings. As a result, holders of our ordinary shares bear the risk that our future offerings may reduce the market price of our ordinary shares and dilute their percentage ownership.

We currently have outstanding pre-funded warrants to purchase up to 126,000 ordinary shares and outstanding ordinary warrants to purchase up to 3,384,616 ordinary shares. Any exercise, in whole or in part, of these warrants would dilute the holders of our ordinary shares. The current exercise price of the pre-funded warrants is $0.0001 per share and the exercise price of the ordinary warrants is $3.55 per share. Whether or not the warrants are exercised will depend on the price of our ordinary shares, and any exercise is at the discretion of the holders of the warrants. We may issue other warrants, options and derivative securities in the future, which would also dilute the holders of our ordinary shares. See "Item 5. Operating and Financial Review and Prospects— B. Liquidity and Capital Resources— Recent Public Offerings of Ordinary Shares."

The dilution of our equity holdings in our subsidiary companies will likely negatively impact and/or decrease our results of operations, including revenues, and the benefits recognized by our shareholders from value that may be created in such subsidiary companies.

Our corporate strategy and structure is intended to make product development and go-to-market efficient and to reflect the individual value of each of our market focused business units. Under our corporate structure, we operate with Evogene acting as a technology hub and, below it, a growing group of divisions and subsidiaries that benefit from the unique capabilities of Evogene's Computational Predictive Biology, or CPB platform and its technological engines, ChemPass AI, GeneRator AI and MicroBoost AI. Each such subsidiary is responsible for advancing its product development and pipeline, establishing its "go-to-market" strategy via direct sales or through existing and new collaborations, and securing additional financial resources, if and when required. Due to our limited financial resources and other investment considerations, our subsidiaries are permitted to obtain financing from external sources and have therefore raised additional capital and may continue to raise capital in the future. Such financings can have a dilutive impact on our ownership interest in the particular subsidiary. For example, Lavie Bio entered into a SAFE agreement with an affiliate of ICL Group Ltd., or ICL, and Biomica entered into a Share Purchase Agreement with Shanghai Healthcare Capital, or SHC. For more information see "Item 4.B. Information on the Company—Business Overview—Market Segments—Agriculture—Lavie Bio Ltd.—Overview" and "Item 4.B. Information on the Company—Business Overview—Market Segments—Human Health—Biomica Ltd.—Overview". Such external financings have therefore resulted, and may continue to result, in the decrease of our ownership percentage in one or more of our subsidiaries, which, in turn, will likely negatively impact and/or reduce our operational results (including revenues), financial condition, long-term growth strategy, the value of our shares, and the benefits we (and, indirectly, our shareholders) recognize from value established in any such subsidiary.

Our discoveries and product candidates may not achieve the desired effect required in order to create commercially-viable products.

Our success depends on our ability to develop products that have the desired effects: in our agriculture activity, on plants, in our human health activity, on humans, and in our industrial applications activity, on the relevant industrial inputs. Research and development in these industries entails considerable uncertainty. We may spend many years developing product candidates that will never be commercialized. The science underlying the development of our product candidates is highly complex and, although we use innovative approaches, there is no certainty that our discoveries will result in product candidates that satisfy market requirements. Except for our products in our ag-biologicals activities and in our castor oil activity, none of our discoveries and product candidates has completed the development process and become commercially available so far and such anticipated products may never reach commercialization. If our discoveries and product candidates will not have the desired effects, we and our collaborators may not develop commercial products that are based on them, which could materially and adversely affect our results of operations and our long-term growth strategy.

If we are unable to maintain our CPB platform and its technological engines, ChemPass AI, GeneRator AI and MicroBoost AI, our research and development activities and those of our subsidiary companies may be substantially reduced.

We and our subsidiary companies depend significantly on our CPB platform and its technological engines in research and development activities. In particular, Evogene relies on CPB and its technological engines to provide computational biology services to our subsidiaries and to support our internal research and development activities. If we are unable to maintain our CPB and technological engines, due to cost, technical failure or otherwise, we could experience adverse consequences, including but not limited to loss of data, interruptions in research and development activities, loss of business and revenues.

Our subsidiary companies rely on our CPB and its technological engines to, among others, capture laboratory data, maintain clinical, greenhouse and field trial data and perform data analysis. Therefore, if we are unable to maintain our CPB and technological engines, due to cost, technical failure or otherwise, our subsidiaries could experience adverse consequences, including but not limited to loss of data (including clinical trial data) or damage to the integrity of that data, interruptions in their research and development activities and other similar harms. Such surrounding circumstances may interrupt our subsidiaries' clinical trials, reduce demand for our subsidiaries' product candidates, and delay or negatively impact the development and commercialization of our subsidiaries' product candidates and ability to grow and operate their business.

Our recent (December 2024) transition of technological engines, ChemPass AI and MicroBoost AI, from on-premises platform to Google Cloud Platform (GCP) services, exposes us to ongoing operational and security risks that could materially affect our business operations and financial performance. While the initial migration has been completed, we face continuing risks related to our increased dependency on third-party cloud service providers for critical business operations, potential service interruptions outside our direct control, and cybersecurity threats inherent in cloud computing environments. The complexity of our cloud infrastructure may result in technical issues that could cause system disruptions, data security incidents or unexpected performance problems. We may experience challenges in maintaining compliance with evolving data privacy regulations across different jurisdictions where our data is now stored and processed. Our operating costs may fluctuate based on cloud service consumption patterns and pricing changes by our service providers. Additionally, while our workforce has been trained on cloud operations, any significant updates or changes to the cloud platforms may require additional training and could temporarily impact operational efficiency. The concentration of our operations in cloud environments may also limit our ability to quickly modify our infrastructure choices or service providers in response to future business needs or cost considerations.

Various factors may delay, hinder, or prevent achievement of research and development milestones and the commercialization of our product candidates.

Our success depends in part on our ability to identify discoveries that will improve crop performance, in our agriculture activity, obtain clinical benefits, in our human health activity, or improve industrial inputs, in our industrial applications activity. To develop these discoveries and product candidates into commercial products, we either license them to collaborators or develop them independently through our subsidiaries or our Ag-Seeds division. Certain of our agreements with our collaborators in our agriculture activity entitle us to upfront fees, research and development payments and milestone payments once certain specified milestones are met. If we or our collaborators are not successful in reaching the established milestones in our agreements, we may not receive the referenced research and development payments and milestone payments.

In addition, pursuant to our collaboration agreements in our agriculture activity, we are usually entitled, subject to certain conditions, to receive royalties on products that are based on, or integrate, these discoveries. Except for Casterra's castor seed varieties and our first products in our ag-biologicals activities, none of our product candidates has completed the development process and become commercially available. Therefore, we currently do not earn royalties and we do not derive significant sales revenues from the sale of products based on our discoveries and product candidates. Thus, while our long-term growth strategy is based in large part on the expectation that such royalties and revenues from product sales will comprise a significant portion of our revenues in the future, we can provide no guarantee that any of our current or future product candidates will ever reach commercialization that would result in royalty payments to us.

The manner in which we and our collaborators develop our product candidates in our various fields of activity affects the period that will pass until such products are commercialized, if ever. Product candidates based on our discoveries may never become commercialized for any of the following reasons:

- our discoveries and product candidates may not be successfully validated or may not have the desired effect required in order to become, or to be incorporated into, commercial products;
- the process of developing product candidates based on our discoveries is lengthy and expensive, and we or our collaborators may not be able to allocate the resources needed to complete such development within the desired timeline;
- we or our collaborators may decide to discontinue, pause, reduce, or alter the scope of the development efforts for our product candidates;
- we may fail to satisfy, in a timely manner or at all, relevant milestones under our agreements with our collaborators;
- regulatory conditions related to our product candidates may change in different territories, thus negatively affecting the relevant development processes and extending their length or limiting the commercialization of such product candidates;
- we or our collaborators may be unable to obtain the requisite regulatory approvals for product candidates based on our discoveries;
- our competitors may launch competing or more effective products;
- we or our collaborators may be unable to fully develop and commercialize product candidates containing our discoveries or may decide, for whatever reason, not to commercialize, or to delay the commercialization of, such product candidates;
- a market may not exist for products containing our discoveries or such products may not be commercially successful or relevant;
- we may be unable to protect the intellectual property underlying our discoveries in the necessary jurisdictions; and
- we may encounter production and scale-up challenges with respect to our product candidates that hinder their commercialization.

Thus, if our collaborators are not successful in reaching the established milestones in our agreements or if we or our collaborators are not successful in commercializing products based on our discoveries, we will not realize revenues from such products and we may not earn a profit on our discoveries, which could materially and adversely affect the results of operations, financial condition and our long-term growth strategy, which may ultimately cause us to cease operations.

Our product development cycle is lengthy and uncertain, and we may never sell or earn royalties on the sale of commercial products based on our discoveries.

Research and development in our fields of activity is expensive and prolonged and entails considerable uncertainty. We may spend many years and dedicate significant financial and other resources developing product candidates that will never be commercialized. The process of discovering, developing and commercializing ag-chemicals, ag-biologicals, seed traits, human microbiome-based therapeutics or castor varieties involves several phases and a long development period. The timelines for development of product candidates by us or by our collaborators may extend beyond our expectations for many reasons, such as:

- we or our collaborators may not be able to allocate the resources needed to develop product candidates based on our discoveries;
- we or our collaborators may revise the process of product development or make other decisions regarding the product development pipelines that may extend the development period;
- we or our collaborators may prioritize other development activities ahead of development activities with respect to the product candidates on which we collaborate;
- our discoveries may not be successfully validated or may not have the desired effect sought by us or by our collaborators; and
- we or our collaborators may be unable to obtain the requisite regulatory approvals for the product candidates based on our discoveries within expected timelines or at all.

Most of the product candidates we or our collaborators are developing are in early development stages. We have little to no certainty as to which and when, if any, any of these product candidates will eventually reach commercialization. Because of the long product development cycle and the complexities and uncertainties associated with research in our fields of activity, there is significant uncertainty as to whether we will ever generate significant revenues or royalties, if any, from the product candidates that we or our collaborators are developing. For more information on the product development cycle of the product candidates we develop and a description of the phases of development, see the 'Product Development Cycle' paragraph under the description of each of our activity divisions and subsidiaries in "Item 4. Information on the Company—B. Business Overview".

If we are unable to efficiently produce and scale up the production of our products, whether ourselves or through third party contractors, we may be unable to achieve our commercialization targets.

When we introduce a product to the market, and in certain cases even in later stages of product development, we need to establish efficient production capabilities for our products. In most cases, our products are, or are expected to be, produced by third party producers with whom we contract for such purpose. The production of our products, and the scale up of such production, are complicated processes that require expertise. The production of all of our subsidiaries' current commercial products (mainly being castor beans of Casterra and bio-inoculant of Lavie Bio) relies, in all or in part, on third-party contractors. Failure to establish a long-term relationship with a manufacturer with sufficient capacity, relevant cost of goods sold and sufficient quality, will affect our subsidiaries' ability to meet demand for their products. If we or our third-party contractors are unable to efficiently produce and scale up production as needed to meet the demand for our products, we may be unable to achieve our commercialization targets, which may, in turn, materially and adversely affect our future results of operations.

Due to mergers and consolidations, there is a reduced number of companies in the agriculture industry with which we might establish strategic partnerships, and we rely on a limited number of collaborators to develop and commercialize product candidates containing our seed trait, ag-chemical and ag-biological product candidates.

The agriculture markets are highly consolidated and dominated by a relatively small number of large companies. In our agriculture operations, we are currently undertaking collaborations with several of these companies to develop improved seed traits, ag-chemical and ag-biological product candidates. Due to the small number of major companies in this industry, there are limited opportunities for us to grow our business with new collaborators. In addition, if we fail to develop or maintain our relationships with any of our current collaborators, we could not only lose our opportunity to work with that collaborator, but we could also suffer a reputational risk that could impact our relationships with other collaborators in what is a relatively small industry community.

In our agriculture operations, we are currently working either with collaborators or on independent projects to research and develop our different seed trait, ag-chemical and ag-biological product candidates. While we seek to expand our portfolio of product candidates in the future, the research and development required to discover and develop new product candidates is costly, time-intensive and requires significant infrastructure resources. If we are unable to enter into new collaborations, or if we do not have the resources to develop the capabilities or resources necessary to discover and develop such product candidates independently, we may not be able to expand our portfolio of these product candidates, which could have a material adverse effect on our business prospects.

A decrease in research expenditures by the major companies in our target markets may jeopardize the continuation, or scope, of our collaborations with such companies and adversely impact our ability to continue or extend existing collaborations or enter into new collaborations on favorable financial terms.

The research and development expenditures of our existing and potential collaborators in the agriculture, human health, and industrial applications markets we operate in may be reduced for reasons beyond our control. For example, a global crisis or economic recession, a decrease in the prices of agricultural commodities, or the consolidation trend in the seeds and ag-chemicals industries may result in decreased research and development expenditures in the markets relevant for our seed trait, ag-biological and ag-chemical product candidates. Such developments may, in turn, adversely impact our ability to maintain or extend our existing collaborations or enter into new collaborations on favorable financial terms. For example, we may not be able to enter into new collaborations under which our collaborators cover our expenses through research and development payments.

We or our collaborators may fail to perform obligations under the collaboration agreements.

We are obligated under our collaboration agreements to perform research activities over a particular period of time. If we fail to perform our obligations under these agreements, in some cases our collaborators may terminate our agreements with them and in other cases our collaborators' obligations may be reduced, which may decrease our overall revenues. More specifically, in the event that a collaborator terminates our agreement (or reduces its obligations thereunder), the research and development costs from the particular project, which were previously covered by such collaborator, may be borne by us. Our overall revenues will therefore be reduced by the addition of such R&D costs. In addition, any of our collaborators may fail to perform their obligations, which may hinder development and commercialization of products containing the product candidates we develop and materially and adversely affect our future results of operations. Furthermore, the various payments we receive from our collaborators are currently our primary source of revenues. If our collaborators do not make these payments, either due to financial hardship, disagreement under the relevant collaboration agreement or for any other reason, our results of operations and business would be materially and adversely affected. If disagreements with a collaborator arise, any dispute with such collaborator may negatively affect our relationship with one or more of our other collaborators and may hinder our ability to enter into future collaboration agreements, each of which could negatively impact our business and results of operations.

We are operating in multiple industries, each of which consists of multiple companies with much greater resources than us. Competition in our industries is intense and requires continuous technological development. If we are unable to compete effectively, our financial resources will be diluted and our financial results will suffer.

We currently face significant competition in the markets in which we operate. The agriculture, human health and industrial applications markets in which we operate are intensely competitive and rapidly changing. Many companies engage in research and development of products in such markets, and being efficient in getting a new product candidate to market can be a significant competitive advantage. In most segments of our operations, the number of products available to the consumer is steadily increasing as new products are introduced by our competitors. We may be unable to compete successfully against our current and future competitors, which may result in lower prices and margins than previously anticipated and the inability to achieve market acceptance for our products. In addition, many of our competitors have substantially greater financial, marketing, sales, distribution and technical resources than us. While the current market is centralized and tight, we anticipate that there may be increased competition in the future as new companies enter these markets and new technologies become available. Our technologies may be rendered obsolete or uneconomical by technological advances or entirely different approaches developed by one or more of our competitors or collaborators, which will prevent or limit our ability to receive any associated research and development payments or generate revenues from the commercialization of our product candidates.

We are working to develop and commercialize novel ag-biological products, and our efforts may be unsuccessful.

Our majority-owned subsidiary, Lavie Bio, is developing ag-biological product candidates, currently focused mainly on microbial-based bio-stimulants and bio-pesticides, through a novel approach, focused on plant-microbiome relationship. In certain of its ag-biological product programs, Lavie Bio funds its early stages of research and development efforts, while in others it funds the entire development program towards launch of a commercial product. Lavie Bio's efforts to develop and commercialize novel ag-biological product candidates may fail for a variety of reasons, including:

- failure to establish the requisite infrastructure to enable the discovery and development of microbial bio-stimulants;
- failure to identify and develop microbial candidates that enhance plant performance at the desired efficacy and stability;
- failure to successfully complete development of microorganisms to achieve cost-effective and commercially viable products;

- failure to obtain and maintain patent and trade secret protection for its product candidates;
- failure to operate without infringing or violating the valid and enforceable patents or other intellectual property rights of third parties;
- inability to obtain sufficient funding to fully execute its business plan;
- failure to meet regulatory requirements;
- failure to establish efficient and reliable production and scale up capabilities of Lavie Bio's products through third party contractors; and
- failure to establish cost-effective go-to-market models for selling its products.

If Lavie Bio's efforts to develop and commercialize ag-biological product candidates are unsuccessful, our results of operations could be negatively impacted.

We are working to develop and commercialize novel ag-chemical products, and our efforts may be unsuccessful.

Our subsidiary, AgPlenus, is currently developing solutions for crop protection through chemistry, or ag-chemistry. AgPlenus is developing these product candidates through a novel approach, focused on biologically significant proteins called "targets". AgPlenus' efforts to develop novel ag-chemical product candidates may fail for a variety of reasons, including:

- failure of its relatively novel target-based approach to lead to an effective product candidate or failure to identify chemical compounds that will display required level of performance;
- failure to establish cost-effective production of AgPlenus' product candidates;
- failure to obtain and maintain patent and trade secret protection for its product candidates;
- failure to operate without infringing or violating the valid and enforceable patents or other intellectual property rights of third parties;
- inability to obtain sufficient funding to fully execute its ag-chemical business plan;
- one of our main research molecules suppliers is located in Ukraine, and has had, and may have in the future, limitations in access to molecules since the war in Ukraine, although such supplier has an alternative production site, and it is not our only supplier for research molecules;
- failure to meet regulatory requirements; and
- increase in regulatory requirements and limitations of use in various geographies on the use of ag-chemicals might decrease the potential market size for AgPlenus' ag-chemical product candidates.

If AgPlenus' efforts to develop ag-chemical product candidates are unsuccessful, our results of operations could be negatively impacted.

We are working to develop and commercialize seed-trait products, and our efforts may be unsuccessful.

We are developing seed-trait and insect control product candidates in our internal Ag-Seeds division. Our efforts to develop novel product candidates may fail for a variety of reasons, including:

- failure to identify and develop candidate genomic elements having the desired effect on the target trait in the plant of interest;
- failure to identify and develop toxin candidates having the desired effect on the target insects when inserted into the plants of interest;
- failure to obtain and maintain patent and trade secret protection for our product candidates;
- failure to operate without infringing or violating the valid and enforceable patents or other intellectual property rights of third parties;
- inability to obtain sufficient funding to fully execute the business plan;
- failure to successfully complete development of our seed trait product candidates; and
- our failure to meet regulatory requirements for seed trait and pest control product candidates.

Furthermore, even if we are able to discover and begin to develop effective product candidates, we may not be successful if we are unable to find collaborators for further development and commercialization of the product candidates. If our efforts to develop seed trait product candidates are unsuccessful, our results of operations could be negatively impacted.

We are working to develop human microbiome-based therapeutic product candidates, and our efforts may be unsuccessful.

Our subsidiary, Biomica, is developing microbiome-based therapeutic product candidates and is heavily dependent on the success of such product candidates, which are in pre-clinical and clinical development stages. If Biomica is unable to advance its current or future product candidates through clinical trials, obtain marketing approval and ultimately commercialize any product candidates it develops, or experiences significant delays in doing so, our business will be materially harmed. Biomica's product development efforts may be unsuccessful for a variety of reasons, including the following:

- failure to complete pre-clinical studies and clinical trials with positive results in which the FDA agrees with the design, endpoints or implementation;
- failure to receive regulatory approvals or authorizations for conducting our planned clinical trials or future clinical trials;
- failure to obtain sufficient financing for the development and commercialization of its product candidates;
- failure to obtain and maintain patent and trade secret protection and regulatory exclusivity for its product candidates;
- interruption of, or delays in receiving, supplies of our product candidates from our contract manufacturing organizations due to staffing shortages, production slowdowns or stoppages and disruptions in delivery systems;
- failure to launch commercial sales of its products, if and when approved, whether alone or in collaboration with others;
- failure to enter into new collaborations throughout the development process as appropriate, from pre-clinical studies through to commercialization;

- failure to achieve acceptance of its products, if and when approved, by patients, the medical community and third-party payors;
- failure to effectively compete with companies developing and commercializing other therapies for the indications that Biomica's product candidates target;
- failure to obtain and maintain coverage and adequate reimbursement by third-party payors, including government payors, for its products, if approved;
- failure to protect its rights in its intellectual property portfolio;
- failure to operate without infringing or violating the valid and enforceable patents or other intellectual property rights of third parties;
- failure to maintain a continued acceptable safety profile of the products following approval; and
- failure to maintain and develop an organization of scientists and business people who can develop and commercialize its products and technology.

If Biomica's efforts to develop microbiome-based human therapeutics are unsuccessful, our results of operations could be negatively impacted.

We are working to develop and commercialize castor seeds for industrial applications, and our efforts may be unsuccessful in achieving a commercial presence in this market.

Our subsidiary, Casterra, is developing improved, high-yield castor bean seeds for use as a source of non-edible feedstock for industrial uses of castor oil. The supply chain in the market of castor oil for industrial uses is not well established and is evolving. In order for Casterra's castor bean seeds to be an attractive feedstock for oil for industrial uses, it will need to demonstrate on a commercial scale that its castor beans can reliably be used as a cost-efficient feedstock for castor oil production. Casterra's efforts to develop and commercialize castor been seeds for industrial uses may fail for a variety of reasons, including:

- failure to reach desired yields of its castor seed varieties on a commercial scale to secure economic viability as bio-based oil feedstock;
- failure to establish efficient mechanical harvest and grain processing solutions;
- failure to establish a cost-effective production of castor bean grains, allowing grower profitability;
- failure to reach large scale adoption of castor by growers, including the successful management of diseases and pests;
- failure to address the health and environmental risks posed by castor bean seeds, which contain ricin, a naturally occurring poison;
- failure to comply with any regulatory requirement related to sales of castor beans, and in particular those related to the import of such beans and the potential effects of ricin;
- Our cultivation and agro-technical support activities in Africa and South America may be materially and adversely affected by an economic slowdown, uncertainties with respect to the legal system and violent crime or terrorism in these regions;
- failure to establish efficient and reliable production and scale up capabilities of castor seeds, independently or through third party contractors; and
- failure to engage new buyers for our seeds, increase the amounts of seeds we sell, or maintain the price paid for our seeds.

Casterra is operating in a new industry, with limited understanding of the dynamics involved in producing and selling castor seeds. Casterra has made initial commercial sales of castor seeds; however, we are unable to project the scope of additional sales and whether we will be able to increase or maintain our customer base. If Casterra is unable to adequately address any of these challenges, we may not find a market for our castor bean seeds and our results of operations could be materially and adversely affected.

We are working to develop and commercialize novel small molecule-based therapeutics, and our efforts may be unsuccessful.

Evogene is actively leveraging AI-driven approaches to develop its ChemPass AI platform to enable partnerships that will co-develop novel small molecule-based therapeutics, and our efforts may face challenges and risks. Despite the potential of these innovative methods, our AI-driven drug discovery efforts may fail for various reasons, including:

- Limitations of Predictive Models: Failure of Evogene's AI model to accurately predict effective molecules or inability to identify molecules with the desired therapeutic profiles.
- Preclinical Failure: Failure of drug candidates to demonstrate efficacy or safety in preclinical studies despite promising computational predictions.
- Intellectual Property Risks: Failure to secure or maintain intellectual property protections for discovered molecules.
- Competition: Risk of being outcompeted by other organizations with similar or superior technologies.
- Regulatory Hurdles: Difficulty in navigating complex regulatory pathways, including obtaining necessary approvals for drug candidates or AI-related methodologies.
- Funding Constraints: Inability to secure adequate funding for drug development programs.
- Evolution of AI Regulations: Unanticipated changes in the regulatory landscape regarding AI in healthcare, which could impose additional compliance burdens or limit the application of certain technologies.
- Data Quality and Availability: Dependence on high-quality, diverse chemical and biological datasets to train models. Insufficient or biased data may lead to suboptimal or incorrect predictions.
- Integration with Experimentation: Difficulties in aligning computational outputs with laboratory validation workflows, lack of seamless integration between virtual predictions and experimental feedback loops for iterative learning.
- Infrastructure and Compute Constraints:
    - High computational costs and infrastructure requirements for training and deploying advanced models.
    - Dependence on cloud computing platforms or proprietary hardware, which may pose logistical or financial challenges.
- Algorithmic Limitations:
    - Failure to enhance model accuracy in predicting molecular interactions, particularly for highly complex or novel targets.
    - Difficulty in balancing generative AI creativity with constraints required for drug-likeness and manufacturability.
- Securing Strategic Partnerships:
    - Challenges in forming partnerships with pharmaceutical companies and research organizations.
    - Risk of over-reliance on external partners for critical workflows, leading to delays or disruptions if partnerships fail.
- External Funding Challenges:
    - Difficulty in securing sufficient funding to scale ChemPass GPT tools.
    - Risk of reduced investor confidence if technological milestones are not achieved or if AI predictions fail to translate into successful experimental outcomes.
- Dependence on Collaborative Models:
    - Reluctance from potential partners to adopt novel AI-based approaches due to scepticism or lack of familiarity with predictive tools.
    - Challenges in demonstrating the commercial value of ChemPass AI tools to potential stakeholders without extensive validation data.

If Lavie Bio is unable to establish successful distribution and retail channels for the commercialization of its products, it will not be able to meet its commercialization plans.

Our majority-owned subsidiary, Lavie Bio, intends to commercialize part of its future ag-biological product portfolio through distribution and retail channels. Lavie Bio has little experience in establishing such channels and may be unsuccessful in doing so. In addition, Lavie Bio will be dependent on its distributers in introducing its products to the market. If Lavie Bio or its distributors are unsuccessful in their efforts to penetrate the market, our revenues and financial results will be adversely affected.

Biomica's product candidates are based on microbiome therapeutics, which is an unproven approach to therapeutic intervention.

Biomica's product candidates are based on microbiome therapy, a therapeutic approach that is designed to treat disease by restoring the function of a dysbiotic microbiome. To our knowledge, VOWST (by Seres Therapeutics, Inc.) is the first oral product based on this approach to receive FDA approval in April 2023. We cannot be certain that our approach will lead to the development of additional approvable or marketable products. In addition, the FDA or other regulatory agencies may lack experience in evaluating the safety and efficacy of products based on microbiome therapeutics, which could result in a longer than expected regulatory review process or evolving FDA standards and guidance, increase Biomica's expected development costs and delay or prevent commercialization of its product candidates. Regulatory requirements governing microbiome therapies are still developing and may change in the future, which may lengthen the regulatory review process, require us to perform additional preclinical studies or clinical trials, increase our development costs, delay or prevent approval and commercialization of our current or future product candidates or lead to significant post-approval limitations or restrictions.

Even if we are entitled to royalties from our collaborators, we may not actually receive these royalties, or we may experience difficulties in collecting the royalties that we believe we are entitled to, potentially resulting in costly litigation and loss of reputation.

If and when our collaborators launch commercial products containing our licensed discoveries, we will rely on our collaborators to report to us the sales they earn from these products and to accurately calculate the royalties we are entitled to, a process that will involve complicated calculations. Although we seek to address these concerns in our collaboration agreements, such provisions may not be effective. Additionally, we may not be able to achieve our long-term goal of generating revenues from royalties, and in the coming years our revenues will be entirely dependent on fees we earn for our research and development services and milestone payments from our collaborators.

In addition, our ability to generate royalty payments from our collaboration agreements depends on our ability to clearly delineate our intellectual property rights under those agreements. We often license patented discoveries and product candidates to our collaborators, who use them to develop and commercialize products. However, a collaborator may use our intellectual property without our permission, dispute our ownership of certain intellectual property rights or argue that our intellectual property does not cover their marketed product. If a dispute arises, it may result in costly litigation, and our collaborator may refuse to pay us royalty payments while the dispute is ongoing. Furthermore, regardless of any resort to legal action, a dispute with a collaborator over intellectual property rights may damage our relationship with that collaborator, and may also harm our reputation in the industry.

Competition for highly skilled scientific, technical and other personnel is intense, and as a result we may fail to attract, recruit, retain and develop qualified employees, which could materially and adversely impact our business, financial condition and results of operations.

We compete for personnel in a research and development market characterized by rapidly changing technologies and an evolving competitive landscape. In order for us to successfully compete and grow, we must attract, recruit, retain and develop personnel with requisite qualifications to provide expertise across a range of disciplines, including biology, chemistry, plant genetics, agronomics, computer science and other fields relevant to our operations.

The number of qualified and highly educated personnel in the fields upon which our business focuses in Israel, where most of our operations are located, is limited and competition for the services of such persons is intense. Although we have employment agreements with all of our employees, most of these agreements may be terminated on short notice by such employees, which may create an immediate strain on our activities.

Historically and as of today, there has been intense competition for qualified human resources in the Israeli high-tech and bio-tech industries. Although during 2024 there was a slight shift in the attrition level and we were able to attract more candidates to each open position (mainly due to the financial slowdown in Israel), we are still facing significant and intense competition in recruiting for our research and development positions.

Many of the companies with which we compete for qualified personnel have significant resources, and we may not succeed in recruiting additional experienced or professional personnel, retaining personnel or effectively replacing current personnel who may depart with qualified or effective successors. In addition, our employees may be increasingly targeted for recruitment by competitors and other companies in the bio-tech industry, which may make it more difficult for us to retain employees and may increase retention costs. Training of new employees with limited or no prior relevant experience could be time-consuming, expensive and require significant resources.

In addition, as a result of the competition for qualified human resources, the high-tech and bio-tech markets have also experienced and may continue to experience significant wage inflation. Accordingly, our efforts to attract, retain and develop personnel may also result in significant additional expenses, which could adversely affect our profitability. Furthermore, in making employment decisions, particularly in the high-tech and bio-tech industries, job candidates often consider the value of the equity they are to receive in connection with their employment, which may force us to increase the amount of equity awards we grant in order to recruit and retain talent.

In light of the foregoing, there can be no assurance that qualified employees will remain in our employ or that we will be able to attract and retain qualified personnel in the future. Failure to retain or attract qualified personnel could have a material adverse effect on our business, financial condition and results of operations.

We develop certain discoveries independent of our collaborators, and we may need to finance the cost of the development of such product candidates ourselves.

We develop certain discoveries and product candidates independent of our collaborators, with a goal of making such discoveries available to collaborators in later phases or developing and commercializing end products. While we believe this will allow us to obtain more favorable license or commercialization terms with respect to such discoveries, product candidates and products, the up-front cost to us of developing programs without a collaborator (and therefore without external funding for the research and development expenditures we incur) in these early phases involves higher risks, since we need to fund the research and development of such programs ourselves. If we are unsuccessful in discovering promising product candidates after having invested significant funds, or if we are unable to find collaborators who are interested in such results and willing to fund subsequent phases of development and commercialization, such failures could have a material and adverse effect on our business, financial condition and results of operations. Regardless of the outcome of our research and development efforts, traditional financing sources such as bank financing or public debt or equity financing, if available to us, could carry with them certain drawbacks, such as imposition of covenants restricting our ability to operate, or substantial dilution to our existing shareholders.

Our business (including each of the businesses of our respective subsidiaries) and those of our collaborators are subject to various government regulations and, if we or our collaborators are unable to comply with the relevant respective law and regulations and/or obtain the necessary regulatory approvals, we may not be able to continue our operations.

Our business is generally subject to two types of regulations: regulations that apply to our operations and regulations that apply to our product candidates and products. We and/or our collaborators may fail to comply with all currently applicable regulations, and we and/or our collaborators may become subject to new or revised regulations or approvals in the future. Furthermore, any violation of these regulations by us and/or our collaborators may expose us to civil and criminal penalties.

Specifically, our operations are carried out mainly in Israel and accordingly we are regulated by the Israeli Ministry of Agriculture and Rural Development, or ISARD, and more specifically by the ISARD's Plants Protection and Inspection Services and the National Committee for Transgenic Plants. The regulation by ISARD addresses, among other things, the import of agricultural materials into Israel, environmental protection requirements for our experiments and working with transgenic plants.

Additionally, our research and development activities use chemicals and produce waste materials, which require us to hold business licenses that may include conditions set by the Israeli Ministry of Environmental Protection for the operations of such facilities.

Our operations in the human health sector, namely the clinical trials by our subsidiary Biomica and the marketing activities by our subsidiary Canonic, are regulated by various laws, regulations, orders and procedures by the Israeli Ministry of Health. In particular, our clinical trials require a permit for a research plan (protocol) by the Helsinki Committee, operating under the Public Health Regulations (Clinical Trials in Humans), 1980 and are also regulated by the Israeli Public Health Ordinance, 1940.

If we fail to comply with any of the above-mentioned laws and/or regulations, we may be subject to fines and other civil, administrative or criminal sanctions (i.e., imprisonment), including the revocation of our toxin permits, business permits, or other permits and licenses necessary to continue our business activities.

Once we develop a commercialized product(s), we further anticipate that we, our subsidiaries, and/or our collaborators, will need to apply for regulatory approval of certain products and may also become subject to additional regulatory regimes in the sale of such products. Such laws may include laws that govern which product(s) may be sold in a particular jurisdiction along with the manner of sales and marketing permitted in that particular jurisdiction. Such laws may be onerous to comply with and may vary from jurisdiction to jurisdiction. For example, in the United States, the regulation of biotechnology is divided among the United States Environmental Protection Agency, or EPA, which regulates activity related to the invention of plant pesticides and herbicides, the United States Department of Agriculture, which regulates the import, field testing and interstate movement of specific technologies that may be used in the creation of transgenic plants, and the United States Food and Drug Administration, or the FDA, which regulates foods derived from new plant varieties. As a result, certain of our products may have to be approved for sale by separate agencies that may regulate a different aspect of one or more of our future products.

In addition, with respect to our product candidates in the human health sector, the time required to obtain approval by the FDA and comparable foreign regulatory authorities is unpredictable but typically takes many years following the commencement of clinical trials and depends upon numerous factors, including the substantial discretion of the regulatory authorities. In addition, approval policies, laws or regulations, or the type and amount of clinical data necessary to gain approval may change during the course of a product candidate's clinical development and may vary among jurisdictions. It is possible that none of our existing product candidates or any product candidates that we may seek to develop in the future will ever obtain regulatory approval. This lengthy approval process as well as the unpredictability of future clinical trial results may result in the failure to obtain regulatory approval to market any of our product candidates as part of our collaborator products, which would significantly harm our underlying businesses, financial condition and results of operations. The FDA and comparable foreign regulatory authorities have substantial discretion in the approval process, and determining when or whether regulatory approval will be obtained for any of our product candidates. Prior to obtaining approval to commercialize a product candidate in the United States or elsewhere, we or our collaborators must demonstrate with substantial evidence from well-controlled clinical trials, and to the satisfaction of the FDA or comparable foreign regulatory agencies, that such product candidates are safe and effective for their intended uses. Results from nonclinical studies and clinical trials can be interpreted in different ways. Even if we believe the data collected from clinical trials of our product candidates is promising, such data may not be sufficient to support approval by the FDA or comparable foreign regulatory authorities.

If we, our subsidiary(ies), or our collaborators are unable to obtain the requisite regulatory approvals or there is a delay in obtaining such approvals as a result of negative market perception or heightened regulatory standards, such product candidates will not be commercialized, which would negatively impact our business and results of operations.

The cost we incur in procuring a D&O liability insurance has substantially increased during previous years (until 2022). If this trend continues, it will have an adverse effect on our results of operations.

D&O liability insurance is intended to cover the liability of the individuals serving as our directors and management, from losses incurred as a result of such service, our liability to indemnify such individuals for such losses and to protect us from certain securities claims. Although from 2022 through 2024 there was a decrease in the cost of D&O insurance, during recent years, there has been a significant increase in these costs for smaller, dual-listed public companies such as our Company. These increases have been tied to perceived heightened levels of risk for D&O insurers. Insurers have been increasing their level of compensation (in the form of premiums), which they believe has not been commensurate with the risk being taken by them. In parallel, there has been an increase in the amounts of the deductibles payable by public companies in situations in which an insurable event occurs. In addition, several insurers are restricted from writing policies for companies active in the area of cannabis (for which we still have a run off policy following our cessation of Canonic's activities), which restricts the number of insurers that can provide us with a D&O liability insurance and limits our ability to negotiate the terms of such insurance. If these trends continue, it will increase our operational expenses and have a negative effect on our financial results.

Disruption to our information technology and systems, or those of our subsidiaries, including a security breach or unauthorized access to our data, our customer's data, or our platform, could adversely affect our reputation and future demand for our products or collaborative relationships, which may have a material adverse effect on our business and results of operations.

Our computational technologies rely on our information technology, or IT, system to collect and analyze the biological and chemical data, which includes several petabytes of data that we produce, review, and store. Our IT is also involved with the collection, storage, processing, transmission and other use of data, including certain confidential, sensitive, and personal information, including those relating to our research, studies, and participants. More generally, in the ordinary course of our business, we collect, store, transmit and otherwise process large amounts of sensitive corporate, personal and other information, including intellectual property, proprietary business information, and other confidential information. Any security breach, data loss, or other compromise, including those resulting from a cybersecurity attack, phishing attack, or any unauthorized access, unauthorized usage, virus or similar breach or disruption could result in the loss or destruction of or unauthorized access to, or use, alteration, disclosure, or acquisition of, data, damage to our reputation, loss of intellectual property protection, claims and litigation, regulatory investigations, or other liabilities. For example, we may become the target of cyber-attacks by third parties seeking unauthorized access to our or our customers' data or to disrupt our ability to provide our services. These attacks may come from individual hackers, criminal groups, and state-sponsored organizations. Ransomware attacks, including those from organized criminal threat actors, nation-states, and nation-state supported actors, are becoming increasingly prevalent and severe, and can lead to significant interruptions in our operations, loss of data and income, reputational loss, diversion of funds, and may result in fines, litigation and unwanted media attention. Extortion payments may alleviate the negative impact of a ransomware attack, but we may be unwilling or unable to make such payments due to, for example, applicable laws or regulations prohibiting payments. Additionally, companies have, in general, experienced an increase in phishing, social engineering and other attacks from third parties, and the increase in remote working further increases these and other security threats. While we are constantly subject to common cyber-attacks including phishing, hacking, encryption, viruses, man/monkey in the middle, etc. from time-to-time, as of the date of this Annual Report, we have not reasonably identified any confirmed breach of our systems and therefore do not believe that any such attacks have individually or in the aggregate led to costs or consequences which have materially impacted our operations or business.

If our security measures are breached as a result of third-party action, employee error or negligence, a defect or bug in our offerings or those of our third-party service providers, malfeasance or otherwise and, as a result, someone obtains unauthorized access to any data, including our confidential, sensitive, or personal information or the confidential, sensitive, or personal information of our customers, or other persons, or any of these types of information is lost, destroyed, or used, altered, disclosed, or acquired without authorization, or if any of the foregoing is perceived to have occurred, our reputation may be damaged, our business may suffer, and we could incur significant liability, including under applicable data privacy and security laws and regulations.

Even the perception of inadequate security may damage our reputation and market position, negatively impacting our ability to win new customers and retain and receive timely payments from existing customers. Further, we could be required to expend significant capital and other resources to protect against and address any data security incident or breach, which may not be covered or fully covered by our insurance, and which may involve payments for investigations, forensic analyses, regulatory compliance, breach notification, legal advice, public relations advice, system repair or replacement, or other services. We and our collaborators, subsidiaries, and service providers also may face difficulties or delays in identifying or responding to, and remediating and otherwise responding to, cyberattacks and other security breaches and incidents. We have made significant efforts to protect against and address potential impacts of security breaches and incidents (such as applying fire walls and segregation of networks), and anticipate doing so in the future. Additionally, we may be required to notify such breaches to regulators and/or individuals and operate to mitigate damages, which may result in us incurring additional costs.

Our subsidiaries, collaborators, and other service providers store and otherwise process our data, including personal, confidential, sensitive, and other information about individuals and ongoing research projects. Such entities may also be the targets of cyberattacks, malicious software, phishing schemes, and fraud. Our ability to monitor the data security of such entities is limited, and, in any event, bad actors may be able to circumvent such security measures, resulting in the unauthorized access to, misuse, acquisition, disclosure, loss, alteration, or destruction of our data, including confidential, sensitive, and other information about individuals and our ongoing research.

Techniques used to sabotage or obtain unauthorized access to systems or networks are constantly evolving and, in some instances, are not identified until after they have been launched against a target. We, our subsidiaries, collaborators, and our service providers may be unable to anticipate these techniques, react in a timely manner, or implement adequate preventative and mitigating measures. If we are unable to efficiently and effectively maintain and upgrade our system safeguards, we may incur unexpected costs and certain of our systems may become more vulnerable to unauthorized access or disruption. Any of the foregoing could have a material adverse effect on our business, financial condition, results of operations, market position, and reputation.

We have established an internal information security committee, that meets from time to time to provide guidelines and address security issues, but we can provide no assurance that our current IT system is fully protected against third-party intrusions, viruses, hacker attacks, information or data theft or other similar threats. Disruption or failure of our IT system due to technical reasons, cyberattacks, natural disasters or other unanticipated catastrophic events, including power interruptions, storms, fires, floods, earthquakes, terrorist attacks and wars could significantly impair our internal development efforts. We maintain an off-site data recovery system that is used for the retention of critical data to enable a potential recovery in case of any of the described disasters (however, this system is not designated to create seamless continuity operation).

As we continue to develop our computational technologies and expand our datasets, we may need to update our IT system and storage capabilities. However, if our existing or future IT system does not function properly, or if the IT system proves incompatible with our new technologies, we could experience interruptions in data transmissions and slow response times, preventing us from completing routine research and business activities, which could adversely affect our business and results of operations.

Development of our product candidates, particularly during our validation and testing activities, may be adversely affected by circumstances caused by us or those beyond our control.

The industries we are engaged in are subject to various factors that make our operations relatively unpredictable from period to period. For example, the testing of our product candidates may be adversely affected by circumstances both caused by us and those that are beyond our control. Factors caused by us include any failure by us or our collaborators to follow proper agronomic practice or suggested protocols for conducting our experiments, and failure to successfully complete such experiments. Factors beyond our control include weather and climatic variations, such as droughts or heat stress, or other factors we are unable to identify. For example, if there was prolonged or permanent disruption to the electricity, climate control or water supply operating systems in our greenhouses or laboratories, the plants and pests on which we test our discoveries and product candidates and the samples we store in freezers, both of which are essential to our research and development activities, would be severely damaged or destroyed, adversely affecting our research and development activities and thereby our business and results of operations. We have experienced these kinds of failures in the past for unknown reasons, causing delays in our achievement of milestones and delivery of results, and necessitating that we re-start the trials. Any test failure we may experience is not covered by our insurance policy, and therefore could result in increased cost of the trials and development of our product candidates, which may negatively impact our business and results of operations.

Our business could be disrupted by catastrophic events.

The occurrence of unforeseen or catastrophic events such as terrorist attacks and war (as further detailed below in the section titled "Risks Relating to Our Incorporation and Location in Israel"), extreme terrestrial or solar weather events or other natural disasters, emergence of a pandemic, or other widespread health emergencies (or concerns over the possibility of such an emergency), could create economic and financial disruptions, and could lead to operational difficulties that could impair our ability to manage our business.

Consumer and government resistance to genetically modified organisms, or GMOs, may negatively affect our public image and reduce potential sales of plants containing our traits.

A certain part of our seed traits activity includes research and development of genetically modified, or GM, seeds. Foods made from such seeds are not accepted by many consumers and in certain countries production of certain GM crops is effectively prohibited, including throughout the European Union, or EU, due to concerns over such products' effects on food safety and the environment. Other jurisdictions and governmental authorities, including in South America and Asia, are increasingly taking an interest in regulating agricultural products of biotechnology. Regulatory approaches vary by jurisdiction as a result of the existing public health frameworks and phytosanitary laws, as well as other less tangible factors such as cultural and religious norms that may have an impact on individual country risk assessments and decision-making. Each jurisdiction may have its own regulatory framework, which may include restrictions and regulations on planting and growing genetically engineered plants, import of grain and other plant products, and in the consumption and labeling of feed and foods derived from such novel plants, and which may apply to future products containing our traits. The high public profile of biotechnology agriculture, especially in food production, and lack of consumer acceptance of products to which we have devoted substantial resources could negatively affect our public image and results of operations. For example, the prohibition on the production of certain GM crops in select countries and the current resistance from consumer groups, particularly in Europe, to GM crops not only limits our access to such markets but also has the potential to spread to and influence the acceptance of products developed through biotechnology in other regions of the world and may also influence regulators in other countries to limit or ban production of GM crops, which could limit the commercial opportunities to exploit biotechnology. Moreover, regulation of all genetically engineered plants in the EU is far more stringent than in the U.S. and Canada. U.S. and Canadian regulators have determined that genome edited plants pose fewer risks than traditional biotechnology-derived plants subjected to modification through the insertion of recombinant DNA. In contrast, a recent EU legal ruling indicated that the existing EU regulations for genetically engineered plants modified by the insertion of recombinant DNA, which were already more stringent than corresponding U.S. and Canadian regulations, should be strictly applied to genome edited plants as well. As a result, there is a sharp distinction between how EU and U.S. and Canadian regulatory agencies oversee novel seed traits, and in particular those that are generated using the more modern techniques of genome editing.

Although we are not currently targeting EU markets for the development or commercialization of future products containing our traits, emerging oversight regimes for genetically engineered products in other jurisdictions may follow the EU approach and impose similarly strict requirements for the release of such products into the environment and their incorporation into human food or other consumer products. Such jurisdictions may also elect to regulate genetically engineered plants without distinguishing between traditional biotechnology-derived plants modified with recombinant DNA and genome edited plants. There is no guarantee that countries for which we may have or may develop future marketing plans would not take a stricter legal and regulatory approach to controlling genetically engineered plants similar to that of the EU, which could increase regulatory costs and delay, prevent or limit our or our future collaborators' ability to market our traits in such jurisdictions.

GM crops are grown principally in the United States, Brazil and Argentina where there are fewer restrictions on the production of GM crops. If these or other countries where GM crops are grown enact laws or regulations that ban the production of such crops or make regulations more stringent, we could experience a longer product development cycle for our product candidates and may even have to abandon projects related to certain crops or geographies, both of which would negatively affect our business and results of operations and could cause us to have to cease operations. Furthermore, any changes in such laws and regulations or consumer acceptance of GM crops could negatively impact our collaborators, who in turn might terminate or reduce the scope of their collaborations with us or seek to alter the financial terms of our agreements with them.

We currently need, and in the future we may need to obtain licenses of third-party technology that may not be available to us or are available only on commercially unreasonable terms, and which may cause us to operate our business in a more costly or otherwise adverse manner that was not anticipated.

We currently need, and in the future we may be required to license technology from third parties to further develop or commercialize our investigational products. Should we be required to obtain licenses for any third-party technology, such licenses may not be available to us on commercially reasonable terms, or at all. The inability to obtain any third-party license required to develop or commercialize any of our products could cause us to abandon any related efforts, which could seriously harm our business and operations.

The licenses we grant to our collaborators to use our discoveries are in most cases exclusive with respect to a specified discovery, product type or market area. This may limit our opportunities to enter into additional licensing or other arrangements with respect to such discoveries, product types or market areas.

Most of the licenses we grant our collaborators to our product candidates or to use specific discoveries we have made are exclusive in the market area of the license. That means that once these discoveries are licensed to a collaborator, we are generally prohibited from licensing those discoveries to any third party for use in such area. The limitations imposed by these exclusive licenses could prevent us from expanding our business and increasing our exposure to new licensees, both of which could adversely affect our business and results of operations.

We may be required to pay substantial damages as a result of product liability, warranty liability, or personal injury claims and litigation.

Once products integrating our discoveries and product candidates reach commercialization, if ever, product liability, warranty liability, personal injury, or other litigation claims may become a commercial risk to our business, particularly as some of the products that we develop may be harmful to humans or to the environment. Moreover, as our portfolio of available products expands, we may experience increases in product liability claims asserted against us. Courts have awarded substantial damages in the United States and elsewhere against a number of companies in the agriculture and human health industries in past years based upon claims for injuries allegedly caused by the use of their products. Product liability claims against us and/or our collaborators selling products that contain our product(s) or allegations of product liability relating to products containing our discoveries may damage our reputation, harm our relationships with our collaborators, and materially and adversely affect our business, results of operations, financial condition and prospects. Currently, we and/or our subsidiaries maintain an insurance policy according to the specific needs of each company, which may include commercial insurance, self-insurance (including direct risk retention), or a combination of both approaches, in amounts and on terms that we believe are reasonable and prudent in light of our business and related risks. We currently carry specific product liability insurance coverage for Lavie Bio and Casterra. Any such insurance we obtain on these operations may be expensive and may not cover our potential liability in full. In addition, we may be subject to claims for which insurance coverage that we do carry is denied, as well as claims that exceed our policy limits. As a result, we may not be able to obtain the type and amount of insurance we desire, or any insurance on reasonable terms, in the markets in which we operate. Furthermore, while our collaboration agreements typically require that our collaborators indemnify us for the cost of product liability claims brought against us, such indemnification provisions may not be enforceable, and we may receive no indemnification if our own misconduct led to the claims.

Any litigation could force us to incur significant expenses, divert management's time and attention, subject us to adverse publicity, and damage our reputation and competitive position. A successful assertion of a claim against us may result in potentially significant monetary damages, penalties, or fines and adversely affect sales of our products. Costs or payments made in connection with warranty and product liability claims and recalls could adversely affect our financial condition and results of operations in a material manner.

Our facilities in Israel are located on leased properties. Termination of any of the leases, changes in lease terms, and long-term leases that may not be terminated at will, may jeopardize our activity and materially affect our financial condition or results of operations.

Our office spaces, labs, facilities, and farm are all situated on properties that we lease pursuant to lease agreements in Israel. Once a lease agreement ends, we may not be able to renew it on favorable terms, or not at all, which may require us to increase our lease payments or take a new lease on another property, adversely affecting our business and results of operations. In addition, a long-term lease may mean no or limited possibility to terminate the lease at will before the completion of the lease period, which may lead to continued holding of an un-needed space or entry into a sub-lease, which may adversely affect our results of operations. For more information regarding our facilities, please see "Item 4. Information on the Company—D. Property, Plants and Equipment."

Our operations are subject to various health and environmental risks associated with our use, handling and disposal of potentially toxic materials.

Our operations involve various health and environmental risks. For example, as part of our seed traits operations, we assist in the development of GM crops by inserting new genes into the genomes of certain plants. Though we introduce these genes in order to improve plant traits, we cannot always predict the effect that these genes may have on the plant. In some cases, the genes may render the plant poisonous or toxic, or they may cause the plant to develop other dangerous characteristics that could harm the plant's surrounding environment. Furthermore, while we comply with relevant environmental laws and regulations, there is a risk that, when testing genetically modified plants, the seeds of these plants may escape the greenhouse in which they are being tested and contaminate nearby fields. Poisonous or toxic plants may therefore be inadvertently introduced into the wild, or possibly enter the food production system, harming the people and animals who come in contact with them. Furthermore, GM crops may be a source for the transfer of antibiotic-resistant genes to the environment or the exposed organisms.

Moreover, as part of Lavie Bio's operations, it develops novel product candidates based on microbes in order to improve plants traits. Although microbes exist naturally in the environment, we cannot always predict the effect that microbes have on the plant and its environment. There may be cases where the microbes render the plant poisonous or toxic, or they may cause the plant to develop other dangerous characteristics that could harm the plant's surrounding environment.

In addition, as part of Casterra's operation, we handle castor seeds, which contain ricin, a naturally occurring poison, and hence are unsuitable for human or animal consumption. Ricin is a naturally occurring carbohydrate-binding protein produced in the seeds of ricinus communis, the plant that produces castor oil. It is toxic when inhaled, ingested, or injected. As few as five to ten micrograms per kilogram can be lethal. The risk may occur when practicing a crop rotation scheme that involves growing an edible crop after castor. There is a risk that the harvesting machinery will not properly harvest seeds; and if the harvesting machinery fails to remove the castor seeds properly, there is a risk the seeds could germinate and develop into a plant, which may be collected during the second crop harvest and contaminate the edible yield with a toxic substance.

Similar risks are relevant to our Ag-Seeds division operations, especially with respect to GM seeds and AgPlenus' ag-chemicals operations.

Changes in laws and regulations to which we are subject, or to which we may become subject in the future, may materially increase our costs of operation, decrease our operating revenues and disrupt our business.

Laws and regulatory standards and procedures that impact our business are continuously changing. Responding to these changes and meeting existing and new requirements may be costly and burdensome. Changes in laws and regulations may occur that could:

- impair or eliminate our ability to research and develop our product candidates, including validating our product candidates through lab, greenhouse, field or clinical trials;
- increase our compliance and other costs of doing business through increases in the cost to patent or otherwise protect our intellectual property or increases in the cost to our collaborators to obtain the necessary regulatory approvals to commercialize and market the product candidates we develop with them;
- require significant product redesign or systems redevelopment;
- render our product candidates less profitable, obsolete or less attractive compared to competing products;
- affect our collaborators' willingness to do business with us;
- jeopardize import or export of raw material or end products, such as with respect to seedlings and products;
- reduce the amount of revenues we receive from our collaborators through milestone payments or royalties; and
- discourage our collaborators from offering, and consumers from purchasing, products that incorporate our discoveries.

Any of these events could have a material adverse effect on our business, results of operations and financial condition. For example, legislators and regulators have increased their focus on plant biotechnology in recent years, with particular attention paid to GM crops as well as on ag-chemicals.

While none of our product candidates are currently available for sale, other than Casterra's castor seeds and bio-inoculants by Lavie Bio, our future growth relies on our ability and the ability of our collaborators to commercialize and market our product candidates, and any restrictions on such activities could materially and adversely impact our business and results of operations. Any changes in regulations in countries where our product candidates are used could result in our collaborators being unable or unwilling to develop, commercialize or sell products that incorporate our discoveries. In addition, we rely on patents and other forms of intellectual property protection. Legislation and jurisprudence on patent protection in the key target markets where we seek patent protection, such as the United States and the EU, is evolving and changes in laws could affect our ability to obtain or maintain patent protection for our product candidates. Any changes to these existing laws and regulations may materially increase our costs of operation, decrease our operating revenues and disrupt our business. For more information, please see 'Government Regulation of our Operations' and 'Government Regulation of Product Candidates' paragraphs under the description of each of our activity divisions and subsidiaries under "Item 4. Information on the Company—B. Business Overview."

We are subject to evolving corporate governance and public disclosure regulations and expectations, including with respect to environmental, social and governance matters that could expose us to numerous risks.

We are subject to changing rules and regulations promulgated by a number of governmental and self-regulatory organizations, including the SEC and Nasdaq. These rules and regulations continue to evolve in scope and complexity and many new requirements have been created in response to laws enacted by Congress, making compliance difficult and uncertain. In addition, increasingly regulators, customers, investors, employees and other stakeholders are focusing on environmental, social and governance, or ESG, matters and related disclosures. These changing rules, regulations and stakeholder expectations could result in increased general and administrative expenses and increased management time and attention spent complying with or meeting such regulations and expectations. For example, developing and acting on ESG initiatives, and collecting, measuring, and reporting ESG information and metrics, can be costly, difficult and time consuming and is subject to evolving reporting standards. We may also communicate certain initiatives and goals regarding environmental matters, diversity, responsible sourcing, social investments and other ESG matters in public disclosures. These initiatives and goals could be difficult and expensive to implement, the technologies needed to implement them may not be cost effective and may not advance at a sufficient pace, and ensuring the accuracy, adequacy, or completeness of the disclosure of our ESG initiatives can be costly, difficult and time-consuming. We may be affected by market or regulatory responses to climate change.

Growing public concern about climate change has resulted in the increased focus of local, state, regional, national and international regulatory bodies on greenhouse gas, or GHG, emissions and climate change issues.

We may also incur additional expenses as a result of regulators requiring additional disclosures regarding GHG emissions. Compliance with such regulations and the associated potential cost is complicated by the fact that various countries and regions are following different approaches to the regulation of climate change.

Growing cycles and adverse weather conditions may decrease our results from operations.

Our operations are affected by the growing cycles of the crops, including castor beans, that we plant, test and manufacture for our and our subsidiaries' products. We set our planting schedules without knowing the effect of the weather on the crops or on the entire industry's production. Weather conditions during the course of each crop's growing season will affect the volume and growing time of that crop.

Risks Related to Our Intellectual Property Rights

Our success depends on our ability to protect our intellectual property and our proprietary technologies.

Our commercial success depends in part on our ability to obtain and maintain patent protection and trade secret protection for our proprietary computational and experimental technologies, our discoveries and their uses, as well as our ability to operate without infringing upon the proprietary rights of others. If we do not adequately protect our intellectual property, competitors may be able to use our technologies and erode or negate any competitive advantage we may have, which could harm our business and ability to achieve profitability.

While we expect our patent applications to receive approval, we cannot be certain that we will obtain such results. Despite our efforts to protect our proprietary rights, unauthorized third parties may attempt to use, copy or otherwise obtain and market or distribute our intellectual property rights or technology or otherwise develop products or solutions with the same functionality as our solutions. For example, the castor varieties of our subsidiary Casterra can be easily reproduced by any third party with access to its castor seeds. In addition, the laws of some foreign countries provide less protection for proprietary rights than U.S. law. We face the occasional risk, moreover, that third parties may assert copyright, trademark and other intellectual property rights against us. Such claims may result in direct or indirect liability as we have contractually agreed to indemnify certain parties for any damages suffered as a result of infringement by us of any third-party intellectual property rights. Policing unauthorized use of technologies, trade secrets and intellectual property may be difficult, expensive and time-consuming. If we fail to meaningfully establish, maintain, protect and enforce our intellectual property and proprietary rights, our business, operating results and financial condition could be adversely affected.

If we are unable to protect the confidentiality of our trade secrets, the value of our technology could be materially adversely affected and our business would be harmed.

We treat our proprietary computational and experimental technologies, including unpatented know-how and other proprietary information, as trade secrets. We seek to protect these trade secrets, in part, by entering into non-disclosure and confidentiality agreements with any third parties who have access to them, such as our consultants, independent contractors, advisors, corporate collaborators and outside scientific collaborators. We also enter into confidentiality and invention or patent assignment agreements with employees and certain consultants. Any party with whom we have executed such an agreement may breach that agreement and disclose our proprietary information, including our trade secrets, and we may not be able to obtain adequate remedies for such breaches. Enforcing a claim that a party illegally disclosed or misappropriated a trade secret is difficult, expensive and time-consuming, and the outcome is unpredictable. In addition, if any of our trade secrets were to be lawfully obtained or independently developed by a competitor, we would have no right to prevent such third party, or those to whom it communicates that technology or information, from using that technology or information to compete with us. If any of our trade secrets were to be disclosed to or independently developed by a competitor, or if we otherwise lose protection for our trade secrets or proprietary know-how, the value of this information may be greatly reduced and our business and competitive position could be harmed.

We may not be able to protect our intellectual property rights throughout the world.

Filing, prosecuting, maintaining and defending patents on product candidates in all countries throughout the world would be prohibitively expensive, and our intellectual property rights in some countries outside the United States are less extensive than those in the United States. In addition, the laws of some foreign countries do not protect intellectual property rights to the same extent as federal and state laws in the United States. Consequently, we are unable to prevent third parties from using our inventions in all countries outside the United States, or from selling or importing products made using our inventions in and into the jurisdictions in which we do not have patent protection. Competitors may use our technologies in jurisdictions where we have not obtained patent protection to develop their own products, and we may be unable to prevent such competitors from importing those infringing products into territories where we have patent protection but enforcement is not as strong as in the United States. These products may compete with our product candidates and our patents and other intellectual property rights may not be effective or sufficient to prevent them from competing in those jurisdictions. Moreover, farmers or others in the chain of commerce may raise legal challenges against our intellectual property rights or may infringe upon our intellectual property rights, including through means that may be difficult to prevent or detect. For example, the practice by some farmers of saving seeds from non-hybrid crops (such as soybeans, canola and cotton) containing biotechnological traits may prevent us from realizing the full value of our intellectual property in countries outside of the United States.

Many companies have encountered significant problems in protecting and defending intellectual property rights in foreign jurisdictions, including China, where we have filed patent applications. The legal systems of certain countries, including China, have not historically favored the enforcement of patents or other intellectual property rights, which could hinder us from preventing the infringement of our patents or other intellectual property rights and result in substantial risks to us. Proceedings to enforce our patent rights in the United States or foreign jurisdictions could result in substantial costs and divert our efforts and attention from other aspects of our business, could put our patents at risk of being invalidated or interpreted narrowly and our patent applications at risk of not issuing and could provoke third parties to assert patent infringement or other claims against us. We may not prevail in any lawsuits that we initiate and the damages or other remedies awarded, if any, may not be commercially meaningful. Accordingly, our efforts to enforce our intellectual property rights around the world may be inadequate to obtain a significant commercial advantage from the intellectual property that we develop or license from third parties.

If we or one of our collaborators are sued for infringing the intellectual property rights of a third party, such litigation could be costly and time consuming and could prevent us or our collaborators from developing or commercializing our product candidates.

Our ability to generate significant revenues from our product candidates depends on our and our collaborators' ability to develop, market and sell our product candidates and utilize our proprietary technology without infringing the intellectual property and other rights of any third parties. In the United States and abroad there are numerous third-party patents and patent applications that may be applied toward our proprietary technology, business processes or product candidates, some of which may be construed as containing claims that cover the subject matter of our product candidates or intellectual property. Because of the rapid pace of technological change, the confidentiality of patent applications in some jurisdictions, and the fact that patent applications can take many years to issue, there may be currently pending applications that are unknown to us that may later result in issued patents upon which our product candidates or proprietary technologies infringe. Similarly, there may be issued patents relevant to our product candidates of which we are not aware. These patents could reduce the value of the product candidates we develop or, to the extent they cover key technologies on which we have unknowingly relied, require that we seek to obtain licenses or cease using the technology, no matter how valuable to our business. We may not be able to obtain such a license on commercially reasonable terms. There is a substantial amount of litigation involving patent and other intellectual property rights in the biotechnology industry generally. If any third party patent or patent application covers our intellectual property or proprietary rights and we are not able to obtain a license to it, we and our collaborators may be prevented from commercializing products containing our discoveries.

As the biotechnology industry continues to develop, we may become party to, or threatened with, litigation or other adverse proceedings regarding intellectual property or proprietary rights in our technology, processes or product candidates. Third parties may assert claims based on existing or future intellectual property rights and the outcome of any proceedings is subject to uncertainties that cannot be adequately quantified in advance. Any litigation proceedings could be costly and time consuming and negative outcomes could result in liability for monetary damages, including treble damages and attorneys' fees if we are found to have willfully infringed a patent. There is also no guarantee that we would be able to obtain a license under such infringed intellectual property on commercially reasonable terms or at all. A finding of infringement could prevent us or our collaborators from developing, marketing or selling a product candidate or force us to cease some or all of our business operations. Even if we are successful in these proceedings, we may incur substantial costs and the time and attention of our management and scientific personnel may be diverted as a result of these proceedings, which could have a material adverse effect on us. Claims that we have misappropriated the confidential information or trade secrets of third parties could similarly have a negative impact on our business.

We may be required to pay royalties to employees who develop inventions that have been or will be commercialized by us, even if the rights to such inventions have been assigned to us and the employees have waived their rights to royalties or other additional compensation.

A significant portion of our intellectual property has been developed by our employees in the course of their employment for us. Under the Israeli Patent Law, 5727-1967, or the Patent Law, inventions conceived by an employee in the course and as a result of or arising from his or her employment with a company are regarded as "service inventions," which belong to the employer, absent a specific agreement between the employee and employer giving the employee proprietary rights. The Patent Law also provides under Section 134 that if there is no agreement between an employer and an employee as to whether the employee is entitled to consideration for service inventions, and to what extent and under which conditions, the Israeli Compensation and Royalties Committee, or the Committee, a body constituted under the Patent Law, shall determine these issues. Section 135 of the Patent Law provides criteria for assisting the Committee in making its decisions. According to the decisions of the Committee, an employee's right to receive consideration for service inventions is a personal right and is entirely separate from the proprietary rights in such invention. Therefore, this right must be explicitly waived by the employee. A decision handed down in May 2014 by the Committee clarifies that the right to receive consideration under Section 134 can be waived and that such waiver can be made orally, in writing or by behavior like any other contract. The Committee will examine, on a case by case basis, the general contractual framework between the parties, using interpretation rules of the general Israeli contract laws. Further, the Committee has not yet determined one specific formula for calculating this remuneration, nor the criteria or circumstances under which an employee's waiver of his right to remuneration will be disregarded. Similarly, it remains unclear whether waivers by employees in their employment agreements of the alleged right to receive consideration for service inventions should be declared as void being a depriving provision in a standard contract. All of our employees execute invention assignment agreements upon commencement of employment, in which they assign their rights to potential inventions and acknowledge that they will not be entitled to additional compensation or royalties from commercialization of inventions. Although our employees have agreed to assign to us service invention rights and have specifically waived their right to receive any special remuneration for such service inventions beyond their regular salary and benefits, we may face claims demanding remuneration in consideration for assigned inventions.

Changes in U.S. patent law could diminish the value of patents in general, thereby impairing our ability to protect our product candidates.

As is the case with other biotechnology companies, our success is heavily dependent on intellectual property, particularly patents. Obtaining and enforcing biotechnology patents involves technological and legal complexity, and is costly, time consuming, and inherently uncertain. In addition, the U.S. Supreme Court has ruled on several patent cases, either narrowing the scope of patent protection available in certain circumstances or weakening the rights of patent owners in certain situations. In addition to increasing uncertainty with regard to our ability to obtain patents in the future, this combination of events has created uncertainty with respect to the value of patents, once obtained. Depending on decisions by the U.S. Congress, the federal courts, and the U.S. Patent and Trademark Office, the laws and regulations governing patents could change in unpredictable ways that may weaken or undermine our ability to obtain new patents or to enforce our existing patents and patents we might obtain in the future.

Our employment agreements with our employees and other agreements with our collaborators and third parties may not adequately prevent disclosure of trade secrets, know-how and other proprietary information.

A substantial portion of our technologies and intellectual property is protected by trade secret laws. We rely on a combination of patent and other intellectual property laws as well as our employment agreements with our employees and other agreements with our collaborators and third parties to protect and otherwise seek to control access to, and distribution of, our proprietary information. These measures may not prevent disclosure, infringement or misappropriation of our confidential information. Our confidentiality, nondisclosure and assignment agreements or covenants may be breached, and we may not have adequate remedies for such a breach that would effectively prevent the further dissemination of our confidential information. We have limited control over the protection of trade secrets used by our collaborators and could lose future trade secret protection if any unauthorized disclosure of such information occurs. In addition, others may independently discover our trade secrets and proprietary information, and in such cases we could not assert any trade secret rights against such parties. Laws regarding trade secret rights in certain markets where we operate may afford little or no protection of our trade secrets. Failure to obtain or maintain trade secret protection could adversely affect our business, sales and competitive position.

We may not be able to fully enforce covenants not to compete with our key employees, and therefore we may be unable to prevent our competitors from benefiting from the expertise of such employees.

Our employment agreements with key employees, which include executive officers, contain non-compete provisions. These provisions prohibit our key employees, if they cease working for us, from competing directly with us or working for our competitors for one year. Under applicable U.S. and Israeli laws, we may be unable to enforce these provisions. If we cannot enforce the non-compete provisions with our key employees, we may be unable to prevent our competitors from benefiting from the expertise of such employees. Even if these provisions are enforceable, they may not adequately protect our interests. The defection of one or more of our employees to a competitor could materially adversely affect our business, results of operations and ability to capitalize on our proprietary information.

Risks Relating to Our Incorporation and Location in Israel

Conditions in Israel, including Israel's conflicts with Hamas and other parties in the region, as well as political and economic instability, may adversely affect our operations and limit our ability to market our products, which would lead to a decrease in revenues.

We are incorporated under Israeli law, and our employees, including our Chief Executive Officer, our Chief Financial Officer, and other senior members of our management team, operate from our headquarters located in Israel. In addition, the majority of our directors are residents of Israel. Accordingly, our business and operations are directly affected by economic, political, geopolitical, and military conditions in Israel.

Since the establishment of the State of Israel in 1948 and in recent years, armed conflicts between Israel and its neighboring countries and terrorist organizations active in the region have involved missile strikes, hostile infiltrations, abduction of soldiers and citizens, and terrorism against civilian targets in various parts of Israel.

Following the October 7, 2023 attacks by Hamas terrorists in Israel's southern border, Israel declared war against Hamas and since then, Israel has been involved in military conflicts with Hamas, Hezbollah, a terrorist organization based in Lebanon, and Iran, both directly and through proxies like the Houthi movement in Yemen and armed groups in Iraq and other terrorist organizations. Additionally, following the fall of the Assad regime in Syria, Israel has conducted limited military operations targeting the Syrian army, Iranian military assets and infrastructure linked to Hezbollah and other Iran-supported groups. Although certain ceasefire agreements have been reached with Lebanon (with respect to Hezbollah), there is no assurance that these agreements will be upheld, military activity and hostilities continue to exist at varying levels of intensity, and the situation remains volatile, with the potential for escalation into a broader regional conflict involving additional terrorist organizations and possibly other countries. Also, the fall of the Assad regime in Syria may create geopolitical instability in the region.

While our facilities have not been damaged during the current war, the hostilities with Hamas, Hezbollah, Iran and its proxies and others have caused and may continue to cause damage to private and public facilities, infrastructure, utilities, and telecommunication networks, and potentially disrupting our operations. In addition, Israeli organizations, government agencies and companies have been subject to extensive cyber-attacks. This could lead to increased costs, risks to employee safety, and challenges to business continuity, with potential financial losses.

The continuation of the war has also led to a deterioration of certain indicators of Israel's economic standing, for instance, a downgrade in Israel's credit rating by rating agencies (such as by Moody's, S&P Global, and Fitch).

In connection with the ongoing war, several hundred thousand Israeli military reservists were drafted to perform immediate military service, and military reservists are expected to perform long reserve duty service in the coming years. As of the date of this Annual Report, only several of our employees have been called to active military duty. The absence of our employees due to their military service in the current or future wars or other armed conflicts may materially and adversely affect our ability to conduct our 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 certain direct damages that are caused by terrorist attacks or acts of war, we cannot assure you that such 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.

The global perception of Israel and Israeli companies, influenced by actions by international judicial bodies, may lead to increased sanctions and other negative measures against Israel, as well as Israeli companies and academic institutions. There is also a growing movement among countries, activists, and organizations to boycott Israeli goods, services and academic research or restrict business with Israel, which could affect business operations. If these efforts become widespread, along with any future rulings from international tribunals against Israel, they could significantly and negatively impact business operations.

Prior to the October 2023 war, the Israeli government pursued changes to Israel's judicial system and has recently renewed its efforts to effect such changes. In response to the foregoing developments, certain individuals, organizations, and institutions, both within and outside of Israel, voiced concerns that such proposed changes, if adopted, may negatively impact the business environment in Israel. Such proposed changes may also lead to political instability or civil unrest. If such changes to Israel's judicial system are pursued by the government and approved by the parliament, this may have an adverse effect on our business and operations.

Exchange rate fluctuations between the U.S. dollar and the NIS may negatively affect our financial results.

The Company's reporting currency is U.S. dollars. In view of the fact that a substantial part of our expenses is in NIS, any appreciation of the NIS relative to the U.S. dollar would adversely impact our financial results. The appreciation (devaluation) of the NIS in relation to the U.S. dollar amounted to (0.6%), (3.1%) and (13.2%) for the years ended December 31, 2024, 2023 and 2022, respectively. These fluctuations could cause our results of operations to differ from our expectations or the expectations of our investors. Additionally, such foreign currency exchange rate fluctuations could make it more difficult to detect underlying trends in our business and results of operations. As of the data of this Annual Report, we do not maintain a program to hedge transactional exposures in certain foreign currencies. If we enter into hedging contracts in the future, we may be unsuccessful in protecting against currency exchange rate fluctuations. See "Item 11. Quantitative and Qualitative Disclosure About Market Risk—Foreign Currency Risk."

We also cannot predict any future trends in the rate of inflation or deflation in Israel. The Israeli annual rate of inflation (deflation) amounted to 5.3%, 3.0% and 3.2 % for the years ended December 31, 2022, 2023 and 2024, respectively.

Interest rate fluctuations may devalue our investments and could have an adverse impact on our financial condition.

From time to time we hold corporate bonds and government treasury notes denominated in NIS and in U.S. dollars. These investments expose us to the risk of interest rate fluctuations. A decrease in Israeli or in U.S. interest rates could cause the fair value of these investments to decrease.

We received Israeli government grants for certain of our research and development activities as detailed below. The terms of those grants require us to satisfy specified conditions in order to transfer outside of Israel the manufacture of products based on know-how funded by the Israeli Innovation Authority or to transfer outside of Israel the know-how itself. If we fail to comply with the requirements of Israeli Law in this regard, we may be required to pay penalties, and it may impair our ability to sell our technology outside of Israel.

Our research and development operations have been partly financed through certain governmental grants. Certain of these grants are royalty-bearing grants under the terms of which we are committed to pay royalties at a rate of 3.0% - 4.0% on sales proceeds from our products that were developed under Israeli Innovation Authority, or the IIA, programs up to the total amount of grants received, linked to the U.S. dollar. Pursuant to the latest IIA regulations, grants received from the IIA before June 20, 2017, bear an annual interest rate that applied at the time of the approval of the applicable file and such interest will apply to all funding received under that approval. Grants received from the IIA after June 30, 2017, bear an annual interest rate based on the 12-month London Interbank Offered Rate, until December 31, 2023, and as of January 1, 2024, bear an annual interest rate based on the 12-month Secured Overnight Financing Rate, or SOFR, or at an alternative rate published by the Bank of Israel plus 0.71513%. Grants approved after January 1, 2024, shall bear the higher of 12 months SOFR interest plus 1% or a fixed annual interest rate of 4%.

In addition, these IIA grants impose certain restrictions on the transfer outside of Israel of the underlying know-how and the manufacturing or manufacturing rights of the underlying products and technologies. As of December 31, 2024, we had received from the IIA approximately $9.4 million (including accrued interest) of royalty-bearing grants, and repaid approximately $3.9 million in royalties and an additional approximately $4.9 million from the IIA in respect of several non-refundable projects. We may not receive the required approvals should we wish to transfer the know-how, technology or manufacturing rights related to such government grants outside of Israel in the future or, if we receive such required approvals, they may be subject to certain conditions and payment obligations. See "Item 5. Operating and Financial Review and Prospects—B. Liquidity and Capital Resources—Government Grants."

If we incorporate new subsidiaries, the IIA may deem that any such new subsidiary is a co-beneficiary of the Company, such that the new subsidiary is liable to the IIA, severally and jointly with the Company, for all amounts which may be due to the IIA in connection with previously received grants. Such a perception might be burdensome with respect to incorporation of new subsidiaries and new projects.

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

We are incorporated in Israel. The majority of our directors and executive officers reside outside the United States and the majority of our assets are located outside the United States. Therefore, it may be difficult for an investor, or any other person or entity, to enforce a U.S. court judgment based upon the civil liability provisions of the U.S. federal securities laws against us or any of these persons in a U.S. or Israeli court, or to effect service of process upon these persons in the United States. Additionally, it may be difficult for an investor, or any other person or entity, to assert U.S. securities law claims in original actions instituted in Israel. Israeli courts may refuse to hear a claim based on a violation of U.S. securities laws on the grounds that Israel is not the most appropriate forum in which to bring such a claim. 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.

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.

Since we are incorporated under Israeli law, the rights and responsibilities of our shareholders are governed by Israeli law and by our articles of association. These rights and responsibilities differ in some respects from the rights and responsibilities of shareholders of U.S.-based corporations. In particular, a shareholder of an Israeli company has a duty to act in good faith and in a customary manner in exercising its rights and performing its obligations towards the company and other shareholders and to refrain from abusing its power in the company, including, among other things, in voting at the general meeting of shareholders on certain matters, such as an amendment to the company's articles of association, an increase of the company's authorized share capital, a merger of the company and approval of related party transactions that require shareholder approval. A shareholder also has a general duty to refrain from discriminating against other shareholders. In addition, a controlling shareholder or a shareholder who knows that it possesses the power to determine the outcome of a shareholders' vote or to appoint or prevent the appointment of an office holder in the company has a duty to act in fairness towards the company. However, Israeli law does not define the substance of this duty of fairness. There is limited case law available to assist us in understanding the nature of this duty or the implications of these provisions. These provisions may be interpreted to impose additional obligations and liabilities on holders of our ordinary shares that are not typically imposed on shareholders of U.S. corporations. See "Item 6. Directors, Senior Management and Employees—C. Board Practices—Shareholder Duties."

Provisions of Israeli law may delay, prevent or make undesirable an acquisition of all or a significant portion of our shares or assets.

Certain provisions of Israeli law and our articles of association 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 for our shareholders to elect different individuals to our board of directors, even if doing so would be beneficial to our shareholders, and may limit the price that investors may be willing to pay in the future for our ordinary shares. For example, Israeli corporate law regulates mergers and requires that a tender offer be effected when certain thresholds of percentage ownership of voting power in a company are exceeded (subject to certain conditions). 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. 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 actual disposition of the shares has occurred. See Exhibit 2.1 to this Annual Report.

Furthermore, under the Israeli Encouragement of Research, Development and Technological Innovation in the Industry Law, 5744-1984 (formerly known as the Law for the Encouragement of Research and Development in Industry 5744-1984), and the regulations, guidelines, rules, procedures and benefit tracks thereunder, collectively, the Innovation Law, to which we are subject due to our receipt of grants from the IIA, a recipient of IIA grants such as our company must report to the IIA regarding any change in the holding of any means of control of our company. If following such change any non-Israeli citizen or resident becomes an "interested party", as defined in the Israeli Securities Law 5728-1968, such non-Israeli citizen or resident shall execute an undertaking in favor of IIA, in a form prescribed by IIA.

Risks Related to Our Ordinary Shares and the Ownership and Trading of Our Ordinary Shares

The price of our ordinary shares may fluctuate significantly. Further, there is no guarantee of a continuing public market to resell our ordinary shares.

The market price of our ordinary shares could be highly volatile and may fluctuate substantially as a result of many factors, including:

- our inability to obtain additional funding;
- any delay in filing a regulatory submission for any of our product or product candidates and any adverse development or perceived adverse development with respect to the review of that regulatory submission by the applicable regulatory body;
- 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 competitors of significant business developments, changes in relationships with our collaborators, acquisitions or expansion plans;

- our involvement in litigation;
- our sale, or the sale by our significant shareholders, of ordinary shares or other securities in the future;
- failure to publish research or the publishing of inaccurate or unfavorable research;
- market conditions in our industry and changes in estimates of the future size and growth rate of our markets;
- changes in key personnel;
- the trading volume of our ordinary shares; and
- general economic and market conditions, including as a result of the scope and duration of the war in Israel.

Although our ordinary shares are listed on Nasdaq, an active trading market on Nasdaq for our ordinary shares may not be sustained. If an active market for our ordinary shares is not sustained, it may be difficult to sell ordinary shares in the U.S.

In addition, the stock market in general, and the Nasdaq and the market for biotechnology companies in particular, have experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of companies like ours. Broad market and industry factors may materially harm the market price of our ordinary shares, regardless of our operating performance. Further, a systemic decline in the financial markets and related factors beyond our control may cause our share price to decline rapidly and unexpectedly. Price volatility of our ordinary shares might be worse if the trading volume of our ordinary shares is low. 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.

Any inability to meet the Nasdaq listing requirements may have an adverse effect on our share price and lead to our delisting from Nasdaq.

We are required to meet the continued listing requirements of Nasdaq, including those regarding minimum share price. In particular, we are required to maintain a minimum bid price for our listed ordinary shares of $1.00 per share. On October 31, 2022, we received a written notification from Nasdaq, which stated that because the closing bid price of our ordinary shares for 31 consecutive business days was below the minimum $1.00 per share bid price requirement for continued listing on the Nasdaq Capital Market, we were not in compliance with Nasdaq Listing Rule 5550(a)(2). Pursuant to Nasdaq Listing Rule 5810(c)(3)(A), the applicable grace period to regain compliance was 180 days, or until May 1, 2023.

On May 2, 2023, Nasdaq notified us that our transfer from the Nasdaq Global Market to the Nasdaq Capital Market was approved, and that we were eligible for an additional 180 calendar day period, or until October 30, 2023, to regain compliance with the bid price rules. Effective at the opening of business on May 4, 2023, our ordinary shares were transferred to the Nasdaq Capital Market. On July 17, 2023, we announced that Nasdaq confirmed that it regained compliance with Nasdaq Listing Rule 5550(a)(2) concerning the minimum bid price of our ordinary shares.

On September 18, 2023, we received another written notification from Nasdaq, which stated that because the closing bid price of our ordinary shares for 30 consecutive business days was below the minimum $1.00 per share bid price requirement for continued listing on the Nasdaq Capital Market, we were not in compliance with Nasdaq Listing Rule 5550(a)(2). Pursuant to Nasdaq Listing Rule 5810(c)(3)(A), we had a grace period of 180 days to regain compliance until March 18, 2024. On March 20, 2024, we announced that we received a letter from the Nasdaq Stock Market LLC pursuant to which Nasdaq granted us an extension until September 16, 2024, to regain compliance with the minimum bid price requirement.

In an effort to regain compliance with these rules on July 24, 2024 we effected a reverse share split of our ordinary shares at the ratio of 1-for-10, such that each ten (10) ordinary shares, par value NIS 0.02 per share, have been consolidated into one (1) ordinary share, par value NIS 0.2 per share. While this action temporarily brought us into compliance, there is no guarantee that we will be able to sustain the minimum bid price or other listing standards in the future. Reverse share splits do not necessarily result in sustained market price improvements and can lead to a decrease in our overall market capitalization if the trading price of our shares declines.

There are numerous factors and contingencies that have affected our price following the reverse split, including the status of the market for our ordinary shares, our reported results of operations and general economic, market and industry conditions. The market price of our ordinary shares has decline since the reverse split and may not return to the direct arithmetic result of the reverse split. If the market price of our ordinary shares continues to decline, our total market capitalization (the aggregate value of all of our outstanding ordinary shares at the then existing market price) after the reverse split will remain lower than before the reverse split. In addition, the reverse split resulted in some shareholders owning "odd lots" of less than 100 ordinary shares on a post-split basis. Odd lots may be more difficult to sell, or require greater transaction costs per share to sell, than shares in "round lots" of even multiples of 100 shares.

In the event that our ordinary shares are delisted from Nasdaq due to our failure to continue to comply with the requirements for continued listing on Nasdaq, and are not eligible for listing on another national securities exchange, trading in our ordinary shares could be conducted in the over-the-counter market or on an electronic bulletin board established for unlisted securities such as the Pink Sheets or the OTC Bulletin Board. In such event, it could become more difficult to dispose of, or obtain accurate price quotations for, our Ordinary Shares, and it would likely be more difficult to obtain coverage by securities analysts and the news media, which could cause the price of our ordinary shares to decline further. Also, it may be difficult for us to raise additional capital if we are not listed on a national exchange and we could suffer reputational damage and diminished investor, supplier and employee confidence.

Our ordinary shares are traded on more than one market and this may result in price variations.

Our ordinary shares are listed on both the TASE and Nasdaq. Trading in our ordinary shares on these markets takes place in different currencies (U.S. dollars on Nasdaq and NIS on the TASE), and at different times (resulting from different time zones, trading days and public holidays in the United States and Israel). The trading prices of our ordinary shares on these two markets may differ due to these and other factors. Any decrease in the price of our ordinary shares on the TASE could cause a decrease in the trading price of our ordinary shares on Nasdaq or vice versa.

We could become subject to parallel reporting obligations in Israel and the United States, which could increase compliance costs and divert management attention.

We currently solely utilize U.S. reporting standards under the rules and regulations of the SEC. However, should this change in the future, we may become subject to parallel reporting obligations in Israel and the United States. While similar in many respects, certain differences between Israeli and U.S. reporting schemes may impose on us disclosure obligations that are more stringent than those generally applied to foreign private issuers whose securities are listed only in the United States. In addition, a requirement to comply with the separate reporting obligations under U.S. and Israeli securities laws would require additional management attention and could burden us with additional costs.

The requirements of being a public company in the United States and Israel may strain our resources and distract our management, which could make it difficult to manage our business.

Changing laws, regulations and standards, in the United States or Israel, relating to corporate governance and public disclosure and other matters, may be implemented in the future, which may increase our legal and financial compliance costs, make some activities more time consuming and divert management's time and attention from revenue-generating activities to compliance activities. If our efforts to comply with new laws, regulations and standards differ from the activities intended by regulatory or governing bodies due to ambiguities related to practice, regulatory authorities may initiate legal proceedings against us and our business may be harmed. Being a publicly traded company in the United States and Israel and being subject to U.S. and Israeli rules and regulations make it more expensive for us to obtain D&O insurance, and we may be required to accept reduced coverage or incur substantially higher costs to obtain coverage. These factors could also make it more difficult for us to attract and retain qualified members of our board of directors, particularly to serve on our audit committee, and qualified executive officers.

As a public company whose ordinary shares are listed in the United States, we will continue to incur significant accounting, legal and other expenses, including costs associated with our reporting requirements under the Exchange Act. We also incur additional costs associated with corporate governance requirements, including requirements under Section 404 and other provisions of the Sarbanes-Oxley Act of 2002, or the Sarbanes-Oxley Act, rules implemented by the SEC and the Nasdaq, and provisions of Israeli corporate and securities laws applicable to public companies. The Exchange Act requires that we file annual and certain other reports with respect to our business and financial condition. The Sarbanes-Oxley Act requires, among other things, that we maintain effective disclosure controls and procedures and internal control over financial reporting. These rules and regulations could continue to increase our legal and financial compliance costs, such as the cost of hiring consultants or testing compliance processes, and make some activities more time-consuming and costly. These activities may divert management's attention from other business concerns, which could have a material adverse effect on our business, financial condition, results of operations and cash flows.

As a foreign private issuer we are not subject to the provisions of Regulation FD or U.S. proxy rules and are exempt from filing certain Exchange Act reports.

As a foreign private issuer, we are exempt from compliance with the rules and regulations under the Exchange Act related to 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 are not required under the Exchange Act to file annual and certain other reports and financial statements with the SEC as frequently or as promptly as U.S. domestic companies whose securities are registered under the Exchange Act, we are permitted to disclose limited compensation information for our executive officers on an individual basis and we are generally exempt from filing quarterly reports with the SEC under the Exchange Act. Moreover, we are not required to comply with Regulation FD, which restricts the selective disclosure of material nonpublic information to, among others, broker-dealers and holders of a company's securities under circumstances in which it is reasonably foreseeable that the holder will trade in the company's securities on the basis of the information. These exemptions and leniencies will reduce the frequency and scope of information and protections to which you may otherwise have been eligible in relation to a U.S. domestic issuer.

As a foreign private issuer, we have elected to follow home country corporate governance practices instead of certain Nasdaq corporate governance requirements, which may result in less protection than is accorded to investors under rules applicable to domestic U.S. issuers.

As a foreign private issuer whose shares are listed on the Nasdaq Global Market, we are permitted to follow certain home country corporate governance practices instead of those otherwise required under the corporate governance standards for U.S. domestic issuers listed on Nasdaq. We currently follow Israeli home country practices, rather than the requirements under the Nasdaq corporate governance rules, with regard to the (i) quorum requirement for shareholder meetings, (ii) executive sessions for independent directors and non-management directors and (iii) the requirements to obtain shareholder approval for certain dilutive events (such as for the establishment or amendment of certain equity-based compensation plans, issuances that will result in a change of control of the company, certain transactions other than a public offering involving issuances of a 20% or more interest in the company and certain acquisitions of the stock or assets of another company). See "Item 16G. Corporate Governance." Furthermore, we may in the future elect to follow Israeli home country practices with regard to other matters such as the requirement to have a majority independent board of directors, have a compensation committee and have a nominating committee. Accordingly, our shareholders may not be afforded the same protection as provided under Nasdaq corporate governance rules. Following our home country governance practices as opposed to the requirements that would otherwise apply to a United States company listed on Nasdaq may provide less protection than is accorded to investors of domestic issuers. For further discussion, see "Item 16G. Corporate Governance."

We may lose our status as a foreign private issuer, which would increase our compliance costs and could thereby negatively impact our results of operations.

We would lose our foreign private issuer status if (a) a majority of our outstanding voting securities were either directly or indirectly owned of record by residents of the United States and (b)(i) a majority of our executive officers or directors were United States citizens or residents, (ii) more than 50 percent of our assets were located in the United States, or (iii) our business were administered principally outside the United States. Our loss of foreign private issuer status would make U.S. regulatory provisions mandatory. The regulatory and compliance costs to us under U.S. securities laws as a U.S. domestic issuer may be significantly higher. If we are not a foreign private issuer, we will be required to file periodic reports and registration statements on U.S. domestic issuer forms with the SEC, which are more detailed and extensive than the forms available to a foreign private issuer. We would also be required to follow U.S. proxy disclosure requirements, including the requirement to disclose, under U.S. law, more detailed information about the compensation of our senior executive officers on an individual basis. We may also be required to modify certain of our policies to comply with accepted governance practices associated with U.S. domestic issuers. Such conversion and modifications will involve additional costs. In addition, we would lose our ability to rely upon exemptions from certain corporate governance requirements on U.S. stock exchanges that are available to foreign private issuers, as described in the previous risk factor above.

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" in our group (if any). If our group includes one or more U.S. subsidiaries, certain of our non-U.S. subsidiaries could be treated as controlled foreign corporations (regardless of whether we are or are not treated as a controlled foreign corporation). A United States shareholder of a controlled foreign corporation may be required to annually report 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 controlled foreign corporations, whether or not we make any distributions. An individual that is a United States shareholder with respect to a controlled foreign corporation 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. A failure to comply with these reporting obligations may subject you to significant monetary penalties and may prevent the statute of limitations with respect to your 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 any of our non-U.S. subsidiaries are treated as a controlled foreign corporation or whether such investor is treated as a United States shareholder with respect to any of such controlled foreign corporations or furnish to any United States shareholders information that may be necessary to comply with the aforementioned reporting and tax paying obligations. A United States investor should consult their own advisors regarding the potential application of these rules to its investment in the ordinary shares.

We believe we were not a PFIC for U.S. federal income tax purposes in 2024, however there is risk we will be a PFIC in 2025. U.S. shareholders who held our ordinary shares at any time during a taxable year in which we are a PFIC may suffer adverse tax consequences.

Generally, if for any taxable year 75% or more of our gross income is passive income, or at least 50% of the average quarterly value of our assets (which may be determined in part by the market value of our ordinary shares, which is subject to change) are held for the production of, or produce, passive income, we would be characterized as a PFIC for United States federal income tax purposes. According to these rules, a publicly traded non-U.S. corporation may treat the aggregate fair market value of its assets as being equal to the sum of the aggregate value of its outstanding shares, or Market Capitalization, and the total amount of its liabilities. We intend to take the position that the excess of our Market Capitalization plus liabilities over the book value of all of our assets may generally be treated as attributable to non-passive assets. Based on the book value of our assets and liabilities and our Market Capitalization in 2024, we believe that we did not meet the PFIC asset test described above for 2024. Because we currently hold, and expect to continue to hold, a substantial amount of cash and cash equivalents and other passive assets used in our business, there is risk we will be classified as a PFIC for the 2025 taxable year. However, because PFIC status is determined after the close of each taxable year, we will not be able to determine whether we will be a PFIC for the 2025 taxable year or for any future taxable year until after the close of such year.

U.S. shareholders who held our ordinary shares during any other taxable year in which we were a PFIC may suffer adverse tax consequences, including having gains realized on the sale of our ordinary shares treated as ordinary income, rather than capital gain, the loss of the preferential rate applicable to dividends received on our ordinary shares by individuals who are U.S. Holders (as defined in "Item 10. Additional Information—E. Taxation—United States Federal Income Taxation"), and having interest charges apply to distributions by us and the proceeds of share sales. Certain elections may be available that would alleviate some of the adverse consequences of PFIC status and result in an alternative treatment (such as mark-to-market treatment) of our ordinary shares; however, we do not intend to provide the information necessary for U.S. holders to make qualified electing fund elections. See "Item 10. Additional Information—E. Taxation—United States Federal Income Taxation—Passive Foreign Investment Company Considerations."

General Risk Factors

If we fail to maintain effective internal control over financial reporting, the price of our ordinary shares may be adversely affected.

Our internal control over financial reporting may have weaknesses and conditions that could require correction or remediation, the disclosure of which may have an adverse impact on the price of our ordinary shares. We are required to establish and maintain appropriate internal control over financial reporting. Failure to establish those controls, or any failure of those controls once established, could adversely affect our public disclosures regarding our business, prospects, financial condition or results of operations. In addition, management's assessment of internal control over financial reporting may identify weaknesses and conditions that need to be addressed in our internal control over financial reporting or other matters that may raise concerns for investors. In addition, as a "non-accelerated filer," we are exempt from the provisions of Section 404(b) of the Sarbanes-Oxley Act requiring that independent registered public accounting firms provide an attestation report on the effectiveness of internal control over financial reporting. Decreased disclosures in our SEC filings due to our status as a "non-accelerated filer" may make it harder for investors to analyze our results of operations and financial prospects and may make our ordinary shares a less attractive investment. Any actual or perceived weaknesses and conditions that need to be addressed in our internal control over financial reporting or disclosure of management's assessment of our internal control over financial reporting may have an adverse impact on the price of our ordinary shares.

ITEM 4. INFORMATION ON THE COMPANY

A. History and Development of the Company

Our History

We are a leading computational biology company aiming to revolutionize life-science product discovery and development across several market segments, including human health, agriculture, and other industrial applications.

Our Company was founded on October 10, 1999 as Agro Leads Ltd., a subsidiary of Compugen Ltd. In 2002, our Company was spun-off as an independent corporation under the laws of the State of Israel, and changed its name to Evogene Ltd.

In 2018 and 2019, we reorganized certain parts of our divisions into wholly owned subsidiaries of the Company, as described in this Annual Report.

Our shares have been listed for trading on the TASE since 2007 and were listed for trading on the NYSE commencing with our U.S. initial public offering in November 2013, until December 2016, when we transferred the listing to Nasdaq.

We are registered with the Israeli Registrar of Companies in Jerusalem. Our registration number is 51-283872-3. Our purpose as set forth in our articles of association is to engage in any lawful business. Our principal executive offices are located at 13 Gad Feinstein Street, Park Rehovot, Rehovot 7638517, Israel, and our telephone number is +972-8-931-1900.

Our authorized representative in the United States and agent for service of process in the United States, Puglisi & Associates, is located at 850 Library Avenue, Suite 204, Newark, Delaware 19711. Information contained on, or that can be accessed through, our website does not constitute a part of this Annual Report and is not incorporated by reference herein.

The SEC maintains an internet site, http://www.sec.gov that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC. Our internet address is www.evogene.com. The information on that website is not part of this Annual Report and is not incorporated by reference herein.

Principal Capital Expenditures

Our capital expenditures for fiscal years 2024, 2023 and 2022 amounted to approximately $0.7 million, $0.8 million and $1.2 million, respectively. Our capital expenditures during those years consisted of investments in property, plant and equipment. We anticipate our capital expenditures in fiscal year 2025 to include payments for maintenance and improvements of our facilities in Israel in order to support our activities, which we anticipate we will finance with our currently available cash. For a description of our principal capital expenditures and divestitures for the three years ended December 31, 2024 and for those currently in progress, see "Item 5. Operating and Financial Review and Prospects—Liquidity and Capital Resources."

B. Business Overview

Overview

We are a leading computational biology company aiming to revolutionize life-science product development across several market segments, including human health, agriculture, and other industries, by utilizing cutting-edge computational technologies.

The main challenge in product development in the life science industry is finding the winning candidates out of a vast number of possible prospects that address a complex myriad of criteria to reach successful products. We believe that by utilizing an advanced computational biology platform to identify the most promising candidates addressing multiple development challenges toward successful life-science products, we can increase the probability of success while reducing time and cost.

To achieve this mission, we established our unique CPB platform, leveraging big data and artificial intelligence and incorporating deep multidisciplinary understanding in life sciences. The CPB platform is the basis for three technology engines; each focused on the direction and acceleration of the discovery and development of products based on one of the following core components: Microbes – *MicroBoost AI*, Small molecules – *ChemPass AI*, Genetic elements – *GeneRator AI.* In 2024, we emphasized our research and development efforts on *MicroBoost AI* and *ChemPass AI*. During 2025 we intend to direct our efforts by focusing further on the use of our *ChemPass AI* tech-engine in the field of AI powered drug discovery in the pharma market segment. We intend to continue the support and development of the *MicroBoost AI* and *GeneRator AI* tech-engines based on the needs of our subsidiaries, with their funding.

We use our technological engines to support the development of life science-based products through dedicated subsidiaries and with strategic partners. Currently, our main activities are directed through our subsidiaries, that utilize the technological engines to develop human microbiome-based therapeutics by Biomica, ag-chemicals by AgPlenus, ag-biologicals by Lavie Bio and castor seeds for bio-based industrial applications by Casterra.

In April 2024 we and The Kitchen FoodTech Hub, or TKH, the foodtech incubator and investment arm of Israeli food giant Strauss Group, have jointly announced the establishment of Finally Foods Ltd., or Finally. Finally is an AI-driven company specializing in molecular farming for the food sector, committed to providing sustainable alternative sources to animal-based proteins, while utilizing our *GeneRator AI* technology. We hold an approximately 40% stake in Finally, with the remaining ownership divided among TKH and the founding team (being the Chief Executive Officer and Chief Technology Officer of Finally).

Business Model

We capitalize on the value of our AI tech-engines through two distinct business models:

1. Licensing: we grant time-limited licenses to third parties, our subsidiaries, or related entities, allowing them to leverage our tech-engines for product development within specified commercial domains.

Typically, the potential revenue stream from this business model would be:

- License fee and R&D reimbursement;
- Dividends to Evogene as a shareholder; and
- Significant one-time payment upon an exit event (in case Evogene is a main shareholder).

2. Collaborations: we engage in collaborative ventures with industry leaders, pooling resources to drive joint product development. Typically, our partners take the lead in later-stage development and commercialization, leveraging our unique tech-engines to identify the product candidate and optimize it towards a commercial product.

Typically, the potential revenue stream from this business model would be:

- Upfront payments;
- R&D fees; and
- Royalties from sales of end-products.

As of the date of this Annual Report, Evogene commercializes *MicroBoost AI*, through two licensing agreements, the first with our subsidiary, Lavie Bio, for the development of ag-biological, and the second with our subsidiary, Biomica, for the development of drug based on human microbiome. In addition, Evogene commercializes *MicroBoost AI*, through collaboration with Verb Biotics LLC, to develop probiotics products.

With respect to *ChemPass AI*, Evogene commercializes it through a license agreement with our subsidiary, AgPlenus, for the development of ag-chemical products.

With respect to *Generator AI*, during 2024 Evogene commercialized it through the following license agreements: the first with our subsidiary, Canonic, for the development of medical cannabis products. Canonic ceased its operation during the first half of 2024. The second, with our subsidiary, Casterra, for the development of castor seed varieties. The third, with Finally, to modify plants as "bioreactors" to produce alternative sources to animal-based proteins. In addition, Evogene commercializes *Generator AI* through collaboration with Watershed AC (formerly, Colors Farm Ltd.), to establish crustacean gene editing technology.

Those license agreements and collaboration, demonstrate how we utilize our business development and how we capture the value of our tech-engines to bring innovative products to market and revolutionize the life-science industry.

Fields of Activity

Given the broadly applicable capabilities of our technology, as provided through our three engines, we can potentially enhance and improve product development in a variety of life science industries, including human health and agriculture. Today, Evogene is applying its *MicroBoost AI* engine to direct and accelerate the discovery and development of two types of products: human-microbiome-based therapeutics in human health and ag-biological products in agriculture. The *ChemPass AI* engine is used for the discovery and development of two types of products: drugs based on small molecules in human health and ag-chemicals, such as herbicides and insecticides, in agriculture. The *GeneRator AI* engine is mainly applied for the discovery and development of castor seed varieties for industrial usage and improved crop traits in agriculture and for the food industry.

Evogene continuously evaluates new substantial industries with well-recognized development roadblocks for which we can leverage our capabilities and assets for the development of next-generation products. We will select the most suitable markets to focus on, based on a number of criteria, including (i) market size; (ii) a well-recognized, unmet need for next-generation products; (iii) an understanding of the scientific or technical roadblocks that challenge others from developing next-generation products; and (iv) most importantly, the expectation that our technological engines and unique approach can provide a significant competitive advantage in addressing these roadblocks.

Subsidiaries

As described above, since 2015, Evogene has utilized its three engines to develop various product types through dedicated divisions and subsidiaries. In human health, we formed Biomica for microbiome-based therapeutics. In agriculture, we established Lavie Bio for ag-biologicals and AgPlenus for ag-chemicals. In other industries, we established Casterra to develop agricultural solutions for castor oil production. In alternative food, we established Finally, together with TKH.

Revenues

During 2024, except for sales of castor seeds by Casterra, bio-inoculant by Lavie Bio and medical cannabis sales by Canonic, our revenues consisted primarily of payments under a licensing agreement of Lavie Bio with Corteva for bio fungicide lead candidates, an R&D collaboration that AgPlenus is engaged in, in the field of ag-chemicals and a licensing and collaboration agreement of AgPlenus with Bayer for the development of a new sustainable weed control solution. A breakdown of our revenues by business activity and geographic markets for each of the last three financial years is provided in “Item 5. Operating and Financial Review and Prospects—Key Performance Indicators—Revenues.” In the future, we expect that we and our subsidiaries will receive milestone payments and royalty revenues under such collaborations, as well as revenues from the sale of end-products or commercialization of product candidates.

In 2025, through our subsidiaries or directly, we expect to continue to develop our product pipelines and initiate new collaborations with an increased focus on strategic relationships for joint product development. We also hope to continue to evolve our organization and to continue to examine new areas in which our technology engines can serve as a competitive advantage and additional value can be created in a relatively short period of time.

Technology highlights

Our CPB platform aims to disrupt conventional life science product discovery and development methodology, currently challenged by inefficiencies, such as long and expensive product development process and low probability of success. By computational selection of the most relevant core components for life-science products, such as microbes, small molecules and genes, and then computational optimization, we are aiming to reduce time, cost and most importantly increase the probability of success to develop life-science based products. We provide these discovery and development capabilities through three dedicated engines: *MicroBoost AI* for products based on microbes, *ChemPass AI* for products based on small molecules and *GeneRator AI* for products based on changes in genetic elements.

The discovery phase, based on product definition, requires the identification and selection of a reasonable number of candidates to initiate the development process. The challenge is that out of a vast number of possible product candidates and numerous criteria that these candidates must address, finding the winning combination for a successful product is extremely complex. Evogene believes that this complexity should be addressed using computational predictive biology. Evogene's technology, the CPB platform and its three engines, was designed to predict the most promising candidates that hold true potential for a successful product. Through computationally screening databases, according to specific product criteria, candidates can be narrowed down to focus on those most promising.

In addition to the selection of the candidates in the discovery phase, the CPB platform is also used in the development phase. In the development phase, the chosen candidates undergo various validation processes on the way to becoming a commercial product with certain desired attributes. In this process, the candidates' ability to pass the validation criteria is improved, as required, by using our technology. Our technology is able to identify the best optimization proposal for a product candidate, improving a specific attribute of a product with minimal impairment of any of the other attributes.

In October 2024 we announced a collaboration with Google Cloud to pioneer a generative AI foundation model for novel small molecule design. This collaboration aims to position the ChemPass AI tech-engine, at the forefront of generating and optimizing novel small molecule structures with specific, desired properties.

The collaboration leverages Evogene's expertise in computational predictive biology and chemistry alongside Google Cloud's leadership in AI and machine learning. Building on the successful integration of ChemPass AI into Google Cloud, this collaboration is focused on expanding the value of our tech-engine by creating a new foundation model. This model will be designed to generate and optimize innovative small molecule structures with better specific, desired properties, by expanding the training set for the model from 6 million molecules to 40 billion molecules. The primary objective of this initiative is to improve and accelerate the discovery and development of new small molecules for drug development, sustainable crop protection, and other innovative applications across various life-science sectors.

CPB Platform

As described above, the mission of the CPB platform is to revolutionize the product discovery and development approach in life science industries by decoding the biological world using computational biology. This platform is the outcome of over a decade long multidisciplinary effort to integrate scientific concepts with big data and advanced computational analytics in order to develop predictions of potential product candidates that later undergo experimental validation and optimization toward commercialization. We believe that the uniqueness of our computational prediction approach stems from our ability to successfully address multiple product attributes at the beginning of the discovery process, and during the optimization phase.

These efforts have been enabled by two parallel revolutions taking place over the last decades: first, the data revolution – allowing the creation of enormous amounts of high-quality biological and chemical data in a cost-effective manner; and second, the computational processing revolution – allowing the analysis of data with advanced algorithms such as machine learning and other artificial intelligence methods.

The CPB platform represents a revolutionary approach for the design and prediction of novel products, based on four pillars: first, computationally modeling the specific biological challenges in the discovery and development of each product into pre-defined criteria, based on profound scientific understanding and know-how; second, designing genomic, chemical and microbial databases holding diverse types of curated data specifically aimed at addressing the biological challenges identified; third, developing state of the art computational tailored analytics, including artificial intelligence algorithms, designed to provide more accurate predictions to those challenges; and fourth, utilizing screening and validation systems, comprised of multiple tailored bioassays, to validate the product candidates and assist in their optimization.

Proprietary Databases

Our databases leverage multiple types of tailored big data from various sources in order to support the different research and development activities powered by our technological engines. Specifically, we focus on four different entities: microbial organisms, microbial genes, small molecules and plant genes. Our databases on different entities are rich and highly interconnected, enabling our analysis platforms to maximize their predictive power. Our databases draw in part from the public domain, and in part compile increasing amounts of proprietary data, generated either in-house or received from our collaborators.

Discovery and Development Engines

The CPB platform is the foundation for Evogene's three technological engines boosting the discovery and development of novel life science products. At the core of our engines are unique computational analysis platforms, which are comprised of algorithms designed to address a vast number of parameters required for a product. These computational analysis platforms, which increasingly utilize artificial intelligence, machine learning driven approaches and other sophisticated algorithms, are designed to deliver innovative solutions to key bottlenecks in the product development process, such as efficacy and stability. As our predictions undergo validation via dedicated validation systems, we continuously improve our predictions by feeding back some of these results into our systems.

MicroBoost AI employs an innovative function-based approach based on a proprietary microbial function catalog for the identification of novel microbial candidates. This engine not only aims to identify candidates with high potential for a specific product, but also pinpoints the biological reasoning behind its selection, improving the chances of the initial microbial candidate to pass the subsequent optimization and development phases.

ChemPass AI combines a large, well-organized, database of over 30 billion known molecules as well as a set of AI-based algorithms and innovative chemo-informatics tools which invent, prioritize and analyze new small molecules prior to their expensive synthesis and testing phase. This platform is used to drive and accelerate the small molecule product development process by using a set of high-end, validated tools and algorithms for virtual screening for the identification of small molecule hits meeting multiple end-product attributes.

GeneRator AI aims to develop life science products via targeting and modifying genetic elements. By using a set of computational and advanced AI tools and end-to-end discovery and development pipelines, *GeneRator AI* identifies genomic elements of interest that can be then applied through genome editing, genetic engineering, as biomarkers, or through additional applications.

Validation and screening systems

Our experimental technologies include bioassays as well as screening and validation pipelines (i.e., sets of bioassays organized in a cascade of tests). They relate to diverse scientific fields, including molecular biology and biochemistry, microbiology plant tissue culture and plant pathology, in laboratories, greenhouses, and field settings. All processes are accompanied by precise data gathering and are coordinated by pipeline management and quality assurance.

Our validation and screening systems support three key aspects of our research and development approach: first, generating data sets to enable the development and proof of concept of tailored computational modules and their prediction performance evaluation; second, transforming computational-based recommendations to a physical entity output; and third, validating and screening selected product candidates by the relevant scientific teams.

Major Occurrences and Developments

The following are major occurrences and developments in the Company throughout 2024 and through the date of this Annual Report, reflecting advancement in all areas of activity:

Evogene

- ATM (March 2024) – Evogene entered into a Sales Agreement with Lake Street Capital Markets, LLC, pursuant to which we may offer and sell, from time to time, our ordinary shares, in an "at the market offering", for an aggregate offering price of up to $7.3 million.
- Established a new subsidiary (April 2024) – Evogene and TKH, established Finally, specializing in protein production in plants for the food industry.
- Collaboration (October 2024) - Evogene announced collaboration with Google Cloud to develop a foundation model for generative small molecule de novo design, propelling Evogene's ChemPass AI tech-engine to new levels of innovation.
- Registered Direct Offering and Private Placement (August 2024)- On August 23, 2024, Evogene entered into a definitive securities purchase agreement, or the Securities Purchase Agreement, with an institutional investor, or the Investor, pursuant to which we agreed to issue and sell to such investors in a registered direct offering, or the 2024 Offering, (i) 265,000 ordinary shares, par value NIS 0.20 per share, or the Ordinary Shares, and (ii) pre-funded warrants, or the Pre-Funded Warrants, to purchase up to 1,427,308 Ordinary Shares, generating $5.5 million in gross proceeds.

Lavie Bio

- Collaboration Agreement (February 2024) - Lavie Bio entered into an agreement for the discovery and development of new biological insecticidal solutions with Syngenta Crop Protection.
- Licensing Agreement (February 2024) – Lavie Bio secured the second half advance payment of $2.5 million after meeting Corteva's licensing agreement requirements. This payment signifies the completion of a $5 million advance payment outlined in the licensing agreement signed in July 2023.
- Sustainability (March 13) - Ceres Global Ag Corp. has chosen to include Lavie Bio's Yalos bio-inoculant, in regenerative agriculture initiatives in North America.
- Joint Validation Trials (March 2024) – Lavie Bio extended its joint validation trials for its biofungicides conducted by Bayer AG, after successful first-year laboratory and greenhouse testing.
- Pipeline (July 2024) - Lavie Bio announced the commercial expansion of Yalos to winter wheat and will commence sales across the United States for the 2024-2025 season.
- Collaboration Agreement (July 2024) - Lavie Bio announced a significant milestone in its collaboration with ICL Group Ltd. to develop bio-stimulant solutions for key row crops facing extreme weather conditions by leveraging AI to identify over a dozen novel microbes within 12 months.
- Grant (September 2024) – Lavie Bio received a grant from the IIA, to advance its program to develop a technology for the delivery of ag-biologicals to agriculture. This patented technology, named *'MicroFermentor'*, is based on an innovative microbe formulation that enables the multiplication of beneficial bacteria directly on the plant, reducing application costs, extending shelf life, and prolonging the bacteria's viability after field application.
- Pipeline (November 2024) - Lavie Bio announced commercial expansion of Yalos® as seed-treatment for soybean, following successful field trials in 2024 in the US.
- Pipeline (November 2024) - Lavie Bio announced advancement its bio-fungicide LAV321, targeting Downy Mildew, to pre-commercial stage following successful 2024 field trial results in Europe.
- Licensing (November 2024) - Lavie Bio announced the cancellation of its licensing agreement with Corteva. Lavie Bio regained full rights and freedom to operate the licensed technology and the lead bio-fungicide candidates.

Biomica

- Clinical Trials - (January 2024) - Biomica enrolled the final patient in its Phase I clinical trial for microbiome-based immuno-oncology drug.
- Positive Clinical Data Update (May 2024) – Biomica presented positive initial clinical data update from ongoing Phase 1 trial of microbiome-based therapeutic, BMC128, in patients with non-small cell lung cancer, or NSCLC, melanoma, or renal cell carcinoma, or RCC.

Casterra

- Production Agreements (March 2024) – Casterra entered into agreements with seed producers in Brazil and Africa to meet growing demand for its castor seed varieties.
- Production Agreements (May 2024) – Casterra entered into additional agreements with seed producers, for the production of approximately 500 tons of seeds, to meet existing and growing demand for its castor seeds.
- Purchase Orders (June 2024) - Casterra received an additional purchase order valued at approximately $440,000 from an existing customer.
- Production (July 2024) - Casterra announced the completion of a successful castor seed growing and harvesting season in Brazil, which will be ready for shipment during the third quarter of 2024, and in addition, Castor harvest season in Africa started as planned.
- Production (October 2024) - Casterra announced a key milestone in its operational expansion plan in Africa, with completion of first shipment of castor seeds grown and processed in Kenya. *The shipment, comprising over 100 tons, was delivered to company's customer in Africa.*

AgPlenus

- Licensing and collaboration agreement (February 2024) – AgPlenus entered into a licensing and collaboration agreement with Bayer AG, for the development of a new sustainable weed control solution.
- Management change (February 2024) – Mr. Dan Jacob Gelvan was appointed as Chief Executive Officer effective as of February 19, 2024.
- Collaboration Agreement (March 2024) – AgPlenus achieved a milestone in the collaboration with Corteva Agriscience (NYSE: CTVA), for the development of novel herbicides.

Market Segments

Agriculture

Lavie Bio Ltd.

Overview

In 2015, we initiated our activity for developing ag-biological products as a division within Evogene and early in 2019 it was organized under Lavie Bio Ltd., an independent company that upon establishment was wholly-owned by Evogene.

Lavie Bio aims to improve food quality, sustainability and agricultural productivity through the introduction of microbiome-based AI-driven ag-biologicals. Ag-biologicals are externally-applied products from biological sources, such as microbial (micro-organisms) and naturally derived biochemistries, designed to improve crop productivity. A sub-segment within the microbial biologicals is the “microbiome”, the microbial population living close or within the plant or other organisms, such as pests.

Lavie Bio is focused on developing two main types of products: (i) bio-pesticides, which are ag-biologicals for crop protection, addressing biotic stresses such as insects, diseases, and weeds and (ii) bio-stimulants, which are ag-biologicals for crop enhancement, directly impacting crop yield or abiotic stress tolerance.

In August 2019, Corteva invested in Lavie Bio in a transaction that included the exchange of all shares of Corteva’s wholly-owned subsidiary, Taxon Biosciences, along with a $10 million equity investment by Corteva in Lavie Bio in consideration of approximately 28% of Lavie Bio’s equity. The assets of Taxon Biosciences, including, among others, a large microbial collection and a supporting computational platform, were integrated into Lavie Bio’s microbial collection, technology platform and pipeline. In addition, Corteva received certain commercial rights with respect to Lavie Bio’s candidate products, mainly in corn and soy. Corteva and Lavie Bio prioritized certain product programs to be executed by Lavie Bio, and Lavie Bio committed to allocate a certain part of its research and development budget to these programs.

In August 2022, ICL and Lavie Bio entered a multi-year collaboration agreement for developing novel bio-stimulant products to enrich fertilizer efficiency. As part of the collaboration, an affiliate of ICL invested in Lavie Bio $10 million under a SAFE (simple agreement for future equity).

Market

According to the report titled Agriculture Biologicals by Type (Biocontrols, Biostimulants, Biofertilizers), Source (Microbials, Macrobials, Semiochemicals, Natural Products), Mode of Application (Foliar Spray, Seed Treatment, Soil Treatment) – Global Forecast to 2029[1], which is not incorporated by reference into this Annual Report, the market for ag-biological products was estimated at $16.7 billion in 2024, to reach $31.8 billion by 2029. The sales of ag-biological products significantly grew in past years following a shift in growers and consumer preferences to more sustainable and healthier practices, while driving agriculture productivity. The market growth is anticipated to be driven by improvement of the product attributes of ag-biologicals, such as efficacy, stability and commercial viability.

Companies in this market can be generally divided into three groups: (i) major seed and ag-chemical companies, such as BASF, Bayer, Syngenta and Corteva, with internal research and development units dedicated to development of ag-biological products, (ii) small to mid-size biotech companies specializing in ag-biologicals with their own product development programs, and (iii) academic and agricultural research institutions that pursue research activities in the field, typically focusing on early stage activities.

Business Model

Lavie Bio has defined two main models for market access:

(i) **Direct sales model –** in fragmented markets Lavie Bio expects to complete product development of its products independently, while establishing a tailored market access strategy per specific product and territory, such as commercialization through distribution channels. Under this model, the production of Lavie Bio's products is achieved through third party toll manufacturers. Revenues may include sales to distributors. Under the direct sales model, Lavie Bio has sold its inoculant Yalos® (formerly known as Thrivus™) in the U.S. for spring wheat growers.

(ii) **Collaboration model –** Lavie Bio offers tailored solutions to potential partners. In this model, Lavie Bio's partner produces and commercializes the products being developed. Lavie Bio's revenues in such engagements may include research and development payments, payments upon achievement of development milestones and royalties. The scope of collaboration may differ. The typical model is that Lavie Bio develops a product until it is ready for commercialization, and the partner is responsible for the production and commercialization of the product. This model was used in the agreement with Corteva that was signed in July 2023, where Corteva received a license to Lavie Bio's bio-fungicide product targeting fruit rots in grapes and other high value crops. Another model is when the collaboration starts in a much earlier development phase, where Lavie Bio would typically commence with candidate strains discovery and development, followed by co-development with the partner towards commercialization. Lavie Bio's collaboration with ICL is an example of this broader collaboration model.

Product Development Programs

Scientific Approach

Lavie Bio's approach is focused on '*Biology Driven Design*' for the discovery, optimization and commercialization of efficacious, consistent and commercially viable microbial-based ag-biologicals. Lavie Bio's approach is based on converging the plant, microbial and environmental factors to decode their complex interactions in order to enable the amplification of the positive, elimination of the negative and retrieval of lost interactions within the biological system.

Lavie Bio's Biology Driven Design, or BDD, facilitates and accelerates the design and development of microbiome-based products through the decoding of complex microbiome-host interactions and the identification of the key genetic elements (functions) governing these interactions. This decoding is powered by big data and artificial intelligence and provides the basis for products design. The enabling technologies for the establishment of the BDD platform are Evogene's *MicroBoost AI* tech engine and Taxon Biosciences' Taxonia platform, which harness genomics and informatics to develop transformative applications to agriculture, acquired as part of the Taxon Biosciences acquisition.

[1] https://www.marketsandmarkets.com/Market-Reports/agricultural-biological-market-100393324.html?gad_source=1&gclid=Cj0KCQiA1p28BhCBARIsADP9HrMIMUFTDJ05rb-MoC_EGc1Zs7nIpTMen8prYyD16d1I2Onh40fW4RoaArKaEALw_wcB

Product Development Cycle

Lavie Bio estimates that developing an ag-biological product based on microbial sources takes, on average, between six to eight years. The length of the process may vary depending on several factors, such as product type, target market and applicable regulatory or registration regime, type of application, type of natural source serving as active ingredient, as well as number of active ingredients within the final products, which impacts the development activities required to reach a commercially viable product.

The development process for microbial-based ag-biologicals is generally divided into four steps, or phases, which include *discovery*, *pre-development*, *development*, *pre-commercialization*, and ending with registration approval and commercial launch. As this is a relatively young industry, the process is not yet well-established and standardized, and the below outline is established based on our experience and estimations.

- ***Discovery:*** The identification of a candidate microbial strain, or microbial strain teams, having the potential to improve the target trait and the potential to achieve other product requirements such as consistency and commercial viability. A collection of selected microbial candidates is typically tested on the crop(s) of choice in greenhouse screens or limited field experiments for various efficacy, consistency and commercial viability criteria. Candidates that meet the testing criteria are referred to as "Hits". Typically, based on Lavie Bio's experience, the duration of the discovery phase is approximately 12-18 months.

- ***Pre-development:*** Promising Hits are advanced to pre-development phase, in order to further assess and optimize performance criteria such as shelf life stability, efficacy and consistency. Successfully performing microbial candidates are referred to as "Advanced Hits". Typically, based on Lavie Bio's experience, the duration of this phase is approximately 12-18 months.

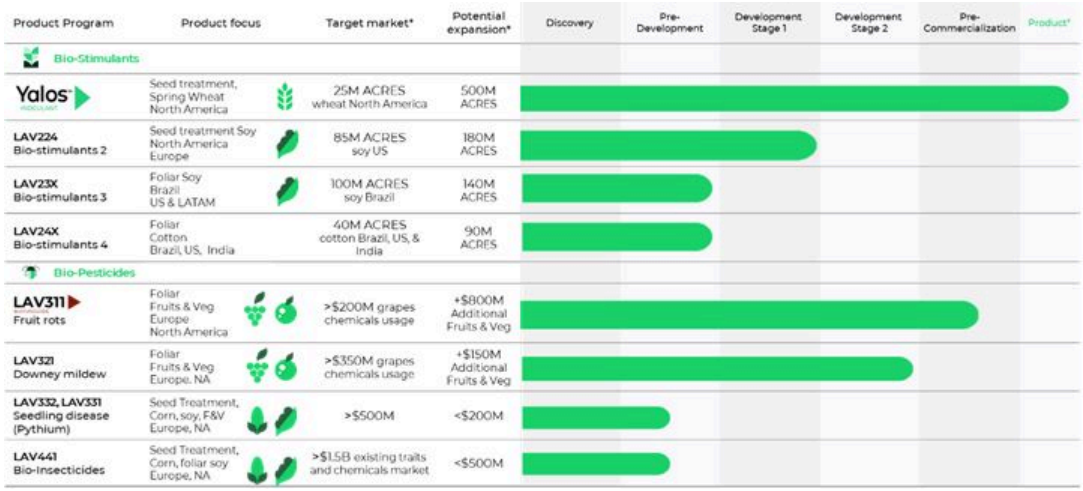
- ***Development:*** This phase is usually divided into Development Stage 1, resulting with a "Lead", and Development Stage 2, resulting with a "Pre-Product". In this phase, the fermentation and formulation procedures are further optimized to allow for further testing and validation of efficacy and consistency in the field as well as for commercial viability at the scale production, addressing cost of goods targets and compatibility with other agricultural inputs. Based on industry benchmarks and its experience, Lavie Bio estimates the duration of this stage to be approximately 24 months.

- ***Pre-commercialization:*** In this phase, extensive field tests are undertaken to demonstrate the effectiveness of product candidates in enhancing the target trait, including production of data to support product positioning. Additional activities towards launch are performed, including packaging development, upscale manufacturing protocol, registration and regulation. Based on industry benchmarks and its experience, Lavie Bio estimates the duration of this stage in the U.S. to be approximately 24 months for bio-stimulants and 36-48 months for bio-pesticides due to longer regulation processes.

- ***Commercial:*** After initial commercialization of a product, different scale-up activities are undertaken, such as production under toll-manufacturing agreements and deployment of end-product at point of sale. Toll manufacturing involves development of production protocols for large fermentation vessels and down-stream-process protocol with the toll manufacturer. In addition, the product is examined for potential market expansion to new crops and against additional diseases.

Product Development Pipeline

The following table sets forth Lavie Bio's main product development programs:



Lavie Bio's first product to reach the market is LAV.211, an inoculant for yield improvement, developed under Lavie Bio's Bio-stimulants program for spring wheat and marketed under the brand name Yalos® (formerly known as Thrivus™). Yalos® was commercially launched for 2022 spring wheat planting within target regions in North Dakota and Minnesota. In 2024, Lavie Bio has expanded sales in the United States to additional crops, such as durum and barley, and also expanded sales in new regions such as Montana and Canada. In addition, in 2024 Lavie Bio proved the product's efficacy on soybeans and winter wheat, and plans to expand sales for these crops in 2025. In March 2024 we reported that Ceres Global Ag Corp., or Ceres, a global agricultural, energy and industrial products merchandising and supply chain company, has chosen Lavie Bio as a supplier in its sustainability programs with grain producers. Ceres will integrate Lavie Bio's bio-inoculant, Yalos®, into its regenerative agriculture initiatives across the USA and Canada.

With respect to its Bio-pesticides program against fruit rots, in October 2022, Lavie Bio announced the submission to the EPA of a registration package for LAV.311, a bio-fungicide targeting fruit rots and powdery mildews. In July 2023, Lavie Bio announced the signing of a licensing agreement with Corteva, as detailed below. In November 2024, Lavie Bio announced that Corteva decided to terminate the licensing agreement and Lavie Bio regained full rights and freedom to operate to the licensed technology and the lead bio-fungicide candidates.

On November 8, 2023, Lavie Bio reported significant progress with its bio-fungicide LAV321. In 2023, Lavie Bio achieved positive results in a series of field trials conducted across Europe and the United States, focusing on assessing LAV321's efficacy in safeguarding crops against downy mildew and late blight diseases. Trials conducted across Europe achieved an average efficacy rate of ~55-60% against downy mildew in grapes. At Cornell University in New York, LAV321 demonstrated remarkable field trial results with a 97% efficacy rate against leaf disease and 53% against bunch disease. On November 19, 2024, Lavie Bio reported the advancement of LAV321 to Pre-Commercial stage, following successful field trials in Europe against downy mildew, reaching an average efficacy rate of 70%, and exceeding an average efficacy rate of 60% protecting tomato against late blight. These findings establish LAV321 as a potentially potent solution against fungal diseases, focusing on oomycetes class diseases, including downy mildew, late blight, and other blight diseases, all known for their destructive impact on crop yields.

With respect to Lavie Bio's bio-stimulant programs for foliar application in soybean and cotton, on July 17, 2024, Lavie Bio and ICL reported significant advancement in the development of yield increasing bio-stimulants, identifying more than a dozen novel microbial candidates believed to have commercial viability as bio-stimulants for crops grown under extreme weather conditions, including drought, achieved within its first months of collaboration and leading to successful field trials in the U.S. in during 2024.

Key Collaborations

Corteva (originally with DuPont-Pioneer)

In July 2017, Evogene entered a multiyear collaboration with DuPont-Pioneer (now Corteva), for the research and development of novel microbial bio-stimulant seed treatments for the improvement of corn productivity globally. Following the establishment of Lavie Bio, the collaboration agreement was assigned from Evogene to Lavie Bio. Under the agreement, Lavie Bio is entitled to milestone payments for advancement of candidate strains, and royalties from product sales.

In July 2023, Lavie Bio signed a licensing agreement with Corteva. This agreement granted Corteva perpetual, exclusive rights (subject to reaching certain commercial milestones) to further develop and commercialize the lead bio-fungicide candidates targeting fruit rots and powdery mildew, which were discovered and developed by Lavie Bio. According to the agreement, Lavie Bio received during 2023 and 2024 aggregate payments of approximately $5 million. In November 2024, Lavie Bio announced the cancellation of this licensing agreement with Corteva. Lavie Bio regained full rights and freedom to operate to the licensed technology and the lead bio-fungicide candidates.

ICL Group

In August 2022, Lavie Bio entered a multiyear collaboration with ICL for the research, development and commercialization of novel bio-stimulant products to enrich fertilizer efficiency. Under the collaboration, Lavie Bio carries out dedicated product development programs, and ICL obtains exclusive commercialization rights for resulting candidate microbial products.

As part of the collaboration agreement, ICL (through an affiliate company) invested $10 million in Lavie Bio through a SAFE agreement (simple agreement for future equity). Pursuant to the terms of such agreement, the SAFE amount will automatically be converted into shares of Lavie Bio during enumerated events, each subject to certain terms and conditions, to include (i) an equity financing (as such term is defined in the agreement), with such SAFE amount converting into Safe Preferred Shares (as such term is defined in the agreement) at a 20% discount rate, or (ii) a liquidity event (as such term is defined in the agreement), with such SAFE amount converting into shares entitling their holders to receive a portion of proceeds due as part of the liquidity event. The price per share for future conversion is capped at a price reflecting a valuation of $130 million prior to the relevant event. Additionally, ICL is permitted to invest an additional amount prior to, or as part of, the next financing of Lavie Bio, which would allow for ICL to hold up to a maximum interest of 14.29% in Lavie Bio on a fully diluted share capital basis. If no equity financing occurs within 30 months of the effective date of the agreement, ICL shall be entitled to convert the SAFE amount at a price per share reflecting a valuation of $70 million.

Syngenta

In February 2024, Syngenta and Lavie Bio announced a partnership to discover and develop novel bio-insecticide products. The collaboration will leverage Lavie Bio's unique technology platform to rapidly identify and optimize bio-insecticide candidates, as well as Syngenta's extensive global research, development and commercialization capabilities.

Intellectual Property

Lavie Bio files for patents to cover the use of microbial strains, or strain teams, that are the core active ingredients of the products we develop, as well as enabling technologies. Other innovative and proprietary technologies that we develop (such as computational predictive and design technologies), are typically protected as 'trade secrets'.

Raw Materials

Lavie Bio does not significantly rely upon any sources of raw materials for its operations.

Seasonality

Lavie Bio's sale cycles and R&D activities are dependent on crop seasonality as they are highly dependent on crop growing and harvest periods. For example, the use of Lavie Bio's inoculant for yield improvement, Yalos®, for spring wheat in North America requires that it be applied to wheat seeds applications in the second quarter of each calendar year, guiding the sales cycles accordingly.

Government Regulation of our Operations and of Product Candidates

Our activities are subject to extensive regulations, which may prevent us and/or our collaborators from developing and/or commercializing products in a timely manner and may impose expenses, delays and other impediments to our product development and registration efforts. In general, the regulatory landscape in the evolving field of ag-biological products is still developing. As a result, it may face additional changes in the next few years. Complexity of regulatory processes varies between bio-stimulants and bio-pesticides and between regulatory organizations.

In the U.S., the EPA regulates our bio-pesticide products, while our bio-stimulant and bio-inoculant products are regulated as fertilizers, auxiliary plant substances, soil amendments and/or beneficial substances in each of the 50 states.

Generally, EPA approvals or registrations for new pesticide active ingredients take up to 24 months. Registration processes for state and non-U.S. governments vary amongst jurisdictions and can take 2-to-24 months for state governments – with states such as California and New York taking the longest and up to 36 months or more for non-U.S. governments. To register a crop protection product with the EPA, companies must demonstrate the product is "safe", when used as directed, to mammals, non-target organisms, endangered species and the environment. To demonstrate the biological pest management product's safety, required studies must be conducted that evaluate mammalian toxicology, toxicological effects to non-target organisms in the environment (ecotoxicological exposures) and physical and chemical properties of the product. The registration dossier is subject to both scientific and administrative reviews by EPA scientists and management before registration approval. The scientific review involves thorough evaluation of submitted data and completion of risk assessments for human dietary and ecotoxicological exposures. The EPA has the authority to revoke the registration or impose limitations on the use of any of our pest management products if we do not comply with the regulatory requirements, if unexpected problems occur with a product, or if the EPA receives other newly discovered adverse information.

In addition to EPA approval, we are required to obtain regulatory approval from the appropriate state regulatory authorities in individual states and non-U.S. regulatory authorities before we can market or sell any pest management product in those jurisdictions. Non-U.S. governments typically require up to two seasons of locally generated field efficacy data on crop-pest combinations before a product dossier can be submitted for review. California and some non-U.S. jurisdictions also require us to submit product efficacy data.

Around the globe, the regulatory process for bio-stimulants is significantly accelerated compared to that for bio-pesticides. In the U.S., if plant health products are not used to control pests or do not act as plant (growth) regulators, we do not believe that we need to submit applications for EPA registrations for such products. Products containing microbes of foreign origin may need to be "deregulated" (or determined not to be a plant pest) under the Plant Protection Act by the United States Department of Agriculture, or USDA, Animal and Plant Health Inspection Service, prior to use in field trials or for large scale release. In the EU, bio-stimulants are currently regulated as fertilizers, and bio-pesticides are regulated and registered as plant protection products.

Our first bio-stimulant product, LAV.211, was registered and is sold in certain U.S. individual states, as it does not require submission to the EPA. We have received the Canadian Food Inspection Agency approval with respect to this product in the second quarter of 2023.

Our first bio-pesticide product candidate, LAV.311, has been submitted to the EPA for registration in October 2022, and is now undergoing the review process, expected to take 18-24 months before approval. Lavie Bio has been notified by the EPA of general delays in registration process, extending the PRIA (Pesticide Registration Improvement Extension Act) date until further notice. Lavie Bio expects to receive the EPA's approval for LAV311 during 2025.

Our R&D activities also are subject to local worker safety water pollution and solid and hazardous waste regulatory programs and periodic inspection.

AgPlenus Ltd.

Overview

In 2015, we initiated our activity for developing ag-chemical products as a division within Evogene, and in 2018, we announced that it had been organized under AgPlenus Ltd., a separate company, wholly-owned by Evogene upon establishment. AgPlenus aims to design effective and sustainable crop protection products (crop protection refers to the science and practice of managing risks of weed, plant diseases, and insects that damage agricultural crops and forestry) by leveraging computational predictive biology and chemistry. AgPlenus' activities focus on discovery and development of new mode of action, or MoA, crop protection products.

Market

According to an article published by Global Market Insight, which is not incorporated by reference herein, the global crop protection chemicals market was estimated at approximately $91.4 billion in 2023 and is expected to grow to over $132 billion by 2032.[2] Lack of available solutions for pest control and increasing resistance to existing crop protection solutions lead to a pressing need for novel crop protection products. However, due to current technological limitations and increasing regulatory requirements, the development of crop protection products is lengthy, complicated and expensive.

Competition

The ag-chemical R&D market, as described above, can be classified into four key groups of companies: (i) major seed and ag-chemical companies, such as BASF, Bayer, Syngenta Group, FMC and Corteva, with internal research and development units dedicated to development of ag-chemical products, (ii) mid-size ag-chemical companies, mainly Japanese companies focused on the Japanese market, that develop crop protection products, (iii) small to mid-size biotech companies that undertake new approaches to research and development of novel crop protection products, and (iv) academic and agricultural research institutions, which focus on early stage activities.

Business Model

AgPlenus' business model is based on two commercialization avenues:

Licensing of product candidates – when product candidates advance towards what is referred to in the industry as a *Lead*, at the end of the discovery stage, or further along the development pipeline, these product candidates gain increased value and can be candidates for licensing to ag-chemical companies. A typical licensing agreement can include upfront payments, payments upon achievement of pre-defined development milestones, and royalties from product sales.

R&D collaborations – early-stage collaborations, providing a tailored product offering per partner and product type, in order to build long-term research and development relationships and to mitigate the risk associated with building an independent pipeline. A typical collaboration agreement may include upfront payments, R&D payments, payments upon achievement of pre-defined development milestones, and royalties from product sales, which would typically be lower than the royalties under licensing agreements. AgPlenus may use collaboration partners for certain aspects along the development pathway.

Currently, AgPlenus' revenues are derived from research and development payments under early-stage collaborations with Corteva. In the longer term we expect that: (i) as AgPlenus' product candidates advance through development in our partners' pipelines, and to the extent that they are commercialized by AgPlenus' collaboration partners, revenues are expected to include milestone payments and royalty payments; and (ii) as AgPlenus' internal pipeline product candidates further advance, AgPlenus will license its product candidates.

[2] https://www.gminsights.com/industry-analysis/crop-protection-chemicals-market#:~:text=Crop%20Protection%20Chemicals%20Market%20was,impact%20crop%20yields%20and%20quality

Product Development Programs

Scientific Approach

AgPlenus' approach is based on the disruption of the traditional methods of ag-chemical discovery and optimization by implementing a target-based approach for identifying and developing new MoA crop protection products to address the growing resistance of pests (weeds, insects, and fungi) to existing commercial products. AgPlenus utilizes mainly Evogene's ChemPass AI tech engine, as well as other advanced computational technologies and know-how, to drive its ag-chemical discovery.

AgPlenus' approach typically begins with the computational and research-driven identification of protein 'targets', which are proteins that are essential to the function of performance of the relevant weed, insect or fungi. Following the identification and validation of such targets, AgPlenus identifies candidate Hits, which are chemical compounds (small molecules) that potentially inhibit these targets. AgPlenus screens candidate Hits to identify those that demonstrate an effect on the pest of focus. Hits displaying confirmed activity in the initial validation screens, enter the Hit-to-Lead process, which includes computational optimization and additional, more advanced, validation experiments.

In addition, these capabilities can also be used independently of each other to discover new Hits for known targets, to optimize an existing Hit to Lead and to optimize a commercial molecule.

Product Development Cycle

The product development cycle for ag-chemical products is generally comprised of several stages, described as follows:

Discovery stage

- Identification of Targets – identification and validation of vital targets or proteins that when inhibited (for instance by a chemical), lead to weed, insect or fungi death.
- Identification of Hits – screening of chemical compounds for the identification of candidate Hits that potentially inhibit identified vital targets and are capable of achieving the desired impact on the weeds, insects or fungi of interest. The discovery process includes *in-silico* as well as biological screening and validation activities.
- Hit-to-Lead process – Hits displaying confirmed activity in the initial validation screens will enter the Hit-to-Lead process, including several optimization cycles, each constructed of compound design (in our case, focusing on computational optimization), synthesis of compounds and validation experiments. This stage ends with a 'Lead' compound, which is a validated Hit that has confirmed activity in advanced validation screens proving field translation in initial trials.

Lead optimization

- In this stage, multiple field trials are conducted in diverse geographies, as well as greenhouse experiments on resistant weed biotypes and on commercial crops, and the compound structure and formulation are finalized. Lead optimization also entails initial toxicology tests, process engineering on the molecule and a significantly detailed cost of goods analysis.

Pre-development stage

- In this stage, field trials to validate all commercial cases are conducted, including testing product mixtures, as well as additional safety trials. This stage ends with a 'Pre-Development' compound.

Development, Regulation & Registration stage

- In the final development phases, new chemical products are registered with the proper regulatory authorities in relevant territories and then launched for commercialization. We expect that these last stages of development will be conducted by our collaboration partners or licensees of our product candidates.

Product Development Pipeline

The following table sets forth AgPlenus' main internal product development programs:

In 2024, AgPlenus partnered APTH1 with Bayer and continued to develop fungicides for the fungus, Zymoseptoria, responsible for Septoria Blotch in wheat.

AgPlenus decided to discontinue its APTI1 program and is currently not engaged in insecticides development.

Key Collaborations

Corteva – Herbicides

In March 2020, AgPlenus entered into a multi-year collaboration with Corteva for the discovery and development of novel herbicides. Under the terms of the collaboration agreement, AgPlenus and Corteva work together to optimize herbicide product candidates originating from AgPlenus' pipeline. The joint research period under this agreement has been concluded. Successful candidates from this collaboration are expected to be further developed by Corteva.

Pursuant to the collaboration agreement, Corteva obtained a worldwide, royalty-bearing, exclusive license to use and modify chemical compounds identified under the collaboration to develop and commercialize weed control products containing such compounds. Moreover, AgPlenus is entitled to research and development payments, milestone payments upon achievement of certain development milestones as well as royalty payments from sales of products developed under the collaboration.

Bayer AG – Herbicides

In February 2024, AgPlenus entered into licensing and collaboration agreements with Bayer AG, for the development of a new sustainable weed control solution. This agreement grants Bayer an exclusive license for the development and commercialization of products developed within the collaboration. AgPlenus will be entitled to receive an upfront payment, ongoing research funding, milestone payments, and royalties based on future product sales, subject to certain conditions set forth therein.

Intellectual Property

AgPlenus is seeking patent protection for intellectual property rights covering its leading product candidates in main target markets. Currently AgPlenus has three granted patents in Israel, and 38 patent applications for these three product candidates across various jurisdictions.

Government Regulation of our Operations

AgPlenus' research & development activities in Israel (such as laboratory work, greenhouse and field experiments) and are regulated by the provisions of several Israeli governmental agencies. Violation of these regulations may expose us to criminal or civil actions and may impose liability on us. For more information please see "Item 3.D. Risk Factors—Our business (including each of the businesses of our respective subsidiaries) and that of our collaborators' are subject to various government regulations and, if we or our collaborators are unable to comply with the relevant respective law and regulations and/or obtain the necessary regulatory approvals, we may not be able to continue our operations."

Government Regulation of Product Candidates

Regulatory approvals are required prior to the commercialization and importation of ag-chemical products in most countries. While we work toward the development of each of the particular products, the regulatory approval is typically effectuated through our collaborators, per the terms of our collaboration agreements. AgPlenus believes that its collaborators would likely sell products containing its compounds in the U.S., the EU, Brazil and Argentina, and would therefore require such regulatory approvals prior to the commercialization and sale of such products in those jurisdictions.

Raw Materials

AgPlenus does not significantly rely upon any sources of raw materials for its operations. However, a large supplier of research molecules is Enamine, which is based in Ukraine and has had some limitations in access to molecules since the war in Ukraine. We actively identify multiple contract research organization to minimize this risk.

Seasonality

The field testing of AgPlenus' leading product candidates, which have reached advanced stages of product development, are highly dependent on crop seasonality.

Currently, AgPlenus does not have any commercialized products and therefore its revenues are not subject to variations based on seasonality. However, our expectation is that, in the future, sales cycle of the products AgPlenus develops will be dependent on crop seasonality.

Ag-Seeds Division

Overview

According to a publication of the United Nations[3], which is not incorporated by reference herein, the global population will expand to approximately 9.3 billion, pushing food demand up 60%, by 2050. Our seed traits activity is focused on the development of products improving seed traits that have a direct impact on crop productivity through the use of genetically modified, or GM, and non-GM approaches, aiming to fulfill such growing demand. We mainly target key commercial crops such as corn, soy, wheat, rice, cotton and canola.

The activities of this division are divided into four categories: (i) yield & abiotic stress tolerance – increase crop performance and productivity by enhancing yield, nutrient use efficiency, and tolerance to abiotic stresses such as drought, heat and salinity; (ii) disease resistance – increase crop resistance to diseases such as fungi and nematodes; (iii) insect control – increase crop tolerance to pests; and (iv) food security - creating alternative sources to animal-based proteins.

In general, we utilize several biotechnology approaches with the goal of improving seed traits, including: (i) genome editing technologies, enabling deletion or modification of specific genomic regions in the crop's genome without inserting foreign DNA to the plant, (ii) genetic modification of plants, which involves the direct manipulation of a plant's genome by inserting a gene into the plant's DNA, and (iii) advanced breeding methods (e.g. genetic markers), whereby plants with favorable characteristics are selectively crossed through genomic-guided breeding schemes.

Market

According to the GMO Crops and Seeds - Global Strategic Business Report (published in January 2025. ID: 5141331) [4], which is not incorporated by reference herein, the global market for GMO crops and seeds was estimated at $70.1 billion in 2023 and is projected to reach $102.0 billion by 2030, growing at a CAGR of 5.5% from 2023 to 2030. Additionally, the GMO crops and seeds market in the U.S. was estimated at $18.9 billion in the year 2023, while China, is forecasted to reach a projected market size of $22.7 billion by the year 2030.

Business Model

In the Ag-Seeds division activity, we collaborate with companies in the development of improved seed traits. Our partners include recognized seed companies, such as a regional seed companies Tropical Melhoramento & Genética S/A, or TMG, and Finally Foods Ltd. Typically, under these collaborations we perform the discovery phase, during which we discover and validate candidate trait-improving genetic elements. Subsequently, our collaborators, under license from us, test and further develop these discoveries in their product development pipelines, starting Phase I, with the goal of introducing them into commercial crop seeds. For more information on the product development pipeline, please see "— Product Development Pipeline" below.

In most cases, we expect to generate revenue from our collaboration agreements at three different channels: first, reimbursement of R&D expenses; second, we expect to receive milestone payments when certain specified results are achieved, such as when a product candidate containing our traits is submitted for regulatory approval; and third, we expect to receive royalty payments once a commercial product containing our traits is launched into the market. Under several collaboration agreements, we also receive research and development service payments to cover the costs of our research.

Product Development Programs

Scientific Approach

The division uses our expertise in plant and bacterial science and genomics to improve commercial seed traits. Evogene's proprietary CPB platform, specifically, the GeneRator AI engine, validation techniques and other capabilities enable us to identify and optimize promising genetic elements that have the potential to improve our traits of interest in target crops.

[3] https://www.un.org/en/chronicle/article/feeding-world-sustainably

[4] https://www.researchandmarkets.com/reports/5141331/gmo-crops-and-seeds-global-strategic-business?srsltid=AfmBOooowCJCSxzLjrh5aKFzKy2jqrTfNNaLm_PO8w_Z8RHHnAVKZzqV5

Product Development Cycle

The length of the process of developing and integrating seed traits may vary depending on the technology being applied, the complexity of the trait and the type of crop involved. The development process for seed traits is typically divided into discrete steps, or phases, as follows:

- ***Discovery***: The identification of target genetic elements for enhancing specified plant traits. We test these elements in different validation systems to determine their ability to enhance the specified trait. In our experience, the Discovery phase takes approximately 6-18 months. The target genetic elements may be applicable to product development through different technological approaches (i.e. genome editing, GM or advanced breeding). In our collaborations, we typically undertake this phase.

- ***Phase I, or "Proof of Concept"***: Validated candidate genetic elements are advanced to Phase I. In this phase, they are tested in target plants through greenhouse trials, field trials, or both, for their efficacy in improving plant performance. Phase I may be conducted by us or by our collaborators, and in our experience, may last between two to five years for a GM product or, three years for a genome editing or advanced breeding product. For products developed through genome editing, deregulation process for classifying a product as non-GM is typically initiated during Phase I.

- ***Phase II, or "Early Development"***: In this phase, the field tests are expanded, and our collaborators evaluate the genetic elements on multiple geographical locations and varieties, to reach commercially viable success rates. We estimate the duration of Phase II is between two to four years. For a GM product, by the end of this phase, a specific product candidate will be selected to advance to Phase III. For genome editing and advanced breeding products, the end of this phase will lead straight to Phase IV (Pre-Launch).

- ***Phase III, or "Advanced Development and Regulation"***: This phase is relevant only for the development of GM products. Extensive field trials are performed to test the effectiveness of the selected product candidate across locations, and regulatory approvals are obtained, including potential environmental impact assessments, toxicity and allergenicity. We estimate the duration of Phase III is between one to two years.

- ***Phase IV, or "Pre-Launch"***: This phase involves preparation for commercial launch. The range of activities here includes preparing the seeds for commercial sales, formulation of a marketing strategy and preparation of marketing materials. We estimate the duration of Phase IV is between one to two years.

As indicated, the estimated timeframes of phase duration are based on our experience and estimates according to available information. The total development time for a particular product may be longer or shorter than the duration presented above depending on a range of factors.

Product Development Pipeline

The following table sets forth our key product development programs in the segment of yield and abiotic stress tolerance seed traits under development with our collaborators:

Program	Crop	Technology	Collaborator	Development Phase
1	Canola and rapeseed	GM	As part of Crop4Clima consortium	Phase I

The following table sets forth our key product development programs in the segment of disease resistance traits, under development with our collaborators:

Program	Crop	Trait	Technology	Collaborator	Development Phase
1	Soybean	Nematodes	Genome editing	TMG	Discovery

The following table sets forth our key product development programs in the segment of food security, under development with our collaborators:

Program	Food Element	Crop	Technology	Collaborator	Development Phase
1	Bovine Casein	Potato	GMO	Finally Foods	Phase 1

Key Collaborations

TMG

In December 2018, we entered into a multi-year collaboration and license agreement with TMG, a major Brazilian developer and marketer of soybean varieties, for the development of nematode-resistant soybean varieties using genome editing technologies. Under the agreement, we identified genomic elements for editing to attribute nematode resistance in soybean and perform such edits on TMG's commercial soybean germplasm. In turn, TMG validates the efficacy of the edited soybean varieties in greenhouse assays and field trials in Brazil and for incorporation in its breeding pipeline.

Under the collaboration and license agreement, TMG obtained a worldwide, royalty-bearing license to incorporate genome edits originating from the collaboration in its soybean varieties. Evogene, on the other hand, obtains a non-exclusive, royalty-bearing license to commercialize such genome edits and soybean lines, subject to certain exclusivity restrictions. According to the agreement, each party is entitled to receive royalty payments from the other party when the products of the collaboration are commercialized. In addition, Evogene is entitled to success-based payments upon achievement of pre-defined development milestones.

Crop4Clima

In May 2023, we announced that we were awarded a grant as part of the Crop4Clima consortium funded by the EU Horizon's EIC Transition program. The Crop4Clima project is expected to be executed over 32 months with an overall budget of €2.5 million, of which Evogene was awarded €1.2 million to cover our estimated costs in this project.

The project's goal is to develop crops, focusing first on canola and rapeseed seeds, with the ability to increase assimilation of CO_2 from the air while requiring less water intake when compared to crops grown under standard agricultural practices, in order to support sustainability goals. Such outcome would support efforts to reduce global warming by using plants with a higher uptake of carbon dioxide accumulation from the atmosphere while enabling the saving of scarce water resources and improved plant tolerance against drought conditions. Furthermore, it is expected that biomass yield per hectare would improve while the plants maintain a high oil content, as demanded by canola-derived products and the biofuel industry.

Other partners in this project include the Max Planck Society, Germany's leading basic research institution, IN Society, an Italian not-for-profit small-medium enterprises, or SMEs, that analyzes the impact of emerging technologies on society, and Agrobioinstitute, Bulgarian Agricultural Academy institution. Evogene is functioning as the coordinator of the consortium. The first proof of concept of the program is expected to take place in April 2025.

Finally Foods

In April 2024 we and TKH jointly announced the establishment of Finally. Finally is specializing in molecular farming for the food sector, committed to providing sustainable alternative sources to animal-based proteins, while utilizing our *GeneRator AI* technology.

Intellectual Property

In the AgSeeds division, we seek to obtain patent protection for the use of the genes and genetic elements that we identify as linked to desired traits. In certain cases patent protection determines our eligibility to receive royalties for seed traits under the licenses we grant our collaborators. We focus our patent portfolio on key geographical markets (specifically, the United States, Argentina and Brazil) and the plant traits with the highest commercial potential.

Government Regulation of Product Candidates

In most of the markets where we believe that our collaborators will sell seeds containing our traits, including the United States, the EU, Brazil and Argentina, regulatory approvals are required prior to the commercialization and importation of biotechnologically enhanced seeds. Additional regulatory approvals are required in countries importing grain produced from seeds containing our traits, such as China, India and certain countries in the EU. Pursuant to our collaboration agreements in the field of seed traits, our collaborators are typically responsible for applying for all requisite regulatory approvals prior to commercialization of the product candidates we develop with them.

The regulatory status of products developed via genome editing technologies is currently defined in most countries with the exception of the EU. In the United States, de-regulatory approvals are required by the USDA prior to field testing of genomic edited seeds. Several 'non-regulated organism' approvals have been issued by the USDA as well as the regulatory authorities of Japan and Argentina for products that are being commercialized or under development.

According to Question and Answers on the regulation of GMOs in the EU, which is not incorporated by reference herein,[5] under Directive 2001/18/EC, a company intending to market a GMO must first submit an application to the competent national authority of the respective EU member state, or Member State, where the product is to be first placed on the market. The application must include a full environmental risk assessment. If the national authority gives a favorable opinion on the placing on the market of the GMO concerned, this Member State informs the other Member States via the European Commission. If there are no objections by other Member States or the European Commission, the competent authority that carried out the original evaluation grants the consent for placing the product on the market. The product may then be placed on the market throughout the EU in conformity with any conditions required in that consent. If objections are raised and maintained, a decision has to be taken at EU level. The European Commission first asks for the opinion of its scientific panels composed of independent scientists, highly qualified in the fields associated with medicine, nutrition, toxicology, biology, chemistry, or other similar disciplines. The European Food Safety Authority provides the relevant panels for this purpose. If the scientific opinion is favorable, the European Commission then proposes a draft legislative decision to the Regulatory Committee composed of representatives of Member States for an opinion. If the Regulatory Committee gives a favorable opinion, the European Commission adopts the decision. If not, the draft decision is submitted to the Council of Ministers for adoption or rejection by qualified majority. If the Council does not act within three months, the Commission shall adopt the decision. During the notification process, the public is also informed and has access to the publicly available data. For experimental releases, notifications are examined and consent is granted as appropriate by the authorities of the Member State in which the release is to be conducted.

Government Regulation of our Operations

The business of the AgSeeds division is subject to regulation related to agriculture, health and the environment. To operate, we must obtain various permits and licenses from government authorities and municipalities in jurisdictions where we are active, and we must maintain our compliance with the terms of those permits, licenses and other government standards as necessary. These laws and regulations, particularly in relation to biotechnology, are not fully settled, but continue to evolve in order to keep pace with technological advances.

Our operations are carried out mainly in Israel and accordingly are regulated by the ISARD, and more specifically by the ISARD's Plants Protection and Inspection Services. Our activities are subject to various laws, regulations, orders and procedures, which require us, among other things, to obtain permits for conducting experiments on genetically enhanced plants and to satisfy special conditions determined by the ISARD regarding the growing procedures of such seeds and plants. Violation of these regulations may expose the company to criminal penalties. Pursuant to these regulations, we are also obligated to obtain separate permits to own and operate our greenhouses and testing fields in Israel and we are routinely inspected by ISARD.

Raw Materials

Our AgSeeds division does not significantly rely upon any sources of raw materials for our operations.

Seasonality

Our R&D activities in the AgSeeds division are dependent on crop seasonality as they are highly dependent on crop growing and harvest periods. For example, field trials that we conduct are dependent on the growing season of the specific crop in the specific territory.

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[5] https://ec.europa.eu/commission/presscorner/detail/en/MEMO_04_102

Human Health

Biomica Ltd.

Overview

In 2017, we established Biomica, a subsidiary focused on the discovery and development of innovative human microbiome-based therapeutics. The human microbiome is an array of more than 100 trillion microorganisms that live on and in our bodies, creating a community of symbiotic, commensal and pathogenic bacteria, all of which call the human body home. These microbes have numerous beneficial functions relevant to supporting life, such as digesting food, preventing disease-causing pathogens from invading the body, and synthesizing essential nutrients and vitamins. Numerous studies have shown the connection between the human microbiome and various medical disorders, and the search for microbiome therapies and treatments is a rapidly growing focus for biotherapeutics research and development.

Biomica focuses on the development of human-microbiome based therapies utilizing either rationally-designed microbial consortia or small molecule approaches for (i) immuno-oncology (ii) gastrointestinal inflammatory, or GI, related disorders, and (iii) antimicrobial resistance, or AMR, an antibiotic resistant bacteria.

In December 2024, Biomica initiated two new discovery-stage programs:

a) Anti-Obesity – Designed to harness the microbiome to support weight loss and effective management of obesity.
b) Longevity – Focused on leveraging the microbiome to promote healthy aging by targeting age-related processes throughout the lifespan.

Market

Biomica's product development is currently focused in three main markets:

Immune-Oncology

In oncology, checkpoint inhibitor antibodies, including those targeting the programmed cell death protein/ligand 1, or PD-1/PD-L1 pathways, block the tumor's ability to suppress the immune response. They have significantly improved the treatment of many cancers. The global cancer immunotherapy market size was estimated at $126.19 billion in 2023 and is projected to hit around $296.01 billion by 2033, growing at a CAGR of 8.9% during the forecast period from 2024 to 2033, according to a report published by Nova One Advisor Research[6], which is not incorporated by reference herein.

Even in cancers, where checkpoint inhibition is considered the frontline standard of care, a significant percentage of the patients do not respond to PD-1 + CTLA-4 inhibitor combination and a portion of responders relapse within a few years. In all approved cancer indications, agents with differentiated immune mechanisms of action may be complementary to checkpoint inhibitors by both augmenting existing effects and testing alternative pathways of immunotherapy in checkpoint inhibitor non-responsive tumor types and patients.

Given a growing body of literature, it is becoming increasingly clear that modulation of the gut microbiota may represent a novel and important adjunct to current anti-cancer therapeutic modalities.

GI related disorders

- *Irritable Bowel Syndrome (IBS)* is a common disorder that affects the large intestine. Signs and symptoms include cramping, abdominal pain, bloating, gas, and diarrhea or constipation, or both. It is estimated that the global irritable bowel syndrome treatment market accounted for $ 1.65 billion in 2023 and is expected to reach at $4.74 billion by 2034 with a CAGR of 10.07% during the forecast period 2024-2034 according to a report titled the "Irritable Bowel Syndrome Treatment Market by Type, by Product, by Distribution Channel, and by Region"[7], which is not incorporated herein by reference. Existing drugs for IBS mainly treat the symptoms of the condition, leaving patients exposed to cycles of remission and relapse that characterize this chronic condition.

- *IBD* is a group of GI diseases, mainly comprised of Ulcerative colitis and Crohn's disease. IBDs cause long term chronic as well as severe inflammation in the gastrointestinal tract without any known cause. According to the Centers for Disease Control and Prevention, or CDC, in 2015 an estimated 3.1 million people (1.3% of the entire population) in the United States were diagnosed either with Crohn's disease or with Ulcerative Colitis. According to a report published by Research and Markets in January 2024, which is not incorporated by reference herein, the global IBD drug market size was valued at $26.65 billion in 2023, and is projected to reach $49.76 billion by 2034, growing at a compound annual growth rate, or CAGR, of 5.84% from 2023 to 2034[8].

[6] https://www.biospace.com/cancer-immunotherapy-market-size-to-hit-usd-296-01-billion-by-2033#:~:text=The%20U.S.%20cancer%20immunotherapy%20market,8.11%25%20from%202024%20to%202033.

[7] https://www.globenewswire.com/news-release/2025/01/23/3014051/0/en/Irritable-Bowel-Syndrome-Treatment-Global-Market-Report-2024-2034-Development-of-New-Treatments-Emphasis-on-Personalized-Medicine-and-Emerging-Markets-Boosting-Growth.html

[8] https://www.globenewswire.com/news-release/2024/01/29/2818585/28124/en/Global-Inflammatory-Bowel-Disease-Treatment-Market-Set-to-Soar-with-Predicted-5-84-CAGR-by-2034.html#:~:text=The%20study%20cited%20an%20estimated,IBD%20(Inflammatory%20Bowel%20Disease)

AMR (antimicrobial resistance)

- *Clostridium Difficile Infection (CDI)* – The U.S. Centers for Disease Control and Prevention in a report titled "Antibiotic Resistance Threats In The United States" published in December 2019[9], which is not incorporated by reference herein, has identified CDI as one of the most urgent antibiotic-resistant bacterial threats in the United States. CDI is most often caused by the use of broad-spectrum antibiotics which induce dysbiosis of the microbiome causing susceptibility to infection by C. difficile, a spore forming bacterium. It is the most common cause of hospital acquired infection in the United States.

- According to "Antibiotic Resistance Threats In The United States" a report published by U.S. Centers for Disease Control and Prevention in December 2019, which is not incorporated by reference herein, CDI is responsible for the deaths of approximately 13,000 Americans each year. Based on this report, the incidence of CDI in the U.S. was estimated to be 223,900 cases in hospitalized patients in 2017. According to an article titled "Clostridium Difficile Infection Treatment Market Outlook (2024 – 2034)" [10], which is not incorporated herein by reference, the global CDI treatment market size was set to reach $1.24 billion by the end of 2024 and climb to $2.28 billion by the end of 2034, expanding at a CAGR of 6.3% between 2024 and 2034.

- *Methicillin-Resistant Staphylococcus Aureus (MRSA)* – One of the most common Staphylococcus aureus infections is caused by MRSA, which is a multi-drug resistant bacterium, responsible for several difficult-to-treat infections in humans, leading to tens of thousands of annual cases of mortality in the U.S. MRSA is the leading causative agent for hospital acquired infections and has recently been documented as community-acquired as well as livestock-acquired. Current medical treatments include broad spectrum antibiotics that are becoming increasingly ineffective. Bloomberg estimates according to a report published on September 24, 2019, which is not incorporated by reference herein, that the current MRSA market was valued at approximately $2.15 billion in 2023 and is projected to grow at a CAGR of 5.51% from 2024 to 2030[11].

Competition

The biotechnology and pharmaceutical industries are characterized by rapid growth and a dynamic landscape of proprietary therapeutic candidates. The development and commercialization of new drug and biologic products is highly competitive and is characterized by rapid and substantial technological development and product innovations. While we believe that our computational platform and microbial drug candidates, coupled with our resources and industry expertise, give us a competitive advantage in the field, we face competition from a variety of institutions, including larger pharmaceutical companies with more resources. Specialty biotechnology companies, academic research institutions, governmental agencies, as well as public and private institutions are also potential sources of competitive products and technologies.

In both inflammatory diseases and oncology, we anticipate intensifying competition as new therapies are approved and advanced technologies become available. Many of our competitors, either alone or with strategic partners, have considerably greater financial, technical, and human resources than we do.

Significant competition exists in the immuno-oncology and inflammatory diseases field, where we are developing our first drug candidates in oncology and IBD. Although our rationally-designed microbial consortium approach is unique relative to most other existing or investigational therapies in immuno-oncology, we will need to compete with all currently or imminently available therapies within the indications where our development is focused. Although there is a wide range of potentially competitive mechanisms, possible synergies between these and rationally-designed microbial consortia will also be evaluated.

Business Model

Biomica's goal is to become a leading biopharmaceutical company developing and commercializing microbiome therapeutics to address significant unmet medical needs, through strategic collaborations with world-leading pharmaceutical companies.

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[9] https://www.cdc.gov/antimicrobial-resistance/media/pdfs/2019-ar-threats-report-508.pdf

[10] https://www.factmr.com/report/clostridium-difficile-infection-treatment-market

[11] https://www.grandviewresearch.com/industry-analysis/methicillin-resistant-staphylococcus-aureus-drugs-market-report#:~:text=Market%20Size%20%26%20Trends,5.51%25%20from%202024%20to%202030.

Product Development Programs

Scientific Approach

Biomica aims to identify unique microbiome-based therapeutic entities through multilayered analysis and integration of high resolution big-data originating from the human gut microbiome. Employing a holistic approach, Biomica combines a profound understanding of the microbiome and its functions and their intricate relations with the human host.

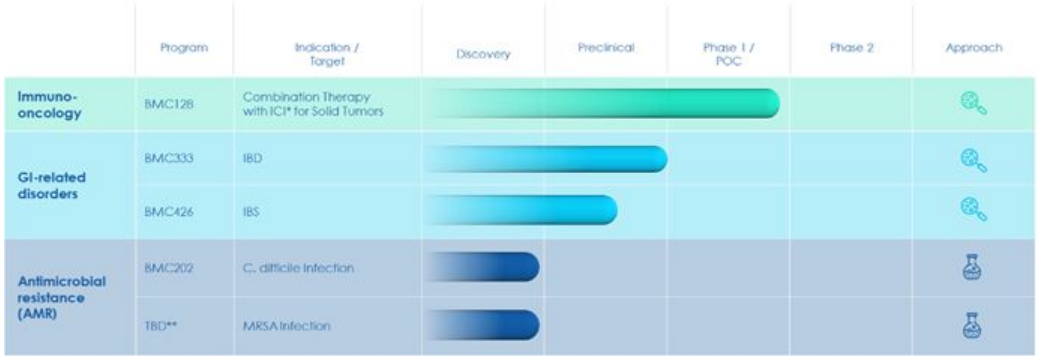
Biomica's approach relies on a multi-layered analysis of omic and clinical / phenotypic data using an extensive nexus of modules in four key areas: (i) creation of microbial classifications – enabling high-resolution taxonomy analysis of the microbial community down to the strain level, (ii) identification of microbial functions – functional-level microbial community analysis profiling microbial genes, pathways and metabolites, (iii) identification of host genomics – profiling of patients' genomic information (genetics and expression patterns), and (iv) clinical data – integrate relevant phenotypic and physiological information manifested in patient.

Biomica's discovery and development efforts are powered by the predictive, high resolution, integrative selection of microbes, or PRISM, platform, which is powered by Evogene's MicroBoost AI engine. PRISM is a proprietary metagenomics analysis platform for functional genomics profiling, utilizing internal comprehensive databases. These databases have been specifically developed to allow the processing of large amounts of sequencing data, obtain high-resolution profiling of microbial communities both at the taxonomic and the functional levels, and correlate them with specific clinically relevant host expression and phenotypic profiles, enabling Biomica to achieve each of the below analyses:

- At the taxonomic level Biomica's analysis allows strain-level resolution and relies on an extensive proprietary strain database.
- At the functional level, Biomica's proprietary resources rely on a comprehensive catalog of microbial genes enabling mapping of an average of 90% of the functions of the human gut microbiome obtained through metagenomics sequencing.

In addition to its comprehensive computational solutions to profile the microbiome, Biomica also utilizes Evogene's ChemPass AI engine, for virtual screening of small molecular inhibitors to specifically target bacterial proteins of interest. This platform combines the physiochemical requirements for binding a specific protein target and utilizes a comprehensive proprietary database of over 20 billion known molecules for the discovery of potential therapeutics.

Product Development Pipeline



Immune-Oncology

BMC128 is a rationally designed microbial consortium identified and selected through a detailed functional microbiome analysis using PRISM, a proprietary high-resolution microbiome analysis platform powered by *MicroBoost AI* tech engine. Developed as a Live Bacterial Product, or LBP, BMC128 is an LBP consortium comprised of four unique bacterial strains, natural inhabitants of the human intestinal tract, that harbor specific functional capabilities with the potential to enhance immunological therapeutic responses and facilitate anti-tumor immune activity through multiple biological processes. Rationally-designed consortia are multi-strain products designed to restore diversity and specific functionality to a host's microbial community with individually selected, cultured bacteria.

On January 17, 2024, Biomica announced that the final patient has been enrolled in its Phase I clinical trial.

On May 23, 2024, Biomica announced initial findings from an ongoing Phase 1 clinical trial. In the study, Biomica is investigating the safety and tolerability of its microbiome-based immuno-oncology candidate, BMC128, in combination with nivolumab, an anti-PD1 immune checkpoint inhibitor, in patients with non-small cell lung cancer (NSCLC), melanoma, or renal cell carcinoma (RCC).

All eleven trial participants had experienced disease progression in prior immunotherapy treatment before joining the trial. These preliminary findings represent some of the initial positive evidence emerging from the burgeoning field of clinical research on cancer therapies leveraging gut microbiota.

Preliminary data from Biomica's Phase 1 study of BMC128, in combination with ICI immunotherapy, in refractory patients, who previously progressed on immunotherapy, was presented at the American Society of Clinical Oncology Annual Meeting on June 3, 2024.

Key observations from the study include:

- **Safety Profile:** as of the data cutoff date, the safety profile of BMC128 has been positive, with no major safety events potentially associated with BMC128 reported during the course of BMC128 monotherapy or combination treatment, indicating a favourable safety profile for the investigational therapy.

- **Clinical Responses:** as of the data cutoff date, among the patients included in the study, 72% of refractory cases exhibited positive clinical signals, indicating a potential efficacy for the BMC128 and nivolumab combination.

- **Response Rates:** as of the data cutoff date, one patient demonstrated partial response upon imaging and RECIST v1.1 assessment and remains actively responding to treatment. Additionally, 64% of patients' disease stopped progressing following the combination treatment, and they displayed stable disease and sustained benefits beyond the first imaging assessment, suggesting additional important potential clinical benefit.

- **Durability of Response:** as of the data cutoff date, 55% of patients showed sustained clinical benefit, with notable durations of response of over 16 weeks and with one patient exceeding 80 weeks.

- **Cross-Cancer Effectiveness:** 100% of RCC patients and 60% of NSCLC patients in the study demonstrated positive clinical outcomes, indicating potential efficacy across different cancer types.

GI Disorders

In the IBD program, BMC333 is an optimized consortium, which consists of four bacterial strains derived from Biomica's BMC321 and BMC322 (rationally-designed consortia that were identified using Biomica's computational analysis and predictive capabilities designed with specific emphasis on the anti-inflammatory activity of these strains and their potential as novel therapeutic modality for IBD). During 2024, Biomica continued scale-up development of BMC333. During 2025, Biomica plans to continue with the scale-up development in preparation for GMP clinical batch production of BMC333 pending sufficient funding.

In the IBS program, Biomica utilizes proprietary data from several clinical trials conducted in the U.S. to develop a novel microbiome-based drug candidates, BMC426/7. On May 18, 2024, Biomica presented its results from pre-clinical studies in its IBS program at the Digestive Disease Week 2024 Annual Meeting. The pre-clinical work was performed in collaboration with the lab of Prof. Kara Gross Margolis, at the NYU Grossman School of Medicine. In the studies, Biomica tested two candidate therapeutic consortia of live bacterial strains, BMC426 and BMC427. Treatment with these drug candidates effectively reduced visceral pain, a major symptom of IBS.

AMR (antimicrobial resistance)

CDI – Using Biomica's microbiome therapeutics platform, we are developing a small-molecule drug candidate (BMC201), designed to target the main toxin secreted by the bacterium and hence repair dysbiosis in the colonic microbiome in the setting of primary or recurrent CDI. BMC201 is being developed as an orally available drug.

MRSA – Biomica is engaged in a collaboration with the Weizmann Institute of Science in Israel to develop a selective treatment against antibiotic resistant strains of Staphylococcus aureus infection, in a microbiome focused approach. Biomica has in-licensed Prof. Ada Yonath's, Nobel Prize laureate, work and discoveries in high-resolution crystal structure of the large ribosomal subunit of the pathogenic Staphylococcus aureus for the design and development of new types of selective, narrow spectrum antibiotics agents.

Both programs are currently at the discovery stage and expected to advance to optimization phase and later potentially to first proof-of-concept preclinical studies during 2025.

Intellectual Property

Biomica aims to protect the proprietary intellectual property that it believes is important to Biomica's business, including seeking international patent protection for its product candidates and promptly file patent applications for new commercially valuable inventions of Biomica's business. Biomica also relies on trade secrets to protect aspects of its business that it does not consider appropriate for patent protection. Biomica's success will depend on its ability to obtain and maintain patent and other proprietary protection for commercially important technology, inventions and know-how related to our business, as well as defend and enforce any patents that we may obtain.

Raw Materials

Biomica does not significantly rely upon any sources of raw materials for its operations.

Seasonality

Biomica's business in general is not subject to variations based on seasonality.

Government Regulation of our Operations

The FDA and other regulatory authorities at federal, state and local levels, as well as in other countries, extensively regulate, among other things, the research, development, testing, manufacture, quality control, import, export, safety, effectiveness, labeling, packaging, storage, distribution, record keeping, approval, advertising, promotion, marketing, post-approval monitoring and post-approval reporting of drugs and biologics such as those Biomica is developing. Biomica, along with its contract manufacturers, will be required to navigate the various pre-clinical, clinical and commercial approval requirements of the governing regulatory agencies of the countries in which it wishes to conduct studies or seek approval for its product candidates. The process of obtaining regulatory approvals and ensuring subsequent compliance with appropriate federal, state, local and foreign statutes and regulations requires the expenditure of substantial time and financial resources.

In the United States, the FDA regulates drug and biologic products under the FFDCA, its implementing regulations and other laws, including, in the case of biologics, the Public Health Service Act. Biomica's product candidates are subject to regulation by the FDA as biologics. Biologics require the submission of a biologics license application, or BLA, and approval by the FDA before being marketed in the United States.

The process required by the FDA before Biomica's biologic product candidates may be marketed in the United States generally involves the following:

• completion of preclinical laboratory tests and animal studies performed in accordance with the FDA's good laboratory practice, regulations;

• submission to the FDA of an investigational new drug application, which must become effective before clinical trials in the United States may begin;

• approval by an institutional review board, or ethics committee at each clinical site before a trial is commenced;

• performance of adequate and well-controlled human clinical trials to establish the safety, purity and potency of the product candidate for each proposed indication, conducted in accordance with the FDA's good clinical practice, or GCP, regulations;

• preparation and submission to the FDA of a BLA after completion of all pivotal trials;

• satisfactory completion of an FDA Advisory Committee review, if applicable;

• determination by FDA within 60 days of its receipt of a BLA to file the application for review;

• satisfactory completion of an FDA inspection of the manufacturing facility or facilities at which the product is produced to assess compliance with GMP regulations, and to assure that the facilities, methods and controls are adequate to preserve the biological product's continued safety, purity and potency, and of selected clinical investigation sites to assess compliance with GCPs; and

• FDA review and approval of the BLA prior to any commercial marketing, sale or shipment of the product.

The testing and approval process requires substantial time, effort and financial resources, and we cannot be certain that any approvals for Biomica's product candidates will be granted on a timely basis, if at all.

Government Regulation of Product Candidates

The development of therapeutic products targeting the underlying biology of the human microbiome is an emerging field, and it is possible that the FDA and other regulatory authorities could issue regulations or new policies in the future affecting our microbiome therapeutics that could adversely affect Biomica's product candidates. All of Biomica's product candidates are based on microbiome therapy, a therapeutic approach that is designed to treat disease by restoring or providing the targeted functions to a dysbiotic microbiome. Biomica has not received regulatory approval for an oral therapeutic based on this approach. To our knowledge, only two companies received such regulatory approval as of the date of this Annual Report.

Industrial Applications

Casterra Ag Ltd.

Overview

Our activities related to castor seeds were initiated in 2007 and in 2012 were organized under a wholly owned subsidiary, currently named Casterra Ag Ltd. Casterra focuses on the development of an integrated solution for castor cultivation, including advanced non-GMO high-yielding castor seed varieties, growth protocols, and compatible agricultural machinery. Casterra's main target markets are Africa and Brazil, where large scale castor agriculture and industry are well established. During 2024, Casterra's sales of seeds increased significantly, while also increasing its production capabilities, by signing agreements with seed producers in Kenya and Brazil.

Market

Castor beans are grown for their high-quality oil, which is used for the production of bio-based products for various industrial applications such as cosmetics, pharmaceuticals, paints, lubricants, plastics, coats, films and others, as well as for the production of bio-diesel. Currently treated as a "low-tech" crop in its key production areas around the world (for example, in India the castor bean is grown using traditional techniques such as hand picking), according to industry estimations, the castor oil extracted from the castor bean plant may hold great promise as an input for industrial markets. The global castor oil market is projected to grow from an estimated value of $1.4 billion in 2022 to reach $2.3 billion by 2032, at a CAGR of 5.1%.[12]

Competition

Casterra's competition in its target markets mainly includes a few companies that supply castor seeds to growers worldwide, such as Kaiima Seeds and Terasol.

Business Model

Casterra's business model is to sell its proprietary castor seed varieties to castor growers, together with targeted agro-technical growth protocols. Casterra's offering includes high yielding varieties with plant structure suitable for mechanized harvest, best practices for large-scale castor growing, and advanced compatible mechanical harvesting and dehulling solutions. Casterra is exploring the extension of its business model to include castor grain production.

Key agreements

Casterra Agreements with ENI and its Affiliate

On November 14, 2022, our subsidiary, Casterra, entered into an agreement with an affiliate of ENI, whereby Casterra will provide its unique castor varieties and its broad know-how in cultivation of castor at a commercial scale for biofuel production. Under the framework of the agreement, the initial focus is the purchase agreement of castor seed varieties from Casterra for growing castor in specific African territories and the provision of technical support. The agreement also allows for the potential for long-term cooperation in castor cultivation between this customer and Casterra, with the potential for expansion into additional territories on the African continent. In November 2023, the agreement was extended until November 1, 2024.

On June 21, 2023, Casterra announced that it entered into a framework agreement to sell seeds of its proprietary castor varieties to ENI Kenya B.V., or ENI, for cultivation in specific African territories at a commercial scale for biofuel production. Pursuant to this agreement Casterra received, an order totaling $9.1 million in June 2023. In June 2023, Casterra received an additional order totaling approximately $2.2 million for the supply of castor seeds.

[12] https://www.cdc.gov/antimicrobial-resistance/media/pdfs/2019-ar-threats-report-508.pdf

On June 25, 2024, Casterra announced the receipt of an additional purchase order valued at approximately $440 thousand.

During 2023, Casterra supplied approximately 90 tons of seeds. During 2024, Casterra supplied approximately 215 tons of seeds. Commencing in January 2025 and until the date of this Annual Report, Casterra supplied additional approximately 250 tons of seeds. This reflects solving the bottleneck in seed production Casterra previously faced, that caused a delay in the delivery schedule and consequent price adjustments.

Casterra is currently negotiating with ENI to supply additional approximately 234 tons of seeds, in lieu of expired previous orders from 2023.

Intellectual Property

Casterra's policy is to register 'breeders rights' over its commercial castor varieties, in target territories. As of the date of this Annual Report, Casterra is in the process of filing breeders rights in Europe. To date, Casterra has registered its commercial varieties in Brazil and Argentina.

In addition, Casterra filed a patent application with respect to a dehulling machine it developed.

Government Regulation of our R&D Operations

Casterra's activities in Israel in the field of seeds are regulated by the Israeli Ministry of Environmental Protection. Pursuant to these regulations, Casterra is required, among other things, to obtain toxins permits, which allow it to conduct experiments using "hazardous materials," as such term is defined in the applicable regulations, and to follow specific rules regarding waste disposal. Violation of these regulations may expose Casterra to criminal penalties, administrative sanctions and responsibility to compensate those injured for any environmental damages.

Government Regulation of Seed Import

Seed import is subject to field and warehouse inspection by the regulator in the country of destination for compliance with the local regulations. These regulations typically include, among others, phytosanitary inspection for pests and diseases.

Raw Materials

Casterra does not significantly rely upon any sources of raw materials for its operations.

Seasonality

Casterra's castor seed business in general, and revenues in particular, generated from sales of castor seeds and related agro-technical services to local castor growers, are subject to variations based on crop seasonality. The timing of Casterra's seed production, as well as the delivery of castor seeds to its partners and revenue recognition with respect to such seed sales, derive substantially from the seasonality of castor growing in the seed production locations and in the target markets.

C. Organizational Structure

The legal name of our company is Evogene Ltd. and we are organized under the laws of the State of Israel. As of the date of this Annual Report, we hold directly and indirectly the percentage indicated of the issued and outstanding capital stock of the following significant subsidiaries:

Name of Subsidiary	Jurisdiction	Ownership Interest
AgPlenus Ltd.	Israel	98.3% (1)
Biomica Ltd.	Israel	75.8% (2)
Casterra Ag Ltd. (formerly known as Evofuel Ltd.).	Israel	99.5(3)%
Lavie Bio Ltd.	Israel	70.7% (4)(5)

(1) The remaining 1.7% of AgPlenus Ltd.'s issued and outstanding share capital is held by AgPlenus' former Chief Executive Officer and current director as a result of exercise of options.
(2) The remaining 24.2% of Biomica Ltd.'s issued and outstanding share capital is held by: (i) SHC, who holds 22.7%, and (ii) Biomica's Chief Technology Officer, who holds 1.5%. For more information see "Item 4.B. Information on the Company—Business Overview—Market Segments—Human Health—Biomica Ltd.—Overview".
(3) The remaining 0.5% of Casterra Ag Ltd.'s issued and outstanding share capital is held by Casterra's former employee as a result of exercise of options.
(4) The remaining 29.3% of Lavie Bio Ltd.'s issued and outstanding share capital is held by (i) Pioneer Hi-Bred International, Inc. (also known by the name Corteva), who holds 27.3%, and (ii) Lavie Bio's former employees, who hold 2.0% as a result of exercise of options.
(5) ICL (through an affiliate company) has an outstanding convertible amount of approximately $10 million invested in Lavie Bio Ltd. under a SAFE agreement, which is convertible into shares of Lavie Bio Ltd. pursuant to the terms thereof. For more information see "Item 4.B. Information on the Company—Business Overview—Market Segments—Agriculture—Lavie Bio Ltd.—Overview".

D. Property, Plants and Equipment

Our principal facility is located in Rehovot, Israel and consists of 1,870 square meters (approximately 20,129 square feet) of leased office space accommodating our corporate offices and our molecular, microbial and crop protection labs. The lease for this facility will expire December 31, 2027; however we have an option to extend it until December 31, 2030.

We perform most of our testing in plants, or *in-planta* testing, at our "Greenhouse Research Center", located on two adjacent lots that we lease outside Rehovot. The first lease covers approximately 13,500 square meters (approximately 145,000 square feet) of land, and expires on July 21, 2025, and we hold an option to renew such lease for an additional 36-month period. The second lease covers approximately 10,000 square meters (approximately 108,000 square feet) of land and expires on May 14, 2026, and we hold an option to renew such lease for an additional 24-month period.

The Greenhouse Research Center contains greenhouses, which are used for various *in-planta* experiments of the company and its subsidiaries. In addition, the Greenhouse Research Center contains warehouses, office facilities and seed banks.

Unless otherwise stated, all of our facilities are fully utilized. We have no material tangible fixed assets apart from the leased properties described above. We believe that our currently leased facilities meet our needs for the short and mid-terms.

Item 4A. Unresolved Staff Comments

None.

ITEM 5. OPERATING AND FINANCIAL REVIEW AND PROSPECTS

The information contained in this section should be read in conjunction with our consolidated financial statements as of, and for the year ended, December 31, 2024 and related notes and the information contained elsewhere in this Annual Report. Our financial statements have been prepared in accordance with IFRS as issued by the IASB. This discussion contains forward-looking statements that are subject to known and unknown risks and uncertainties. As a result of many factors, such as those set forth under "Item 3. Key Information—D. Risk Factors" and "Special Note Regarding Forward-Looking Statements," our actual results may differ materially from those anticipated in these forward-looking statements.

Summary

Evogene has four main subsidiaries, each focused on a different type of product and target market. Each subsidiary has its own board of directors, management team, scientific advisory board, research and development, or R&D, and business development teams that focus on developing its own pipeline and go-to-market activities. At the same time, each subsidiary benefits from using Evogene's technology under an exclusive license from Evogene to use the tech-engines' discovery and development that are relevant to the subsidiary's field of activity. The terms of these licenses provide that the subsidiary owns the discoveries and product candidates that result from the utilization of the respective tech engine, while Evogene retains all rights to the tech-engines themselves. According to the characteristics of the end-market, the subsidiaries can decide to commercialize their products independently or in collaboration with partners.

Another business model, which was our main business model until 2014, is product development through collaborations. In this business model Evogene engages with partners for joint development of defined products, requested by the partners. In this frame, Evogene typically conducts the initial R&D activity, discovery and early-stage development, while later stage development and commercialization are carried out by the partner. Under this model, Evogene's potential revenues include R&D funding for activities that Evogene conducts in the collaboration, milestone payments for when the candidates advance in our partners' pipelines and revenue sharing from the end-product.

Until 2014, Evogene engaged in several collaborations of this type with Bayer, Monsanto, DuPont and Syngenta, focused on improving seed traits using GM approach. Today, Evogene has a number of smaller scale collaborations, and we aim to engage in additional collaborations in the future.

Key Performance Indicators

Revenues

Our revenues are principally derived from research and development payments under our collaboration and licensing agreements and related arrangements with our collaborators. Some of our agreements with collaborators also provide for success-based payments, such as milestone payments paid by our collaborators upon the occurrence of certain specified events and royalty revenues based on the sales or transfer of products our collaborators develop that contain, or are based on, our discoveries, which we license to them. We have not yet generated revenues from royalty payments. In June 2023, Casterra, our subsidiary that focuses on the development and sale of proprietary improved castor seed varieties, announced that it signed a framework agreement with ENI for the sale of castor varieties at a commercial scale for biofuel production. Under this agreement, Casterra received an order totaling $9.1 million. In addition, during June 2023 Casterra received an additional order totaling approximately $2.2 million to supply castor seeds. During the second quarter of 2024, Casterra received an additional purchase order totaling approximately $440 thousand to supply castor seeds to a new African country in 2024.

During July 2023, Lavie Bio entered a licensing agreement with Corteva, conferring exclusive rights to Corteva for advancing and commercializing Lavie Bio's lead bio-fungicides, LAV311 and LAV312. Lavie Bio received an initial payment of $5 million, in two installments: a first payment of $2.5 million was received during September 2023 and in March 2024, Lavie Bio received the second payment of $2.5 million. In addition, Lavie Bio Ltd. was also eligible for additional future milestone payments and royalties from Corteva's sales of the products. During November 2024 Lavie Bio announced the cancellation of this licensing agreement with Corteva. Lavie Bio regained full rights and freedom to operate the licensed technology and the lead bio-fungicide candidates. On February 16, 2024, AgPlenus entered into a Licensing and Collaboration Agreement with Bayer for the development of a new sustainable weed control solution. This agreement grants Bayer an exclusive license for the development and commercialization of products developed within the collaboration. According to this agreement, AgPlenus was entitled to receive a license payment, ongoing research funding, milestone payments, and royalties based on future product sales, subject to certain conditions as stipulated in the agreement.

Breakdown of Revenues by Operating Segment:

The following table presents a breakdown of net revenues by operating segment for the periods indicated.

Operating Segment:	**2024**	**2023**	**2022**
	(U.S. dollars, in thousands)		
Agriculture	$ 5,889	$ 3,791	$ 876
Industrial application	2,219	1,075	72
Human health	80	487	513
Unallocated	323	287	214
Total	**$ 8,511**	**$ 5,640**	**$ 1,675**

Geographical Breakdown of Net Revenues

The following table presents net revenues by geographic breakdown of customers as a percentage of our total net revenues for the periods indicated. This data refers to the location of the customer and does not take into consideration the location of the end-user (to the extent it is different).

Geographical Region:	**2024**	**2023**	**2022**
United States	46%	65%	51%
Israel	7%	16%	45%
Other	47%	19%	4%
Total	100%	100%	100%

Cost of Revenues

Cost of revenues primarily consists of development costs incurred in conjunction with our collaborations, which include: salaries and related personnel costs for our research and development employees working on the collaborations; payments to third party suppliers and producers; and the cost of disposable materials (such as seeds, laboratory supplies, fertilizer, water and soil), and expenses related to retaining advisors, who primarily consist of biological advisors.

Operating Expenses

Research and Development Expenses, net: Research and development expenses primarily consist of costs related to our internal or independent research and development activities, as opposed to development costs incurred in connection with our collaborations (which are included in cost of revenues). These independent activities of ours include the further development of our product pipeline, enhancement and expansion of our CPB platform and improvement of our computational, scientific and validation technologies, know-how and capabilities used by our subsidiaries and product divisions. Research and development costs include: salaries and related personnel costs (including share-based compensation); payments to third party suppliers and subcontractors, field-trials and pre-clinical studies carried out by third parties; cost of disposable materials; expenses associated with participation in professional conferences; operational overhead costs, which include costs related to leasing and operating our office, laboratory facilities and greenhouses; depreciation of property, plant and equipment; and amortization of intangible assets. Expenses related to our intellectual property, such as legal and other costs associated with patent applications, are also included as research and development expenses. We expect that our research and developments expenses will decrease during 2025 due to our intention to focus our efforts on the use of our *ChemPass AI* tech-engine in the field of AI powered drug discovery in the pharma market segment, and due to the implementation of certain expense reduction measures on our and our subsidiaries' level.

Sales and Marketing Expenses: Sales and marketing expenses consist of costs primarily related to commercialization activities of our subsidiaries for product launch and maintaining our relationships with our collaborators and establishing new collaborations. These costs include salaries and related personnel costs (including share-based compensation), travel expenses and expenses related to legal and professional services. We expect that our sales and marketing expenses will be decreased during 2025 due to the implementation of certain expense reduction measures on our and our subsidiaries' level.

General and Administrative Expenses: General and administrative expenses mainly consist of salaries and related personnel costs (including share-based compensation) for our general and administrative employees; legal, D&O liability insurance, and professional services; expenses related to HR activities and employee benefits and welfare; expenses for consulting; and other expenses associated with being a U.S. publicly listed company. We expect that our general and administrative expenses will be decreased during 2025 due to the implementation of certain expense reduction measures on our and our subsidiaries' level.

Financing Income and Expenses

Financing income primarily consists of interest income on our cash bank deposits, income related to a remeasurement of warrants and pre-funded warrants and foreign currency exchange income.

Financing expenses primarily consist of expenses related to excess of initial fair value of pre-funded warrants over transaction proceeds; expenses related to amortization of deferred expenses related to issuance of warrants; foreign currency exchange expense; expenses related to a change in fair value of the marketable securities we held, which consist of money market funds, corporate bonds and government treasury notes; interest expense for our operating lease liability; expenses related to a revaluation of outstanding convertible amount of $10 million invested in our subsidiary Lavie Bio under a SAFE agreement with ICL; and expenses related to bank charges and commissions. The interest due on government grants is also considered a financial expense and is recognized beginning on the date on which we receive the grant until the date on which the grant is expected to be repaid.

Taxes on Income

We do not generate taxable income in Israel, as we have historically incurred operating losses resulting in carryforward tax losses totaling approximately $218 million as of December 31, 2024, to be carried forward indefinitely to future tax years. Accordingly, we do not expect to pay taxes in Israel for the foreseeable future, until we have taxable income after the full utilization of our carryforward tax losses.

Our U.S. subsidiaries, Evogene Inc., Lavie Bio Inc., Lavie Bio Tech Inc., Taxon Biosciences Inc. and AgPlenus Inc. are subject to U.S. income taxes. In 2024, the tax rates applicable to those companies were approximately 21% and 3.41% (federal tax and state tax, respectively, where those companies operate).

Segment Data

We divide our operations into three operating segments – agriculture, human health and industrial applications, as follows:

- *Agriculture*: our agriculture segment includes our division and subsidiaries engaged in agricultural activities, including seed traits activity, ag-chemicals activity (now through our subsidiary AgPlenus) and ag-biologicals activity (now through our subsidiary Lavie Bio).
- *Human Health:* our human health segment focuses mainly on discovery and development of human microbiome-based therapeutics (through our subsidiary Biomica).
- *Industrial Applications*: our industrial applications segment focuses on the development and commercialization of improved castor bean seeds for industrial uses (through our subsidiary Casterra).

The following table presents our revenues and operating loss by segment for the periods presented:

	Agriculture	Industrial Applications	Human Health	Unallocated	Total
	(U.S. dollars, in thousands)				
Year ended December 31, 2024					
Revenues	$ 5,889	$ 2,219	$ 80	$ 323	$ 8,511
Operating loss	$ (9,262)	$ (2,411)	$ (7,240)	$ (3,297)	$ (22,210)
Year ended December 31, 2023					
Revenues	$ 3,791	$ 1,075	$ 487	$ 287	$ 5,640
Operating loss	$ (11,100)	$ (39)	$ (10,349)	$ (5,020)	$ (26,508)
Year ended December 31, 2022					
Revenues	$ 876	$ 72	$ 513	$ 214	$ 1,675
Operating loss	$ (12,256)	$ (220)	$ (8,875)	$ (5,590)	$ (26,941)

A. Operating Results

The following table sets forth our overall results of operations (on an unsegmented basis) for the years ended December 31, 2022, 2023 and 2024. The below discussion of our results of operations omits a comparison of our results for the years ended December 31, 2022 and 2023. In order to view that discussion, please see "Item 5. Operating and Financial Review and Prospects—A. Operating Results—Comparison of Period-to-Period Results of Operations" in our Annual Report on Form 20-F for the year ended December 31, 2023, which we filed with the SEC on March 28, 2024.

	2024	2023	2022
Consolidated Statements of Comprehensive loss:			
(*U.S. dollars, in thousands*)			
Revenues	$ 8,511	$ 5,640	$ 1,675
Cost of revenues	2,683	1,692	909
Gross profit	5,828	3,948	766
Operating expenses (income):			
Research and development, net	16,648	20,777	20,792
Sales and marketing	3,425	3,611	3,933
General and administrative	7,441	6,068	6,482
Other expenses (income)	524	-	(3,500)
Total operating expenses, net	28,038	30,456	27,707
Operating loss	(22,210)	(26,508)	(26,941)
Financing income	7,546	1,486	516
Financing expenses	(3,342)	(965)	(3,329)
Share of loss of an associate	39	-	-
Loss before taxes on income	(18,045)	(25,987)	(29,754)
Taxes on income (tax benefit)	9	(33)	90
Loss	$ (18,054)	$ (25,954)	$ (29,844)

Year Ended December 31, 2024 Compared to Year Ended December 31, 2023

Revenues

Our total revenues increased by approximately $2.9 million, or 51.8%, to approximately $8.5 million for the year ended December 31, 2024 from $5.6 million for the year ended December 31, 2023. This growth was primarily driven by revenues recognized from AgPlenus's new license and collaboration with Bayer and increased Casterra revenues from the supply of castor seeds during this period.

Cost of Revenues

Cost of revenues increased by approximately $1.0 million, or 58.8%, to approximately $2.7 million for the year ended December 31, 2024 from $1.7 million for the year ended December 31, 2023. The increase was primarily related to an increase in the revenues recognized from AgPlenus's new collaboration with Bayer as well as to increased revenues recognized from Casterra's sale of castor seeds.

Gross Profit

Gross profit increased by approximately $1.9 million, or 48.7%, to approximately $5.8 million for the year ended December 31, 2024 from $3.9 million for the year ended December 31, 2023, due to the combined impact of changes in our revenues and cost of revenues, as described above.

Operating Expenses

Research and Development Expenses, Net. Research and development expenses decreased by approximately $4.2 million, or 20.2%, to approximately $16.6 million for the year ended December 31, 2024 from approximately $20.8 million for the year ended December 31, 2023. The decrease in expenses is mainly due to the cessation of Canonic's activities and a decrease in certain development expenses in Biomica, Evogene and Lavie Bio as compared to the same period the previous year.

Sales and Marketing Expenses. Sales and marketing expenses slightly decreased by approximately $0.2 million, or 5.6%, to approximately $3.4 million for the year ended December 31, 2024 from approximately $3.6 million for the year ended December 31, 2023. The decrease is mainly due to the cessation of Canonic's activities, partially offset by increased sales and marketing expenses recorded in Casterra.

General and Administrative Expenses. General and administrative expenses increased by approximately $1.3 million, or 21.3%, to approximately $7.4 million for the year ended December 31, 2024 from approximately $6.1 million for the year ended December 31, 2023. The increase was mainly attributed to expenses recorded in Casterra due to a provision on a doubtful debt of a seed supplier and transaction costs related to Evogene's fundraising that occurred in August 2024, totaling approximately $1.5 million.

Other Expenses. The decision to cease Canonic's operations in the first half of 2024 resulted in other expenses of approximately $0.5 million, mainly due to impairment of fixed assets in the first quarter of 2024.

Financing Income and Expenses

Foreign currency and exchange risk

A significant portion of our expenses is denominated in currencies other than the U.S. dollar. The Company is therefore subject to non-U.S. currency risks and non-U.S. exchange exposure, especially the NIS. A significant portion of our operating costs are in Israel, consisting principally of salaries and related personnel expenses, and facility expenses, which are denominated in NIS. This foreign currency exposure gives rise to market risk associated with exchange rate movements of the U.S. dollar against the NIS and other currencies. Furthermore, we anticipate that a significant portion of our expenses will continue to be denominated in NIS. We do not hedge against currency risk through the use of forward currency contracts or other financial instruments. See "Risk factors—Risks Relating to Our Incorporation and Location in Israel-Exchange rate fluctuations between the U.S. dollar and the NIS may negatively affect our financial results." Exchange rates can be volatile and a substantial change of foreign currencies against the U.S. dollar could increase or reduce the Company's expenses and net loss and impact the comparability of results from period to period. The appreciation (devaluation) of the NIS in relation to the U.S. dollar amounted to (3.1%) and (0.6%) as of December 31, 2023, and 2024, respectively.

Financing Income. Financing income increased by approximately $6.0 million, or 400%, to approximately $7.5 million for the year ended December 31, 2024 from approximately $1.5 million for the year ended December 31, 2023. This increase was mainly associated with accounting treatment of pre-funded warrants and warrants issued in August 2024. Pre-funded warrants and warrants were classified as a liability on the consolidated statements of financial position, were initially recorded at fair value and subsequently remeasured at each reporting period using the Black-Scholes option pricing model. As a result, during 2024 we recorded financial income related to the remeasurement of warrants and pre-funded warrants of approximately $6.5 million.

Financing Expenses. Financing expenses increased by approximately $2.3 million, or 230%, to approximately $3.3 million for the year ended December 31, 2024 from $1.0 million for the year ended December 31, 2023. The increase was mainly associated with accounting treatment of pre-funded warrants and warrants issued in August 2024. As of the date of the offering in August 2024, the excess of the initial fair value of pre-funded warrants over the transaction proceeds at the amount of approximately $2.7 million was recorded as financial expenses. The excess of initial fair value over the transaction proceeds of Series A ordinary warrants and Series B ordinary warrants was deferred and amortized to financial expenses over the term of the warrants. As a result, during 2024 we recorded a financial expense due to the amortization of the deferred expenses of approximately $0.5 million.

Taxes on Income

For the years ended December 31, 2024 and 2023, we recorded insignificant amounts for taxes on income in Israel and an insignificant amount of taxes with respect to U.S. subsidiaries.

Loss

The amount of our overall loss decreased by approximately $7.9 million, or 30.4%, to approximately $18.1 million for the year ended December 31, 2024, from $26.0 million for the year ended December 31, 2023. This decrease reflected the cumulative effect of all of the above-described line items from our consolidated statements of comprehensive loss.

B. Liquidity and Capital Resources

Our working capital requirements generally reflect the growth in our business and have historically been provided by cash raised from our investors, payments from our collaborators and government grants. As of December 31, 2024, we had cash, and cash equivalents and short-term bank deposits of approximately $15.3 million, and working capital of approximately $4.6 million, which is calculated by subtracting our current liabilities from our current assets. As of December 31, 2024, we had approximately $4.3 million of outstanding long-term indebtedness related to government grants.

Capital Resources

In 2024, our primary sources of liquidity were cash on hand, proceeds from the issuance of ordinary shares, pre-funded warrants and warrants, proceeds from collaboration and licensing agreements and revenues from the selling of castor seeds.

Recent Public Offerings of Ordinary Shares

Sales Agreement

On March 28, 2024 we entered into a Sales Agreement, or the Lake Street Sales Agreement, with Lake Street Capital Markets, LLC, or Lake Street, pursuant to which we may offer and sell, from time to time, our ordinary shares, through Lake Street in an "at the market offering", as defined in Rule 415(a)(4) promulgated under the Securities Act of 1933, as amended, for an aggregate offering price of up to $7.3 million. In August 2024 we reduced the maximum aggregate gross sales price of our ordinary shares that may be offered, issued and sold under the Lake Street Sales Agreement, including ordinary shares previously sold, to $4,500,000. As of December 31, 2024 we had sold 10,000 ordinary shares with a weighted average selling price of $8.50 per share, resulting in gross proceeds of approximately $85,000. As of March 19, 2025, we did not sell any additional ordinary shares under this plan. We are not obligated to make any sales of ordinary shares under the Lake Street Sales Agreement and no assurance can be given that we will sell any ordinary shares under such agreement, or, if we do, as to the price or number of such shares that we will sell or the dates on which any such sales will take place.

Cantor Controlled Equity Offering℠ Sales Agreement

On January 14, 2021 and February 19, 2021, we entered into Controlled Equity Offering℠ Sales Agreements, or the January Sales Agreement and February Sales Agreement, respectively, with Cantor Fitzgerald & Co., or the Agent, pursuant to which the Company could offer and sell, from time to time, its ordinary shares, through the Agent in an "at-the-market", or ATM offering, as defined in Rule 415(a)(4) promulgated under the Securities Act, for an aggregate offering price of up to $28.0 million and $50.0 million, respectively. In February 2021, we completed the sales of ordinary shares under the January Sales Agreement and issued 380,359 ordinary shares, with a weighted average selling price of $73.61 per share, resulting in gross proceeds of approximately $28 million. Subsequently we entered into the February Sales Agreement, which was subsequently reduced to approximately $19.5 million. As of December 31, 2023, we sold 147,556 ordinary shares with a weighted average selling price of $22.76 per share, resulting in gross proceeds of approximately $3.36 million. In March 2024, we terminated this ATM offering; prior to termination we had sold 147,876 ordinary shares with a weighted average selling price of $22.73 per share, resulting in gross proceeds of approximately $3.36 million.

Shelf Registration Statement

We have an effective registration statement that registered up to $200 million of our ordinary shares, debt securities, rights, warrants and units. Because the public float of our ordinary shares is currently less than $75.0 million, we are limited in the amount we can raise during any 12-month period to 1/3 of our public float on the date of sale, which was approximately $3.97 million as of March 19, 2025. This amount may vary according to changes in our share price. We may seek additional capital or strategic considerations, even if we believe we have sufficient funds for our current or future operating plans. Following the effectiveness of our new shelf registration statement, we entered into a new sales agreement with Lake Street, as described above.

2023 Registered Direct Offering

On July 17, 2023, we entered into a definitive securities purchase agreement, or the Securities Purchase Agreement, with certain institutional investors (including SilverArc Capital Management, Altium Capital Management, LP and CVI Investments, Inc.), pursuant to which we issued and sold to such investors in a registered direct offering, or the 2023 Offering, 850,000 ordinary shares, at a purchase price of $10.00 per share. Total gross proceeds to us from the offering were $8,500,000. The total net proceeds after deducting placement agent fees and other offering expenses payable by us were $7.855 million.

We also entered into a letter agreement, or the Placement Agency Agreement, with A.G.P./Alliance Global Partners, as sole placement agent, or the Placement Agent, dated July 17, 2023, pursuant to which the Placement Agent agreed to serve as our placement agent in connection with the Offering. We paid the Placement Agent a cash placement fee equal to 7.0% of the gross proceeds received for the ordinary shares sold in the Offering.

2024 Registered Direct Offering and Private Placement

On August 23, 2024, we entered into a definitive securities purchase agreement, or the Securities Purchase Agreement, with an institutional investor, or the Investor, pursuant to which we issued and sold to the Investor in a registered direct offering, or the 2024 Offering, (i) 265,000 ordinary shares, and (ii) pre-funded warrants, or the Pre-Funded Warrants, to purchase up to 1,427,308 ordinary shares. The Pre-Funded Warrants have an exercise price of $0.0001 per ordinary share, are immediately exercisable and may be exercised at any time until exercised in full.

In a concurrent private placement, or the Private Placement, we also agreed to sell to the Investor unregistered Series A ordinary warrants to purchase up to 1,692,308 ordinary shares, or the Series A Warrants, and unregistered Series B ordinary warrants to purchase up to 1,692,308 ordinary shares, or the Series B Warrants. Each ordinary share (or Pre-Funded Warrant) is being sold with one Series A Warrant to purchase one ordinary share and one Series B Warrant to purchase one ordinary share at a combined purchase price of $3.25. The Series A Warrants have an exercise price of $3.55 per share, are immediately exercisable upon issuance and will expire five years from issuance. The Series B Warrants have an exercise price of $3.55 per share, are immediately exercisable upon issuance and will expire eighteen months from issuance. Our total gross proceeds from the 2024 Offering and the Private Placement were approximately $5.5 million.

We also entered into a letter agreement dated August 23, 2024, or the Placement Agency Agreement, with A.G.P./Alliance Global Partners, or AGP, as sole placement agent, pursuant to which AGP agreed to serve as the placement agent for us in connection with the 2024 Offering. We paid AGP a cash placement fee equal to 7.0% of the gross proceeds received from the sale of the securities sold in the 2024 Offering.

Lavie Bio Collaboration and SAFE with ICL

In August 2022, ICL and Lavie Bio entered a multi-year collaboration agreement for developing novel bio-stimulant products to enrich fertilizer efficiency. As part of the collaboration, ICL invested (through an affiliate company) in Lavie Bio $10 million under a SAFE (simple agreement for future equity). Information on that transaction is set forth in this Annual Report under “Item 4. Information on the Company— B. Business Overview— Market Segments— Agriculture— Lavie Bio Ltd.— Key Collaborations— ICL Group” and is incorporated by reference herein.

Biomica Share Purchase Agreement with SHC

On April 27, 2023, we announced the closing of a definitive agreement for a $20 million financing round in Biomica, led by a $10 million investment from SHC, with an additional $10 million invested by Evogene. Following the closing of this transaction, we hold approximately 67% of the share capital of Biomica, while SHC holds 20%, in each case on a fully diluted basis. Information on that transaction is set forth in this Annual Report under “Item 4. Information on the Company— B. Business Overview— Market Segments— Human Health— Biomica Ltd.— Overview” and is incorporated by reference herein.

Collaboration Agreements

Under our R&D collaboration agreements, our revenues typically include R&D funding for activities that we conduct in the collaboration, as well as milestone payments for when the candidates advance in our partners' pipelines and revenue sharing from the end-product.

Casterra Agreements with ENI and its Affiliate

On November 14, 2022, our subsidiary, Casterra, entered into an agreement with an affiliate of ENI, whereby Casterra will provide its unique castor varieties and its broad know-how in cultivation of castor at a commercial scale for biofuel production. Under the framework of the agreement, the initial focus is the purchase agreement of castor seed varieties from Casterra for growing castor in specific African territories and the provision of technical support. The agreement also allows for the potential for long-term cooperation in castor cultivation between this customer and Casterra, with the potential for expansion into additional territories on the African continent. In November 2023, the agreement was extended until November 1, 2024.

On June 21, 2023, Casterra announced that it entered into a framework agreement to sell seeds of its proprietary castor varieties to ENI for cultivation in specific African territories at a commercial scale for biofuel production. Pursuant to this agreement Casterra received, an order totaling $9.1 million in June 2023. In June 2023, Casterra received an additional order totaling approximately $2.2 million for the supply of castor seeds.

On June 25, 2024, Casterra announced the receipt of an additional purchase order valued at approximately $440 thousand.

During 2023, Casterra supplied approximately 90 tons of seeds. During 2024, Casterra supplied approximately 215 tons of seeds. Commencing in January 2025 and until the date of this Annual Report, Casterra supplied additional approximately 250 tons of seeds. This reflects solving the bottleneck in seed production Casterra previously faced, that caused a delay in the delivery schedule and consequent price adjustments.

Casterra is currently negotiating with ENI to supply additional approximately 234 tons of seeds, in lieu of expired previous orders from 2023.

Lavie Bio Licensing Agreement for Bio-Fungicides with Corteva Agriscience

On July 14, 2023, Lavie Bio entered into a licensing agreement with Corteva Inc. This agreement grants Corteva perpetual, exclusive rights (subject to reaching certain commercial milestones) to further develop and commercialize the lead bio-fungicide candidates targeting fruit rots and powdery mildew, which were discovered and developed by Lavie Bio. According to the agreement, Lavie Bio received an initial payment worth approximately $5 million in two installments (a first payment of $2.5 million was received during September 2023 and a second payment of $2.5 million was received on March 2024). In November 2024, Lavie Bio announced the cancellation of this licensing agreement with Corteva. Lavie Bio regained full rights and freedom to operate to the licensed technology and the lead bio-fungicide candidates.

Evogene Ag-Seed Division Awarded €1.2M Horizon Grant

On May 9, 2023, Evogene announced that it has been granted an EU Horizon grant of €1.2 million, to support the creation of oil-seed crops that have high carbon-dioxide assimilation and enhanced drought tolerance. The project, Crop4Clima, has an overall budget of €2.5 million and is expected to be executed over 32 months. In May 2023, Evogene received a pre-financing payment of approximately €1.0 million, and in August 2024 Evogene received a second payment of approximately €0.1 million from the grant mentioned above. This grant follows the successful completion of the Future Agriculture Consortium's proof-of-concept in 2021, which demonstrated the potential for increased agricultural productivity and environmental sustainability.

Outlook

We expect that our sources of liquidity for 2025 will include cash on hand, proceeds from collaboration and licensing agreements, revenues from the selling of castor seeds, cash held in our bank accounts, including bank deposits, proceeds from grants and other financing transactions, including by our subsidiaries.

In the future, cash may serve us in effecting M&A transactions for achieving inorganic growth in our different segments of operations.

We concluded that the following conditions raised substantial doubt about our ability to continue as a going concern:

- History of reporting operating losses of approximately $22,210 thousand and $26,508 thousand for the years ended December 31, 2024, and 2023, respectively;
- Net operating cash outflows of approximately $19,700 thousand and $21,577 thousand in 2024 and 2023, respectively; and
- Our accumulated deficit balance as of December 31, 2024, was approximately $274,071 thousand.

We have approved a plan to improve our available cash balances, liquidity and cash flows generated from operations. We have identified several potential actions including cost preservation measures that would be initiated in a timely manner to address our liquidity needs over the twelve-month period from the date this Annual report, as follows:

- Reducing non-essential expenses and implement headcount reductions to conserve cash and improve its liquidity position; and
- Deferral and reprioritization of certain research and development programs that would involve reduced program and headcount spend.

We have a history of operating losses and negative cash flows from operations. However, despite these conditions, we believe management's plans, as described more fully above, will provide sufficient liquidity to meet our financial obligations and maintain levels of liquidity over the twelve-month period from the date of this Annual Report. Therefore, management concluded this plan alleviates the substantial doubt that was raised about our ability to continue as a going concern for at least twelve months from the date this Annual Report.

Although not considered for purposes of our assessment of whether substantial doubt was alleviated, we have plans to improve operating cash flows by entering other collaborations, strategic alliances or licensing arrangements with third parties. We are also exploring exit opportunities for certain subsidiaries. We may seek to raise additional funds through public or private equity or debt financings or other sources.

Our plans are subject to inherent risks and uncertainties. Accordingly, there can be no assurance that our plans can be effectively implemented and, therefore, that the conditions can be effectively mitigated.

Until such time, if ever, we expect to finance our operations through equity or debt financings, which may not be available to us on the timing needed or on terms that we deem to be favorable. To the extent that we raise additional capital through the sale of equity or debt securities, the ownership interest of our shareholders will be diluted. If we are unable to maintain sufficient financial resources, our business, financial condition and results of operations will be materially and adversely affected.

Cash Flows

The following table presents the major components of net cash flows used in or provided by (as applicable) operating, investing and financing activities for the periods presented. For a discussion of our net cash flows for the year ended December 31, 2022, please see "Item 5. Operating and Financial Review and Prospects— B. Liquidity and Capital Resources— Cash Flows" in our Annual Report on Form 20-F for the year ended December 31, 2023, which we filed with the SEC on March 28, 2024:

(*U.S. dollars, in thousands*)	**2024**	**2023**	**2022**
Net cash used in operating activities	$ (19,700)	$ (21,577)	$ (23,678)
Net cash provided by (used in) investing activities	9,622	(4,538)	13,274
Net cash provided by financing activities	4,656	18,152	9,343
Exchange rate differences - cash and cash equivalents balances	(49)	(245)	(2,284)
Decrease in cash and cash equivalents	$ (5,471)	$ (8,208)	$ (3,345)

Cash Used in Operating Activities

Cash used in operating activities for the year ended December 31, 2024 was approximately $19.7 million and primarily reflects our overall loss of approximately $18.1 million, as adjusted upwards to eliminate certain non-cash items that were taken into account in calculating, and that decreased, our overall loss, including approximately $6.5 million of non-cash financial income related to remeasurement of pre-funded warrants and warrants, approximately $0.7 million of non-cash net financing income and approximately $3.3 million of changes in asset and liability items, mainly due to an increase in inventories and trade receivables and a decrease in trade payables, payroll accrual balances, deferred revenues and other advances, partially offset by a decrease in other receivables and prepaid expenses. These upwards adjustments to cash used were partially offset by approximately $2.7 million of non-cash expenses related to an excess of initial fair value of pre-funded warrants over the transaction proceeds, approximately $1.8 million of share-based compensation expenses, approximately $1.5 million of depreciation and amortization of property, plant and equipment and right-of-use-assets and approximately $1.0 million of amortization of intangible assets.

Cash used in operating activities for the year ended December 31, 2023 was approximately $21.6 million and primarily reflects our overall loss of approximately $26.0 million, as adjusted downwards to eliminate certain non-cash items that were taken into account in calculating, and that increased, our overall loss, including approximately $1.9 million of share-based compensation expenses, approximately $1.6 million of depreciation expenses, approximately $1.0 million amortization of intangible assets and interest received of approximately $0.9 million. These downwards adjustments to cash used were partially offset by approximately $0.7 million of non-cash net financing income and approximately $0.4 million of changes in asset and liability items, mainly due to an increase in other receivables, partially offset by increase in trade payables and payroll accrual balances.

Cash Provided by (Used In) Investing Activities

Cash provided by investing activities was approximately $9.6 million for the year ended December 31, 2024, that primarily reflects cash proceeds from short-term bank deposits, net of investment in short-term bank deposits of approximately $10.2 million, partially offset by cash used for the purchase of property, plant and equipment of approximately $0.6 million.

Cash used in investing activities was approximately $4.5 million for the year ended December 31, 2023. That primarily reflects cash investment in bank deposits of approximately $10.2 million and cash used for the purchase of property, plant and equipment of approximately $0.8 million, offset by approximately $6.9 million of proceeds from the sale of marketable securities, net of net cash invested in the purchase of marketable securities of approximately $0.5 million.

Cash Provided by Financing Activities

Cash provided by financing activities was approximately $4.7 million for the year ended December 31, 2024. That was primarily attributable to proceeds from issuance of ordinary shares, pre-funded warrants and warrants of approximately $5.5 million and to the net proceeds from government grants of approximately $0.2 million, partially offset by approximately $0.9 million for the repayment of lease liabilities and by approximately $0.3 million for the repayment of government grants.

Cash provided by financing activities was approximately $18.2 million for the year ended December 31, 2023. That was primarily attributable to proceeds from issuance of preferred shares of a subsidiary to non-controlling interests of approximately $9.5 million, to the proceeds from issuance of ordinary shares, net of issuance expenses, of approximately $8.4 million and to the net proceeds from government grants of approximately $1.1 million, partially offset by approximately $0.8 million for the repayment of lease liabilities.

Government Grants

Our research and development efforts, including by our subsidiaries, have been financed, in part, through grants from IIA, BIRD, CIIRDF and the EU. From our inception through December 31, 2024, we received grants of approximately $14.3 million (including accrued interest), of which approximately $9.4 million (including accrued interest) are royalty-bearing grants from the IIA and repaid approximately $3.9 million in royalties and an additional approximately $4.9 million in respect of several non-refundable projects. In addition, we have received grants totaling approximately $1 million (linked to the U.S. Consumer Price Index) from BIRD and have repaid approximately $0.5 million, whereas the amount of approximately $0.4 million of grants from BIRD have been cancelled, as we decided to withdraw from the relevant project. We have received grants totaling $2.2 million from the EU, which are not required to be repaid. As of December 31, 2024, we had one active research grants under which we have received funding from the IIA and one active research grant under which we have received funding from the EU Horizon.

See "Item 3. Key Information—D. Risk Factors—Risks Relating to Our Incorporation and Location in Israel—We have received Israeli government grants for certain of our research and development activities. The terms of these grants may require us to satisfy specified conditions in order to manufacture products and transfer technologies supported by such grants outside of Israel. We may be required to pay penalties in addition to repayment of the grants."

IIA Grants

Under the Innovation Law, research and development programs that meet specified criteria and are approved by a committee of the IIA are eligible for grants. The grants awarded are typically up to 50% of a project's expenditures, as determined by the IIA committee and subject to the benefit track under which the grant was awarded. A company that receives a grant from the IIA is typically required to pay 3% royalties to the IIA on income generated from products incorporating know-how developed using that grant (including income derived from services associated with such products), until 100% of the U.S. dollar-linked grant, plus interest, is repaid. Certain benefit tracks do not require payment of royalties.

The obligation to pay royalties is contingent on actual income generated from such products and services. In the absence of such income, no payment of royalties is required. It should be noted that the restrictions under the Innovation Law, including restrictions on the sale, transfer or assignment outside of Israel of know-how developed as part of the programs under which the grants were given will continue to apply even after the repayment of such royalties in full.

The terms of the grants under the Innovation Law also require that the products developed as part of the programs under which the grants were given be manufactured in Israel and that the know-how developed thereunder may not be transferred outside of Israel, unless prior written approval is received from the IIA (such approval is not required for the transfer of a portion of the manufacturing capacity which does not exceed, in the aggregate, 10% of the manufacturing (in which case only notification is required)), and additional payments are required to be made to the IIA, as described below. It should be noted that this does not restrict the marketing of products that incorporate the funded know-how.

Ordinarily, as a condition to obtaining approval to manufacture outside Israel, we may be required to pay royalties at an increased rate, which usually amounts to an additional 1% on top of the standard royalties rate, and also the total amount of our liability to IIA will be increased to between 120% and 300% of the grants we received from IIA, depending on the manufacturing volume to be performed outside of Israel.

The Innovation Law restricts the ability to transfer know-how funded by the IIA. Transfer of IIA-funded know-how outside of Israel requires prior approval and is subject to payment of a redemption fee to the IIA calculated according to a formula provided under the Innovation Law. A transfer for the purpose of the Innovation Law is generally interpreted very broadly and includes, inter alia, any actual sale of the IIA-funded know-how, any license to develop the IIA-funded know-how or the products resulting from such IIA-funded know-how or any other transaction, which, in essence, constitutes a transfer of the IIA-funded know-how.

The IIA approval to transfer know-how created, in whole or in part, in connection with an IIA-funded project outside Israel is subject to payment of a redemption fee to the IIA calculated according to a formula provided under the Innovation Law that is based, in general, on the value of the transferred know-how, multiplied by the amount of grants received from the IIA (including the accrued interest), divided by the total amounts expended by the grant recipient on R&D. To the extent any royalties were paid on account of the grants, such royalties will be deducted from the calculation. The redemption fee is subject to a cap of six times the total amount of the IIA grants, plus interest accrued thereon. If the transferee undertakes that for a period of not less than three years, at least 75% of its relevant R&D positions will remain in Israel, then the cap will be reduced to three times (rather than six times) the total liability to the IIA, calculated as set out above.

Subject to prior approval of the IIA, we may transfer the IIA-funded know-how to another Israeli entity. If the IIA-funded know-how is transferred to another Israeli entity, the transfer would still require IIA approval but will not be subject to the payment of the redemption fee (although there will be an obligation to pay royalties to the IIA from the income of such sale transaction as part of the royalties payment obligation). In such case, the acquiring entity would have to assume all of the restrictions and obligations associated with the grants under the Innovation Law towards the IIA (including the restrictions on the transfer of know-how and manufacturing capacity outside of Israel) as a condition to IIA approval.

We are required to pay up to 100% of the amount of grants received by us from the IIA, plus interest (see *Risk Factors* section above for additional information). In addition to paying any royalties due, we must abide by other restrictions associated with receiving such grants under the Innovation Law. Those restrictions may impair our ability to outsource development of products containing our traits, engage in change of control transactions or otherwise transfer our know-how outside of Israel and may require us to obtain the approval from the IIA for certain actions and transactions and pay additional royalties and other amounts to the IIA. We cannot be certain that any approval of the IIA will be obtained on terms that are acceptable to us, or at all. We may not receive the required approvals should we wish to transfer IIA-funded know-how, manufacturing and/or development outside of Israel in the future. Furthermore, in the event that we undertake a transaction involving the transfer to a non-Israeli entity of know-how developed with IIA-funding pursuant to a merger or similar transaction, the consideration available to our shareholders may be reduced by the amounts we are required to pay to IIA. Any approval, if given, will generally be subject to additional financial obligations. Failure to comply with the requirements under the Innovation Law may subject us to mandatory repayment of grants received by us (together with interest and penalties), as well as expose us to criminal proceedings. In addition, the IIA may from time to time conduct royalties audits and such audits may lead to additional royalties being payable on additional products. Such grants may be terminated or reduced in the future, which would increase our costs. IIA approval is not required for the marketing of products resulting from the IIA-funded research or development in the ordinary course of business.

In January 2018, we announced participation in a three-year IIA-sponsored Phenomics Consortium to develop tools and systems for precision agriculture and innovative development of agriculture products. In addition to Evogene, the Phenomics Consortium consists of several Israeli industrial companies and academic institutions. The goal of the consortium is to develop plant phenotyping technologies, including the generation of comprehensive agricultural ‘Big-Data’ and the development of artificial intelligence algorithms for real time analysis of phenotypic data. The grant for the consortium was originally approved for calendar year 2018 in an amount of approximately $5 million, of which approximately $1.4 million was granted to Evogene. By the end of 2018, the grant was extended by an additional six months to a total period of 18 months until mid-2019, and the grant amount was updated to approximately $7.6 million total, of which approximately $2.5 million was granted to Evogene. In June 2019, the IIA approved the continuation of the consortium following such 18-month period, until the end of 2020, which would complete a three-year workplan, and granted an additional amount of approximately $7.5 million, of which approximately $1.9 million was granted to Evogene.

In June 2020, we announced participation in a three-year workplan, IIA-sponsored CRISPR-IL Consortium to develop an artificial intelligence based, end-to-end system for genome-editing to be used in multi-species including human, plant, and certain animal DNA, applicable to market segments in pharma, agriculture and aquaculture. In addition to Evogene, the CRISPR-IL Consortium consists of several Israeli industrial companies and academic institutions. The goal of the consortium is to develop an artificial intelligence-based system, "Go-Genome", providing users improved genome-editing workflows. The system aims to provide end-to-end solutions, from user interface to an accurate measurement tool. The total budget for the consortium was approved for the first 18 months in an amount of approximately $10.2 million, of which approximately $1.3 million was allocated to us and for the additional 18 months was approved an amount of approximately $15.4 million, of which approximately $1.9 million was allocated to us. Participation in the IIA-sponsored consortium programs as described above does not obligate us to pay royalties to the IIA; however, the know-how developed in such consortium programs is subject to the provisions and restrictions under the Innovation Law.

In March 2020 and March 2021, Lavie Bio obtained an IIA approval to receive a grant for its third and fourth year programs, respectively, for bio fungicides for mildew in fruit and vegetables. The total approved budgets for each of the third and fourth year programs were NIS 3.9 million (approximately $1.1 million for the third year and approximately $1.2 million for the fourth year). In addition, during October 2022 Lavie Bio obtained an IIA approval to receive a grant for the development of bio fungicide against soil diseases, seed rot, root and stem rot. The total approved budget was approximately NIS 1.9 million (approximately $0.6 million).

In July 2022, Canonic received the Israeli Ministry of Economy approval to be included in "Smart money" grants program for marketing operations in Germany. The maximum grant amount from this program is approximately $85 thousand. Canonic undertook to pay royalties of 3% of yearly revenues above approximately $284 thousand derived from the operation in Germany, up to 100% of the grants received. As of December 31, 2024, Canonic received approximately $42 thousand for marketing expenses in Germany. Since Canonic has ceased its activities during the first half of 2024 and no economic benefits are expected from the marketing operations in Germany, the grant receipts were recognized as a reduction of the related marketing expenses during 2024.

In February 2024, Lavie Bio received the Israeli Ministry of Economy approval to be included in the "Smart money" grant program for initial exporting in Canada. The maximum grant amount from this program is approximately $83 thousand. Lavie Bio undertook to pay royalties of 3% of yearly revenues above approximately $276 thousand derived from the operation in Canada, up to 100% of the grants received (linked to The Consumer Price Index) and can choose to apply the program retroactively from August 2023. As of December 31, 2024, Lavie Bio received approximately $78 thousand for marketing expenses in Canada incurred until December 31, 2024.

In 2020, AgPlenus obtained IIA approval to receive a grant for its first-year program for development of novel herbicides. The total approved budget was NIS 3.1 million (approximately $1.0 million).

We entered into agreements with certain of our Israeli subsidiaries in the framework of which they were granted permission to use our technology and related know how, which was funded by the IIA. Evogene remains responsible to the IIA for the obligations regarding such IIA funding.

BIRD Grants

We have received two BIRD grants, covering the following programs: (i) a joint development program with DuPont-Pioneer (now Corteva) of research and development improvements to soybean rust resistance, which the Company has repaid in full; and (ii) a joint research and development program with Marrone Bio Innovations, or MBI, for discovery of novel modes of biological action for insect control, which the Company has decided to withdraw from.

Under the MBI BIRD program, the grant for the joint development will be repaid: (a) from revenues received for the licensing of products developed under the project; (b) from revenues generated from sales of products developed under the project; (c) from proceeds received from the outright sale of the technology developed under the project; (d) if we and our partner have concluded the development of a product within the period of development defined under each of the programs; or (e) if within 60 months from the original grant date we and MBI did not conclude the development of a product but nevertheless decide to continue the project. In each such case, the repayment will be in an amount of up to 150% of the total grant received, depending on the timing of the repayment.

CIIRDF Grant

The CIIRDF grant that we have received was also provided to us as part of a previous joint project of ours with Saskatchewan Wheat Pool Inc., operating under the name of Viterra, to develop canola with improved yield and abiotic stress tolerance. This grant will be repaid from income resulting from the commercialization of a product developed pursuant to the grant project, at a rate of 2.5% of royalties on sales of such product, in an amount up to 100% of the total grant received. Alternatively, we may repay the grant as royalties of 2.5% of the income we receive from licensing the product developed pursuant to the grant. Payment of such royalties is not required if commercial revenues are not generated as a result of the project.

EU Grant

In early 2016, a grant application for a consortium for research in photosynthesis in which we participate within the EU Horizon 2020 Program for Research and Innovation was confirmed. The consortium's research program is focused on an innovative approach to modulate photosynthesis related pathways aiming to improve photosynthetic efficiency. Beyond us, the consortium includes academic institutions such as the Max Planck Institute of Molecular Plant Physiology and the Institute of Terrestrial Microbiology, the Weizmann Institute of Science, and the Imperial College of Science, Technology and Medicine. Overall, we received a total amount of €0.9 million for our participation in the consortium during the five-year project. In March 2023, a follow up grant of a €1.2 million was confirmed by the Horizon EIC 2022 program to support the creation of oil-seed crops that have high carbon-dioxide assimilation and enhanced drought tolerance. The overall budget under the program is €2.5 million and Evogene's other partners in the project include the Max Planck Institute. In May 2023, Evogene received a pre-financing payment of approximately €1.0 million, and in August 2024, Evogene received a second payment of €0.1 million from the grant mentioned above. The current project scope's timeline is expected to be 32 months.

C. Research and Development, Patents and Licenses, etc.

We continuously invest and have for at least the last three years historically invested, in maintaining the technological capabilities of our CPB platform, which includes tailored 'big-data' databases, interconnected data hubs and proprietary analysis and prediction algorithms. We also maintain laboratories, greenhouses and fields for conducting biological validation activities for our computational predictions.

Our ongoing research and development activities are funded mainly by internal resources, collaboration research and development payments and governmental grants. As of December 31, 2024, 75 of our employees, representing approximately 64% of our entire work force, were engaged in research and development on a full-time basis. For more information regarding our research and development activities, intellectual property and licenses, please see "Item 4.B. Information on the Company—Business Overview."

D. Trend Information

D&O insurance

Although in 2023 and 2024 there was a decrease in the cost of procuring D&O liability insurance, in recent years we experienced an increase in such cost, resulting from a general increase in the cost of D&O liability insurance for smaller, dual-listed public companies such as us. This general increase has been tied to perceived heightened levels of risk for D&O insurers. Insurers have been increasing their level of compensation, in the form of premiums, which they believe have not been commensurate with the risk being taken by them. In parallel, there has been an increase in the amounts of the deductibles payable by public companies in situations in which an insurable event occurs. If this trend continues, it will increase our operational expenses and have a negative effect on our financial results.

Market Risk

We are exposed to market risk from changes in exchange rates, interest rates and inflation. We therefore continue to closely monitor the macro-economic conditions that result therefrom. We regularly assess the implications of these local and global conditions on our operations, liquidity, cash flow and product candidates and seek to act to mitigate any adverse consequences, to the extent possible, in a commercially reasonable manner, if and when applicable. All of these market risks arise in the ordinary course of business, as we do not engage in speculative trading activities. Except as otherwise addressed herein, such market risks are further discussed in Item 11 of this Annual Report under the section titled "Quantitative and Qualitative Disclosures about Market Risk".

Other than as disclosed elsewhere in this Annual Report, we are not aware of any trends, uncertainties, demands, commitments or events for the period from January 1, 2024 to December 31, 2024 that are reasonably likely to have a material adverse effect on our revenues, profitability, liquidity or capital resources, or that caused the disclosed financial information to be not necessarily indicative of future operating results or financial condition.

E. Critical Accounting Estimates

We have provided a summary of our significant accounting policies, estimates and judgments in Note 3 to our consolidated financial statements, which are included elsewhere in this Annual Report. The following critical accounting discussion pertains to accounting policies management believes are most critical to the portrayal of our historical financial condition and results of operations and that require significant, difficult, subjective or complex judgments. Other companies in similar businesses may use different estimation policies and methodologies, which may impact the comparability of our financial condition, results of operations and cash flows to those of other companies.

Application of Critical Accounting Policies and Estimates

Our consolidated financial statements are prepared in conformity with IFRS. Our accounting policies affecting our financial condition and results of operations are more fully described in our consolidated financial statements included elsewhere in this Annual Report. The preparation of our financial statements requires management to make judgments, estimates and assumptions that affect the amounts reflected in the consolidated financial statements and accompanying notes, and related disclosure of contingent assets and liabilities. We base our estimates upon various factors, including past experience, where applicable, external sources and on other assumptions that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions and could have a material adverse effect on our reported results.

In many cases, the accounting treatment of a particular transaction, event or activity is specifically dictated by accounting principles and does not require management's judgment in its application, while in other cases, management's judgment is required in the selection of the most appropriate alternative among the available accounting principles, that allow different accounting treatment for similar transactions.

We believe that the accounting policies discussed below are critical to our financial results and to the understanding of our past and future performance as these policies relate to the more significant areas involving management's estimates and assumptions. We consider an accounting estimate to be critical if: (1) it requires us to make assumptions because information was not available at the time or it included matters that were highly uncertain at the time we were making our estimate; and (2) changes in the estimate or different estimates that we could have selected may have had a material impact on our financial condition or results of operations.

Going Concern Assessment

Our management identified there were conditions that raised substantial doubt about our ability to continue as a going concern for a period of one-year from the date this Annual Report. We concluded that the following conditions raised substantial doubt about our ability to continue as a going concern:

- History of reporting operating losses of approximately $22,210 thousand and $26,508 thousand for the years ended December 31, 2024, and 2023, respectively;
- Net operating cash outflows of approximately $19,700 thousand and $21,577 thousand in 2024 and 2023, respectively; and
- Our accumulated deficit balance as of December 31, 2024, is approximately $274,071 thousand.

We have approved a plan to improve our available cash balances, liquidity and cash flows generated from operations. We have identified several potential actions including cost preservation measures that would be initiated in a timely manner to address our liquidity needs over the twelve-month period from the date of this Annual Report, as follows:

- Reducing non-essential expenses and implement headcount reductions to conserve cash and improve its liquidity position; and
- Deferral and reprioritization of certain research and development programs that would involve reduced program and headcount spend.

We have a history of operating losses and negative cash flows from operations. However, despite these conditions, we believe that the management's plans, as described more fully above, will provide sufficient liquidity to meet our financial obligations and maintain levels of liquidity over the twelve-month period from the date of this Annual Report. Therefore, management concluded this plan alleviate the substantial doubt that was raised about our ability to continue as a going concern for at least twelve months from the date of this Annual Report.

Revenue Recognition

We recognize revenues when the control over the goods or services is transferred to the customer. The transaction price is the amount of consideration that is expected to be received based on the contract terms, excluding amounts collected on behalf of third parties (such as taxes). We don't grant a right of return to our customers.

If the contract contains a single performance obligation, the entire transaction price is allocated to the single performance obligation. Contracts that contain multiple performance obligations such as licenses, services, royalties and milestone events require an allocation of the transaction price to each performance obligation based on a relative standalone selling price, or SSP. To determine SSP, we maximize the use of observable standalone sales and observable data, where available. In instances where performance obligations do not have observable standalone sales, we utilize available information that may include market conditions, pricing strategies, the economic life of the software, and other observable inputs or use the expected cost-plus margin approach to estimate the price we would charge if the products and services were sold separately. 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 we expect to receive in exchange for those products or services.

Revenues from research and development services as part of our collaboration agreements are recognized over time, during the period the customer simultaneously receives and consumes the benefits provided. Recognition of the service is throughout the services period using the input method in order to measure the progress of the services, based on the actual internal and external costs incurred, relative to total internal and external costs expected to be incurred to satisfy the performance obligation. We determined that the input method is the best measure of progress towards satisfying the performance obligation as incurred labor effort represents work performed that corresponds with, and thereby best depicts the transfer of goods and services. Revenues from the sale of castor seeds, medical cannabis products and license agreements are recognized when the control of our product is transferred to the customer, generally upon delivery of the goods or products to the customer, according to the shipment or delivery terms.

Future milestone payments are considered variable consideration and are subject to the variable consideration constraint (i.e. will be recognized once concluded that it is "probable" that a significant reversal of the cumulative revenues recognized under the contract will not occur in future periods when the uncertainty related to the variable consideration is resolved). Therefore, as the milestone payments are not probable, revenue was not recognized in respect to such milestone payments prior to achievement of such milestone.

In instances of contracts where revenue recognition differs from timing of invoicing, we generally determined that those contracts do not include a significant financing component. We use the practical expedient and do not assess the existence of a significant financing component when the difference between payment and revenue recognition is a year or less.

Share-Based Compensation

We account for share-based compensation in accordance with the fair value recognition provision of IFRS guidance on share-based compensation. Under these provisions, share-based compensation is measured at the grant date based on the fair value of the award and is recognized as an expense, net of estimated forfeitures, over the requisite service period, which is generally the vesting period of the respective award. Share-based compensation expense was approximately $1.8 million, $1.9 million and $1.2 million in 2024, 2023 and 2022, respectively. We selected the binomial option-pricing model as the most appropriate method for determining the estimated fair value of our share-based compensation. The determination of the grant date fair value of options using an option-pricing model is affected by estimates and assumptions regarding a number of complex and subjective variables. These variables include the estimated period of time that we expect employees to hold their options, the expected volatility of our share price over the expected term of the options (estimated using historical data from prior years, including historical forfeiture rates), share option exercise and cancellation behaviors, risk-free interest rates, expected dividend yields (assumed to be zero as we have historically not paid and do not intend to pay dividends on our ordinary shares) and the price of our ordinary shares. In addition, our compensation expense is affected by our estimate of the number of awards that will ultimately vest. In the future, if the number of equity awards that are forfeited by employees is lower than expected, the expense recognized in future periods will be higher.

Government Grants

Government grants received from the IIA are recognized as a liability if future economic benefits are expected from the projects that will result in royalty-bearing sales.

A liability for a grant is first measured at fair value using a discount rate that reflects a market rate of interest. The difference between the amount of the grant received and the fair value of the liability is accounted for as a government grant and recognized as a reduction of research and development expenses. After initial recognition, the liability is measured at amortized cost using the effective interest method. Royalty payments we make to repay the grant are treated as a reduction of the liability. If no economic benefits are expected from the research activity, the grant receipts are recognized as a reduction of research and development expenses, in which case, the royalty obligation is treated as a contingent liability.

There is uncertainty regarding the estimates of future cash flows and the estimate of the capitalization rate that is used for determining the amount of the liability recognized. At the end of each reporting period, we evaluate whether there is reasonable assurance that the liability recognized, in whole or in part, will not be repaid (since we will not be required to pay royalties) based on the best estimate of future sales, and if so, the appropriate amount of the liability is recognized as a reduction of research and development expenses.

Leases

We cannot readily determine the interest rate implicit in our operating lease for our principal facility in Rehovot, Israel. We therefore use our incremental borrowing rate, IBR, to measure lease liabilities. The IBR is the rate of interest that we would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what we 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease.

We estimate the IBR using observable inputs (such as market interest rates) when available and we are required to make certain entity-specific estimates (such as the Company's stand-alone credit rating).

Fair value of convertible SAFE

In August 2022, ICL and Lavie Bio entered a multi-year collaboration agreement for developing novel bio-stimulant products to enrich fertilizer efficiency. As part of the collaboration, ICL (through an affiliated company) invested in Lavie Bio $10 million under a SAFE. Per IFRS guidance on financial instruments, as conversion upon an equity financing requires the delivery of variable number of shares, the SAFE is accounted for as a liability and measured at fair value. The fair value of the SAFE will be remeasured at the end of each reporting period with any change to fair value recorded within financial expenses in the statements of profit or loss. The fair value is based on the weighted average value of various scenarios assuming Lavie Bio's estimated enterprise value at the valuation date. The enterprise value is calculated using the income approach, whereby the cash flows expected to be generated are discounted to their present value equivalent using a rate of return that reflects the relative risk of the investment, as well as the time value of money. The value of the SAFE assumes the probability of various possible scenarios to which an acceptable option pricing model is applied. The inputs to the model include the enterprise value described above, the conversion price and assumptions regarding the expected volatility and the expected life of each scenario. Financial expenses recorded in 2024 and 2023 due to revaluation of the convertible SAFE were approximately $0.003 million and approximately $0.3 million, respectively.

Intangible assets

On August 6, 2019, Corteva invested in the Company's agriculture biologicals subsidiary, Lavie Bio, by way of a contribution of all Corteva's holdings in its wholly owned subsidiary Taxon Biosciences, which included several intangible assets, and payment of an amount of $10 million in cash.

The fair value of intangible assets received through the Corteva investment is determined upon initial recognition by either one of three traditional methods in valuating an asset. These methods include the market approach, the income approach and the cost approach. The pipeline products and potential products were valued by applying the income approach and the Microorganisms collection was valued using the cost approach.

The Company's significant estimates in this analysis included, but were not limited to, future cash flow projections, the weighted average cost of capital, the terminal growth rate, and the tax rate. The Company believes the current assumptions and estimates utilized were both reasonable and appropriate. Future cash flow estimates are, by their nature, subjective and actual results may differ materially from the Company's estimates. If the Company's ongoing estimates of future cash flows are not met, the Company may have to record impairment charges in future periods. The Company's estimates of future cash flows are based on current regulatory and economic climates, recent operating results, and planned business strategy. These estimates could be negatively affected by changes in federal, state, or local regulations or economic downturns.

The useful economic life of the intangible assets acquired by us in this transaction was determined through years of development until final year of projected sales. When applying the income approach, the cash flows expected to be generated by intangible assets are discounted to their present value equivalent using a rate of return that reflects the relative risk of the investment, as well as the time value of money. For each intangible asset, a specific discount rate was valuated using "Modified CAPM Build-Up Method".

The Company evaluates the need to record an impairment of non-financial assets whenever events or changes in circumstances indicate that the carrying amount is not recoverable. If the carrying amount of non-financial assets exceeds their recoverable amount, the assets are reduced to their recoverable amount. The recoverable amount is the higher of fair value less costs of sale and value in use. In measuring value in use, the expected future cash flows are discounted using a pre-tax discount rate that reflects the risks specific to the asset. The recoverable amount of an asset that does not generate independent cash flows is determined for the cash-generating unit to which the asset belongs. Impairment losses are recognized in profit or loss.

Impact of Israeli Tax Policies and Government Programs on Our Operating Results

Tax regulations have a material impact on our business, particularly in Israel where we have our headquarters. The following summary describes the current tax structure applicable to companies in Israel, with special reference to its effect on us.

General Corporate Tax Structure in Israel

Israeli companies are generally subject to corporate tax on their taxable income. In 2024, the corporate tax rate was 23%. Capital gains derived by an Israeli company are generally subject to tax at the prevailing regular corporate tax rate.

Law for the Encouragement of Industry (Taxes), 5729-1969

The Law for the Encouragement of Industry (Taxes), 5729-1969, generally referred to as the Industry Encouragement Law, provides several tax benefits for an "Industrial Company".

The Industry Encouragement Law defines an "Industrial Company" as an Israeli resident company which was incorporated in Israel, of which 90% or more of its income in any tax year, other than income from certain government loans, is derived from an "Industrial Enterprise" owned by it and located in Israel. An "Industrial Enterprise" is defined as an enterprise that is held by an Industrial Company whose principal activity in a given tax year is industrial production.

The following 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 were purchased in good faith and are used for the development or advancement of the Industrial Enterprise, commencing in the year in which such rights were first exercised;
- under limited conditions, an election to file consolidated tax returns together with Israeli Industrial Companies controlled by it; and
- expenses related to a public offering are deductible in equal amounts over a three-year period, commencing in the year of the offering.

Eligibility for benefits under the Industry Encouragement Law is not contingent upon the approval of any governmental authority. We believe that we currently qualify as an Industrial Company within the meaning of the Industry Encouragement Law. 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.

Law for the Encouragement of Capital Investments, 5719-1959

The Law for the Encouragement of Capital Investments, 5719-1959, generally referred to as the Investment Law, provides certain incentives for capital investments in production facilities (or other eligible assets) by "Industrial Enterprises" (as defined under the Investment Law).

The Investment Law was significantly amended effective April 1, 2005 (which we refer to as the 2005 Amendment), further amended as of January 1, 2011 (which we refer to as the 2011 Amendment) and further amended as of January 1, 2017 (which we refer to as the 2017 Amendment). Pursuant to the 2005 Amendment, tax benefits granted in accordance with the provisions of the Investment Law prior to its revision by the 2005 Amendment remain in force but any benefits granted subsequently are subject to the provisions of the 2005 Amendment. Similarly, the 2011 Amendment introduced new benefits to replace those granted in accordance with the provisions of the Investment Law in effect prior to the 2011 Amendment. However, companies entitled to benefits under the Investment Law as in effect prior to January 1, 2011 were entitled to choose to continue to enjoy such benefits, provided that certain conditions are met, or elect instead irrevocably to forego such benefits and have the benefits of the 2011 Amendment apply. The 2017 Amendment introduced new benefits for Technological Enterprises, alongside the existing tax benefits.

On October 24, 2010, we received a tax ruling from the Israel Tax Authority, according to which, among other things, our activity has been qualified as an "industrial activity", as defined in the Investment Law and is also eligible to tax benefits as a Beneficiary Enterprise, which will apply to the turnover attributed to such enterprise. The benefit period under this tax ruling ended in 2018, and since we did not generate any taxable income until tax year 2018, we were not entitled to any tax benefits under this tax regime.

We have reviewed and evaluated the implications and effect of the benefits under the 2011 and 2017 Amendments, and, while potentially eligible for such benefits, we have not yet chosen to be subject to the tax benefits introduced by the 2011 or the 2017 Amendments.

ITEM 6. DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

A. Directors and Senior Management

The following table sets forth the name, age and position of each of our executive officers and directors as of the date of this Annual Report.

Name	Age	Position
Executive officers		
Mr. Ofer Haviv	58	President and Chief Executive Officer and Director
Mr. Yaron Eldad	59	Chief Financial Officer
Dr. Gabi Tarcic	45	Vice President Product
Dr. Ilia Zhidkov	48	Vice President Computational Platform
Dr. Elran Haber	44	Chief Executive Officer of Biomica Ltd.
Mr. Yoash Zohar	58	Chief Executive Officer of Casterra Ag Ltd.
Mr. Amit Noam	43	Chief Executive Officer of Lavie Bio Ltd.
Dr. Dan Jacob Gelvan	60	Chief Executive Officer of Ag Plenus Ltd.
Directors		
Mr. Nir Nimrodi[3][4]	56	Chairperson of the Board
Ms. Sarit Firon[3][4]	58	Director
Mr. Dan Falk[1][2][4]	79	Director
Dr. Adrian Percy[4]	59	Director
Mr. Leon Y. Recanati[1][2][3][4]	76	Director
Dr. Oded Shoseyov[1][2][4]	68	Director

(1) Member of our Audit Committee.
(2) Member of our Compensation and Nominating Committee.
(3) Member of our Pricing/Investment Committee.
(4) Independent director under the Nasdaq Listing Rules.

Executive Officers

Mr. Ofer Haviv has served as Evogene's President and Chief Executive Officer since December 2004 after having joined the company in January 2002 as Chief Financial Officer. Mr. Haviv serves as Chairperson of the Board of Directors of our subsidiaries. Mr. Haviv served as a director of the company from 2006 to 2007, and from March 2025. Mr. Haviv is a Certified Public Accountant and holds a BA in Accounting and Economics from Tel-Aviv University, Israel.

Mr. Yaron Eldad has served as Chief Financial Officer of Evogene since April 2022. Mr. Eldad has held various chief financial officer positions over the last 25 years in public and private technology and biotechnology companies, including Yamba Group Int. Ltd. from 2011 to 2021, Recoly NV from 2008 to 2010, and e-Sim Ltd. from 1998 to 2007. Mr. Eldad also serves on the board of directors and as chairman of the audit and compensation committees of B.O.S. Better Online Solutions Ltd. Mr. Eldad holds a B.A. in Economics and Accounting from the Ben-Gurion University of the Negev, Israel, an Executive MBA in Strategic Management from the Hebrew University of Jerusalem, Israel, and an M.A. in law from the Bar-Ilan University, Israel.

Dr. Gabi Tarcic was appointed as Evogene's Vice President Product in September 2024. Dr. Tarcic has extensive experience in research and development projects and as a senior executive in the biotech industry. Prior to joining Evogene, from 2012 to 2023, Dr. Tarcic has served in various positions at Fore Biotherapeutics (formerly NovellusDx Israel), most recently as its Chief Technology Officer. Dr. Tarcic holds a Ph.D. in life sciences from The Weizmann Institute of Science, Israel.

Dr. Ilia Zhidkov was appointed as Evogene's Vice President of Computational Platform in February 2023. Dr. Zhidkov joined Evogene in 2011 as a Bioinformatician in the Computational Genomics Department and has held various managerial positions in the company over the years. Dr. Zhidkov holds a Ph.D. in Genetics from Ben Gurion University.

Dr. Elran Haber has served as Chief Executive Officer of Biomica Ltd., a subsidiary of Evogene, since January 2018. Dr. Haber previously served as Chief Executive Officer of Therapix Biosciences Ltd. (now known as SciSparc Ltd.) (NASDAQ: SPRC) beginning in November 2015. Prior to that, from March 2014, Dr. Haber served as its Vice President of Business Strategy and Innovation. Dr. Haber served for more than 10 years as Chairperson and board member of several publicly traded and privately held companies, including Issta Lines Ltd. (TASE: ISTA) from 2007 to 2012, and American Express Global Business Travel – Israel (Histour-Eltive Ltd.) from 2010 to 2012, and has been a member of various board committees and has served in senior executive roles in various life science companies. Dr. Haber holds a Ph.D. in Pharmaceutical Science and an MBA in Finance & Financial Engineering, both from The Hebrew University of Jerusalem, Israel.

Mr. Yoash Zohar has served as Chief Executive Officer of Casterra Ag Ltd., a subsidiary of Evogene, since January 1, 2024. Mr. Zohar has over 30 years of experience in developing and managing agricultural and agri-business projects in Israel, Eastern Europe, and Africa. His prior experience includes Chief Operating Officer of Global NTM Ltd. from 2017 to 2023. Between 2015 and 2017, he served as an independent consultant/supplier to various companies in Ethiopia, Angola and Israel. Between 2012 and 2015, he served as Chief Executive Officer of Agropeace Bio Plc, Ethiopia. Between 2008 and 2012 he served as Chief Executive Officer of APH Limited, Ukraine. Mr. Zohar spent approximately 14 years in management of the field crops, and vegetables farm of Kibbutz Palmachim in central Israel. Mr. Zohar holds a B.A. in Architecture and Urban Design from "Hasviva" College, Tel-Aviv and a diploma in Senior Business Management form the Israeli Management Center.

Mr. Amit Noam has served as Chief Executive Officer of Lavie Bio Ltd., a subsidiary of Evogene, since April 2023. Mr. Noam previously served as the Chief Operating Officer of Agritask Ltd. beginning in February 2018. Prior to that, between 2016 and 2018, he led the market development team at Teva Pharmaceuticals Industries Ltd., the largest pharmaceutical company in Israel. He also spent 4 years, between 2012 and 2016, leading strategic consulting teams at Shaldor, a premier management consultancy in Israel. Mr. Noam has extensive experience as a senior executive, particularly in the agriculture and healthcare sectors, leading teams in the development and execution of commercialization strategies, driving long-term growth and value-creation for businesses. Mr. Noam holds an MBA from Tel Aviv University and a BSc in Industrial and Management Engineering from Ben-Gurion University in Beer Sheva, Israel, both graduated with honors.

Dr. Dan Jacob Gelvan has served as Chief Executive Officer of AgPlenus Ltd., a subsidiary of Evogene, since February 19, 2024. Between 2019 and 2023, Dr. Gelvan served as Chief Executive Officer at t-syte Ltd., a seed investor operating as an incubator for early-stage digital health start-ups. Between 2017 and 2023, Dr. Gelvan also served as chairman of the board of directors of Biobeat Ltd., a medical device company with approved products for remote monitoring of vital signs. Between 2018 and 2019, Dr. Gelvan served as Chief Executive Officer at Tiselia, a stealth-mode medical device company developing a deep-tech solution for remote treatment and monitoring of patients. From 2017 to 2018 he served as executive vice president of operations at PolyPid Ltd., a drug delivery company. From 2005 to 2017, Dr. Gelvan served as managing director at Aurum Ventures MKI Ltd., a venture capital firm. From 2004 to 2005, he served as Chief Executive Officer and President, at Gammacan International Inc., an early-stage immune-oncology company. From 1997 to 2004, he served as Chief Executive Officer and founder at Zetiq Ltd. and Zetiq Inc., a diagnostic and high-throughput drug discovery company focused on oncology. Dr. Gelvan holds a BA and an MA degree in Economics from the Hebrew University of Jerusalem and a Ph.D. in Business Economics from Roskilde University of Denmark.

Directors

Mr. Nir Nimrodi has served as a director of our Company since he was appointed by the Board in September 2022 and as chairperson since March 2025. He was a consultant to the Board of our Company from April 2020 until September 2022. Mr. Nimrodi have been the Chairman and Chief Executive Officer of Accellix Inc, a leading cell therapy analytical company, from May 2019 until October 2024. Mr. Nimrodi has also served as a director of OdysightAI since August 2023. Mr. Nimrodi brings more than 25 years of diverse international experience in both start-ups and large global businesses in the life science, pharmaceutical, and biotechnology industries. Prior to joining Accellix, Mr. Nimrodi served as the Chief Business Officer of Intrexon Corporation, a leader in synthetic biology from March 2014 to April 2019. Prior to Intrexon, Mr. Nimrodi held several executive roles at Life Technologies Inc (now part of Thermo Fisher). While at Life Technologies, Mr. Nimrodi served as Chief Executive Officer and Board Member of Life Technologies Israel from January 2007 to December 2008, Head of Protein Technologies from December 2008 to December 2010, as well as Vice President and General Manager of Food Safety and Animal Health from December 2010 to March 2014. Prior to his seven years at Life Technologies, he was the Chief Executive Officer of Proneuron Biotechnologies Inc. from February 2002 to December 2006 and Mindsense Biosystems Ltd. from June 1999 to February 2002. Earlier in his career, Mr. Nimrodi was a Director of Finance for Teva Pharmaceuticals Ltd. from April 1995 to June 1999. Mr. Nimrodi holds a B.A. in Economics and MBA from the Tel Aviv University, Israel.

Ms. Sarit Firon has served as a director of our Company since she was appointed by the Board in August 2016, and as chairperson from August 2021 until March 2025. Ms. Firon is managing partner of Team8 Group and co-founder and managing partner of Team8 Capital, the investment arm of Team8 Group, which invests in early-stage technology startups. Previously, she was a managing partner of Cerca Partners, an Israeli venture capital fund, between 2016 and 2019. She has served at Extreme Reality Ltd., as its Chief Executive Officer from December 2012 to November 2014 and as a director since December 2014. From November 2011 to November 2012, Ms. Firon was the Chief Financial Officer of Kenshoo Ltd. From November 2007 to October 2011, Ms. Firon was the Chief Financial Officer of MediaMind Technologies Inc., a Nasdaq listed company which was acquired by DG, Inc. in August 2011. From May 2005 to June 2007, Ms. Firon was the Chief Financial Officer of OliveSoftware and from January 2000 to October 2004, she was the CFO of P-Cube, a private company which was acquired in October 2004 by Cisco Systems, Inc. (Nasdaq: CSCO). From October 2004 to January 2005, Ms. Firon was employed by Cisco to be responsible for the post-merger integration of P-Cube. From January 1995 to December 1999, Ms. Firon served in various positions at Radcom Ltd. (Nasdaq: RDCM), including as its Chief Financial Officer from September 1997 to December 1999. Between July 2015 and February 2018, she served as chairperson of the board of directors of myThings Israel Ltd. Between September 2014 and August 2017, Ms. Firon has served as a director of Mediwound Ltd. (Nasdaq: MDWD), and between June 2012 and August 2016, Ms. Firon served as a director of Datorama Ltd. From October 2000 to December 2006, Ms. Firon served as a director of MetaLink Ltd. (OTCMKTS: MTLK). Ms. Firon serves on several boards of directors of Team8 Capital portfolio. In addition, since November 2016, she has served as a board member and chairperson of the audit committee of Perion Network Ltd. Since August 2018, she has served as a board member of Splacer Ltd. Since August 2020 she has served as a board member of Friends of the Weizmann Institute. Ms. Firon holds a B.A. in Accounting and Economics from Tel-Aviv University, Israel.

Mr. Dan Falk has served as a director of our Company since he was appointed by the Board in November 2021. Mr. Falk has extensive experience of more than 20 years in serving as a financial expert on public and private company boards, most recently on the boards of Nice Ltd. (Nasdaq: NICE), Ormat Technologies Inc. (NYSE: ORA) and Innoviz Technologies Ltd. (Nasdaq: INVZ). Additionally, in the past Mr. Falk held various executive positions in Orbotech Ltd. between 1985 and 1999, and Sapiens International Corporation (Nasdaq: SPNS) between 1999-2001. Mr. Falk holds a B.A. in Economics and Political Sciences, and an M.A. in Business Administration both from the Hebrew University of Jerusalem, Israel.

Dr. Adrian Percy has served as a director of our Company since February 2019. Dr. Percy serves on the board of directors of AgPlenus Ltd., BioLumic Ltd., Nufarm Ltd. and FungiAlert Inc. (dba FA Bio). He is a member of the science and technology boards of Harpe BioHerbicide Solutions Inc., and Biotalys NV. Dr. Percy is serving as the Executive Director of the N.C. Plant Sciences Initiative and is a Professor in the Department of Plant and Microbial Biology at North Carolina State University since 2021. Dr. Percy is currently a venture partner with DYDX Capital and frequently acts as an advisor to companies through his own consultancy company, Nomad Technology Consulting. From 2019-2021, Dr. Percy served as Chief Technology Officer at UPL Ltd. From 2014-2018, he served as the head of research and development for the Crop Science division of Bayer as part of its executive committee. During his 16-year tenure at Bayer, he also led regulatory affairs activities across the entire division of Crop Science between 2013 and 2014 and crop protection development activities for Bayer in North America between 2011 and 2013. Dr. Percy has held positions in the research and development departments of Aventis CropScience SA between 2000 and 2002, Rhone Poulenc SA between 1996 and 2000, and Bayer in France, Germany and the United States. Dr. Percy earned a bachelor's degree in pharmacology at the University of Liverpool, England, as well as a master's degree in toxicology and a doctorate in biochemistry at the University of Birmingham, England.

Mr. Leon Y. Recanati has served as a director of our Company since May 2005. Mr. Recanati has served as chairperson and chief executive officer of GlenRock Israel Ltd. since 2003. Previously, Mr. Recanati was chief executive officer or chairperson positions at IDB Holding Corporation, Clal Industries, Azorim Investment Development and Construction Co., Delek Israel Fuel Corporation, and Super-Sol. He also founded Clal Biotechnologies Industries, a biotechnology investment company operating in Israel. Mr. Recanati serves as a member of the board of directors of Kamada Ltd. since 2005, and as an observer to the board of directors of Mivtach-Shamir Holdings Ltd. since 2002. Mr. Recanati holds an MBA from The Hebrew University of Jerusalem, Israel, and Honorary Doctorates from the Technion Institute of Technology, Israel, and Tel-Aviv University, Israel.

Dr. Oded Shoseyov has served as a director of our Company since November 2018. Dr. Shoseyov is the scientific founder of 18 companies, including: Futuragene Ltd., Collplant Ltd., Biobetter Ltd., GemmaCert Ltd., SP-Nano materials Ltd., Melodea Ltd., Valentis Nanotech. Ltd., Paulee CleanTec Ltd., Smart Resilin Ltd., Sensogenic Ltd., SavorEat Ltd., Rnway Ltd., Wonder Veggies Ltd., Seekwell Ltd. and Karme Yosef Winery. Dr. Shoseyov is a faculty member of The Hebrew University of Jerusalem, Israel, where he conducts research in plant molecular biology protein engineering and nano-biotechnology. His group's focus is on Bio-Inspired Nanocomposite materials. He has authored or co-authored more than 350 scientific publications and is the inventor or co-inventor of 103 patents. Dr. Shoseyov is a TED speaker and a co-owner and winemaker of Bravdo winery. Dr. Shoseyov received the Outstanding Scientist Polak Award for 2002, the 1999 and 2010 Kay Award for Innovative and Applied Research, the 2012 Israel Prime Minister Citation for Entrepreneurship and Innovation, and the 2018 Presidential Award for his contribution to the Economy and Society of Israel. Dr. Shoseyov holds a B.Sc., an M.Sc. and a Ph.D. from The Hebrew University of Jerusalem, Israel.

Arrangements for Election of Directors and Members of Management; Family Relationships

There are no arrangements or understandings with major shareholders, customers, suppliers or others related to the election of our board of directors or the appointment of members of our senior management. There are furthermore no family relationships among any directors or members of our senior management.

B. Compensation

Aggregate and Individual Compensation of Officers and Directors

The aggregate compensation, including non-cash share-based compensation (consisting of expenses related to option grants), accrued by us in respect of the year ended December 31, 2024 to all persons who served as directors and/or executive officers during that year, was approximately $3.8 million. That amount includes approximately $0.1 million of gross compensation set aside or accrued for executive officers for purposes of pension, severance, retirement, car, phone or similar benefits or expenses, but does not include business travel, relocation, professional and business association dues and expenses reimbursed to executive officers, and other expenses commonly reimbursed by companies in Israel. These amounts include the partial-year compensation paid to seven executive officers, who served in their positions over the course of 2024 and whose employment as executive officers either was terminated or has commenced during 2024.

During 2024, we granted our executive officers and directors an aggregate amount of 152,600 options. Of the options granted, 9,000 were granted with an exercise price of NIS 26.6 ($7.29), 3,600 were granted with an exercise price of $6.6 per share, and 140,000 were granted with an exercise price of NIS 8.62 ($2.36) per share. The options detailed above expire within ten years from the date of grant. During 2024, two executive officers, who serve as chief executive officers in two of our subsidiaries, were granted options to purchase equity of such subsidiaries, which are not detailed above. The number of options above, and their respective exercise prices, are presented on an as-adjusted basis, after giving effect to the Reverse Split.

The following table presents information regarding compensation accrued in our financial statements for the year ended December 31, 2024 for our five most highly compensated executive officers, as required under Israeli Securities Law 5728-1968 and the regulations promulgated thereunder.

	(in thousands, US$)(1)			
Name and Position	**Salary and related benefits**	**Bonus(2)**	**Value of Options Granted(3)**	**Total**
Ofer Haviv *President and Chief Executive Officer*	374	49	1	424
Amit Noam *CEO of Lavie Bio*	187	29	448	664
Dan Gelvan *CEO of AgPlenus*	210	-	159	369
Elran Haber *CEO of Biomica*	251	-	48	299
Yoash Zohar *CEO of Casterra*	251	-	332	583

(1) All amounts reported in the table are in terms of cost to the Company, as recorded in our financial statements.

(2) Bonus amounts shown in this table reflect bonuses that were paid in 2024 relating to the office holders' service in our Company in 2023, as approved by our Compensation and Nominating Committee and Board of Directors, and, to the extent required, also by our shareholders.

(3) Consists of amounts recognized as non-cash expenses in our statement of profit or loss for the year ended December 31, 2024 in respect of option grants.

Compensation Policy

As required by the Companies Law, we have adopted a policy regarding the terms of engagement of office holders, or a compensation policy. Under the Companies Law, the term "office holders" includes directors and certain officers, including the general manager (i.e., chief executive officer, or CEO), chief business manager, deputy CEO, vice CEO, any other person assuming the responsibilities of any of the foregoing positions without regard to such person's title, and any director or manager who reports directly to the CEO. The compensation policy serves as the basis for determining 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 relate to certain factors specified in the Companies Law, including advancement of the company's objectives, the company's business and its long-term strategy, and creation of appropriate incentives for executives. It must also consider, among other things, the company's risk management, size and the nature of its operations. The Companies Law describes what factors have to be considered by, and what principles must be included in, the compensation policy.

Our current compensation policy was adopted in June 2024, at an annual general meeting of our shareholders, following the recommendation of our compensation committee and our board of directors, and will remain in effect for a period of three years unless restated prior, in accordance with the Companies Law. In accordance with Nasdaq listing standards, under Rule 10D-1, we have adopted on August 16, 2023, a clawback policy.

Approvals Required for Compensation of Directors and Officers

Under the Companies Law, the compensation of each of our directors and our CEO requires the approval of our compensation committee, the subsequent approval of the board of directors and, unless exempted under the regulations promulgated under the Companies Law, the approval of our shareholders at a general meeting (in the case of our CEO, the shareholder approval must include the special majority described under "Item 6. Directors, Senior Management and Employees—C. Board Practices—Approval of Related Party Transactions under Israeli Law— Disclosure of Personal Interests of an Office Holder and Approval of Certain Transactions"). The compensation of any other office holder (who is neither a director nor our Chief Executive Officer), if consistent with our compensation policy, requires the approval of our compensation committee, followed by our board of directors. Compensation of any such office holder that deviates from our compensation policy also requires shareholders' approval, including by the special majority described under "Item 6. Directors, Senor Management and Employees—C. Board Practices— Approval of Related Party Transactions under Israeli Law— Disclosure of Personal Interests of an Office Holder and Approval of Certain Transactions."

Compensation of Executive Officers

Our compensation for our executive officers is paid pursuant to written employment agreements that we have entered with each of our executive officers and is based, in part, on each executive officer's personal contribution to our management, operations and success. Such compensation is determined consistent with our compensation policy. For more information on our compensation policy, please see "—Compensation Policy" above.

Each executive officer's entitlement to an annual bonus is determined according to a formula that links financial and qualitative target-based goals and metrics related to the specific objectives within the responsibility of the relevant executive officer. In the case of executive officers who are also office holders, their annual bonus is also required to be consistent with our compensation policy. The goals and objectives of Evogene's office holders are determined by the compensation and nominating committee and our board of directors. For each fiscal year, our compensation and nominating committee and board of directors determine the maximum target bonus for each of our office holders, including our CEO. Further, for our CEO, all terms of employment, including bonus terms, require, in general, approval by a majority of our shareholders present and voting (in person or by proxy) at a meeting of shareholders, subject to fulfillment of one of the two additional conditions described in "Item 6. Directors, Senior Management and Employees—C. Board Practices—Approval of Related Party Transactions under Israeli Law—Disclosure of Personal Interests of an Office Holder and Approval of Certain Transactions." As approved by our annual general meeting of shareholders on August 10, 2021, the annual cash bonus measurable performance objectives of our CEO, Mr. Ofer Haviv may be determined annually by the Compensation Committee and the Board.

Each of the employment agreements with our executive officers contains provisions regarding non-competition, confidentiality of information and assignment of inventions. The non-competition provision applies for a period that is generally 12 months following termination of employment. The enforceability of covenants not to compete in Israel and in the United States is subject to limitations. The employment agreement of each executive officer is terminable upon between 30 to 90 days' written notice by either party to the agreement.

Director Compensation

Our directors are entitled to cash compensation and equity compensation as follows:

Cash Compensation of Directors

All of our directors receive annual fees and per-meeting fees for their service on our board and its committees, in the following amounts:

- Annual fees in an amount of approximately $24,000 for directors classified as experts; and
- Per-meeting fees in an amount of approximately $1,300 for directors classified as experts; 60% of such amounts for participation in meetings via telecommunication and 50% of such amounts for resolutions adopted in writing.

Such amounts are within the range for cash compensation for external and unaffiliated directors of a company of our size (based on level of shareholders' equity) under the Companies Law.

Cash Compensation of Chairperson of the Board

In accordance with shareholders' approval from August 2021, a chairperson of the board who is determined by the Board to be an "active chairperson" in light of increased involvement in our activities and increased time investment in the performance of the duties accompanying the chairperson's position compared to the other directors, shall be entitled to increased compensation relative to our other directors of approximately $6,600 per month. Our Board has determined that Mr. Nir Nimrodi, our chairperson of the board, is an active chairperson, and accordingly his fees as active chairperson is as aforesaid.

Equity Compensation of Directors

In accordance with our shareholders' approval from August 2021, and in compliance with our compensation policy, each non-employee director is granted options to purchase 18,000 ordinary shares of the Company on the date of our annual general shareholders meeting at which such director is elected or re-elected to the board. The chairperson of our board is granted options to purchase 36,000 ordinary shares. These options vest over a period of one year, with 25% of the options vesting at the end of each successive three-month period following the director's appointment or re-appointment (as applicable) by the general meeting of shareholders, subject to continued service through each vesting date. In the case of a director who is elected to the Board for the first time, all of the options to purchase 18,000 ordinary shares shall vest following a one year "cliff"— i.e., on the anniversary of the initial date of election.

All option grants to directors following the approval of our 2021 Share Incentive Plan by our shareholders (i.e., as of August 10, 2021), are subject to the terms of our 2021 Share Incentive Plan and are granted at an exercise price equal to the average closing sales price per ordinary share on the TASE over the thirty trading day period preceding the subject date (but not less than "fair market value" with respect to grantees subject to U.S. tax). All option grants to directors prior to August 10, 2021, are subject to the terms of our 2013 Share Option Plan and were granted at an exercise price equal to the higher of (i) the average closing price of our ordinary shares on the TASE during the 30 trading days prior to the date of option allocation, plus 5% and (ii) the closing price of our ordinary shares on the TASE on the date of option allocation. All such options expire 10 years following the date of grant thereof.

Information regarding the options to purchase our ordinary shares (including number of options, exercise price and expiration date of all such options) held by each of our directors and executive officers who beneficially owns our ordinary shares, after including ordinary shares underlying options held by them, which, as of March 17, 2024, were exercisable or exercisable within 60 days, appears in the beneficial ownership table in Item 7.A below and in the footnotes thereto.

Share Option and Incentive Plans

Company Option and Incentive Plans

We maintain four share option and incentive plans: Evogene Ltd. 2002 Share Option Plan, Evogene Ltd. 2003 Key Employee Share Incentive Plan, Evogene Ltd. 2013 Share Option Plan, and Evogene Ltd. 2021 Share Incentive Plan, or the 2021 Plan. No new grants will be made under the first three plans, although outstanding awards under those plans remain subject to the terms of those plans. All such option and incentive plans provide for the grant of options to purchase our ordinary shares, and the 2021 Plan also provides for the issuance of restricted shares, the grant of RSUs and the issuance or grant of other equity-based awards.

On November 20, 2024, the Board approved an increase of 337,090 ordinary shares issuable pursuant to the 2021 Plan. As of March 17, 2025, options to purchase 772,974ordinary shares, having a weighted average exercise price of $14.07 per share, and 16,070 RSUs, having no exercise price, were outstanding under our option and incentive plans, and options to purchase 338,634 ordinary shares were exercisable and 32,685 RSUs were vested. An additional 88,326 ordinary shares remained available for future grant under our 2021 Plan as of that date.

Among other types of equity-based awards, our share option and incentive plans provide for granting awards in compliance with Section 102 of the Israeli Income Tax Ordinance [New Version], 5721-1961, or the Tax Ordinance, which provides to employees, directors and officers, who are not controlling shareholders (*i.e.*, who hold less than 10% of our share capital) and are Israeli residents, favorable tax treatment for compensation in the form of shares, options, RSUs or other types of equity awards issued or granted, as applicable, to a trustee under the "capital gains track" for the benefit of the relevant employee, director or officer and are held by the trustee for at least two years after the date of grant or issuance. Under the "capital gains track", we are not allowed to deduct an expense with respect to the grant or issuance of the relevant equity-based awards.

The 2021 Plan also permits us to grant equity-based awards to U.S. residents, in accordance with the applicable provisions of the U.S. Internal Revenue Code of 1986, as amended, or the Code.

Awards granted under our plans may be subject to vesting schedules. Options to purchase our ordinary shares granted under our plans expire 10 years from the grant date. The plans address the treatment of vested and unvested awards upon the termination of employment of the award holder as well as upon consummation of a merger or consolidation of our company, or sale of all or substantially all of our shares or assets.

Subsidiary Equity Incentive Plans

In addition to the share option and incentive plans at our parent company level, each of our subsidiaries has adopted its own equity incentive plan. The following table presents information regarding our subsidiaries' equity incentive plans, including the percentage of the equity of those companies that may be issued or granted as equity incentives to employees, directors or service providers of those companies and the percentage of that equity that has been issued or granted as of March 17, 2025 (in both cases, after including shares underlying options).

Subsidiary	Percentage of Subsidiary's Equity Issuable as Equity Incentives	Percentage of Equity Granted as of March 17, 2025 as Equity Incentives
AgPlenus	13.8%	8.9%
Biomica	12%	7.62%
Casterra	7.5%	3.9%
Lavie Bio	10.5%	8.8%

Grants under our subsidiaries' equity incentive plans may qualify for favorable treatment under the tax law provisions of the United States or Israel.

The share-based payments under our subsidiary equity incentive plans are presented as non-controlling interests in the financial statements and were valued at approximately $1.4 million in 2024, as detailed in Note 17g to the financial statements included in this Annual Report under Item 18.

C. Board Practices

Board of Directors

Under the Companies Law and our articles of association, the supervision of the management of our business is vested in 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 and are subject to the terms of any applicable employment agreements that we may enter into with them.

Under our articles of association and the Companies Law, our board of directors must consist of not less than three and no more than seven directors. Currently our board of directors consists of six directors.

Our directors are elected annually, by a simple majority vote of holders of our voting shares participating and voting at the annual meeting of our shareholders, for a one-year term, from the annual general meeting of our shareholders at which they are elected until the next annual general meeting and until their respective successors are elected and qualified or until their earlier removal by our shareholders at a general meeting, or upon the occurrence of certain events, in accordance with the Companies Law and our articles of association. The duration of service of each of our current directors can be found in their respective biographies in Item 6.A. above.

In addition, under our articles of association, our board of directors may appoint directors to fill vacancies or as new directors for a term of office that lasts until the next annual meeting of our shareholders. In the event of a vacancy resulting in the board consisting of less than the minimum number of directors required by our articles of association, our board of directors may only act in order to convene a general meeting of our shareholders for the purpose of electing such additional number of directors.

Pursuant to the terms of a put option agreement we entered into with Monsanto (now Bayer) in October 2013, Monsanto has the right to nominate a non-voting observer to our board of directors so long as Monsanto holds at least 5% of our voting rights. In addition, pursuant to a share purchase agreement we entered into with Bayer in December 2010 and as amended in June 2013, Bayer also has the right to appoint one observer to our board of directors so long as Bayer holds at least 3% of our issued and outstanding shares. In each case, the observer is entitled to be advised reasonably in advance of board meetings and is to receive copies of all material distributed in connection with such meetings. The observer would not have any voting rights. To our knowledge, as of the date of this report, Monsanto and Bayer hold less than the percentage required for the purpose of appointing an observer, and as of the date of this Annual Report, neither Monsanto nor Bayer has appointed an observer.

Chairperson of the Board

Our articles of association provide that the chairperson of the board is appointed by the members of the board of directors and serves as chairperson of the board throughout his term as a director, unless resolved otherwise by the board of directors. Under the Companies Law, the general manager (i.e., the Chief Executive Officer) or a relative of the general manager may not serve as the chairperson of the board of directors, and the chairperson or a relative of the chairperson may not be vested with authorities of the general manager, in each case without shareholder approval consisting of a majority vote of the shares present and voting at a shareholders meeting, provided that either:

- such majority includes at least 2/3 of the shares held by all shareholders who are not controlling shareholders and do not have a personal interest in such appointment, present and voting at such meeting; or

- the total number of shares of non-controlling shareholders who do not have a personal interest in such appointment voting against such appointment does not exceed two percent of the aggregate voting rights in the company.

In addition, a person subordinated, directly or indirectly, to the general manager may not serve as the chairperson of the board of directors; the chairperson of the board may not be vested with authorities that are granted to those subordinated to the general manager; and the chairperson of the board may not serve in any other position in the company or a controlled company, except that he may serve as a director or chairperson of a subsidiary.

External Directors

In general, under the Companies Law, the board of directors of an Israeli public company (such as ours) is required to include at least two external directors. According to regulations promulgated under the Companies Law, a person may be appointed as an external director if such person has either professional qualifications or accounting and financial expertise. In addition, at least one of the external directors must be determined by our board of directors to have accounting and financial expertise.

However, pursuant to regulations enacted under the Companies Law in 2016, the board of directors of a company whose shares are listed on certain non-Israeli stock exchanges (including the Nasdaq Capital Market), which company does not have a controlling shareholder (as such term is defined in the Companies Law), may elect not to comply with the requirements of the Companies Law relating to the election of external directors and to the composition of the audit committee and compensation committee. Such an election may be made by the board of directors, and is contingent upon the company's satisfaction, in an ongoing manner, of the applicable foreign country stock exchange rules that apply to companies organized in that country relating to the appointment of independent directors and the composition of the audit and compensation committees.

Because our company did not have, in May 2016, and still does not have, a controlling shareholder, and as we comply with the Nasdaq Listing Rules applicable to domestic U.S. companies with respect to a majority of our directors being independent and with respect to the composition of our audit committee and compensation committee, our board of directors determined, in May 2016, to opt-out of the requirement to elect external directors. If in the future we were to have a controlling shareholder, we would likely again be required to comply with the Companies Law requirements relating to external directors and composition of the audit committee and compensation committee.

The term controlling shareholder, as used in the Companies Law for purposes of all matters related to external directors and for certain other purposes, means a shareholder that has the ability to direct the activities of the company, other than by virtue of being an office holder. For purposes of all matters related to external directors, a shareholder is presumed to be a controlling shareholder if the shareholder holds 50% or more of the voting rights in the company or has the right to appoint the majority of the directors of the company or its general manager (chief executive officer).

Directors' Service Contracts

There are no arrangements or understandings between us, on the one hand, and any of our directors, on the other hand, providing for benefits upon termination of their service as directors of our company.

Financial Statements Review and Audit Committee

Our financial statements review and audit committee, or audit committee, consists of Mr. Dan Falk, Mr. Nir Nimrodi and Dr. Oded Shoseyov. Mr. Falk serves as the Chairperson of the audit committee.

Requirements as to Composition

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.

Following the promulgation of the regulations described above, we may comply with the requirements of the Companies Law by appointing an audit committee whose composition complies with the Nasdaq Listing Rules. Under the Nasdaq Listing Rules, we are required to maintain an audit committee consisting of at least three independent directors, each of whom is financially literate and at least one of whom has accounting or related financial management expertise.

All members of our audit committee meet the requirements for independence and financial literacy under the Nasdaq Listing Rules. Our board of directors has determined that each of Mr. Dan Falk and Mr. Nir Nimrodi is furthermore an audit committee financial expert, as defined by the SEC rules, and has the requisite financial experience required under the Nasdaq Listing Rules.

Each of the members of the audit committee is also "independent" as required by, and 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 under the Nasdaq Listing Rules.

Audit Committee Role

Our board of directors (following the approval by our audit committee) has adopted an audit committee charter setting forth the required composition, meeting procedures and other matters related to the terms of operation of the committee. The charter also describes the responsibilities of the audit committee consistent with the rules of the SEC and the Nasdaq Listing Rules, which include, among others:

- retaining and terminating the services of our independent auditors, subject to the approval of the board of directors and shareholders;
- pre-approval of audit and non-audit services to be provided by the independent auditors;
- reviewing with management and our independent directors our financial reports prior to their submission to the SEC; and
- approval of certain transactions with office holders and other related-party transactions.

The charter of the audit committee is available on our website. The contents of that website do not constitute a part of this Annual Report.

Our audit committee provides assistance to our board of directors in fulfilling its legal and fiduciary obligations in matters involving our accounting, auditing, financial reporting, internal control and legal compliance functions by pre-approving the services performed by our independent accountants and reviewing their reports regarding our accounting practices and systems of internal control over financial reporting. Our audit committee also oversees the audit efforts of our independent accountants and takes those actions that it deems necessary to satisfy itself that the accountants are independent of management.

Additionally, under the Companies Law, an audit committee is required, among other things, to (i) identify deficiencies in the administration of the company (including by consulting with the internal auditor), and recommend remedial actions with respect to such deficiencies, (ii) review and approve certain related party transactions, including determining whether or not such transactions are extraordinary transactions or insignificant transactions, and (iii) adopt procedures with respect to processing employee complaints in connection with deficiencies in the administration of the company, and the appropriate means of protection afforded to such employees. In addition, the audit committee is responsible for overseeing the internal control procedures of the company. Under the Companies Law, the approval of the audit committee is required for specified actions and transactions with office holders and controlling shareholders. See "—Approval of Related Party Transactions under Israeli Law."

Compensation and Nominating Committee

Our compensation and nominating committee, or compensation committee, consists of Mr. Dan Falk, Mr. Nir Nimrodi and Dr. Oded Shoseyov. Mr. Falk serves as the Chairperson of the committee.

Requirements as to Composition

Following the promulgation of the regulations described above, we may comply with the requirements of the Companies Law by appointing a compensation committee whose composition complies with the Nasdaq Listing Rules. Under the Nasdaq Listing Rules, we are required to maintain a compensation committee consisting of at least two members, each of whom qualifies as an independent director (as defined under the Nasdaq Listing Rules). Each compensation committee member must furthermore be deemed by our board of directors to meet the enhanced independence requirements for members of the compensation committee under the Nasdaq Listing Rules, which require that our board of directors consider (among other things) the source of each such committee member's compensation in determining whether he or she is independent.

Our board of directors has determined that each of the members of our compensation committee is considered "independent" under the Nasdaq Listing Rules and meets the enhanced independence requirements for members of the compensation committee under the Nasdaq Listing Rules and Rule 10C-1 under the Exchange Act.

Compensation and Nominating Committee Role

Our board of directors (following approval by our compensation committee) has adopted a compensation and nominating committee charter setting forth the required composition, meeting procedures and other matters related to the terms of operation of the committee. The charter also describes the responsibilities of the compensation committee consistent with the Nasdaq Listing Rules and the Companies Law, which include, among others:

- reviewing and recommending an overall compensation policy with respect to our Chief Executive Officer and other executive officers, as described above under "Item 6. Directors, Senior Management and Employees—B. Compensation—Compensation Policy";
- reviewing and approving corporate goals and objectives relevant to the compensation of our Chief Executive Officer and other executive officers, including evaluating their performance in light of such goals and objectives;
- reviewing and recommending to our board of directors to approve the granting of options and other incentive awards;
- overseeing our company's policy for recovery of erroneously awarded compensation;
- reviewing, evaluating and making recommendations regarding the compensation and benefits for our non-employee directors; and
- advising our board of directors in selecting individuals who are best able to fulfill the responsibilities of a director or executive officer of our company.

The charter of the compensation and nominating committee is available on our website. The contents of that website do not constitute a part of this Annual Report.

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, despite the objection of shareholders, approval of the compensation policy is for the benefit of the company.

The compensation policy must be based on certain considerations, include provisions and matters specifically 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's 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 regard to variable components:
  - 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; and
  - 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 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, while taking into consideration long-term incentives; and
- a limit to retirement grants.

Internal Auditor

Under the Companies Law, the board of directors of an Israeli public company must appoint an internal auditor recommended by the audit committee. Under the Companies Law, the internal auditor may be an employee of the company but not an office holder, an affiliate, or a relative of an office holder or affiliate, and may not be the company's independent accountant or its representative.

The role of the internal auditor is to examine, among other things, our compliance with applicable law and orderly business procedures. The audit committee is required to oversee the activities and to assess the performance of the internal auditor as well as to review the internal auditor's work plan. Mr. Yisrael Gewirtz, CPA, has been appointed as our internal auditor. Mr. Gewirtz is a certified internal auditor and a partner of Fahn Kanne Control Management Ltd., an affiliate of Grant Thornton LLP.

Our internal auditor also provides management and the audit committee ongoing assessments of our risk management processes and our internal controls.

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. Many of the executive officers listed in the table under "Item 6. Directors, Senior Management and Employees— A. Directors and Senior Management" are also office holders 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 loyalty requires that an office holder act in good faith and in the best interests of the company. The duty of care includes a duty to use reasonable means to obtain (i) information on the appropriateness of a given action submitted for his or her approval or performed by virtue of his or her position; and (ii) all other important information pertaining to these actions. The duty of loyalty includes a duty to (i) refrain from any conflict of interest between the performance of his or her duties in the company and his or her personal affairs; (ii) refrain from any activity that is competitive with the business of the company; (iii) refrain from exploiting any business opportunity of the company in order to receive a personal gain for himself or herself or others; and (iv) disclose to the company any information or documents relating to the company's affairs which the office holder received as a result of his or her position as an office holder.

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 conflict of interest (referred to under the Companies Law as a "personal interest") that he or she may have and all related material information known to him or her concerning any existing or proposed transaction with the company. If it is determined that an office holder has a personal interest in a transaction, 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. Our articles of association provide that for non-extraordinary interested party transactions, the board of directors may delegate its approval, or may provide a general approval to certain types of non-extraordinary interested party transactions. Every interested party transaction requires that our board of directors determine affirmatively that the transaction is favorable to the company. 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. 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 has a personal interest in the approval of such a transaction 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.

Pursuant to the Companies Law, extraordinary transactions with our office holders who are not directors require audit committee approval and subsequent approval by our board of directors. Compensation, insurance, indemnification or exculpation arrangements for office holders who are not directors require approval by our compensation committee, followed by our board of directors and, if deviating from our compensation policy, our shareholders as well, via a special majority. Compensation arrangements with directors, including in their capacities as executive officers, or with our Chief Executive Officer, as well as insurance (unless exempted under the applicable regulations), indemnification or exculpation of directors or our Chief Executive Officer, require the approval of the compensation committee, the board of directors and our shareholders, in that order. In the case of our Chief Executive Officer, the shareholder approval must fulfill, in addition to an ordinary majority, one of the following two special majority requirements:

- at least a majority of the voting rights in the company held by non-controlling shareholders who have no conflict of interest (referred to under the Companies Law as a "personal interest") in the transaction or arrangement and who are present and voting (in person or by proxy) at the general meeting, must be voted in favor of approving the transaction or arrangement (for this purpose, abstentions are disregarded); or

- the voting rights held by non-controlling, non-conflicted shareholders (as described in the previous bullet point) who are present and voting (in person or by proxy) at the general meeting, and who vote against the transaction, do not exceed two percent of the voting rights in the company.

As described above (concerning votes related to external directors), a shareholder is presumed to be a controlling shareholder if the shareholder holds 50% or more of the voting rights in the company or has the right to appoint the majority of the directors of the company or its general manager (chief executive officer). In addition, as it relates to the approval of related party transactions, a controlling shareholder is furthermore deemed to include any shareholder possessing 25% or more of the voting rights if no other shareholder possesses more than 50% of the voting rights.

If the transaction or compensation arrangement of the office holder brought for approval amends an existing arrangement, then only the approval of the audit committee or compensation committee (as appropriate) is required if that committee determines that the amendment is not material in relation to the existing arrangement.

Disclosure of Personal Interests of Controlling Shareholders and Approval of Certain Transactions

Pursuant to the Companies Law, the disclosure requirements regarding personal interests that apply to directors and executive officers also apply to a controlling shareholder of a public company. In the case of an extraordinary transaction between a public company and a controlling shareholder, or in which a controlling shareholder has a personal interest, the shareholder approval requirement—by a special majority—that applies to a compensation arrangement for the chief executive officer (as described above) also applies to the extraordinary transaction (except that a controlling shareholder's vote is not excluded from the special majority determination, unless the controlling shareholder possesses a conflict of interest/ personal interest). We currently do not have a controlling shareholder.

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, her or its 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: (i) an amendment to the company's articles of association; (ii) an increase of the company's authorized share capital; (iii) a merger; or (iv) an interested party transaction that requires 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. Israeli courts have not yet interpreted the scope or nature of any of these duties.

Approval of Private Placements

Under the Companies Law, a significant private placement of securities requires approval by the board of directors and the shareholders by a simple majority. A private placement is considered a significant private placement if it results in a person becoming a controlling shareholder, or if all of the following conditions are met: (i) the securities issued amount to 20% or more of the company's outstanding voting rights before the issuance; (ii) some or all of the consideration is other than cash or listed securities or the transaction is not on market terms; and (iii) the transaction will increase the relative holdings of a shareholder who holds 5% or more of the company's outstanding share capital or voting rights, or will cause any person to become, as a result of the issuance, a holder of more than 5% of the company's outstanding share capital or voting rights.

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 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 articles of association 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:

- financial liability imposed on him or her in favor of another person pursuant to a judgment, 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 attorneys' fees, incurred by the office holder 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

- reasonable litigation expenses, including attorneys' 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.

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: (i) 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; (ii) 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; (iii) a financial liability imposed on the office holder in favor of a third party; (iv) a financial liability imposed on the office holder in favor of a third party harmed by a breach in an administrative proceeding; and (v) reasonable litigation expenses, including attorneys' fees, incurred by the office holder as a result of an administrative proceeding instituted against him or her.

An Israeli company may not indemnify or insure an office holder against any of the following: (i) 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; (ii) a breach of the duty of care committed intentionally or recklessly, excluding a breach arising out of the negligent conduct of the office holder; (iii) an act or omission committed with intent to derive illegal personal benefit; or (iv) a fine or forfeit levied against the office holder.

Under the Companies Law, exculpation, indemnification and insurance of office holders must be approved by the compensation and nominating committee and the board of directors and, with respect to directors and our Chief Executive Officer, also by our shareholders (in the case of our Chief Executive Officer, by a special majority, as described above under "—Approval of Related Party Transactions under Israeli Law—Disclosure of Personal Interests of an Officer Holder and Approval of Certain Transactions", unless an applicable exemption applies).

Our articles of association allow us to indemnify and insure our office holders for any liability imposed on them as a consequence of an act which was performed by virtue of being an office holder. Our shareholders have approved an amendment to our articles of association that extends such indemnification and insurance to cover omissions by our office holders (in their role as such) as well. Our office holders are currently covered by a directors' and officers' insurance policy.

We have entered into agreements with each of our directors and executive officers. Each such agreement exculpates our director or officer, 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 25% of our shareholders' equity as reflected in our most recent consolidated financial statements prior to the date on which the indemnity payment is made. If the amount equal to 25% of our shareholders' equity is insufficient to cover all indemnity amounts payable with respect to all indemnifiable directors and executive officers, such amount will be allocated among our directors and executive officers pro rata, in accordance with their relative culpabilities, as finally determined by a court with respect to a particular claim. 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 is against public policy and therefore unenforceable.

D. Employees

The total number of employees in Evogene and its subsidiaries as of December 31, 2022 ,2023 and 2024 was 137 ,142 and 117 respectively. As of December 31, 2024, our research and development activities involved 75 employees amounting to approximately 64% of our total full-time workforce, of which 36 were employed by Evogene and 39 were employed by our subsidiaries. In 2024, our employees included individuals with degrees in biology, chemistry, plant genetics, agronomics, computer and data science and other related fields and 36 of our employees hold a Ph.D. As of March 20, 2025, the total number of employees in Evogene and its subsidiaries was 106.

The rate of male v. female in our company and our main subsidiaries as of December 31, 2024, was as follows:

Company	Female	Male	Total
Evogene	56%	44%	66
AgPlenus	55%	45%	11
Lavie Bio	47%	53%	17
Biomica	67%	33%	18
Casterra	20%	80%	5
Total	**49%**	**51%**	**117**

The rate of male v. female in a managing position (i.e., any such person that oversees and supervises other employees) in our company and our subsidiaries as of December 31, 2024, was as follows:

Company	Female	Male
Evogene	48%	52%
AgPlenus	80%	20%
Lavie Bio	40%	60%
Biomica	67%	33%
Casterra	0%	100%

As of December 31, 2024, all of our employees are based in Israel, except for two U.S.-based employees. Our two U.S.-based employees are employed by Lavie Bio Inc., a U.S. subsidiary of Lavie Bio Ltd., one is based in North Dakota, and one is based in North Carolina. In addition, during 2024, we had on average, approximately 14 hourly employees who are based in Israel. The following table shows the breakdown of our employees by division/category of activity and by location as of December 31, 2022, 2023 and 2024, excluding hourly employees:

	As of December 31, 2022			As of December 31, 2023			As of December 31, 2024		
	Israel	U.S.	Total	Israel	U.S.	Total	Israel	U.S.	Total
Executive management	6	-	6	5	-	5	5	-	5
General and administrative	25	-	25	31	-	31	23	-	23
Technology platform and Experimental Unit	44	-	44	39	-	39	38	-	38
Lavie Bio Ltd.	21	6	27	21	5	26	15	2	17
AgPlenus Ltd.	11	1	12	11	1	12	11	-	11
Casterra Ag Ltd.	1	-	1	4	-	4	5	-	5
Biomica Ltd.	13	-	13	18	-	18	18	-	18
Canonic Ltd.	9	-	9	7	-	7	-	-	-
Total	130	7	137	136	6	142	115	2	117

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, 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, and requires us and our employees to make payments to the National Insurance Institute, which is similar to the U.S. Social Security Administration. Our employees have pension plans that comply with the applicable Israeli legal requirements.

While none of our employees is party to any collective bargaining agreements, certain provisions of the collective bargaining agreements between the "*Histadrut*" (the General Union of Workers in Israel) and the Coordination Bureau of Economic Organizations (including the Industrialists' Associations) are applicable to our employees in Israel by order of the Israeli Ministry of the Economy and Industry. These provisions primarily concern pension fund benefits for all employees, insurance for work-related accidents, recuperation pay and travel expenses.

None of our employees is represented by a labor union or covered under a collective bargaining agreement. We have never experienced any employment-related work stoppages and believe our relationships with our employees are good.

The employees of our U.S. subsidiaries are subject to the U.S. labor laws and have insurance coverage, health benefits and are covered by certain plans, such as (i) medical and dental care; (ii) long term disability protection plans; (iii) life insurance; and (iv) a 401(k) savings plan.

E. Share Ownership

For information regarding the share ownership of our directors and executive officers, please refer to the table in "Item 7. Major Shareholders and Related Party Transactions—A. Major Shareholders." For information regarding our equity incentive plans, see "Item 6.B. Director, Senior Management and Employees—Compensation—Equity Incentive Plans."

F. Disclosure of a Registrant's Action to Recover Erroneously Awarded Compensation

None.

ITEM 7. MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

A. Major Shareholders

The following table sets forth information with respect to the beneficial ownership of our shares as of March 17, 2025 (unless otherwise indicated) by: (i) each of our directors and executive officers, individually; and (ii) all of our executive officers and directors, as a group. There is no person or entity known by us to own beneficially more than 5% of our outstanding shares.

The beneficial ownership of ordinary shares is determined in accordance with the rules of the SEC, and generally includes any ordinary shares over which a person exercises sole or shared voting or investment power, or the right to receive the economic benefit of ownership. For purposes of the table below, we deem shares subject to warrants and options that are currently exercisable or exercisable within 60 days of March 17, 2025, and RSUs that are currently vested or will become vested within 60 days of March 17, 2025, to be outstanding and to be beneficially owned by the person holding the warrants or options for the purposes of computing the percentage ownership of that person, but we do not treat them as outstanding for the purpose of computing the percentage ownership of any other person.

The percentage of shares beneficially owned by any shareholder has been calculated based on 6,672,173 ordinary shares outstanding as of March 17, 2025. Unless otherwise indicated below, to our knowledge, all persons named in the table have sole voting and investment power with respect to their shares, except to the extent that authority is shared by spouses under community property laws.

Unless otherwise noted below, each shareholder's address is c/o Evogene Ltd., 13 Gad Feinstein Street, Park Rehovot, Rehovot 7638517, Israel. The shareholders listed below (including our directors and executive officers) do not have any different voting rights than any of our other shareholders. We know of no arrangements that would, at a subsequent date, result in a change of control of our company. A description of any material relationship that our principal shareholders have had with us or any of our predecessors or affiliates within the past year is included under "Item 7. Major Shareholders and Related Party Transactions—B. Related Party Transactions."

Name of Beneficial Owner	Shares Beneficially Held	
	Number	Percentage of Class
Executive Officers and Directors		
Mr. Ofer Haviv	89,500[1]	1.3%
Mr. Yaron Eldad	17,050[2]	*
Dr. Dan Jacob Gelvan	0	*
Dr. Elran Haber	2,500[3]	*
Mr. Amit Noam	0	*
Dr. Gabi Tarcic	0	*
Mr. Ilia Zhidkov	16,250[4]	
Mr. Yoash Zohar	0	*
Ms. Sarit Firon	15,500[5]	*
Mr. Dan Falk	4,950[6]	*
Mr. Nir Nimrodi	7,450[7]	*
Dr. Adrian Percy	8,250[8]	*
Mr. Leon Y. Recanati	92,323[9]	1.4%
Prof. Oded Shoseyov	8,250[10]	*
All directors and executive officers as a group (14 persons**)	262,023	3.8%

* Less than 1%.

(1) Consists of 89,500 ordinary shares issuable upon exercise of options that are currently exercisable or exercisable within 60 days of March 17, 2025, of which options to purchase the following number of shares expire on the following dates, respectively: 17,000 on March 22, 2025, 22,500 on August 8, 2027 and 50,000 on April 21, 2030. The weighted average exercise price of these options is NIS 143.13 per ordinary share.

(2) Consists of 15,000 ordinary shares issuable upon exercise of options that are currently exercisable or exercisable within 60 days of March 17, 2025, of which options to purchase the following number of shares expire on the following dates, respectively: 11,250 on March 30, 2032 and 3,750 on November 20, 2034. The weighted average exercise price of these options is NIS 32.83 per ordinary share. Also includes 2,050 shares issuable upon vesting of RSUs that are currently vested or will become vested within 60 days of March 17, 2025, all of which expire on March 8, 2033, and with no exercise price.

(3) Consists of 2,500 ordinary shares of Evogene issuable upon exercise of options that are currently exercisable or exercisable within 60 days of March 17, 2025, which expire on September 1, 2031. The exercise price of these options is NIS 91.7 per ordinary share. Elran Haber serves as the CEO of our subsidiary company Biomica, and as such, also holds options to purchase shares of Biomica. For a description of our subsidiaries' equity incentive plans, please see "Item 6. Directors, Senior Management and Employees—B. Compensation—Share Option and Incentive Plans—Subsidiary Equity Incentive Plans".

(4) Consists of 16,250 ordinary shares issuable upon exercise of options that are currently exercisable or exercisable within 60 days of March 17, 2025, of which options to purchase the following number of shares expire on the following dates, respectively: 3,000 on August 8, 2027, 750 on July 30, 2029, 7,000 on September 1, 2031, 3,000 on March 8, 2033 and 2,500 on November 20, 2034. The weighted average exercise price of these options is NIS 81.36 per ordinary share.

(5) Consists of 15,500 ordinary shares issuable upon exercise of options that are currently exercisable or exercisable within 60 days of March 17, 2025, of which options to purchase the following number of shares expire on the following dates, respectively: 1,000 on August 10, 2026, 250 on August 8, 2027,250 on August 6, 2028, 250 on September 23, 2029, 250 on September 22, 2030, 3,600 on September 1, 2031, 3,600 on September 15, 2032, 3,600 on May 11, 2033 and 2,700 on June 13, 2034. The weighted average exercise price of these options is NIS 63.12 per ordinary share.

(6) Consists of 4,950 ordinary shares issuable upon exercise of options that are currently exercisable or exercisable within 60 days of March 17, 2025, of which options to purchase the following number of shares expire on the following dates, respectively: 1,800 on September 15, 2032, 1,800 on May 11, 2033 and 1,350 on June 13, 2034. The weighted average exercise price of these options is NIS 28.42 per ordinary share.

(7) Consists of 7,450 ordinary shares issuable upon exercise of options that are currently exercisable or exercisable within 60 days of March 17, 2025, of which options to purchase the following number of shares expire on the following dates, respectively: 2,500 on April 20, 2030, 1,800 on September 15, 2032, 1,800 on May 11, 2033 and 1,350 on June 13, 2034. The weighted average exercise price of these options is $8.90 per ordinary share.

(8) Consists of 8,250 ordinary shares issuable upon exercise of options that are currently exercisable or exercisable within 60 days of March 17, 2025, of which options to purchase the following number of shares expire on the following dates, respectively: 1,000 on December 23, 2028, 250 on February 1, 2030, 250 on February 1, 2031, 1,800 on August 10, 2031, 1,800 on September 15, 2032, 1,800 on May 11, 2033 and 1,350 on June 13, 2034. The weighted average exercise price of these options is $16.15 per ordinary share.

(9) Includes 83,886 ordinary shares held by Mr. Recanati. Also includes 8,437 ordinary shares issuable upon exercise of options that are currently exercisable or exercisable within 60 days of March 17, 2025, of which options to purchase the following number of shares expire on the following dates, respectively: 250 on July 2, 2025, 250 on May 18, 2026, 250 on May 16, 2027, 250 on June 25, 2028, 250 on July 30, 2029, 250 on November 17, 2030, 187 on June 11, 2031, 1,800 on September 1, 2031, 1,800 on September 15, 2032, 1,800 on May 11, 2033 and 1,350 on June 13, 2034. The weighted average exercise price of these options is NIS 71.28 per ordinary share.

(10) Consists of 8,250 ordinary shares issuable upon exercise of options that are currently exercisable or exercisable within 60 days of March 17, 2025, of which options to purchase the following number of shares expire on the following dates, respectively: 1,000 on November 13, 2028, 250 on December 19, 2029, 250 on November 13, 2030, 1,800 on September 1, 2031, 1,800 on September 15, 2032, 1,800 on May 11, 2033 and 1,350 on June 13, 2034. The exercise price of these options is NIS 55.42 per ordinary share.

Changes in Percentage Ownership by Major Shareholders

Over the course of 2023, there were increases in the percentage ownership of SilverArc (from below 5% to 6.1%), based on its Schedule 13G filed on February 14, 2024. Over the course of 2024, there was a decrease in the percentage ownership of SilverArc, which later decreased to below 5%, based on its Schedule 13G filed on October 15, 2024.

Over the course of 2022, there was a decrease in the percentage ownership of a significant shareholder (which we define as a holder of at least 5% of our issued and outstanding share capital), ARK Investment Management LLC, or ARK, (from 6.01% to 0%), based on Form 13F-HR as filed by ARK on January 24, 2023.

The information above regarding changes in percentage ownership by major shareholders during the years ended December 31, 2022 through 2024 is based solely on information contained in Schedule 13Gs and Form 13F (as may be amended) as filed by such persons with the SEC.

Record Holders

As of March 20, 2025, there are three shareholders of record of our ordinary shares, two of which are located in the United States and one that is located in Israel. The majority of our issued and outstanding ordinary shares were held of record in the United States, in the name of a single record shareholder — Cede & Co., as nominee for the Depository Trust Company. The number of record holders is not representative of the number of beneficial holders of our ordinary shares, nor is it representative of where such beneficial holders reside, since the shares held in the name of Cede & Co. are listed for trading on Nasdaq and the TASE and are beneficially owned by a wide range of underlying beneficial shareholders who hold their shares in "street name," including Israeli and other non-U.S. shareholders.

B. Related Party Transactions

Except as described below or elsewhere in this Annual Report, since January 1, 2024, we have had no transaction, nor do we have any presently proposed transaction, and neither we nor our subsidiaries have had any loan, nor do we or our subsidiaries have any presently proposed loan, involving any related party described in Item 7.B. of this Annual Report.

Agreements with Directors and Officers

Employment Agreements

We have entered into written employment agreements with all of our executive officers. Each of these agreements contains provisions regarding non-competition, confidentiality of information and assignment of inventions. The non-competition provision applies for a period that is generally 12 months following termination of employment. The enforceability of covenants not to compete in Israel and in the United States is subject to limitations.

Equity Awards

See "Item 6. Directors, Senior Management and Employee—B. Compensation—Share Option and Incentive Plans."

Indemnification Agreements

Our articles of association allow us to indemnify and insure our office holders for any liability imposed on them as a consequence of an act which was performed by virtue of being an office holder. They also allow us to 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. In furtherance of such allowance, we have entered into agreements with each of our directors and executive officers exculpating them, 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. See "Item 6. Directors, Senior Management and Employees—C. Board Practices—Exculpation, Insurance and Indemnification of Office Holders."

Agreement with a Close Family Member of Key Management Personnel

During 2022, we entered into an employment agreement with Mr. Almog Haviv, the son of our Chief Executive Officer. The engagement of Mr. Almog was made on an hourly basis, at a scope of approximately 30 hours per week, for an hourly rate of approximately $15, which is customary for the position held by Mr. Almog Haviv. The engagement of Mr. Almog Haviv was terminated in June 2024.

C. Interests of Experts and Counsel

Not applicable.

ITEM 8. FINANCIAL INFORMATION

A. Consolidated Statements and Other Financial Information

Consolidated financial statements

We have appended our consolidated financial statements at the end of this Annual Report, together with the report of our independent auditor on those financial statements, beginning on page F-2, as part of this Annual Report.

Legal Proceedings

From time to time, we may be subject to legal proceedings and claims in the ordinary course of business. We are currently not involved in any pending or contemplated legal proceedings that could reasonably be expected to have a significant effect on our financial position, profitability or cash flows, except as set forth below. We may become involved in material legal proceedings in the future. Regardless of the outcome, litigation can have an adverse impact on us because of defense and settlement costs, diversion of management resources and other factors.

Titan Castor Farms Limited

On June 27, 2023, Casterra entered into a Growing Services Agreement with Titan Castor Farms Limited, or Titan, a Zambia-based company, pursuant to which Titan will provide to Casterra the following services, on a statement of work basis: planning, growing, data collections, harvesting, dehulling, packaging and will serve as exporter. Casterra has initiated legal proceedings in Zambia against Titan for the recovery of approximately one million dollars, paid as pre-payment for castor seeds, which were not provided to date. On March 4, 2025, Casterra and Titan entered into a consent judgment, pursuant to which Titan will repay its debt to Casterra in several installments by way of cash and in kind.

Dividend Policy

Since our inception, we have not declared or paid any cash or other form of dividends on our ordinary shares. We currently intend to retain any earnings for use in our business and do not currently intend to pay cash dividends on our ordinary shares. Dividends, if any, on our outstanding ordinary shares will be declared by and subject to the discretion of our board of directors. Even if our board of directors decides to distribute dividends, the form, frequency and amount of such dividends will depend upon our future operations and earnings, capital requirements and surplus, general financial condition, contractual restrictions and other factors our board of directors may deem relevant.

In addition, the distribution of dividends may be limited by Israeli law, which permits the distribution of dividends only out of distributable profits. See “Dividend and Liquidation Rights” in Exhibit 2.1 to this Annual Report.

B. Significant Changes

No significant changes have occurred since December 31, 2024, except as otherwise disclosed in this Annual Report.

ITEM 9. THE OFFER AND LISTING

A. Offer and Listing Details

Our ordinary shares are listed for trading on both the TASE and Nasdaq, in each case under the symbol "EVGN".

B. Plan of Distribution

Not applicable.

C. Markets

See "-Offer and Listing Details" above.

D. Selling Shareholders

Not applicable.

E. Dilution

Not applicable.

F. Expenses of the Issue

Not applicable.

ITEM 10. ADDITIONAL INFORMATION

A. Share Capital

Not applicable.

B. Memorandum and Articles of Association

For a discussion of the provisions of the company's articles of association with respect to the powers of directors, see "Item 6. Directors, Senior Management and Employees—C. Board Practices." A copy of our articles of association is attached as Exhibit 1.1 to this Annual Report. The information called for by this Item 10.B is set forth in Exhibit 2.1 to this Annual Report and is incorporated by reference into this Annual Report.

C. Material Contracts

We have not entered into any material contracts within the two years prior to the date of this Annual Report, other than contracts entered into in the ordinary course of business, or as otherwise described herein in Item 4.A "History and Development of the Company", Item 4.B "Business Overview", Item 5.B "Operating and Financial Review and Prospects-Liquidity and Capital Resources", Item 6.C "Board Practices" and Item 7.B "Related Party Transactions".

The following is a summary of each material contract, other than material contracts entered into in the ordinary course of business, to which we are or have been a party, for the two years immediately preceding the date of this Annual Report:

Sales Agreement

On March 28, 2024 we entered into the Lake Street Sales Agreement with Lake Street, pursuant to which we may offer and sell, from time to time, our ordinary shares, through Lake Street in an "at the market offering", as defined in Rule 415(a)(4) promulgated under the Securities Act, for an aggregate offering price of up to $7.3 million. In August 2024 we reduced the maximum aggregate gross sales price of our ordinary shares that may be offered, issued and sold under the Lake Street Sales Agreement, including ordinary shares previously sold, to $4,500,000. As of December 31, 2024, we have issued approximately 10,000 ordinary shares for gross proceeds of approximately $85,000 under the Lake Street Sales Agreement.

Information on that transaction is set forth in this Annual Report under "Item 5. Operating and Financial Review and Prospects—B. Liquidity and Capital Resources— Recent Public Offerings of Ordinary Shares— Cantor Controlled Equity Offering^{SM} Sales Agreement" and is incorporated by reference herein.

2024 Registered Direct Offering and Private Placement

On August 23, 2024, we entered into the Securities Purchase Agreement, with the Investor, pursuant to which we agreed to issue and sell to the Investor in a registered direct offering, or the 2024 Offering, (i) 265,000 ordinary shares, and (ii) pre-funded warrants, or the Pre-Funded Warrants, to purchase up to 1,427,308 ordinary shares. The Pre-Funded Warrants have an exercise price of $0.0001 per ordinary share, are immediately exercisable and may be exercised at any time until exercised in full.

In a concurrent private placement, or the Private Placement, we also agreed to sell to the Investor unregistered Series A ordinary warrants to purchase up to 1,692,308 ordinary shares, or the Series A Warrants, and unregistered Series B ordinary warrants to purchase up to 1,692,308 ordinary shares, or the Series B Warrants. Each ordinary share (or Pre-Funded Warrant) was sold with one Series A Warrant to purchase one ordinary share and one Series B Warrant to purchase one ordinary share at a combined purchase price of $3.25. The Series A Warrants have an exercise price of $3.55 per share, are immediately exercisable upon issuance and will expire five years from issuance. The Series B Warrants have an exercise price of $3.55 per share, are immediately exercisable upon issuance and will expire eighteen months from issuance. Our total gross proceeds from the 2024 Offering and the Private Placement were approximately $5.5 million.

We also entered into a letter agreement, or the Placement Agency Agreement, with A.G.P./Alliance Global Partners, as sole placement agent, or AGP, dated August 23, 2024, pursuant to which AGP agreed to serve as the placement agent for Evogene in connection with the 2024 Offering. We agreed to pay AGP a cash placement fee equal to 7.0% of the gross proceeds received from the sale of the securities sold in the 2024 Offering.

Controlled Equity Offering Sales Agreements

On January 14, 2021 and February 19, 2021, we entered into Controlled Equity Offering^{SM} Sales Agreements, or the January Sales Agreement and February Sales Agreement, respectively, with Cantor Fitzgerald & Co., or the Agent, pursuant to which the Company could offer and sell, from time to time, its ordinary shares, through the Agent in an at-the-market offering, as defined in Rule 415(a)(4) promulgated under the Securities Act, for an aggregate offering price of up to $28.0 million and $50.0 million (subsequently reduced to approximately $19.5 million), respectively. Information on that transaction is set forth in this Annual Report under "Item 5. Operating and Financial Review and Prospects —B. Liquidity and Capital Resources— Recent Public Offerings of Ordinary Shares— Cantor Controlled Equity Offering^{SM} Sales Agreement" and is incorporated by reference herein. The January Sales Agreement and February Sales Agreement were each terminated as of March 2024. For the years ended December 31, 2023 and 2024, we received cumulative aggregate gross proceeds of approximately $700,000 under the January Sales Agreement and February Sales Agreement.

Lavie Bio SAFE with ICL

In August 2022, ICL invested (through an affiliate company) in Lavie Bio $10 million under a SAFE (simple agreement for future equity). Information on that transaction is set forth in this Annual Report under "Item 4. Information on the Company—B. Business Overview— Market Segments— Agriculture— Lavie Bio Ltd.— Key Collaborations— ICL Group" and is incorporated by reference herein.

Biomica Share Purchase Agreement with SHC

On April 27, 2023, we announced the closing of a definitive agreement for a $20 million financing round in Biomica, led by a $10 million investment from SHC, with an additional $10 million invested by Evogene. Following the closing of this transaction, we hold approximately 67% of the share capital of Biomica, while SHC holds approximately 20%, in each case on a fully diluted basis. Information on that transaction is set forth in this Annual Report under "Item 4. Information on the Company— B. Business Overview— Market Segments— Human Health— Biomica Ltd.— Overview" and is incorporated by reference herein.

2023 Registered Direct Offering

On July 17, 2023, we entered into a Securities Purchase Agreement, with certain institutional investors, pursuant to which we issued and sold to such investors in a registered direct offering 850,000 ordinary shares, at a purchase price of $10.00 per share. The total gross proceeds to our company from the 2023 Offering was $8,500,000. Information on that transaction is set forth in this Annual Report under "Item 5. Operating and Financial Review and Prospects—B. Liquidity and Capital Resources— Public Offerings of Ordinary Shares—2023 Registered Direct Offering" and is incorporated by reference herein.

We also entered into a letter agreement, or the Placement Agency Agreement, with AGP, as sole placement agent, dated July 17, 2023, pursuant to which the Placement Agent agreed to serve as our placement agent in connection with the Offering. We paid AGP a cash placement fee equal to 7.0% of the gross proceeds received for the ordinary shares sold in the 2024 Offering.

Casterra Agreements with ENI and its Affiliate

On November 14, 2022, our subsidiary, Casterra, entered into an agreement with an affiliate of ENI, whereby Casterra will provide its unique castor varieties and its broad know-how in cultivation of castor at a commercial scale for biofuel production. Under the framework of the agreement, the initial focus is the purchase agreement of castor seed varieties from Casterra for growing castor in specific African territories and the provision of technical support. The agreement also allows for the potential for long-term cooperation in castor cultivation between this customer and Casterra, with the potential for expansion into additional territories on the African continent. In November 2023, the agreement was extended until November 1, 2024.

On June 21, 2023, Casterra announced that it entered into a framework agreement to sell seeds of its proprietary castor varieties to ENI Kenya B.V., or ENI, for cultivation in specific African territories at a commercial scale for biofuel production. Pursuant to this agreement Casterra received, an order totaling $9.1 million in June 2023. In June 2023, Casterra received an additional order totaling approximately $2.2 million for the supply of castor seeds.

On June 25, 2024, Casterra announced the receipt of an additional purchase order valued at approximately $440 thousand.

During 2023, Casterra supplied approximately 90 tons of seeds. During 2024, Casterra supplied approximately 215 tons of seeds. Commencing in January 2025 and until the date of this Annual Report, Casterra supplied additional approximately 250 tons of seeds. This reflects solving the bottleneck in seed production Casterra previously faced, that caused a delay in the delivery schedule and consequent price adjustments.

Casterra is currently negotiating with ENI to supply additional approximately 234 tons of seeds, in lieu of expired previous orders from 2023.

Information on that transaction is set forth in this Annual Report under "Item 5. Operating and Financial Review and Prospects—B. Liquidity and Capital Resources—Casterra Agreement with ENI" and is incorporated by reference herein.

Lavie Bio Licensing Agreement for Bio-Fungicides with Corteva Agriscience

On July 14, 2023, Lavie Bio entered into a licensing agreement with Corteva Inc. This agreement grants Corteva perpetual, exclusive rights (subject to reaching certain commercial milestones) to further develop and commercialize the lead bio-fungicide candidates targeting fruit rots and powdery mildew, which were discovered and developed by Lavie Bio.

In November 2024 Lavie Bio received notice of termination of this agreement. Pursuant to the terms of the agreement, Lavie Bio received an initial payment of $ 5.0 million from Corteva, which will not be repaid to Corteva because of the termination. Lavie Bio has regained all rights to the licensed technology and the lead bio-fungicide candidates.

Information on that transaction is set forth in this Annual Report under "Item 5. Operating and Financial Review and Prospects—B. Liquidity and Capital Resources—Lavie Bio Licensing Agreement for Bio-Fungicides with Corteva Agriscience" and is incorporated by reference herein.

Indemnification Agreements

We have entered into indemnification agreements with our office holders. Information on the indemnification agreements may be found in this Annual Report under "Item 7. Major Shareholders and Related Party Transactions—B. Related Party Transactions—Agreements with Directors and Officers—Indemnification Agreements," and is incorporated herein by reference.

Other Compensation Agreements

- Evogene Ltd. Officers Compensation Policy. See "Item 6. Directors, Senior Management and Employees" for more information about this document.
- Evogene Ltd. Officers Clawback Policy. See "Item 6. Directors, Senior Management and Employees" for more information about this document.
- Evogene Ltd. 2013 Share Option Plan. See "Item 6. Directors, Senior Management and Employees" for more information about this document.
- Evogene 2021 Share Incentive Plan. See "Item 6. Directors, Senior Management and Employees" for more information about this document.

D. Exchange Controls

Other than general anti-money laundering regulations, there are currently no Israeli currency control regulations in effect that restrict our import or export of capital to or from the State of Israel, or the availability of cash and cash equivalents for use by our affiliated companies. Under the Bank of Israel Law, 5770-2010, the Governor of the Bank of Israel, with the approval of the monetary policy committee of the Bank of Israel, is authorized to issue an administrative order restricting the transfer of funds to or from Israel. However, such an order is only likely to be issued under emergency circumstances and only for a temporary period, if necessary for the achievement of the goals of the Bank of Israel or the carrying out of its responsibilities under Israeli law. Furthermore, Israel has agreed, pursuant to international agreements to which it is a party (including incident to Israel's having joined the International Monetary Fund) to allow for the free flow of capital to and from within its borders. Certain transactions nevertheless require the filing of reports with the Bank of Israel.

Similarly, there are no currently effective Israeli governmental laws, decrees, regulations or other legislation that restrict the payment of dividends or other distributions with respect to our ordinary shares or the proceeds from the sale of the shares, except for the obligation of Israeli residents to file reports with the Bank of Israel regarding some transactions. However, legislation remains in effect under which currency controls can be imposed by administrative action at any time.

E. Taxation

Israel Income Tax Consequences

This section discusses the material Israeli income tax consequences concerning the ownership and disposition of our ordinary shares by our non-Israeli shareholders. 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 traders in securities who are subject to special tax regimes not covered in this discussion. Because parts of this discussion are 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.

Taxation of Our Non-Israeli Shareholders

Capital Gains Taxes Applicable to Non-Israeli Resident Shareholders. A non-Israeli resident (whether individual or corporation) who derives capital gains from the sale of shares in an Israeli resident company that were purchased after the company was listed for trading on a stock exchange outside of Israel should generally be exempt from Israeli tax so long as the shares were not held through a permanent establishment that the non-resident maintains in Israel and that such shareholder is not subject to the Israeli Income Tax Law (Inflationary Adjustments) 5745-1985. 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 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. Additionally, such exemption is not applicable to a person whose gains from selling or otherwise disposing of the shares are deemed to be business income.

If not exempt, a non-Israeli resident shareholder would generally be subject to tax on capital gain at the ordinary corporate tax rate (23% in 2024) if generated by a company, or at the rate of 25%, if generated by an individual, or 30%, if generated by an individual who is a "substantial shareholder" (as defined under the Israeli Tax Ordinance), at the time of sale or at any time during the preceding 12-month period (or if the shareholder claims a deduction for interest and linkage differences expenses in connection with the purchase and holding of such shares). 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 based on a contract, holds, directly or indirectly, at least 10% of any of the "means of control" of the corporation. "Means of control" generally include, among others, 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. Individual and corporate shareholders dealing in securities in Israel are taxed at the tax rates applicable to business income (a corporate tax rate for a corporation (23% in 2024) and a marginal tax rate of up to 47% for an individual in 2024 (excluding excess tax as discussed below)) unless contrary provisions in a relevant tax treaty apply (subject to the receipt in advance of a valid certificate from the Israel Tax Authority allowing for a reduced tax rate).

Additionally, a sale of shares by a non-Israeli resident may be exempt from Israeli capital gains tax under the provisions of an applicable tax treaty (subject to the receipt in advance of a valid certificate from the Israel Tax Authority allowing for an exemption). For example, under the United States-Israel Tax Treaty, the disposition of shares by a shareholder who is a United States resident (for purposes of the United States-Israel Tax Treaty) holding the shares as a capital asset and is entitled to claim the benefits afforded to such person by the treaty, is generally exempt from Israeli capital gains tax unless, among other things, (i) the capital gain arising from the disposition can be attributed to a permanent establishment of the shareholder which is maintained in Israel; (ii) the shareholder holds, directly or indirectly, shares representing 10% or more of the voting capital during any part of the 12-month period preceding such sale, exchange or disposition, subject to certain conditions; (iii) such U.S. resident if an individual, was present in Israel for a period or periods aggregating to 183 days or more during the relevant taxable year; (iv) the capital gain arising from such sale, exchange or disposition is attributed to real estate located in Israel; or (v) the capital gains arising from such sale, exchange or disposition is attributed to royalties. In each 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, the United States resident would be permitted to claim a credit for the Israeli tax against the United States federal income tax imposed with respect to the sale, exchange or disposition, subject to the limitations in United States laws applicable to foreign tax credits. The United States-Israel Tax Treaty does not relate to U.S. state or local taxes.

In some instances, where our shareholders may be liable for Israeli tax on the sale of their ordinary shares, the payment of the consideration may be subject to the withholding of Israeli tax at source. Shareholders 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, in transactions involving a sale of all of the shares of an Israeli resident company, in the form of a merger or otherwise, the Israel Tax Authority may require from shareholders who are not liable for Israeli tax to sign declarations in forms specified by this authority or obtain a specific exemption from the Israel Tax Authority to confirm their status as non-Israeli resident, and, in the absence of such declarations or exemptions, may require the purchaser of the shares to withhold taxes at source.

A detailed return, including a computation of the tax due, must be filed and an advance payment must be paid on January 31 and July 30 of each tax year for sales of securities traded on a stock exchange made within the previous six months. However, if all tax due was withheld at the source according to applicable provisions of the Israeli Tax Ordinance and the regulations promulgated thereunder, the return does not need to be filed provided that (i) such income was not generated from business conducted in Israel by the taxpayer, (ii) the taxpayer has no other taxable sources of income in Israel with respect to which a tax return is required to be filed and an advance payment does not need to be made, and (iii) the taxpayer is not obligated to pay excess tax (as further explained below). Capital gains are also reportable on an annual income tax return.

Taxation of Non-Israeli Shareholders 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%. With respect to a person who is a "substantial shareholder" (as defined above) at the time of receiving the dividend or on any time during the preceding twelve months, the applicable tax rate is 30%. Dividends paid on publicly traded shares, which are registered with and held by a nominee company, to non-Israeli residents are generally subject to Israeli withholding tax at a rate of 25% (whether the recipient is a "substantial shareholder" or not), unless a lower rate is provided under an applicable tax treaty between Israel and the shareholder's country of residence and provided that a certificate from the Israel Tax Authority allowing for a reduced withholding tax rate is obtained in advance.

In this regard, under the United States-Israel Tax Treaty and subject to the eligibility to the benefits under this treaty, the maximum rate of tax withheld at source in Israel on dividends paid to a holder of our ordinary shares who is a United States resident (for purposes of the United States-Israel Tax Treaty) is 25%. However, generally, the maximum rate of withholding tax on dividends, not generated by an Approved Enterprise or a Beneficiary Enterprise (as such terms are defined in the Encouragement Law), that are paid to a United States corporation holding at least 10% or more of our 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 no more than 25% of our gross income for such preceding year consists of certain types of dividends and interest. Notwithstanding the foregoing, dividends distributed from income attributed to an Approved Enterprise, or a Beneficiary Enterprise are not entitled to such reduction under such tax treaty but are subject to withholding tax at the rate of 15% for such a United States corporate shareholder, provided that the conditions related to the holding of 10% of our voting capital and to our gross income for the previous year (as set forth in the previous sentence) are met. The aforementioned rates under the United States-Israel Tax Treaty would not apply if the dividend income is derived through a permanent establishment of the U.S. resident which is maintained in Israel. We cannot assure you that we will designate the profits that we may distribute in a way that will reduce shareholders' tax liability. United States residents who are subject to Israeli withholding tax on a dividend may be entitled to a credit or deduction for Untied States federal income tax purposes in the amount of the taxes withheld, subject to detailed rules contained in United States tax legislation.

A non-Israeli resident who receives dividends from which tax was withheld is generally exempt from the obligation to file tax returns in Israel with respect to such income, provided that (i) such income was not derived from a business conducted in Israel by the taxpayer, (ii) the taxpayer has no other taxable sources of income in Israel with respect to which a tax return is required to be filed, and (iii) in the case of individuals, the taxpayer is not obliged to pay excess tax (as further explained below).

Excess Tax

Subject to the provisions of an applicable tax treaty, individuals who are subject to 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 taxable income (including, but not limited to, dividends, interest and capital gain) exceeding a certain threshold (NIS 721,560 for 2024), which amount is generally linked to the annual change in the Israeli consumer price index and therefore is usually adjusted on an annual basis (with the exception that based on Israeli new legislation such amount, and certain other statutory amounts will not be linked to the Israeli consumer price index for the years 2025-2027). According to new legislation, in effect as of January 1, 2025, an ***additional*** 2% excess tax is imposed on Capital-Sourced Income (defined as income from any source other than employment income, business income or income from "personal effort"), to the extent that the Individual's Capital Sourced Income exceeds the specified threshold of NIS 721,560 (and regardless of the employment/business income amount of such individual). This new excess tax applies, among other things, to income from capital gains, dividends, interest, rental income, or the sale of real property.

United States Federal Income Taxation

The following is a description of the material United States federal income tax consequences to U.S. Holders (as defined below) of the acquisition, ownership and disposition of our ordinary shares. This description addresses only the United States federal income tax consequences to holders of our ordinary shares that hold such ordinary shares as capital assets. This description does not address tax considerations applicable to holders that may be subject to special tax rules, including, without limitation:

- banks, financial institutions or insurance companies;
- real estate investment trusts, regulated investment companies or grantor trusts;
- dealers or traders in securities, commodities or currencies;
- tax-exempt entities;
- certain former citizens or long-term residents of the United States;
- persons that received our shares as compensation for the performance of services;
- persons that will hold our shares as part of a "hedging," "integrated" or "conversion" transaction or as a position in a "straddle" for United States federal income tax purposes;
- partnerships (including entities classified as partnerships for United States federal income tax purposes) or other pass-through entities, or holders that will hold our shares through such an entity;
- persons subject to special tax accounting rules as a result of any item of gross income with respect to the ordinary shares being taken into account in an "applicable financial statement" pursuant to Section 451(b) of the Code;
- U.S. Holders (as defined below) whose "functional currency" is not the U.S. dollar; or
- holders that own directly, indirectly or through attribution 10.0% or more of the voting power or value of our shares.

Moreover, this description does not address the United States federal estate, gift or alternative minimum tax consequences, or any state, local or foreign tax consequences, of the acquisition, ownership and disposition of our ordinary shares.

This description is based on the Code, existing, proposed and temporary United States Treasury Regulations and judicial and administrative interpretations thereof, in each case as in effect and available on the date hereof. Each of the foregoing is subject to change, which change could apply retroactively and could affect the tax consequences described below. There can be no assurances that the U.S. Internal Revenue Service will not take a different position concerning the tax consequences of the acquisition, ownership and disposition of our ordinary shares or that such a position would not be sustained.

For purposes of this description, a "U.S. Holder" is a beneficial owner of our ordinary shares that, for United States federal income tax purposes, is:

- a citizen or resident of the United States;
- a corporation (or other entity treated as a corporation for United States federal income tax purposes) created or organized in or under the laws of the United States or any state thereof, including the District of Columbia;
- an estate the income of which is subject to United States federal income taxation regardless of its source; or
- a trust if such trust has validly elected to be treated as a United States person for United States federal income tax purposes or if (1) a court within the United States is able to exercise primary supervision over its administration and (2) one or more United States persons have the authority to control all of the substantial decisions of such trust.

A "Non-U.S. Holder" is a beneficial owner of our ordinary shares that is neither a U.S. Holder nor a partnership (or other entity treated as a partnership for United States federal income tax purposes).

If a partnership (or any other entity treated as a partnership for United States federal income tax purposes) holds our ordinary shares, the tax treatment of a partner in such partnership will generally depend on the status of the partner and the activities of the partnership. Such a partner or partnership is encouraged to consult its tax advisor as to its tax consequences.

You are encouraged to consult your advisor with respect to the United States federal, state, local and foreign tax consequences of acquiring, owning and disposing of our ordinary shares.

Distributions

Subject to the discussion below under "Passive Foreign Investment Company Considerations," if you are a U.S. Holder, the gross amount of any distribution that we pay you with respect to our ordinary shares before reduction for any Israeli taxes withheld therefrom generally will be includible in your income as dividend income to the extent such distribution is paid out of our current or accumulated earnings and profits as determined under United States federal income tax principles. To the extent that the amount of any cash distribution exceeds our current and accumulated earnings and profits as determined under United States federal income tax principles, it will be treated first as a tax-free return of your adjusted tax basis in our ordinary shares and thereafter as capital gain. We do not expect to maintain calculations of our earnings and profits under United States federal income tax principles. Therefore, if you are a U.S. Holder you should expect that the entire amount of any cash distribution generally will be reported as dividend income to you; provided, however, that distributions of ordinary shares to U.S. Holders that are part of a pro rata distribution to all of our shareholders generally will not be subject to United States federal income tax. Subject to the PFIC rules discussed below, non-corporate U.S. Holders may qualify for the lower rates of taxation with respect to dividends on ordinary shares applicable to long-term capital gains (*i.e.*, gains from the sale of capital assets held for more than one year), provided that certain conditions are met, including certain holding period requirements and the absence of certain risk reduction transactions. However, such reduced rate shall not apply if we are a PFIC for the taxable year in which we pay a dividend, or were a PFIC for the preceding taxable year. Dividends will not be eligible for the dividends received deduction generally allowed to corporate U.S. Holders.

If you are a U.S. Holder, dividends that we pay you with respect to our ordinary shares will be treated as foreign source income, which may be relevant in calculating your foreign tax credit limitation. Subject to certain conditions and limitations, Israeli tax withheld on dividends may be deducted from your taxable income or credited against your United States federal income tax liability. The limitation on foreign taxes eligible for credit is calculated separately with respect to specific classes of income. For this purpose, dividends that we distribute generally should constitute "passive category income." A foreign tax credit for foreign taxes imposed on distributions may be denied if you do not satisfy certain minimum holding period requirements. The rules relating to the determination of the foreign tax credit are complex, and you are encouraged to consult your tax advisor to determine whether and to what extent you will be entitled to this credit.

Sale, Exchange or Other Disposition of Ordinary Shares

Subject to the discussion below under "Passive Foreign Investment Company Considerations," if you are a U.S. Holder, you generally will recognize an amount of gain or loss on the sale, exchange or other disposition of our ordinary shares equal to the difference between the amount realized on such sale, exchange or other disposition and your tax basis in our ordinary shares, and such gain or loss will be capital gain or loss. The tax basis in an ordinary share generally will equal the cost of such ordinary share. If you are a non-corporate U.S. Holder, capital gain from the sale, exchange or other disposition of ordinary shares generally will be eligible for a preferential rate of taxation applicable to capital gains, if your holding period for such ordinary shares exceeds one year. The deductibility of capital losses for United States federal income tax purposes is subject to limitations under the Code. However, as discussed below, we believe we were not classified as a PFIC for the year ended December 31, 2024. In case we are classified as PFIC special rules may apply as explained below. Any such gain or loss that a U.S. Holder recognizes generally will be treated as U.S. source income or loss for foreign tax credit limitation purposes.

Passive Foreign Investment Company Considerations

Based on certain estimates of our gross income and gross assets and the nature of our business, we believe that we should not be classified as a PFIC for the taxable year ending December 31, 2024.

A non-U.S. corporation will be classified as a PFIC for federal income tax purposes in any taxable year in which, after applying certain look-through rules, either:

- at least 75% of its gross income is "passive income"; or
- at least 50% of the average quarterly value of its gross assets (which may be determined in part by the market value of our ordinary shares, which is subject to change) is attributable to assets that produce "passive income" or are held for the production of passive income.

Passive income for this purpose generally includes dividends, interest, royalties, rents, gains from commodities and securities transactions, the excess of gains over losses from the disposition of assets which produce passive income, and includes amounts derived by reason of the temporary investment of funds raised in offerings of our ordinary shares. If a non-U.S. corporation owns at least 25% by value of the stock of another corporation, the non-U.S. corporation is treated for purposes of the PFIC tests as owning its proportionate share of the assets of the other corporation and as receiving directly its proportionate share of the other corporation's income. For publicly traded corporations, the PFIC asset test described above is applied using the fair market value of the non-U.S. corporation's assets. For purposes of a the PFIC asset test, a publicly traded non-U.S. corporation may treat the aggregate fair market value of its assets as being equal to the sum of its Market Capitalization and the total amount of its liabilities. We intend to take the position that the excess of our Market Capitalization plus liabilities over the book value of all of our assets may generally be treated as attributable to non-passive assets. If we are classified as a PFIC in any year with respect to which a U.S. Holder owns our ordinary shares, we will continue to be treated as a PFIC with respect to such U.S. Holder in all succeeding years during which the U.S. Holder owns our ordinary shares, regardless of whether we continue to meet the tests described above.

Based on the book value of our assets and liabilities and our Market Capitalization in 2024, we believe that we did not meet the PFIC asset test described above for 2024 and, as a result, we were not classified as a PFIC in 2024. Because we currently hold, and expect to continue to hold, a substantial amount of cash and cash equivalents and other passive assets used in our business, there is substantial risk we will be classified as a PFIC for the 2025 taxable year. However, because PFIC status is based on our income, assets and activities for the entire taxable year, and our Market Capitalization, it is not possible to determine whether we will be characterized as a PFIC for the 2025 taxable year until after the close of the year. Moreover, we must determine our PFIC status annually after the close of each taxable year based on tests which are factual in nature, and our status in future years will depend on our income, assets, activities and Market Capitalization in those years. Thus, there can be no assurance that we will not be considered a PFIC for the current taxable year or any future taxable year.

If we are a PFIC for any taxable year during which a U.S. Holder owns ordinary shares, we will generally continue to be treated as a PFIC with respect to such U.S. Holder for all succeeding years during which such U.S. Holder owns such ordinary shares, unless we cease to be a PFIC and the U.S. Holder makes a "deemed sale" election with respect to such ordinary shares. If such election is made, the U.S. Holder will be deemed to have sold the ordinary shares it holds at their fair market value and any gain from the deemed sale would be subject to the rules described in the following paragraph. After the deemed sale election, so long as we do not become a PFIC in a subsequent taxable year, the ordinary shares with respect to which such election was made will not be treated as shares in a PFIC and will not be subject to the rules described below with respect to any "excess distribution" the U.S. Holder receives from us or any gain from an actual sale or other disposition of such ordinary shares. U.S. Holders are strongly urged to consult their tax advisors as to the possibility and consequences of making a deemed sale election if we were to become and then cease to be a PFIC, and such election becomes available.

If you are a U.S. Holder that owns our ordinary shares during any taxable year for which we are a PFIC, then unless you make one of the elections described below, a special tax regime will apply to both (a) any "excess distribution" by us to you (generally, your ratable portion of distributions in any year which are greater than 125% of the average annual distribution received by you in the shorter of the three preceding years or your holding period for our ordinary shares) and (b) any gain realized on the sale or other disposition of the ordinary shares. Under this regime, any excess distribution and realized gain will be treated as ordinary income (even if you hold the ordinary shares as capital assets) and will be subject to tax as if (a) the excess distribution or gain had been realized ratably over your holding period, (b) the amount deemed realized in each year had been subject to tax in each year of that holding period at the highest marginal rate for such year (other than income allocated to the current period or any taxable period before we became a PFIC, which would be subject to tax at the U.S. Holder's regular ordinary income rate for the current year and would not be subject to the interest change discussed below), and (c) the interest charge generally applicable to underpayments of tax had been imposed on the taxes deemed to have been payable in those years. The tax liability for amounts allocated to years prior to the year of disposition or excess distribution cannot be offset by any net operating losses for such years.

If we are a PFIC for any taxable year during which a U.S. Holder holds our ordinary shares, then in lieu of being subject to the tax and interest charge rules discussed above, a U.S. Holder may make an election to include gain on the stock of a PFIC as ordinary income under a mark-to-market method, provided that such ordinary shares are "regularly traded" on a "qualified exchange." In general, our ordinary shares will be treated as "regularly traded" for a given calendar year if more than a *de minimis* quantity of our ordinary shares are traded on a qualified exchange on at least 15 days during each calendar quarter of such calendar year. Our ordinary shares are listed, and we expect them to continue to be listed for the foreseeable future, on the New York Stock Exchange, which is a qualifying exchange for this purpose. However, no assurance can be given that our ordinary shares will continue to be regularly traded on a "qualified exchange" for purposes of the mark-to-market election. In addition, because a mark-to-market election cannot be made for any lower-tier PFICs that we may own, a U.S. Holder may continue to be subject to the PFIC rules discussed above with respect to such holder's indirect interest in any investments we hold that are treated as an equity interest in a PFIC for United States federal income tax purposes.

If a U.S. Holder makes an effective mark-to-market election, in each year that we are a PFIC, such U.S. Holder will include in each year that we are a PFIC as ordinary income the excess of the fair market value of such U.S. Holder's ordinary shares at the end of the year over such U.S. Holder's adjusted tax basis in the shares. Such U.S. Holder will be entitled to deduct as an ordinary loss in each such year the excess of such U.S. Holder's adjusted tax basis in the ordinary shares over their fair market value at the end of the year, but only to the extent of the net amount previously included in income as a result of the mark-to-market election. If a U.S. Holder makes an effective mark-to-market election, in each year that we are a PFIC, any gain such U.S. Holder recognizes upon the sale or other disposition of such U.S. Holder's ordinary shares will be treated as ordinary income and any loss will be treated as ordinary loss, but only to the extent of the net amount of previously included income as a result of the mark-to-market election.

A U.S. Holder's adjusted tax basis in the ordinary shares will be increased by the amount of any income inclusion and decreased by the amount of any deductions under the mark-to-market rules discussed above. If a U.S. Holder makes an effective mark-to-market election, it will be effective for the taxable year for which the election is made and all subsequent taxable years unless the ordinary shares are no longer regularly traded on a qualified exchange or the IRS consents to the revocation of the election. U.S. Holders are encouraged to consult their tax advisers about the availability of the mark-to-market election, and whether making the election would be advisable in their particular circumstances.

In certain circumstances, a U.S. equity holder in a PFIC may avoid the adverse tax and interest-charge regime described above by making a "qualified electing fund" election to include in income its share of the corporation's income on a current basis. However, a U.S. Holder may make a qualified electing fund election with respect to the ordinary shares only if we agree to furnish the Holder annually with a PFIC annual information statement as specified in the applicable Treasury regulations.

We do not intend to provide the information necessary for U.S. Holders to make qualified electing fund elections if we are classified as a PFIC. U.S. Holders are encouraged to consult their tax advisors to determine whether any of these elections would be available and if so, what the consequences of the alternative treatments would be in their particular circumstances.

If we are determined to be a PFIC for any year in which a U.S. Holder holds our ordinary shares, the general tax treatment for the U.S. Holder described in this paragraph would apply to indirect distributions and gains deemed to be realized by the U.S. Holders in respect of any of our subsidiaries that also may be determined to be PFICs.

If a U.S. Holder owns ordinary shares during any year in which we are a PFIC and the U.S. Holder recognizes gain on a disposition of our ordinary shares or receives distributions with respect to our ordinary shares, the U.S. Holder generally will be required to file an IRS Form 8621 with respect to the company, generally with the U.S. Holder's federal income tax return for that year. If our company were a PFIC for a given taxable year, then you are encouraged to consult your tax advisor concerning your annual filing requirements.

U.S. Holders are strongly encouraged to consult their tax advisors regarding the consequences of our classification as a PFIC for our 2024 taxable year, our potential classification as a PFIC in 2025 and future taxable years, and the application of the PFIC rules on their investment.

Backup Withholding Tax and Information Reporting Requirements

United States backup withholding tax and information reporting requirements may apply to certain payments to certain holders of stock. Information reporting generally will apply to payments of dividends on, and to proceeds from the sale or redemption of, our ordinary shares made within the United States, or by a United States payor or United States middleman, to a holder of our ordinary shares, other than an exempt recipient (including a payee that is not a United States person that provides an appropriate certification and certain other persons). A payor will be required to withhold backup withholding tax from any payments of dividends on, or the proceeds from the sale or redemption of, ordinary shares within the United States, or by a United States payor or United States middleman, to a holder, other than an exempt recipient, if such holder fails to furnish its correct taxpayer identification number or otherwise fails to comply with, or establish an exemption from, such backup withholding tax requirements. Any amounts withheld under the backup withholding rules will be allowed as a credit against the beneficial owner's United States federal income tax liability, if any, and any excess amounts withheld under the backup withholding rules may be refunded, provided that the required information is timely furnished to the Internal Revenue Service.

Foreign Asset Reporting

Certain U.S. Holders who are individuals are required to report information relating to an interest in our ordinary shares, subject to certain exceptions (including an exception for shares held in accounts maintained by financial institutions). U.S. Holders are encouraged to consult their tax advisors regarding their information reporting obligations, if any, with respect to their ownership and disposition of our ordinary shares.

Medicare Tax

Certain U.S. Holders that are individuals, estates or trusts are subject to a 3.8% tax on all or a portion of their "net investment income," which may include all or a portion of their dividend income and net gains from the disposition of ordinary shares. Each U.S. Holder that is an individual, estate or trust is encouraged to consult its tax advisors regarding the applicability of the Medicare tax to its income and gains in respect of its investment in the ordinary shares.

The above description is not intended to constitute a complete analysis of all tax consequences relating to acquisition, ownership and disposition of our ordinary shares. You are encouraged to consult your tax advisor concerning the tax consequences of your particular situation.

F. Dividends and Paying Agents

Not applicable.

G. Statement by Experts

Not applicable.

H. Documents on Display

We are currently subject to the informational requirements of the Exchange Act applicable to foreign private issuers and fulfill the obligations of these requirements by filing reports with the SEC. As a foreign private issuer, we are exempt from the rules under the Exchange Act relating to 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 are not 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. However, we intend to file with the SEC, within 120 days after the end of each subsequent fiscal year, an annual report on Form 20-F containing financial statements which will be examined and reported on, with an opinion expressed, by an independent public accounting firm. We also intend to furnish to the SEC reports of foreign private issuer on Form 6-K containing unaudited quarterly financial information.

The SEC maintains an Internet website at http://www.sec.gov that contains reports, including this Annual Report and the documents referred to herein, proxy statements, information statements and other material that are filed through the SEC's Electronic Data Gathering, Analysis and Retrieval, or "EDGAR" system.

We also file annual and special reports and other information with the Israeli Securities Authority through its fair disclosure electronic system called MAGNA. You may review these filings on the website of the MAGNA system operated by the Israeli Securities Authority at www.magna.isa.gov.il or on the website of the TASE at www.tase.co.il.

Our ordinary shares are quoted on the TASE and, since December 2016, on Nasdaq (after being listed on the NYSE from November 2013 until December 2016). Information about us is also available on our website at http://www.evogene.com. Our website and the information contained therein or connected thereto will not be deemed to be incorporated into this Annual Report and you should not rely on any such information in making your decision whether to purchase our ordinary shares.

I. Subsidiary Information

Not applicable.

J. Annual Report to Security Holders

Not applicable.

ITEM 11. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to market risk from changes in exchange rates, interest rates and inflation. We therefore continue to closely monitor the macro-economic conditions that result therefrom. We regularly assess the implications of these global conditions on our operations, liquidity, cash flow and product candidates and seek to act to mitigate any adverse consequences, to the extent possible, in a commercially reasonable manner, if and when applicable. For a sensitivity analysis of our exposure to foreign currency exchange fluctuations, see Note 13c to our consolidated financial statements as of, and for the year ended, December 31, 2024 included elsewhere in this Annual Report.

Foreign Currency Risk

A significant portion of our expenses is denominated in currencies other than the U.S. dollar. We are therefore subject to non-U.S. currency risks and non-U.S. exchange exposure, especially the NIS. A significant portion of our operating costs are in Israel, consisting principally of salaries and related personnel expenses, and facility expenses, which are denominated in NIS. This foreign currency exposure gives rise to market risk associated with exchange rate movements of the U.S. dollar against the NIS and other currencies. Furthermore, we anticipate that a significant portion of our expenses will continue to be denominated in NIS. We do not hedge against currency risk through the use of forward currency contracts or other financial instruments. See "Risk factors— Risks Relating to Our Incorporation and Location in Israel-Exchange rate fluctuations between the U.S. dollar and the NIS may negatively affect our financial results." Exchange rates can be volatile and a substantial change of foreign currencies against the U.S. dollar could increase or reduce the Company's expenses and net loss and impact the comparability of results from period to period.

Most of our revenues are denominated in U.S. dollars. By contrast, we incur expenses primarily denominated in NIS. As a result, any appreciation of the NIS relative to the U.S. dollar adversely impacts our profitability due to the portion of our expenses that are incurred in NIS. The depreciation of the NIS relative to the U.S. dollar, based on average exchange rates throughout the year, was 0.3% and 9.7% during 2024 and 2023, respectively. In the future we may enter into hedging transactions in order to decrease our foreign currency risk; however, these transactions may not fully protect us from such risk.

Our exposure related to exchange rate changes on our net asset position denominated in currencies other than U.S. dollars varies with changes in our net asset position. Net asset position refers to financial assets, such as trade receivables and cash and cash deposits, less financial liabilities, such as trade payable and other payables. The impact of any such transaction gains or losses is reflected in financing expenses or income. Our most significant exposure relates to a potential change in the U.S. dollar-NIS exchange rates. Assuming a 10% decrease in the U.S. dollar relative to the NIS, and assuming no other change, our financing expenses would have increased by approximately $0.9 million, $0.8 million and $0.1 million due to our negative net asset position denominated in NIS as of December 31, 2024, 2023 and 2022, respectively.

Commodity Price Risk

Changes in commodity prices in the agriculture markets may affect our reported operating results and cash flows in view of our activity in the agriculture segment. For example, a decrease in the prices of corn and soy grains may adversely impact the budget for, and size of, research and development expenditures of our existing and potential collaborators and, in turn, our ability to continue or extend existing collaborations or enter into new ones. Further, the royalties we may receive from our collaborators on the sales and transfers of seeds containing the traits we develop could be affected by fluctuations in seed commodity prices. As of December 31, 2024, we did not have any hedge arrangements in place to protect our exposure to commodity price fluctuations.

Interest rate risk

From time to time, we hold corporate bonds and government treasury notes denominated in NIS and in U.S. dollars. These investments expose us to the risk of interest rate fluctuations. A decrease in Israeli or in U.S. interest rates could cause the fair value of these investments to decrease.

Impact of inflation

While it is difficult to accurately measure the impact of inflation due to the imprecise nature of the estimates required, we do not believe inflation has had a material effect on our historical results of operations and financial condition. However, if our costs were to become subject to significant inflationary pressures, we will not be able to fully offset higher costs through price increases or other corrective measures due to our limited amount of commercialized products in the market, and it could adversely affect our business, financial condition and results of operations.

ITEM 12. DESCRIPTION OF SECURITIES OTHER THAN EQUITY SECURITIES

Not applicable.

PART II

ITEM 13. DEFAULTS, DIVIDEND ARREARAGES AND DELINQUENCIES

None.

ITEM 14. MATERIAL MODIFICATIONS TO THE RIGHTS OF SECURITY HOLDERS AND USE OF PROCEEDS

None.

ITEM 15. CONTROLS AND PROCEDURES

(a) Disclosure Controls and Procedures

Our management, including our Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of our disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of December 31, 2024. Our management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives and our management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Based on this evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of December 31, 2024, to provide reasonable assurance that the information required to be disclosed in filings and submissions under the Exchange Act, is recorded, processed, summarized and reported within the time periods specified by the SEC's rules and forms, and that such information related to us and our consolidated subsidiaries is accumulated and communicated to management, including the Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions about required disclosure.

(b) Management's Annual Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act. Our internal control over financial reporting is a process designed to 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.

Our management recognizes that there are inherent limitations in the effectiveness of any system of internal control over financial reporting, including the possibility of human error and the circumvention or override of internal control. Accordingly, even effective internal control over financial reporting can provide only reasonable assurance with respect to financial statement preparation and may not prevent or detect all misstatements. Further, because of changes in conditions, the effectiveness of internal control over financial reporting may vary over time.

Our management assessed the effectiveness of our internal control over financial reporting as of December 31, 2024. In conducting its assessment of internal control over financial reporting, management used the framework and criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) as of the end of the period covered by this report. Based on that evaluation, our management has concluded that our internal control over financial reporting was effective as of December 31, 2024.

(c) Attestation Report of Registered Public Accounting Firm

We are neither an accelerated filer nor a large accelerated filer as defined in Rule 12b-2 under the Securities Exchange Act of 1934, as amended. Therefore, we are not required under Section 202 of the Sarbanes-Oxley Act (and the SEC rules and regulations thereunder) to provide an attestation report on management's assessment of our internal control over financial reporting from a registered public accounting firm in this Annual Report.

(d) Changes in internal control over financial reporting

During the period covered by this Annual Report, no changes in our internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) promulgated under the Exchange Act), have occurred that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

ITEM 16. [RESERVED]

ITEM 16A. AUDIT COMMITTEE FINANCIAL EXPERT

Our board of directors has determined that each of Mr. Dan Falk and Mr. Nir Nimrodi qualifies as an audit committee financial expert, as defined by the rules of the SEC, and has the requisite financial experience required by the Nasdaq Listing Rules. In addition, each of Mr. Falk and Mr. Nimrodi is independent, as such term is defined in Rule 10A-3(b)(1) under the Exchange Act and under the Nasdaq Listing Rules.

ITEM 16B. CODE OF ETHICS

We have adopted a Code of Ethics and Proper Business Conduct applicable to our executive officers, directors and all other employees, which is a "code of ethics" as defined in this Item 16B of Form 20-F promulgated by the SEC. We have also implemented a training program for new and existing employees concerning our Code of Ethics and Proper Business Conduct. A copy of the code is delivered to every employee of Evogene Ltd. and all of its subsidiaries, and is available to investors and others, without charge, on our website at http://www.evogene.com/investor-relations/corporate-governance/ or by contacting our finance department. Information contained on, or that can be accessed through, our website does not constitute a part of this Form 20-F and is not incorporated by reference herein. Under Item 16B of Form 20-F, if a waiver or amendment of the Code of Business Conduct and Ethics applies to our principal executive officer, principal financial officer, principal accounting officer, controller or other persons performing similar functions and relates to standards promoting any of the values described in Item 16B(b) of Form 20-F, we will disclose such waiver or amendment on our website within four business days following the date of amendment or waiver in accordance with the requirements of the Nasdaq listing rules and Instruction 4 to such Item 16B. We granted no waivers under our Code of Ethics and Proper Business Conduct in 2024. We also intend to disclose any amendments to, or waivers of, the Code of Ethics and Proper Business Conduct applicable to our directors or executive officers on our website.

ITEM 16C. PRINCIPAL ACCOUNTANT FEES AND SERVICES

Principal Accountant Fees and Services.

We paid or accrued the following fees for professional services rendered by Kost, Forer, Gabbay & Kasierer, a member of Ernst & Young, A Member of EY Global, and an independent registered public accounting firm, for the fiscal years ended December 31, 2023 and 2024:

	2023	2024
Audit Fees	$ 190,000	$ 190,000
Audit Related Fees	-	25,000
Tax Fees	20,000	20,000
All other fees	10,000	-
Total	$ 220,000	$ 235,000

"Audit Fees" are the aggregate fees billed for the audit of our annual financial statements. This category also includes services that generally the independent accountant provides, such as consents and assistance with and review of documents filed with the SEC.

"Tax Fees" include fees for professional services rendered by our auditors for tax compliance and tax consulting in connection with international transfer pricing.

"All Other Fees" include fees for professional services rendered by our auditors for VAT consulting to one of our subsidiaries.

Our audit committee has adopted a pre-approval policy for the engagement of our independent accountant to perform certain audit and non-audit services. Pursuant to this policy, which is designed to assure that such engagements do not impair the independence of our auditors, the audit committee pre-approves annually any specific audit and non-audit services, audit-related services and tax services that may be performed by our independent accountants. Pursuant to that policy, our audit committee pre-approved all fees paid to our auditors for the year ended December 31, 2024.

ITEM 16D. EXEMPTIONS FROM THE LISTING STANDARDS FOR AUDIT COMMITTEES

Not applicable.

ITEM 16E. PURCHASES OF EQUITY SECURITIES BY THE ISSUER AND AFFILIATED PURCHASERS

Not applicable.

ITEM 16F. CHANGE IN REGISTRANT'S CERTIFYING ACCOUNTANT

Not applicable.

ITEM 16G. CORPORATE GOVERNANCE

Except as otherwise indicated, we are in compliance with corporate governance standards as currently applicable to us under Israeli, U.S., SEC and Nasdaq laws, rules and/or regulations, as applicable. Under the Nasdaq Listing Rules, as a foreign private issuer (as such term is defined in Rule 3b-4 under the Securities Exchange Act of 1934, as amended), we may elect to follow certain corporate governance practices permitted under the Companies Law in lieu of compliance with corresponding corporate governance requirements otherwise imposed by the Nasdaq Listing Rules for U.S. domestic issuers. We currently follow the provisions of the Companies Law, rather than the Nasdaq Listing Rules, solely with respect to the following requirements:

- *Quorum*. As permitted under the Companies Law, pursuant to our articles of association, the quorum required for an ordinary meeting of shareholders consists of at least two shareholders present in person, by proxy or by other voting instrument in accordance with the Companies Law, who hold at least 25% of the voting power of our shares (and in an adjourned meeting, with some exceptions, at least two shareholders), instead of 33 1/3% of the issued share capital, as required under the Nasdaq Listing Rules.

- *Executive sessions of independent directors*. Israeli law does not require executive sessions of independent directors. Although all of our current directors are "independent directors" under the applicable Nasdaq criteria, we do not intend to comply with this requirement if we have directors who are not independent.

- *Shareholder approval*. We seek shareholder approval for all corporate actions requiring such approval under the Companies Law, which include (i) transactions with directors concerning the terms of their service or indemnification, exemption and insurance for their service (or for any other position that they may hold at our company), (ii) transactions concerning the compensation, indemnification, exculpation and insurance of the chief executive officer; (iii) the compensation policy recommended by the compensation committee of our board of directors and approved by our board of directors (and any amendments thereto); (iv) extraordinary transactions with, and the terms of employment or other engagement of, a controlling shareholder (if and when this becomes relevant to our company), (v) amendments to our articles of association, and (vi) certain non-public issuances of securities. In addition, under the Companies Law, a merger requires approval of the shareholders of each of the merging companies. We are not required, however, to seek shareholder approval for any of the following events described in the Nasdaq Listing Rules:

    - certain issuances of shares in excess of 20% of the outstanding shares of the Company;

    - an issuance that will result in a change of control of our company; and

    - adoption of, or material changes to, our equity compensation plans.

ITEM 16H. MINE SAFETY DISCLOSURE

Not applicable.

ITEM 16I. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable

ITEM 16J. INSIDER TRADING POLICIES

We have adopted an insider trading policy governing the purchase, sale, and other dispositions of our securities by directors, senior management, and employees that is reasonably designed to promote compliance with applicable insider trading laws, rules and regulations, and any listing standards applicable to us. A copy of our insider trading policy is attached as Exhibit 11.1 to this Annual Report.

Item 16K. Cybersecurity

Cybersecurity Risk Management and Strategy

We have founded and implemented an information security committee which encompasses management of cybersecurity risk intended to protect the confidentiality, integrity, and availability of our critical systems and information. Among the committee members' responsibilities are cybersecurity incident response management. The committee utilizes common methodologies, reporting channels and governance processes and consists of members across the Company's group, among which are representatives from our executive management, business development, R&D, legal, compliance, operations and finance.

The Committee is designed to help identify material cybersecurity risks to our critical systems, information, products, services, and our broader enterprise IT environment. An IT team is principally responsible for the assessment of our cybersecurity risks, our security controls, and our response to cybersecurity incidents. We use external service providers, where appropriate, to assess, test or otherwise assist with aspects of our security controls.

Material Cybersecurity Incidents

For the fiscal year ended December 31, 2024, we believe that the Company have not experienced any material cybersecurity incidents, nor do we face any current risk from cybersecurity threats, including from any previous cybersecurity incidents, that are reasonably likely to materially affect the Company, our business strategy, results of operations, or financial condition.

Cybersecurity Governance

Our audit committee oversees our cybersecurity risk management. The audit committee receives a yearly report from management on our cybersecurity status. In addition, management updates the Audit Committee, as necessary, regarding any material cybersecurity incidents.

Our information security management team, including our Vice President of Computational Platform and Vice President of Operations, is responsible for assessing and managing our material risks from cybersecurity threats. The team has primary responsibility for our overall cybersecurity management and supervises both our internal cybersecurity personnel and our retained external cybersecurity consultants. Our management team's experience includes roles and degrees in relevant fields.

Our management team supervises efforts to prevent, detect, mitigate, and remediate cybersecurity events and incidents through various means, which may include briefings from internal security personnel; threat intelligence and other information obtained from governmental, public or private sources, including external consultants engaged by us; and alerts and reports produced by security tools deployed in the IT environment.

PART III

ITEM 17. FINANCIAL STATEMENTS

We have provided financial statements pursuant to Item 18.

ITEM 18. FINANCIAL STATEMENTS

The audited consolidated financial statements as required under Item 18 are attached hereto starting on page F-2 of this Annual Report. The audit report of Kost Forer Gabbay & Kasierer, a member of Ernst & Young Global, an independent registered public accounting firm, is included herein preceding the audited consolidated financial statements.

ITEM 19. EXHIBITS

ANNUAL REPORT ON FORM 20-F
INDEX OF EXHIBITS

Exhibit No.	Description
1.1	Second Amended and Restated Articles of Association of the Registrant †
2.1	Description of ordinary shares of Evogene Ltd. †
4.1	Form of Indemnification Agreement (incorporated by reference to Exhibit 10.9 to Evogene's Registration Statement on Form F-1, as amended (Registration No. 333-191315))
4.2	Evogene Ltd. 2021 Share Incentive Plan (incorporated by reference to Appendix B of Exhibit 99.2 to Evogene's Report of Foreign Private Issuer on Form 6-K, furnished to the SEC on June 23, 2021)
4.3	Evogene Ltd. Officers Compensation Policy (incorporated by reference to Appendix A of Exhibit 99.2 to Evogene's Report of Foreign Private Issuer on Form 6-K, furnished to the SEC on April 30, 2024).
4.4	Share Purchase Agreement, dated as of August 6, 2019, by and among Evogene Ltd., Lavie Bio Ltd., Lavie Bio Inc., Lavie Tech Inc., Pioneer Hi-Bred International, Inc. and Taxon Biosciences, Inc. (incorporated by reference to Exhibit 4.7 to Evogene's Annual Report on Form 20-F for the year ended December 31, 2023, filed with the SEC on March 28, 2024)*
4.5	Share Purchase Agreement dated December 21, 2022 by and among Biomica Ltd., Evogene Ltd. and Shanghai Healthcare Capital (incorporated by reference to Exhibit 4.9 to Evogene's Annual Report on Form 20-F for the year ended December 31, 2022, filed with the SEC on March 30, 2023).*
4.6	SAFE Agreement dated August 11, 2022 between Lavie Bio Ltd. and BKG Finance GmbH (incorporated by reference to Exhibit 4.10 to Evogene's Annual Report on Form 20-F for the year ended December 31, 2022, filed with the SEC on March 30, 2023)*
47	Master Supply Agreement for Supply of Castor Planting Seeds between Casterra Ag Ltd. and ENI dated June 2, 2023. (incorporated by reference to Exhibit 4.12 to Evogene's Annual Report on Form 20-F for the year ended December 31, 2023, filed with the SEC on March 28, 2024) *
4.8	Securities Purchase Agreement dated as of July 17, 2023, by and between Evogene Ltd. and the purchasers therein. (incorporated by reference to Exhibit 10.1 to Evogene's Report of Foreign Private Issuer on Form 6-K, furnished to the SEC on July 17, 2023).
4.9	Placement Agency Agreement, dated July 17, 2023, by and between Evogene Ltd. and A.G.P./Alliance Global Partners (incorporated by reference to Exhibit 10.2 to Evogene's Report of Foreign Private Issuer on Form 6-K, furnished to the SEC on July 17, 2023).
4.10	Sales Agreement, dated as of March 28, 2024, by and between Evogene Ltd. and Lake Street Capital Markets, LLC (incorporated by reference to Exhibit 10.1 to Evogene's Report of Foreign Private Issuer on Form 6-K, furnished to the SEC on March 28, 2024).
4.11	Securities Purchase Agreement dated August 23, 2024 by and between Evogene Ltd. and the purchaser therein. (incorporated by reference to Exhibit 10.1 to Evogene's Report of Foreign Private Issuer on Form 6-K, furnished to the SEC on August 23, 2024)
4.12	Placement Agency Agreement, dated August 23, 2024, by and between Evogene Ltd. and A.G.P./Alliance Global Partners (incorporated by reference to Exhibit 10.2 to Evogene's Report of Foreign Private Issuer on Form 6-K, furnished to the SEC on August 23, 2024).
4.13	Form of Series A Warrant (incorporated by reference to Exhibit 4.1 to Evogene's Report of Foreign Private Issuer on Form 6-K, furnished to the SEC on August 23, 2024).
4.14	Form of Series B Warrant (incorporated by reference to Exhibit 4.2 to Evogene's Report of Foreign Private Issuer on Form 6-K, furnished to the SEC on August 23, 2024).
4.15	Form of Pre-Funded Warrant (incorporated by reference to Exhibit 4.3 to Evogene's Report of Foreign Private Issuer on Form 6-K, furnished to the SEC on August 23, 2024).
8.1	List of subsidiaries of the Registrant†
11.1	Insider Trading Compliance Policy.†
12.1	Certificate of Chief Executive Officer pursuant to Securities Exchange Act Rules 13a-14(a) and 15d-14(a)†
12.2	Certificate of Chief Financial Officer pursuant to Securities Exchange Act Rules 13a-14(a) and 15d-14(a)†
13.1	Certificate of Chief Executive Officer pursuant to 18 U.S.C. §1350^
13.2	Certificate of Chief Financial Officer pursuant to 18 U.S.C. §1350^
15.1	Consent of Kost Forer Gabbay and Kasierer, a member of Ernst & Young Global, independent registered public accounting firm†
97.1	Policy for Recovery of Erroneously Awarded Compensation (incorporated by reference to Exhibit 97.1 to Evogene's Annual Report on Form 20-F for the year ended December 31, 2023, filed with the SEC on March 28, 2024).
101	The following financial information from Evogene Ltd.'s Annual Report on Form 20-F for the year ended December 31, 2024 formatted in inline XBRL (eXtensible Business Reporting Language): (i) Consolidated Statements of Financial Position at December 31, 2024 and 2023; (ii) Consolidated Statements of Profit or Loss for the years ended December 31, 2024, 2023 and 2022; (iii) Consolidated Statements of Changes in Equity for the years ended December 31, 2024, 2023 and 2022; (iv) Consolidated Statements of Cash Flows for the years ended December 31, 2024, 2023 and 2022; and (v) Notes to Consolidated Financial Statements, tagged as blocks of text.†
104	Cover Page Interactive Data File 101

† Filed herewith.
^ Furnished herewith.

* In accordance with the rules of the SEC certain confidential information contained in this exhibit, has been omitted because it (i) is not material and (ii) is the type that the Company treats as private or confidential.

SIGNATURES

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this Annual Report on its behalf.

Evogene Ltd.

Date: March 27, 2025

By: /s/ Ofer Haviv
Name: Ofer Haviv
Title: President and Chief Executive Officer

EVOGENE LTD. AND ITS SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2024

U.S. DOLLARS IN THOUSANDS

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Kost Forer Gabbay & Kasierer
144 Menachem Begin Road, Building A
Tel-Aviv 6492102, Israel

Tel: +972-3-6232525
Fax: +972-3-5622555
ey.com

Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors of

EVOGENE LTD.

Opinion on the Financial Statements

We have audited the accompanying consolidated statements of financial position of Evogene Ltd. and its subsidiaries (the Company) as of December 31, 2024, and 2023, the related consolidated statements of profit or loss, changes in equity and cash flows for each of the three years in the period ended December 31, 2024, 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, 2024 and 2023, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2024, in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board.

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.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of the critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Going concern assessment

Description of the Matter

As discussed in Note 1 to the consolidated financial statements, management identified there were conditions that raised substantial doubt about the Company's ability to continue as a going concern for a period of one-year from the date the financial statements were issued. The conditions that resulted in the substantial doubt being raised included a history of net losses, net operating cash outflows and an accumulated deficit.

However, based on management's plans and resulting available liquidity, management believes the Company's liquidity is sufficient to fund operations and satisfy their financial obligations as they become due for at least one-year from the financial statement issuance date. Therefore, the Company concluded these plans alleviate the substantial doubt that was raised about the Company's ability to continue as a going concern for at least one-year from the date that the consolidated financial statements were issued.

We identified the evaluation of going concern as a critical audit matter. There was significant auditor judgment required in evaluating the Company's forecasted cash flows, and resulting available liquidity, throughout the one-year period from the date that the consolidated financial statements were issued. Specifically, this included revenues and operating expenses forecasts.

How We Addressed the Matter in Our Audit

We assessed the reasonableness of the forecasted revenue, operating expenses, and sources of cash used in management's assessment of whether the company has sufficient liquidity to fund operations for at least twelve-month period from the consolidated financial statement issuance date.

To test management's contingency plan, we performed audit procedures that included, inquiries with management, comparison of prior period forecasts to actual results, consideration of positive and negative evidence impacting management's forecasts and liquidity and evaluated management's analysis of their impact on the forecasted cash flows.

We also performed sensitivity analyses of significant assumptions to assess the impact of changes in the key assumptions included in management's liquidity forecast model.

We also assessed the probability and timing of forecasted cash outflows related to the management's assessment and evaluated the reasonableness of management's cost reduction initiatives. In addition, we assessed the adequacy of the company's going concern disclosures included in note 1 to the consolidated financial statements.

Impairment of Intangible Assets

Description of the Matter

As of December 31, 2024, the Company's intangible assets with finite lives were $12,195 thousand. As described in Notes 2 and 10 to the consolidated financial statements, intangible assets with finite lives are assessed for recoverability whenever events or changes in circumstances indicate that the carrying amount of the assets may not be fully recoverable.

Recoverability of the intangible assets is measured by a comparison of the estimated future undiscounted cash flows to the carrying amounts of the intangible assets. If such evaluation indicates that the carrying amount of the intangible assets exceed the estimated future undiscounted cash flows, an impairment loss is measured based on the difference between the carrying amounts of the intangible assets and their associated fair value.

Auditing management's estimation of the fair value of the intangible assets with finite lives was complex and highly judgmental due to the significant measurement uncertainty in determining the fair value of the intangible assets. The Company's methodologies for estimating the fair value of these assets involve significant assumptions and inputs, including projected financial information and discount rates, all of which are sensitive to and affected by economic, industry, and company-specific qualitative factors. These assumptions can significantly affect the cash flows used to determine the fair value of the intangible assets.

How We Addressed the Matter in Our Audit

To test the management's estimation of the fair value of the intangible assets, we performed audit procedures that included assessing the fair value methodologies utilized by management and significant assumptions used, including the completeness and accuracy of the underlying data used in the projected financial information. We also obtained an understanding of the significant inputs and assumptions used by management in the calculations of cash flows to determine the recoverable amount.

We compared the significant assumptions to current financial and operating plans, market and industry studies and historical trends. We also assessed the historical accuracy of management's forecasts and performed sensitivity analyses of significant assumptions to evaluate the changes in the fair value estimates of the intangible assets that would result from changes in the assumptions.

We involved our valuation specialists in evaluating the discount rate and valuation methodology used by the Company.

Valuation of Convertible Simple Agreement for Future Equity (SAFE)

Description of the Matter	As described in Note 12 to the consolidated financial statements, in August 2022, the company issued $10,000 thousand Convertible Simple Agreement for Future Equity (SAFE) as part of a multi-year collaboration agreement. Pursuant to the terms of that agreement, the SAFE amount will automatically be converted during enumerated events, each subject to certain terms and conditions. The SAFE is accounted for as a liability and measured at fair value, which assessed based on the weighted average value of various scenarios assuming the Company's subsidiary estimated enterprise value at the valuation date. As of December 31, 2024, the fair value of SAFE was $10,371 thousand. The enterprise value is calculated using the income approach, whereby the cash flows expected to be generated are discounted to their present value equivalent using a rate of return that reflects the relative risk of the investment, as well as the time value of money. The value of the SAFE assumes the probability of various possible scenarios to which an acceptable option pricing model is applied. The inputs to the model include the enterprise value, the conversion price and assumptions regarding the expected volatility and the expected life of each scenario. Auditing the Company's valuation of the SAFE fair value was challenging and complex due to the significant measurement uncertainty in the Company's valuation. The uncertainty attributed to high degree of subjectivity and judgment in evaluating the methodology used in developing the model and to the sensitivity of the significant assumptions and inputs, including projected financial information, discount rates, expected volatility and the expected life of each scenario.
How We Addressed the Matter in Our Audit	To test management's estimation and calculation of the SAFE fair value, we performed audit procedures that included, assessing the appropriateness of the fair value methodologies and significant assumptions utilized by management including the completeness and accuracy of the underlying data supporting the significant assumptions and estimates. We compared the significant assumptions to current financial and operating plans and historical trends. We also assessed the historical accuracy of management’s forecasts and performed sensitivity analyses of significant assumptions to evaluate the changes in the fair value estimates of the SAFE that would result from changes in the assumptions. We involved our valuation specialists in evaluating the discount rate and valuation methodology used by the Company.

/s/ KOST FORER GABBAY & KASIERER
A Member of EY Global

We have served as the Company's auditor since 2002.

Tel-Aviv, Israel
March 27, 2025

EVOGENE LTD. AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

U.S. dollars in thousands

	Note	December 31, 2024	December 31, 2023
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents	6	$ 15,301	$ 20,772
Short-term bank deposits		10	10,291
Trade receivables		1,091	357
Other receivables and prepaid expenses	7	2,064	2,973
Deferred expenses related to issuance of warrants	17c	1,304	-
Inventories		1,819	76
		21,589	34,469
LONG-TERM ASSETS:			
Long-term deposits and other receivables		12	28
Investment in an associate		82	-
Deferred expenses related to issuance of warrants	17c	1,735	-
Right-of-use-assets	8	2,447	980
Property, plant and equipment, net	9	1,804	2,455
Intangible assets, net	10	12,195	13,169
		18,275	16,632
TOTAL ASSETS		$ 39,864	$ 51,101
LIABILITIES AND EQUITY			
CURRENT LIABILITIES:			
Trade payables		$ 1,228	$ 1,785
Employees and payroll accruals		1,869	2,537
Lease liabilities	8	589	853
Liabilities in respect of government grants	11	323	388
Deferred revenues and other advances		360	362
Warrants and pre-funded warrants liability	17c	2,876	-
Convertible SAFE	5f, 12	10,371	-
Other payables		1,079	1,019
		18,695	6,944
LONG-TERM LIABILITIES:			
Lease liabilities	8	1,914	285
Liabilities in respect of government grants	11	4,327	4,426
Deferred revenues and other advances		90	393
Convertible SAFE	5f, 12	-	10,368
		6,331	15,472
TOTAL LIABILITIES		25,026	22,416

EVOGENE LTD. AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

U.S. dollars in thousands

	Note	December 31, 2024	December 31, 2023
SHAREHOLDERS' EQUITY:	17		
Ordinary shares of NIS 0.2 par value: Authorized – 15,000,000 ordinary shares; Issued and outstanding – 6,514,589 ordinary shares on December 31, 2024 and 5,079,313 ordinary shares on December 31, 2023 (*)		363	286
Share premium and other capital reserves		272,257	269,353
Accumulated deficit		(274,071)	(257,586)
Equity attributable to equity holders of the Company		(1,451)	12,053
Non-controlling interests		16,289	16,632
TOTAL EQUITY		14,838	28,685
TOTAL LIABILITIES AND EQUITY		$ 39,864	$ 51,101

(*) Shares and per share amounts have been retroactively adjusted to reflect the 1:10 reserve stock split and the change in par value from NIS 0.02 to par value of NIS 0.2, effected on July 25, 2024. See also Note 17, Shareholders' Equity, for details.

The accompanying notes are an integral part of the consolidated financial statements.

EVOGENE LTD. AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

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

	Note	Year ended December 31, 2024	2023	2022
Revenues	21b	$ 8,511	$ 5,640	$ 1,675
Cost of revenues	19a	2,683	1,692	909
Gross profit		5,828	3,948	766
Operating expenses (income):				
Research and development, net	19b	16,648	20,777	20,792
Sales and marketing	19c	3,425	3,611	3,933
General and administrative	19d	7,441	6,068	6,482
Other expenses (income)	19e	524	-	(3,500)
Total operating expenses, net		28,038	30,456	27,707
Operating loss		(22,210)	(26,508)	(26,941)
Financing income	19f	7,546	1,486	516
Financing expenses	19f	(3,342)	(965)	(3,329)
Financing income (expenses), net		4,204	521	(2,813)
Share of loss of an associate		39	-	-
Loss before taxes on income		(18,045)	(25,987)	(29,754)
Taxes on income (tax benefit)	16	9	(33)	90
Loss		$ (18,054)	$ (25,954)	$ (29,844)
Attributable to:				
Equity holders of the Company		(16,485)	(23,879)	(26,638)
Non-controlling interests		(1,569)	(2,075)	(3,206)
		$ (18,054)	$ (25,954)	$ (29,844)
Basic and diluted loss per share, attributable to equity holders of the Company (*)	20	$ (2.89)	$ (5.20)	$ (6.44)
Weighted average number of shares used in computing basic and diluted loss per share (*)		5,697,245	4,589,386	4,141,842

(*) Shares and per share amounts have been retroactively adjusted to reflect the 1:10 reserve stock split and the changes in par value from NIS 0.02 to par value of NIS 0.2, effected on July 25, 2024. See also Note 17, Shareholders' Equity, for details.

The accompanying notes are an integral part of the consolidated financial statements.

EVOGENE LTD. AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

U.S. dollars in thousands

	Attributable to equity holders of the Company					
	Share capital	Share premium and other capital reserves	Accumulated deficit	Total	Non-controlling interests	Total equity
Balance as of January 01, 2022	$ 234	$ 260,488	$ (207,069)	$ 53,653	$ 9,767	$ 63,420
Loss	-	-	(26,638)	(26,638)	(3,206)	(29,844)
Issuance of ordinary shares, net	1	20	-	21	-	21
Forfeiture of non-controlling interests regarding share-based compensation	-	272	-	272	(272)	-
Benefit to non-controlling interests regarding share-based compensation	-	(2)	-	(2)	2	-
Exercise of subsidiary options	-	*)	-	*)	-	*)
Exercise of options	*)	7	-	7	-	7
RSUs vested	*)	*)	-	*)	-	*)
Share-based compensation	-	617	-	617	569	1,186
Balance as of December 31, 2022	$ 235	$ 261,402	$ (233,707)	$ 27,930	$ 6,860	$ 34,790
Loss	-	-	(23,879)	(23,879)	(2,075)	(25,954)
Issuance of ordinary shares, net	51	8,398	-	8,449	-	8,449
Forfeiture of non-controlling interests regarding share-based compensation	-	71	-	71	(71)	-
Benefit to non-controlling interests regarding share-based compensation	-	3	-	3	(3)	-
Issuance of a subsidiary's ordinary shares to the Company	-	(809)	-	(809)	809	-
Issuance of a subsidiary's preferred shares to non-controlling interests	-	(238)	-	(238)	9,761	9,523
RSUs vested	*)	*)	-	*)	-	*)
Share-based compensation	-	526	-	526	1,351	1,877
Balance as of December 31, 2023	$ 286	$ 269,353	$ (257,586)	$ 12,053	$ 16,632	$ 28,685

*) Represents an amount lower than $1

The accompanying notes are an integral part of the consolidated financial statements.

EVOGENE LTD. AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

U.S. dollars in thousands

	Attributable to equity holders of the Company					
	Share capital	Share premium and other capital reserves	Accumulated deficit	Total	Non-controlling interests	Total equity
Balance as of December 31, 2023	$ 286	$ 269,353	$ (257,586)	$ 12,053	$ 16,632	$ 28,685
Loss	-	-	(16,485)	(16,485)	(1,569)	(18,054)
Issuance of ordinary shares, net	15	108	-	123	-	123
Forfeiture of non-controlling interests regarding share-based compensation	-	206	-	206	(206)	-
Exercise of pre-funded warrants	62	2,227	-	2,289	-	2,289
RSUs vested	*)	*)	-	*)	-	*)
Share-based compensation	-	363	-	363	1,432	1,795
Balance as of December 31, 2024	$ 363	$ 272,257	$ (274,071)	$ (1,451)	$ 16,289	$ 14,838

*) Represents an amount lower than $1

The accompanying notes are an integral part of the consolidated financial statements.

EVOGENE LTD. AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

U.S. dollars in thousands

	Year ended December 31,		
	2024	**2023**	**2022**
Cash flows from operating activities:			
Loss	$ (18,054)	$ (25,954)	$ (29,844)
Adjustments to reconcile loss to net cash used in operating activities:			
Adjustments to the profit or loss items:			
Depreciation and amortization of property, plant and equipment and right-of-use-assets	1,530	1,641	1,513
Amortization of intangible assets	974	971	1,067
Share-based compensation	1,795	1,877	1,186
Remeasurement of Convertible SAFE	3	254	114
Net financing income	(689)	(666)	2,979
Decrease in accrued bank interest	-	-	7
Loss (gain) from sale of property, plant and equipment	524	(26)	-
Excess of initial fair value of pre-funded warrants over transaction proceeds	2,684	-	-
Amortization of deferred expenses related to issuance of warrants	471	-	-
Remeasurement of pre-funded warrants and warrants	(6,529)	-	-
Share of loss of an associate	39	-	-
Taxes on income (tax benefit)	9	(33)	90
	811	4,018	6,956
Changes in asset and liability items:			
Increase in trade receivables	(734)	(9)	(67)
Decrease (increase) in other receivables and prepaid expenses	925	(1,445)	1,113
Decrease (increase) in inventories	(1,743)	490	(474)
Decrease (increase) in deferred taxes	-	94	(94)
Increase (decrease) in trade payables	(596)	742	(469)
Increase (decrease) in employees and payroll accruals	(668)	550	(675)
Increase (decrease) in other payables	62	(534)	48
Decrease in deferred revenues and other advances	(559)	(288)	(153)
	(3,313)	(400)	(771)
Cash received (paid) during the year for:			
Interest received	934	905	186
Interest paid	(67)	(115)	(165)
Taxes paid	(11)	(31)	(40)
Net cash used in operating activities	$ (19,700)	$ (21,577)	$ (23,678)

The accompanying notes are an integral part of the consolidated financial statements.

EVOGENE LTD. AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

U.S. dollars in thousands

	Year ended December 31,		
	2024	**2023**	**2022**
Cash flows from investing activities:			
Purchase of property, plant and equipment	$ (626)	$ (785)	$ (1,171)
Proceeds from sale of marketable securities	-	6,924	12,356
Purchase of marketable securities	-	(503)	(911)
Proceeds from sale of property, plant and equipment	58	26	-
Proceeds from short-term bank deposits	27,340	9,000	3,000
Investment in short-term bank deposits	(17,150)	(19,200)	-
Net cash provided by (used in) investing activities	9,622	(4,538)	13,274
Cash flows from financing activities:			
Issuance of a subsidiary's preferred shares to non-controlling interests	-	9,523	-
Proceeds from issuance of ordinary shares, pre-funded warrants and warrants	5,500	-	-
Proceeds from issuance of ordinary shares, net of issuance expenses	123	8,449	21
Proceeds from issuance of Convertible SAFE	-	-	10,000
Proceeds from exercise of options	-	-	7
Repayment of lease liabilities	(901)	(836)	(803)
Proceeds from government grants	232	1,089	149
Repayment of government grants	(298)	(73)	(31)
Net cash provided by financing activities	4,656	18,152	9,343
Exchange rate differences on balances of cash and cash equivalent balances	(49)	(245)	(2,284)
Decrease in cash and cash equivalents	(5,471)	(8,208)	(3,345)
Cash and cash equivalents beginning of the year	20,772	28,980	32,325
Cash and cash equivalents end of the year	$ 15,301	$ 20,772	$ 28,980
Significant non-cash activities:			
Purchase of property, plant and equipment	$ 120	$ 81	$ 74
Right-of-use asset recognized with corresponding lease liability	$ 2,307	$ 194	$ 90
Exercise of pre-funded warrants	$ 2,289	$ -	$ -
Investment in affiliated Company with corresponding deferred revenues	$ 120	$ -	$ -

The accompanying notes are an integral part of the consolidated financial statements.

NOTE 1: – GENERAL

Evogene Ltd. together with its subsidiaries (the "Company" or "Evogene") is a leading computational biology company aiming to revolutionize life-science product development across several market segments, including human health, agriculture, and other industries, by utilizing cutting edge computational technologies. To achieve this mission, Evogene established its unique Computational Predictive Biology ("CPB") platform, leveraging big data and artificial intelligence, and incorporating deep multidisciplinary understanding in life sciences. The CPB platform is the basis for three technology engines, each focused on the direction and acceleration of the discovery and development of products based on one of the following core components: Microbes – *MicroBoost AI*, Small molecules – *ChemPass AI*, Genetic elements – *GeneRator AI*. Evogene uses its technological engines to support the development of products for the life science industry through dedicated subsidiaries and with strategic partners. Currently, Evogene's main subsidiaries utilize the technological engines to develop human microbiome-based therapeutics by Biomica Ltd., medical cannabis products by Canonic Ltd., ag-chemicals by AgPlenus Ltd., ag-biologicals by Lavie Bio Ltd. and an integrated end-to-end solution for large-scale castor bean cultivation by Casterra Ag Ltd. Canonic Ltd. ceased its operation during the first half of 2024.

Evogene Ltd. was founded on October 10, 1999, as Agro Leads Ltd., a division of Compugen Ltd. In 2002, the Company was spun-off as an independent corporation under the laws of the State of Israel, and changed its name to Evogene Ltd.

The Company's shares have been listed for trading on the Tel Aviv Stock Exchange ("TASE") since 2007, on the New York Stock Exchange ("NYSE") from November 2013 until December 2016, and on the Nasdaq Stock Market ("NASDAQ") since December 2016.

Liquidity, Capital Resources and Management's Plans

Under IFRS Accounting Standard IAS1, Presentation of Financial Statements, management shall assess an entity's ability to continue as a going concern. When management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the entity's ability to continue as a going concern, the entity shall disclose those uncertainties. In assessing whether the going concern assumption is appropriate, management considers all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period.

The Company concluded that the following conditions raised substantial doubt about its ability to continue as a going concern:

- History of reporting operating losses of $22,210 and $26,508 for the years ended December 31, 2024, and 2023, respectively;
- Net operating cash outflows of $19,700 and $21,577 in 2024 and 2023, respectively;
- The Company's Accumulated Deficit balance as of December 31, 2024, is $274,071

NOTE 1: – GENERAL (Cont.)

The Company has approved a plan, to improve its available cash balances, liquidity and cash flows generated from operations. The Company has identified several potential actions including cost preservation measures that would be initiated in a timely manner to address the Company's liquidity needs over the twelve-month period from the date the Consolidated Financial Statements are issued, as follows:

- Reducing non-essential expenses and implement headcount reductions to conserve cash and improve its liquidity position;
- Deferral and reprioritization of certain research and development programs that would involve reduced program and headcount spend

The Company has a history of operating losses and negative cash flows from operations. However, despite these conditions, the Company believes management's plans, as described more fully above, will provide sufficient liquidity to meet its financial obligations and maintain levels of liquidity over the twelve-month period from the date the Consolidated Financial Statements are issued. Therefore, management concluded this plan alleviate the substantial doubt that was raised about the Company's ability to continue as a going concern for at least twelve months from the date that the Consolidated Financial Statements were issued.

The accompanying Consolidated Financial Statements have been prepared assuming the Company will continue to operate as a going concern, which contemplates the realization of assets and the settlement of liabilities in the normal course of business. The Consolidated Financial Statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts of liabilities that may result from uncertainty related to the Company's ability to continue as a going concern.

Although not considered for purposes of the Company's assessment of whether substantial doubt was alleviated, the Company has plans to improve operating cash flows by entering other collaborations, strategic alliances or licensing arrangements with third parties. The Company also exploring exit opportunities for certain subsidiaries. The Company may seek to raise additional funds through public or private equity or debt financings or other sources.

The Company's plans are subject to inherent risks and uncertainties. Accordingly, there can be no assurance that the Company's plans can be effectively implemented and, therefore, that the conditions can be effectively mitigated.

Until such time, if ever, the Company expects to finance its operations through equity or debt financings, which may not be available to the Company on the timing needed or on terms that the Company deems to be favorable. To the extent that the Company raises additional capital through the sale of equity or debt securities, the ownership interest of its stockholders will be diluted. If the Company is unable to maintain sufficient financial resources, its business, financial condition and results of operations will be materially and adversely affected.

NOTE 1: – GENERAL (Cont.)

Evogene Ltd. was founded on October 10, 1999, as Agro Leads Ltd., a division of Compugen Ltd. In 2002, the Company was spun-off as an independent corporation under the laws of the State of Israel, and changed its name to Evogene Ltd.

The Company's shares have been listed for trading on the Tel Aviv Stock Exchange ("TASE") since 2007, on the New York Stock Exchange ("NYSE") from November 2013 until December 2016, and on the Nasdaq Stock Market ("NASDAQ") since December 2016.

a. The Company principally derives its revenues from collaboration and licensing agreements, sales from castor seeds and sales of medical cannabis products in Israel (until the cessation of Canonic Ltd.'s activities during the first half of 2024) (see Note 5). As to major customers, see Note 21c.

b. The Company has the following direct and indirect subsidiaries: Casterra Ag Ltd. (formerly Evofuel Ltd.), Evogene Inc., Biomica Ltd., AgPlenus Ltd., AgPlenus Inc., Lavie Bio Ltd., Lavie Bio Inc., Lavie Tech Inc., Taxon Biosciences, Inc. and Canonic Ltd.

Casterra Ag Ltd. was incorporated on December 29, 2011 and is currently focusing on the development and sales of improved castor seeds for industrial uses.

Evogene Inc. was incorporated in Delaware, United States on September 22, 2006. From 2015 to 2019, Evogene Inc. was engaged in research and development in the field of insect control and located in the Bio-Research and Development Growth (BRDG) Park, in St. Louis, Missouri, United States.

Biomica Ltd. was incorporated on March 2, 2017, with the mission of discovering and developing human microbiome-based therapeutics.

AgPlenus Ltd. was incorporated on June 10, 2018, with the mission to design effective and sustainable crop protection ag-chemicals products by leveraging predictive biology.

On August 27, 2020, AgPlenus Ltd. incorporated a wholly owned U.S. subsidiary, AgPlenus Inc.

Lavie Bio Ltd. was incorporated on January 21, 2019, with the mission to improve food quality and sustainability through the introduction of microbiome-based ag-biological products. In 2019, Lavie Bio Ltd. incorporated two wholly owned subsidiaries, Lavie Bio Inc., located in the City Foundry STL Project, in St. Louis, Missouri, United States, and Lavie Tech Inc. Lavie Tech Inc. wholly owns as a subsidiary Taxon Biosciences, Inc. (see item c below).

Canonic Ltd. was incorporated on March 25, 2019, with the mission to develop next-generation medical cannabis products. During 2024, Canonic Ltd. ceased its activities.

On April 2, 2024, the Company and The Kitchen Food Tech Hub (TKH), the food tech incubator and investment arm of Strauss Group, jointly announced the establishment of Finally Foods Ltd., an AI-driven company specializing in molecular farming for the food sector, committed to providing sustainable alternative sources to animal-based proteins ("Finally Foods"). Finally Foods will leverage the Company's AI technology to modify plants for efficient protein production. Evogene holds approximately 40% of the share capital of Finally Foods, on a fully diluted basis and accounts for this investment using the equity method.

NOTE 1: – GENERAL (Cont.)

c. On August 6, 2019, Corteva Inc. ("Corteva"), through its subsidiary Pioneer Hi-Bred International, Inc., made an investment in the Company's agriculture biologicals subsidiary, Lavie Bio Ltd., which included a cash investment of $10,000 and the contribution of all shares of Corteva's wholly owned subsidiary Taxon Biosciences, Inc. in consideration for 27.84% of Lavie Bio Ltd.'s shares. As part of the foregoing transaction, the parties entered into a commercial arrangement, including the grant to Corteva of certain commercialization rights with respect to Lavie Bio Ltd.'s products, mainly in corn and soybean (see also Note 10 and Note 17h(1)).

d. In August 2022, an affiliate company of ICL and Lavie Bio Ltd. entered a multi-year collaboration agreement for developing novel bio-stimulant products to enrich fertilizer efficiency. As part of the collaboration, ICL invested through an affiliate company in Lavie Bio Ltd. $10,000 under a SAFE agreement (simple agreement for future equity) (see also Note 12).

e. On December 21, 2022, Biomica Ltd., signed a definitive agreement for a $20,000 financing round, led by Shanghai Healthcare Capital ("SHC"), out of which $10,000 was to be invested by the Company in Biomica Ltd. preferred shares. Following the closing of the transaction on April 27, 2023, the Company was diluted to approximately 67% of the share capital of Biomica Ltd., on a fully diluted basis, while SHC held approximately 20%, on a fully diluted basis (see also Note 17h(3)).

f. On July 23, 2024 the Company announced a reverse share split of its issued and outstanding ordinary shares, at a ratio of 1-for-10, which was implemented after market close on July 24, 2024. All shares and per share amounts mentioned below have been retroactively adjusted to reflect that reverse share split. See also Note 17(b).

g. On March 28, 2024, the Company entered a new At-The-Market Issuance Sales Agreement (the "Sales Agreement"), with Lake Street Capital Markets, LLC as selling agent. In accordance with the terms of the Sales Agreement, from time to time the Company may offer and sell its ordinary shares in an ATM offering having an aggregate offering price of up to $7,300. On August 26, 2024 the aggregate offering price was reduced to up to $4,500. During May 2024, the Company issued 10,000 ordinary shares pursuant to the Sales Agreement, with a selling price of $8.50 per share, resulting in gross proceeds of approximately $85. See also Note 17(c).

h. On August 23, 2024, Evogene entered into a definitive securities purchase agreement, or the Securities Purchase Agreement, with an institutional investor (the "Investor"), pursuant to which Evogene agreed to issue and sell to such Investor in a registered direct offering (i) 265,000 ordinary shares, and (ii) pre-funded warrants, or the Pre-Funded Warrants, to purchase up to 1,427,308 ordinary shares. The Pre-Funded Warrants have an exercise price of $0.0001 per ordinary share, are immediately exercisable and may be exercised at any time until exercised in full. In a concurrent private placement, the Company also agreed to issue unregistered Series A ordinary warrants to purchase up to 1,692,308 ordinary shares, and unregistered Series B ordinary warrants to purchase up to 1,692,308 ordinary shares. Each ordinary share (or ordinary share equivalent in lieu thereof) was sold with one Series A ordinary warrant to purchase one ordinary share and one Series B ordinary warrant to purchase one ordinary share at a combined purchase price of $3.25. The Series A ordinary warrants have an exercise price of $3.55 per share, were immediately exercisable upon issuance and will expire five years from issuance. The Series B ordinary warrants have an exercise price of $3.55 per share, were immediately exercisable upon issuance and will expire eighteen months from issuance. The gross proceeds from the offering were approximately $5,500. (See also Note 17(c)).

NOTE 1: – GENERAL (Cont.)

i. The Company's subsidiaries and divisions are split into three operating segments: (1) Agriculture – Evogene seed traits division, Lavie Bio Ltd. and AgPlenus Ltd.; (2) Human health – Biomica Ltd. and Canonic Ltd.; and (3) Industrial – Casterra Ag Ltd. (see also Note 21).

j. Definitions

In these Financial Statements -

Subsidiary - A company that is controlled by the Company (as defined in International Financial Reporting Standards ("IFRS") 10- Consolidated Financial Statements) and whose accounts are consolidated with those of the Company.

Related parties - As defined in International Accounting Standard ("IAS") 24- Related Party Disclosures.

NOTE 2: - SIGNIFICANT ACCOUNTING POLICIES

The following accounting policies have been applied consistently in the financial statements for all periods presented, unless otherwise stated.

a. Basis of presentation of the financial statements:

These financial statements have been prepared in accordance with IFRS as issued by the International Accounting Standards Board ("IASB").

The Company's financial statements have been prepared on a cost basis, except for financial assets and liabilities (including derivatives) which are presented at fair value through profit or loss.

The Company has elected to present profit or loss items using the function of expense method.

b. Functional currency, presentation currency and foreign currency:

1. Functional currency and presentation currency:

The presentation currency of the financial statements is the U.S. dollar.

The Company and its subsidiaries determine the functional currency of each entity, and this currency is used to separately measure each entity's financial position and operating results. The Company's functional currency is the U.S. dollar.

2. Transactions, assets and liabilities in foreign currency:

Transactions denominated in foreign currency are recorded upon initial recognition at the exchange rate at the date of the transaction. After initial recognition, monetary assets and liabilities denominated in foreign currency are translated at each reporting date into the functional currency at the exchange rate at that date. Exchange rate differences are recognized in profit or loss. Non-monetary assets and liabilities denominated in foreign currency and measured at cost are translated at the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currency and measured at fair value are translated into the functional currency using the exchange rate prevailing at the date when the fair value was determined.

c. Cash equivalents:

Cash equivalents are considered as highly liquid investments, consisting of unrestricted short-term bank deposits with an original maturity of three months or less from the date of investment or with a maturity of more than three months, but which are redeemable on demand without penalty to a set cash amount and subject to an insignificant risk of changes in value, and which are considered an integral part of the Company's cash management.

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

NOTE 2: - SIGNIFICANT ACCOUNTING POLICIES (Cont.)

d. Short-term deposits:

Short-term bank deposits are deposits with an original maturity of more than three months from the date of investment and remaining maturities of less than one year, which do not meet the definition of cash equivalents. The deposits measured at cost, including accrued interest and presented according to the terms of deposit. During 2024, short-term deposits yielded an annual interest rate in a range of approximately 5%-6%.

e. Inventories:

Inventories are measured at the lower of cost and net realizable value. The cost of inventories comprises costs of purchase of raw and other materials and costs incurred in bringing the inventories to their present location and condition. Net realizable value is the estimated selling price in the ordinary course of business, net of selling expenses. The Company periodically evaluates the condition and age of inventories and makes provisions for slow moving inventories accordingly. Cost of inventories is determined as follows:

Raw materials - at cost of purchase using the "first-in, first-out" method.

Work in progress and finished goods - on the basis of average costs including materials, labor and other direct and indirect manufacturing costs based on normal capacity.

The following table summarizes information about the inventory balance as of December 31:

	December 31,	
	2024	2023
Raw materials	$ 40	$ -
Work in progress	261	-
Finished goods	1,518	76
	$ 1,819	$ 76

f. Government grants:

Government grants received from the Israel Innovation Authority (“IIA”), the Israel-U.S. Binational Industrial Research and Development Foundation (“BIRD”) and Israeli Ministry of Economy as part of “Smart money” grant program are recognized upon receipt as a liability if future economic benefits are expected from the research project that will result in royalty-bearing sales. Government grants are recognized when there is reasonable assurance that the grants will be received, and the Company will comply with the precedent conditions.

NOTE 2: - SIGNIFICANT ACCOUNTING POLICIES (Cont.)

A liability for the loan is first measured at fair value using a discount rate that reflects a market rate of interest. The difference between the amount of the grant received and the fair value of the liability is accounted for as a government grant and recognized as a reduction of research and development expenses. After initial recognition, the liability

is measured at amortized cost using the effective interest method. Royalty payments are treated as a reduction of the liability. If no economic benefits are expected from the research activity, the grant receipts are recognized as a reduction of the related research and development expenses or marketing expenses (in case of "Smart money" program). In that event, the royalty obligation is treated as a contingent liability in accordance with IAS 37- Provisions, Contingent Liabilities and Contingent Assets ("IAS 37").

In each reporting date, the Company evaluates whether there is reasonable assurance that the liability recognized, in whole or in part, will not be repaid (since the Company will not be required to pay royalties) based on the best estimate of future sales and using the original effective interest method, and if so, the appropriate amount of the liability is derecognized against a corresponding reduction in research and development or marketing expenses.

Amounts paid as royalties are recognized as settlement of the liability.

Non-refundable grants from the IIA and the European Union Horizon 2020 for funding research and development projects are recognized at the time the Company is entitled to such grants on the basis of the related costs incurred and recorded as a deduction from research and development expenses.

g. Leases:

The company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

For leases in which the Company is the lessee, the Company recognizes on the commencement date of the lease a right-of-use asset and a lease liability, excluding leases whose term is up to 12 months and leases for which the underlying asset is of low value. For these excluded leases, the Company has elected to recognize the lease payments as an expense in profit or loss on a straight-line basis over the lease term.

1. Right-of-use assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. The right-of-use assets are depreciated over the shorter of their useful life and the lease term.

NOTE 2: - SIGNIFICANT ACCOUNTING POLICIES (Cont.)

Following are the amortization periods of the right-of-use assets by class of underlying asset:

	Years	Mainly
Office space	2-8	6
Laboratory space	2-8	6
Motor vehicles	3	3

The Company tests for impairment of the right-of-use asset whenever there are indications of impairment pursuant to the provisions of IAS 36.

2. Lease liabilities

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate ("IBR") at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in the consumer price index ("CPI") or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

3. Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of motor vehicles (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognized as expense on a straight-line basis over the lease term.

NOTE 2: - SIGNIFICANT ACCOUNTING POLICIES (Cont.)

h. Property, plant and equipment:

Property, plant and equipment are measured at cost, including directly attributable costs, less accumulated depreciation, accumulated impairment losses and any related investment grants and excluding day-to-day servicing expenses.

Depreciation begins when the asset is available for use, that is, when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is calculated on a straight-line basis over the useful life of the assets at annual rates as follows:

	%	Mainly %
Laboratory equipment	9-30	15
Computers and peripheral equipment	15-33.33	33.33
Office equipment and furniture	6-20	6
Leasehold improvements	see below	

Leasehold improvements are depreciated on a straight-line basis over the shorter of the lease term (including the extension option held by the Company and intended to be exercised) and the useful life of the improvement.

The useful life, depreciation method and residual value of an asset are reviewed at least each year-end and any changes are accounted for prospectively as a change in accounting estimate. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale and the date that the asset is derecognized.

i. Intangible assets:

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for intangible assets with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

The amortization expense on intangible assets with finite lives is recognized in the statement of profit or loss in the expense category that is consistent with the function of the intangible assets.

An intangible asset is derecognized upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss (see Note 10).

NOTE 2: - SIGNIFICANT ACCOUNTING POLICIES (Cont.)

A summary of the useful economic lives of the intangible assets purchased by the Company is as follows:

	Years
Pipeline Products	17
Potential Products	19
Microorganisms Collection	20

j. Impairment of non-financial assets:

The Company evaluates the need to record an impairment of non-financial assets whenever events or changes in circumstances indicate that the carrying amount is not recoverable. If the carrying amount of non-financial assets exceeds their recoverable amount, the assets are reduced to their recoverable amount. The recoverable amount is the higher of fair value less costs of sale and value in use. In measuring value in use, the expected future cash flows are discounted using a pre-tax discount rate that reflects the risks specific to the asset and the time value of money. The recoverable amount of an asset that does not generate independent cash flows is determined for the cash-generating unit to which the asset belongs. Impairment losses are recognized in profit or loss.

k. Revenue recognition:

Revenue from contracts with customers is recognized when the control over the goods or services is transferred to the customer. The transaction price is the amount of consideration that is expected to be received based on the contract terms, excluding amounts collected on behalf of third parties (such as taxes). The Company does not grant a right of return to its customers.

If the contract contains a single performance obligation, the entire transaction price is allocated to the single performance obligation. Contracts that contain multiple performance obligations such as licenses, services, royalties and milestone events require an allocation of the transaction price to each performance obligation based on a 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, the economic life of the software, and other observable inputs or uses the expected cost-plus margin approach to estimate the price the Company would charge if the products and services were sold separately. 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.

NOTE 2: - SIGNIFICANT ACCOUNTING POLICIES (Cont.)

Revenues from research and development services as part of the Company's collaboration agreements are recognized over time, during the period the customer simultaneously receives and consumes the benefits provided by the Company's performance. Recognition of the service is throughout the services period using the input method in order to measure the progress of the services, based on the actual internal and external costs incurred, relative to total internal and external costs expected to be incurred to satisfy the performance obligation. The Company determined that the input method is the best measure of progress towards satisfying the performance obligation as incurred labor effort represents work performed that corresponds with, and thereby best depicts the transfer of goods and services. Payment terms between the Company and its customers are typically up to twelve months, and vary by the type of the customer, country of sale and the products or services delivered.

Revenues from the sale of castor seeds, medical cannabis products and license agreements are recognized when the control of the Company’s product is transferred to the customer, generally upon delivery of the goods or products to the customer, according to the shipment or delivery terms.

Future milestone payments are considered variable consideration and are subject to the variable consideration constraint (i.e. will be recognized once concluded that it is “probable” that a significant reversal of the cumulative revenues recognized under the contract will not occur in future periods when the uncertainty related to the variable consideration is resolved). Therefore, as the milestone payments are not probable, revenue was not recognized in respect to such milestone payments prior to achievement of such milestone.

In instances of contracts where revenue recognition differs from timing of invoicing, the Company generally determined that those contracts do not include a significant financing component. The company uses the practical expedient and does not assess the existence of a significant financing component when the difference between payment and revenue recognition is a year or less.

The Company’s remaining performance obligations represent contracted revenue that has not yet been recognized. As of December 31, 2024, the aggregate amount of the transaction price allocated to remaining performance obligations that the Company expects to recognize as revenue over the next 12 months was approximately $947.

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

NOTE 2: - SIGNIFICANT ACCOUNTING POLICIES (Cont.)

Disaggregation of revenue

The following table disaggregates the Company's revenues by timing of revenue recognition:

	Year ended December 31,		
	2024	2023	2022
Revenue recognized at a point in time	$ 5,863	$ 4,220	$ 644
Revenue recognized over time	2,648	1,420	1,031
	$ 8,511	$ 5,640	$ 1,675

l. Taxes on income:

Current or deferred taxes are recognized in profit or loss, except to the extent that they relate to items which are recognized in other comprehensive income (loss) or equity.

1. Current taxes:

The current tax liability is measured using the tax rates and tax laws that have been enacted or substantively enacted by the reporting date as well as adjustments required in connection with the tax liability in respect of previous years.

2. Deferred taxes:

Deferred taxes are computed in respect of temporary differences between the carrying amounts in the financial statements and the amounts attributed for tax purposes.

Deferred taxes are measured at the tax rate that is expected to apply when the asset is realized, or the liability is settled, based on tax laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is not probable that they will be utilized. Temporary differences for which deferred tax assets had not been recognized are reviewed at each reporting date and a respective deferred tax asset is recognized to the extent that their utilization is probable.

NOTE 2: - SIGNIFICANT ACCOUNTING POLICIES (Cont.)

m. Financial instruments:

The accounting for financial instruments is in accordance with IFRS 9, "Financial Instruments" ("IFRS 9").

1. Financial assets:

Financial assets are measured upon initial recognition at fair value plus transaction costs that are directly attributable to the acquisition of the financial assets, except for financial assets measured at fair value through profit or loss in respect of which transaction costs are recorded in profit or loss.

Impairment of financial assets:

The Company evaluates at the end of each reporting period the loss allowance for financial debt instruments which are not measured at fair value through profit or loss.

The Company has short-term financial assets such as trade receivables in respect of which the Company applies a simplified approach and measures the loss allowance in an amount equal to the lifetime expected credit losses.

2. Financial liabilities:

a) Financial liabilities measured at amortized cost:

Financial liabilities are initially recognized at fair value less transaction costs that are directly attributable to the issue of financial liability.

After initial recognition, the accounting treatment of financial liabilities is based on their classification as follows:

After initial recognition, the Company measures all financial liabilities at amortized cost using the effective interest rate method, except for financial liabilities at fair value through profit or loss..

b) Financial liabilities measured at fair value through profit or loss:

At initial recognition, the Company measures financial liabilities that are not measured at amortized cost at fair value. Transaction costs are recognized in profit or loss. After initial recognition, changes in fair value are recognized in profit or loss. See also Note 13b.

Any difference between the fair value estimated by the entity and the transaction price ("day one gain or loss") is recognized:

- In the income statement if the fair value is evidenced by quoted price in an active market for identical asset or liability or based on a valuation technique that uses only data from observable markets; and
- Deferred as an adjustment to the carrying amount of the financial instrument in all other cases and recognized in the income statement until maturity.

NOTE 2: - SIGNIFICANT ACCOUNTING POLICIES (Cont.)

3. De-recognition of financial instruments:

   a. Financial assets:

      A financial asset is derecognized when the contractual rights to the cash flows from the financial asset expire or the Company has transferred its contractual rights to receive cash flows from the financial asset or assumes an obligation to pay the cash flows in full without material delay to a third party and has transferred substantially all the risks and rewards of the asset or has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

   b. Financial liabilities:

      A financial liability is derecognized when it is extinguished, that is when the obligation is discharged or cancelled or expires. A financial liability is extinguished when the debtor (the Company) discharges the liability by paying in cash, other financial assets, goods or services; or is legally released from the liability.

n. Fair value measurement:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fair value measurement is based on the assumption that the transaction will take place in the asset's or the liability's principal market, or in the absence of a principal market, in the most advantageous market.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

Fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs (see also Note 12).

NOTE 2: - SIGNIFICANT ACCOUNTING POLICIES (Cont.)

All assets and liabilities measured at fair value or for which fair value is disclosed are categorized into levels within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement:

Level 1	-	Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2	-	Inputs other than quoted prices included within Level 1 that are observable directly or indirectly.
Level 3	-	Inputs that are not based on observable market data (valuation techniques which use inputs that are not based on observable market data).

o. Employee benefit liabilities:

The Company has several employee benefits plans:

1. Short-term employee benefits:

Short-term employee benefits are benefits that are expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related services. These benefits include salaries, paid annual leave, paid sick leave, recreation and social security contributions and are recognized as expenses as the services are rendered. A liability in respect of a cash bonus or a profit-sharing plan is recognized when the Company has a legal or constructive obligation to make such payment as a result of past service rendered by an employee and a reliable estimate of the amount can be made. The short-term employee benefit liability in the statement of financial position is measured on an undiscounted basis.

2. Post-employment benefits:

The plans are normally financed by contributions to insurance companies and classified as defined contribution plans or as defined benefit plans.

Defined contribution plans:

The Company has defined contribution plans pursuant to section 14 of the Israeli Severance Pay Law (the “Severance Law”) under which the Company pays fixed contributions and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient amounts to pay all employee benefits relating to employee service in the current and prior periods.

Contributions to the defined contribution plan in respect of severance or retirement pay are recognized as an expense when contributed concurrently with the performance of the employee's services.

In respect of its severance pay obligation to certain of its employees, the Company makes current deposits in pension funds and insurance companies (“the plan assets”). Plan assets comprise assets held by a long-term employee benefit fund or qualifying insurance policies. Plan assets are not available to the Company's own creditors and cannot be returned directly to the Company.

NOTE 2: - SIGNIFICANT ACCOUNTING POLICIES (Cont.)

p. Share-based payment transactions:

The Company's employees and consultants are entitled to remuneration in the form of equity-settled share-based payment transactions.

Equity-settled transactions:

The cost of equity-settled transactions with employees is measured at the fair value of the equity instruments granted at the grant date. The fair value is determined using an acceptable option pricing model.

As for consultants, the cost of the transactions is measured at the fair value of the services received as consideration for equity instruments granted.

The cost of equity-settled transactions is recognized in profit or loss together with a corresponding increase in equity during the period which the performance and/or service conditions are to be satisfied ending on the date on which the relevant employees become entitled to the award ("the vesting period"). The cumulative expense recognized for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. No expense is recognized for awards that do not ultimately vest. If the Company modifies the conditions on which equity-instruments were granted, an additional expense is recognized for any modification that increases the total fair value of the share-based payment arrangement or is otherwise beneficial to the employee or other service provider at the modification date.

q. Non-controlling interests measurement:

The profits or losses attributed to regular shares are adjusted for the dividends of non-cumulative preference shares classified as equity held by non-controlling interests. The Company allocates profit or loss and each component of other comprehensive income to the owners of the Company and to ordinary non-controlling interests in proportion to their ownership interests in the subsidiary, even if this results in the non-controlling interests having a deficit balance.

r. Investment in an associate

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies. The financial statements of an associate are prepared for the same reporting period as the company's. The accounting policies of an associate are aligned with those of the Company. Therefore, no adjustments were made when measuring and recognizing the Company's share of the profit or loss of the investee after the date of acquisition. Under the equity method, the investment in an associate is initially recognized at cost. The carrying amount of the investment is adjusted to recognize changes in the Company's share of net assets of the associate since the acquisition date.

NOTE 3: - SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS USED IN THE PREPARATION OF THE FINANCIAL STATEMENTS

In the process of applying the significant accounting policies, the Company has made the following judgments which have the most significant effect on the amounts recognized in the financial statements:

a. Judgments:

- Determining the timing of satisfaction of performance obligations:

  In order to determine the timing of recognizing revenues from contracts with customers at a point in time or over time, the Company evaluates the date of transfer of control over the assets or services promised in the contracts. Among others, the Company evaluates whether the customer obtains control of the asset at a specific point in time or consumes the economic benefits associated with the contract simultaneously with the Company's performance. In determining the timing of revenue recognition, the Company also considers the provisions of applicable laws and regulations.

- Discount rate for a lease liability:

  When the Company is unable to readily determine the discount rate implicit in the lease for calculating the lease liability, it uses an IBR that represents the rate of interest that a lessee would have to pay to borrow over a similar term and with similar security, the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment. When the Company cannot rely on borrowing transactions, it determines the IBR based on its financing risk, the lease period and other economic variables dictated by the lease contract's existing conditions and restrictions.

b. Estimates and assumptions:

The preparation of the financial statements requires management to make estimates and assumptions that have an effect on the application of the accounting policies and on the reported amounts of assets, liabilities, revenues and expenses. Changes in accounting estimates are reported in the period of the change in estimate.

The key assumptions made in the financial statements concerning uncertainties at the reporting date and the critical estimates computed by the Company that may result in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

NOTE 3: - SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS USED IN THE PREPARATION OF THE FINANCIAL STATEMENTS (Cont.)

- Government grants:

  Government grants received from the IIA, the Israel-U.S. Binational Industrial Research and Development Foundation ("BIRD") and from Israeli Ministry of Economy (as part of "Smart money" grant programs) are recognized as liabilities if future economic benefits are expected from the research and development or marketing activity that will result in royalty-bearing sales. There is uncertainty regarding the estimated future cash flows used to measure the amount of the liability.

- Legal claims:

  In estimating the likelihood of outcome of legal claims filed against the Company and its investees, the Company relies on the opinion of its legal counsel. These estimates are based on the legal counsel's best professional judgment, taking into account the stage of proceedings and legal precedents in respect of the different issues. Since the outcome of the claims will be determined in courts, the results could differ from these estimates.

- Determining the fair value of share-based payment transactions:

  The fair value of share-based payment transactions is determined upon initial recognition by an acceptable option pricing model. The inputs to the model include share price (as the Company's subsidiaries' shares are not publicly traded, the fair value of the subsidiaries' shares was estimated by valuation reports prepared by third-party valuation specialists), exercise price and assumptions regarding expected volatility, expected life of share option and expected dividend yield.

- Determining the fair value of convertible SAFE:

  The fair value of the SAFE issued to ICL (see Note 5f and Note 12) is based on the weighted average value of various scenarios assuming Lavie Bio Ltd.'s estimated enterprise value at the valuation date. The enterprise value is calculated using the income approach, whereby the cash flows expected to be generated are discounted to their present value equivalent using a rate of return that reflects the relative risk of the investment, as well as the time value of money. The value of the SAFE assumes the probability of various possible scenarios to which an acceptable option pricing model is applied. The inputs to the model include the enterprise value described above, the conversion price and assumptions regarding the expected volatility and the expected life of each scenario.

NOTE 3: - SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS USED IN THE PREPARATION OF THE FINANCIAL STATEMENTS (Cont.)

- Determining the fair value warrants and pre-funded warrants liability:

  The fair value of warrants and pre-funded warrants liability (see Note 17(c)) was estimated using the Black Scholes option pricing model, with the following assumptions:

  Dividend yield (%) - 0%

  Expected volatility of the share prices (%) – 81.76%-87.43%

  Risk-free interest rate (%) – 4.17%-4.36%

- Leases - Estimating the IBR:

  The Company cannot readily determine the interest rate implicit in the lease; therefore, it uses its IBR to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease.

  The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the Company's stand-alone credit rating).

- Lease extension and/or termination options:

  In evaluating whether it is reasonably certain that the Company will exercise an option to extend a lease or not exercise an option to terminate a lease, the Company considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend or not exercise the option to terminate such as, but not limited to: significant amounts invested in leasehold improvements, the significance of the underlying asset to the Company's operation and whether it is a specialized asset and the Company's past experience with similar leases.

  After the commencement date, the Company reassesses the term of the lease upon the occurrence of a significant event or a significant change in circumstances that affects whether the Company is reasonably certain to exercise an option to extend or not exercise an option to terminate previously included in the determination of the lease term, such as significant leasehold improvements that had not been anticipated on the lease commencement date, sublease of the underlying asset for a period that exceeds the end of the previously determined lease period, etc.

NOTE 3: - SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS USED IN THE PREPARATION OF THE FINANCIAL STATEMENTS (Cont.)

- Intangible assets - Estimating the fair value:

  The fair value of intangible assets purchased is determined upon initial recognition and when the recoverability of those assets is assessed for impairment, by either one of three traditional methods in evaluating an asset. These methods include the market approach, the income approach and the cost approach. The pipeline products and potential products were valued by applying the income approach and the microorganisms collection was valued using the cost approach. The useful economic life was determined through years of development until the final year of projected sales. When applying the income approach, the cash flows expected to be generated by intangible assets are discounted to their present value equivalent using a rate of return that reflects the relative risk of the investment, as well as the time value of money. For each intangible asset, a specific discount rate was calculated using the "Modified CAPM Build-Up Method".

NOTE 4: - DISCLOSURE OF NEW STANDARDS IN THE PERIOD PRIOR TO THEIR ADOPTION

a. New Currently Effective Requirements

Amendment to IAS 1, *Presentation of Financial Statements: Classification of Liabilities as Current or Non-Current* and subsequent amendment: *Non-Current Liabilities with Covenants*

In January 2020, the IASB issued an amendment to IAS 1, "Presentation of Financial Statements" regarding the criteria for determining the classification of liabilities as current or non-current ("the Original Amendment"). In October 2022, the IASB issued a subsequent amendment ("the Subsequent Amendment").

According to the Subsequent Amendment:

- Only financial covenants with which an entity must comply on or before the reporting date will affect a liability's classification as current or non-current.
- In respect of a liability for which compliance with financial covenants is to be evaluated within twelve months from the reporting date, disclosure is required to enable users of the financial statements to assess the risks related to that liability. The Subsequent Amendment requires disclosure of the carrying amount of the liability, information about the financial covenants, and the facts and circumstances at the end of the reporting period that could result in the conclusion that the entity may have difficulty in complying with the financial covenants.

According to the Original Amendment, the conversion option of a liability affects the classification of the entire liability as current or non-current unless the conversion component is an equity instrument.

NOTE 4: - DISCLOSURE OF NEW STANDARDS IN THE PERIOD PRIOR TO THEIR ADOPTION (Cont.)

The Original Amendment and Subsequent Amendment are both effective for annual periods beginning on or after January 1, 2024 and must be applied retrospectively. Early adoption is permitted.

The Amendment did not have a material impact on its financial statement.

b. Forthcoming requirements

In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements ("IFRS 18") which replaces IAS 1 Presentation of Financial Statements. IFRS 18 requires an entity to classify all income and expenses within its statement of profit or loss into one of five categories: operating; investing; financing; income taxes; and discontinued operations. The first three categories are new. These categories are complemented by the requirement to present subtotals and totals for "operating profit or loss," "profit or loss before financing income and taxes," and "profit or loss." IFRS 18, and the amendments to the other standards, is effective for reporting periods beginning on or after January 1, 2027, but earlier application is permitted.

The Company is currently assessing the impact of the Standard on its financial statements.

NOTE 5: - COLLABORATION, RESEARCH AND DISTRIBUTION AND SALES AGREEMENTS

Each of the following agreements amounted to 10% or more of the Company's total revenues in 2024, 2023 and 2022:

a. In March 2020, AgPlenus Ltd. entered into a multi-year collaboration with Corteva for the discovery and development of novel herbicides. Under the terms of the collaboration agreement, AgPlenus Ltd. and Corteva work together to optimize herbicide product candidates originating from the Company's pipeline. Successful candidates from this collaboration are expected to be further developed by Corteva (see also Note 22e and Customer A in Note 21c).

b. In August 2021, Canonic Ltd. entered into an agreement with customer C (see Note 21c) for the distribution in Israel of Canonic Ltd.'s medical cannabis products, through its distribution channels, on a consignment basis to licensed pharmacies, under the Canonic brand. The initial term of the agreement is 36 months.

c. In November 2022, Casterra Ag Ltd. entered into an agreement with a customer, under which Casterra Ag Ltd. would sell to the customer castor seeds, equipment, machinery and materials. In November 2023, the agreement was extended until November 1, 2024.

In June 2023, Casterra Ag Ltd. signed a framework agreement with a leading oil and gas energy company (Customer D, see Note 21c) for the sale of castor varieties at a commercial scale for biofuel production. Under the framework of the agreement, during June 2023, Casterra Ag Ltd. received an order totaling $9,100. In addition, during June 2023 Casterra Ag Ltd. received an additional order totaling approximately $2,200 to supply castor seeds.

NOTE 5: - COLLABORATION, RESEARCH AND DISTRIBUTION AND SALES AGREEMENTS (Cont.)

Following the delay in delivery schedule that was caused by the seed production bottleneck Casterra Ag Ltd. had in 2023 and 2024, Casterra Ag Ltd. is currently negotiating with the customer to supply additional seeds in lieu of expired orders from 2023, as mentioned above.

In June 2024, Casterra Ag Ltd. received an additional purchase order totaling approximately $440 to supply castor seeds to a new African country in 2024.

d. During July 2023, Lavie Bio entered a licensing agreement with Corteva, conferring exclusive rights to Corteva for advancing and commercializing Lavie Bio's lead bio-fungicides, LAV311 and LAV312. Lavie Bio received an initial payment of $5,000, in two installments, a first payment of $2,500 was received during September 2023 and in March 2024, Lavie Bio Ltd. received the second payment of $2,500. In addition, Lavie Bio Ltd. was also eligible for additional future milestone payments and royalties from Corteva's sales of the products. (Customer A, see Note 21c). During November 2024 Lavie Bio announced the cancellation of this licensing agreement with Corteva. Lavie Bio regained full rights and freedom to operate the licensed technology and the lead bio-fungicide candidates.

e. On February 16, 2024, AgPlenus Ltd. entered into a Licensing and Collaboration Agreement (the ”Agreement”) with Bayer AG (“Bayer”) for the development of a new sustainable weed control solution. This Agreement grants Bayer an exclusive license for the development and commercialization of products developed within the collaboration. According to the Agreement, AgPlenus Ltd. is entitled to receive a license payment, ongoing research funding, milestone payments, and royalties based on future product sales, subject to certain conditions as stipulated in the Agreement. (Customer B, see Note 21c).

Additional significant agreements that were signed during 2023 and 2022:

f. In August 2022, an affiliate company of ICL and Lavie Bio Ltd. entered a multi-year collaboration agreement for developing novel bio-stimulant products to enrich fertilizer efficiency. Under the Agreement, Lavie Bio Ltd. carries out dedicated product development programs, and Lavie Bio Ltd. and ICL will enter a licensing agreement that will define, among other aspects, Lavie Bio Ltd.’s consideration for commercialization of resulting products by ICL. As part of the collaboration, ICL invested through an affiliate company in Lavie Bio Ltd. $10,000 under a SAFE (see also Note 12).

g. In May 2023 Evogene signed an agreement for an EU Horizon grant of approximately €1,200 to support the creation of oil-seed crops that have high carbon-dioxide assimilation and enhanced drought tolerance. The project is expected to be executed over 32 months. In May 2023 Evogene received a pre-financing payment of approximately €980 (approximately $1,023) and in August 2024 Evogene received a second payment of approximately €123 (approximately $134) from the grant mentioned above (see also Note 11).

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

NOTE 6: - CASH AND CASH EQUIVALENTS

	December 31,	
	2024	2023
Cash for immediate withdrawal in USD	$ 13,997	$ 19,067
Cash for immediate withdrawal in New Israeli Shekels ("NIS")	1,290	1,642
Cash for immediate withdrawal in Euro and other currencies	14	63
	$ 15,301	$ 20,772

NOTE 7: - OTHER RECEIVABLES AND PREPAID EXPENSES

	December 31,	
	2024	2023
Government authorities	$ 342	$ 226
Grant receivables	-	88
Prepaid expenses	308	909
Suppliers' advances	1,360	1,617
Other	54	133
	$ 2,064	$ 2,973

NOTE 8: - LEASES

The Company has entered into various lease agreements with respect to the following items:

1. Office and Laboratory spaces:

   In December 2018, the Company entered into a lease agreement for office space and a laboratory facilities in Rehovot, Israel for a period of 6 years (which included a three-years extension through December 2024). In December 2024 the lease agreement was extended for an additional period of 6 years through December 2030.

   In August 2017, the company entered into a lease agreement for office space and greenhouses in Naan, Israel for a period of 10 years (which included a three-years extension through July 2028).

2. Vehicles:

   The company leases vehicles for the use of certain of its employees in Israel. The lease terms are typically for three-year periods.

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

NOTE 8: - LEASES (Cont.)

The Company does not assume renewals in determination of the lease term unless the renewals are deemed to be reasonably certain at lease commencement.

a. Information on leases in which the Company is a lessee:

	Year ended December 31	
	2024	2023
Interest expense on lease liabilities	$ 67	$ 115
Exchange rate differences	7	(57)
Adjustments for indexation	19	39
Depreciation expenses on right-of-use assets	797	805
Expense due to removal of lease liabilities and right-of-use assets	3	-

b. Lease extension and cancelation options:

The Company has leases that include both extension and cancelation options. These are used to maximize operational flexibility in terms of managing the assets used in the Company's operations. The Company exercises significant judgements in deciding whether it is reasonably certain that the extension and cancelation options will be exercised.

In leaseholds for periods of 5-7 years, the Company recognizes any extension options exercised as per lease agreements in the lease period. In these leases, the Company usually exercises the lease extension option to avoid critical impairment to its operating activities in the event that an alternative asset is not available immediately upon termination of the noncancelable lease period.

In leases of motor vehicles, the Company does not include in the lease term the exercise of extension options since the Company does not ordinarily exercise options that extend the lease period beyond 3 years.

Moreover, the lease period subject to the termination option is accounted for as part of the lease period when it is reasonably certain that the termination option will not be exercised.

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

NOTE 8: - LEASES (Cont.)

c. Disclosures of right-of-use assets:

	Leasehold	Motor vehicles	Total
Cost:			
Balance as of January 1, 2024	$ 3,553	$ 874	$ 4,427
Additions during the year:			
Additions to right-of-use assets for new leases in the period	1,974	333	2,307
Adjustments for indexation	12	7	19
Disposals during the year:			
Disposals of right-of-use assets for leases terminated in the period	(2,443)	(322)	(2,765)
Balance as of December 31, 2024	3,096	892	3,988
Accumulated depreciation:			
Balance as of January 1, 2024	2,868	579	3,447
Additions during the year:			
Depreciation	575	222	797
Disposals during the year:			
Disposals of right-of-use assets	(2,443)	(260)	(2,703)
Balance as of December 31, 2024	1,000	541	1,541
Depreciated cost on December 31, 2024	$ 2,096	$ 351	$ 2,447

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

NOTE 8: - LEASES (Cont.)

	Leasehold	Motor vehicles	Total
Cost:			
Balance as of January 1, 2023	$ 3,522	$ 747	$ 4,269
Additions during the year:			
Additions to right-of-use assets for new leases in the period	-	194	194
Adjustments for indexation	31	8	39
Disposals during the year:			
Disposals of right-of-use assets for leases terminated in the period	-	(75)	(75)
Balance as of December 31, 2023	3,553	874	4,427
Accumulated depreciation:			
Balance as of January 1, 2023	2,276	425	2,701
Additions during the year:			
Depreciation	592	213	805
Disposals during the year:			
Disposals of right-of-use assets	-	(59)	(59)
Balance as of December 31, 2023	2,868	579	3,447
Depreciated cost on December 31, 2023	$ 685	$ 295	$ 980

d. Disclosures of lease liability:

	Leasehold	Motor vehicles	Total
Balance as of January 1, 2024	$ 868	$ 270	$ 1,138
Lease payments	(725)	(243)	(968)
Lease deposits	-	(2)	(2)
Interest expense	40	27	67
Exchange rate differences	(7)	14	7
Additions to lease liability for new leases in the period	1,974	333	2,307
Reduction of lease liability for leases terminated in the period	-	(65)	(65)
Adjustments for indexation	12	7	19
Balance as of December 31, 2024	$ 2,162	$ 341	$ 2,503

The weighted average incremental borrowing rate used to discount future lease payments in the calculation of the lease liabilities was 8.35%. During 2024, the total cash outflow for leases was approximately $968.

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

NOTE 8: - LEASES (Cont.)

	Leasehold	Motor vehicles	Total
Balance as of January 1, 2023	$ 1,536	$ 280	$ 1,816
Lease payments	(744)	(207)	(951)
Lease deposits	-	(2)	(2)
Interest expense	90	25	115
Exchange rate differences	(45)	(12)	(57)
Additions to lease liability for new leases in the period	-	194	194
Reduction of lease liability for leases terminated in the period	-	(16)	(16)
Adjustments for indexation	31	8	39
Balance as of December 31, 2023	$ 868	$ 270	$ 1,138

The weighted average incremental borrowing rate used to discount future lease payments in the calculation of the lease liabilities was 9.22%. During 2024, the total cash outflow for leases was approximately $951.

The Company leases facilities for its offices and research and development activities, as well as motor vehicles under leases. As of December 31, 2024, the future minimum lease payments under non-cancelable leases for the years ending December 31, are as follows (see also Note 13b):

	Leasehold	Motor vehicles	Total
2025	$ 464	$ 215	$ 679
2026	425	141	566
2027	396	53	449
2028	394	-	394
2029	374	-	374
2030	338	-	338
Total lease payments	$ 2,391	$ 409	$ 2,800
Less: imputed interest	(229)	(68)	(297)
Present value of lease liabilities	$ 2,162	$ 341	$ 2,503

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

NOTE 9: - PROPERTY, PLANT AND EQUIPMENT, NET

	Laboratory equipment	Computers and peripheral equipment	Office equipment and furniture	Leasehold improvements	Total
Cost:					
Balance on January 1, 2024	$ 4,994	$ 2,219	$ 326	$ 14,032	$ 21,571
Additions	439	112	37	124	712
Deductions	(1)	(4)	(4)	(1,059)	(1,068)
Balance on December 31, 2024	5,432	2,327	359	13,097	21,215
Accumulated Depreciation:					
Balance on January 1, 2024	4,282	1,814	203	12,817	19,116
Depreciation	284	247	18	164	713
Deductions	(1)	(4)	(3)	(410)	(418)
Balance on December 31, 2024	4,565	2,057	218	12,571	19,411
Depreciated cost on December 31, 2024	$ 867	$ 270	$ 141	$ 526	$ 1,804

	Laboratory equipment	Computers and peripheral equipment	Office equipment and furniture	Leasehold improvements	Total
Cost:					
Balance on January 1, 2023	$ 4,655	$ 2,040	$ 253	$ 13,866	$ 20,814
Additions	380	179	73	166	798
Deductions	(41)	-	-	-	(41)
Balance on December 31, 2023	4,994	2,219	326	14,032	21,571
Accumulated Depreciation:					
Balance on January 1, 2023	3,998	1,553	189	12,575	18,315
Depreciation	325	261	14	242	842
Deductions	(41)	-	-	-	(41)
Balance on December 31, 2023	4,282	1,814	203	12,817	19,116
Depreciated cost on December 31, 2023	$ 712	$ 405	$ 123	$ 1,215	$ 2,455

Depreciation expenses for the years ended December 31, 2024, 2023 and 2022 were approximately $713, $842 and $759, respectively.

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

NOTE 10: - INTANGIBLE ASSETS, NET

On August 6, 2019, Corteva, through its subsidiary Pioneer Hi-Bred International, Inc., made an investment in the Company's agriculture biologicals subsidiary, Lavie Bio Ltd., which included the contribution of all Corteva's holdings in its wholly owned subsidiary Taxon Biosciences, Inc. along with an amount of $10,000 in consideration for Lavie Bio Ltd.'s shares. This transaction included the following intangible assets (see also Note 17h):

	Pipeline Products	Potential Products	Microorganisms Collection	Total
Cost:				
Balance on January 1, 2024	$ 7,028	$ 4,920	$ 5,500	$ 17,448
Balance on December 31, 2024	$ 7,028	$ 4,920	$ 5,500	$ 17,448
Accumulated Depreciation:				
Balance on January 1, 2024	$ 1,777	$ 1,115	$ 1,387	$ 4,279
Amortization	405	255	314	974
Balance on December 31, 2024	2,182	1,370	1,701	5,253
Amortized cost on December 31, 2024	$ 4,846	$ 3,550	$ 3,799	$ 12,195

	Pipeline Products	Potential Products	Microorganisms Collection	Total
Cost:				
Balance on January 1, 2023	$ 7,028	$ 4,920	$ 5,500	$ 17,448
Balance on December 31, 2023	$ 7,028	$ 4,920	$ 5,500	$ 17,448
Accumulated Depreciation:				
Balance on January 1, 2023	$ 1,374	$ 862	$ 1,072	$ 3,308
Amortization	403	253	315	971
Balance on December 31, 2023	1,777	1,115	1,387	4,279
Amortized cost on December 31, 2023	$ 5,251	$ 3,805	$ 4,113	$ 13,169

Amortization expenses of intangible assets are classified in consolidated statements of profit or loss in research and development expenses, net.

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

NOTE 11: - LIABILITIES IN RESPECT OF GOVERNMENT GRANTS

	2024	2023
Balance on January 1,	$ 4,814	$ 4,744
Grants received *)	177	66
Royalties paid	(298)	(73)
Amounts recorded in profit or loss	(43)	77
Balance on December 31,	$ 4,650	$ 4,814

*) Excludes EU Horizon grant amounts received in May 2023 and in August 2024 - see also Note 5g.

The Company received research and development grants from the IIA and undertook to pay royalties of 3%-4% of revenues derived from research and development projects that were financed by the IIA, of up to 100% of the grants received (including accrued interest). As of December 31, 2024, the Company received grants amounting to $9,402 (including accrued interest), of which $3,896 were repaid to date.

In July 2022, Canonic Ltd. received the Israeli Ministry of Economy approval to be included in “Smart money” grants program for marketing operations in Germany. The maximum grant amount from this program is approximately $85. Canonic Ltd. undertook to pay royalties of 3% of yearly revenues above approximately $284 derived from the operation in Germany, up to 100% of the grants received. As of December 31, 2024, Canonic Ltd. received approximately $42 for marketing expenses in Germany. Since Canonic has ceased its activities during the first half of 2024 and no economic benefits are expected from the marketing operations in Germany, the grant receipts were recognized as a reduction of the related marketing expenses during 2024.

In February 2024, Lavie Bio Ltd. received the Israeli Ministry of Economy approval to be included in “Smart money” grant program to begin exporting in Canada. The maximum amount of grants from this program is approximately $83. Lavie Bio Ltd. undertook to pay royalties of 3% of yearly revenues above approximately $276 derived from the operations in Canada, up to 100% of the grants received (linked to CPI). As of December 31, 2024, Lavie Bio Ltd. received approximately $78 for marketing expenses in Canada incurred until December 31, 2024.

NOTE 12: - CONVERTIBLE SAFE

In August 2022, ICL and Lavie Bio Ltd. ("Lavie") entered a multi-year collaboration agreement for developing novel bio-stimulant products to enrich fertilizer efficiency. As part of the collaboration, ICL (through its affiliate company) invested $10,000 in Lavie using a SAFE agreement (simple agreement for future equity). Pursuant to the terms of that agreement, the SAFE amount will automatically be converted during enumerated events, each subject to certain terms and conditions, to include (i) an equity financing (as such term is defined in the agreement), with such SAFE amount converting into equity at a 20% discount rate, or (ii) a liquidity event (as such term is defined in the agreement), with such SAFE amount converting into shares to receive a portion of proceeds due as part of the liquidity event. The price per share for future conversion is capped at a price reflecting a valuation of $130,000 prior to the relevant event. Additionally, ICL is permitted to invest an additional amount prior to, or as part of, the next financing of Lavie, which may result in ICL holding up to a maximum interest of 14.29% in Lavie on a fully diluted share capital basis. If no equity financing occurs within thirty (30) months of the effective date of the agreement, ICL shall be entitled to convert the SAFE amount at a price per share reflecting a valuation of $70,000, within 60 days after such thirty (30) month period elapsed. If no conversion occurs within thirty (30) months, as mentioned above, ICL still retains the right to convert the SAFE amount into equity at a 20% discount rate, in an equity financing or a liquidity event (as such terms are defined in the SAFE agreement). According to IAS 32, "Financial Instruments: Presentation", as conversion upon an equity financing requires the delivery of variable number of shares, the SAFE is accounted for as a liability and measured at fair value according to IFRS 9. The fair value of the SAFE will be remeasured at the end of each reporting period with any change to fair value recorded within financial expenses in the statements of profit or loss. The fair value of the SAFE at initial recognition equals the transaction price of $10,000.

As of December 31, 2024, and 2023, the fair value of the SAFE, based on a valuation prepared by third-party valuation specialists, was approximately $10,371 and approximately $10,368, respectively. See also Note 13b.

NOTE 13: - FINANCIAL INSTRUMENTS

a. Financial risk factors:

The Company's operations are exposed to various financial risks, such as market risk (foreign currency risk, price risk), credit risk and liquidity risk. The Company's comprehensive risk management plan focuses on measures to minimize possible negative effects on the financial performance of the Company.

The Company's Board of Directors has provided guidelines for risk management, and specific policies for various risk exposures, such as foreign currency risk, interest-rate risk, credit risk, and the use of derivative financial instruments, non-derivative financial instruments, and excess-liquidity investments.

1. Market Risk:

Foreign currency risk:

The Company operates primarily in Israel and has an exchange rate risk as it incurs operating costs in Israel, consisting principally of salaries and related personnel expenses, and facility expenses which are denominated in NIS, which differs from its functional currency.

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

NOTE 13: - FINANCIAL INSTRUMENTS (Cont.)

2. Credit Risk:

The Company holds cash and cash equivalents and other financial instruments with various financial institutions. Its policy is to spread its investments among various institutions. In accordance with this policy, the Company invests its funds with stable financial institutions.

As of December 31, 2024, the Company has recorded a provision for doubtful accounts on advances paid to one of Casterra Ag Ltd.'s castor seed service providers in an amount of approximately $819 due to a delay in receiving the services as stipulated in the agreement with the service provider. See also Note 14a.

3. Liquidity Risk:

The following table presents the repayment dates of the Company's financial liabilities, by contractual terms, in nominal amounts (including interest payments):

Balance on December 31, 2024:

	Up to 1 year	1 year to 2 years	2 years to 3 years	3 years to 4 years	4 years to 5 years	Over 5 years	Total
Trade payables (*)	$ 1,228	$ -	$ -	$ -	$ -	$ -	$ 1,228
Employees and payroll accruals	1,869	-	-	-	-	-	1,869
Other payables	1,079	-	-	-	-	-	1,079
Leases liability	679	566	449	394	374	338	2,800
Liabilities in respect of government grants	323	392	336	462	632	3,884	6,029
	$ 5,178	$ 958	$ 785	$ 856	$ 1,006	$ 4,222	$ 13,005

(*) The Company engages with trade payables under the standard payment terms accepted in the relevant markets.

Balance on December 31, 2023:

	Up to 1 year	1 year to 2 years	2 years to 3 years	3 years to 4 years	4 years to 5 years	Over 5 years	Total
Trade payables (*)	$ 1,785	$ -	$ -	$ -	$ -	$ -	$ 1,785
Employees and payroll accruals	2,537	-	-	-	-	-	2,537
Other payables	1,019	-	-	-	-	-	1,019
Leases liability	921	211	103	41	21	-	1,297
Liabilities in respect of government grants	388	676	778	1,123	1,566	1,315	5,846
	$ 6,650	$ 887	$ 881	$ 1,164	$ 1,587	$ 1,315	$ 12,484

(*) The Company engages with trade payables under the standard payment terms accepted in the relevant markets.

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

NOTE 13: - FINANCIAL INSTRUMENTS (Cont.)

b. Fair Value:

The carrying amounts of cash and cash equivalents, other receivables and prepaid expenses, trade payables and other payables approximate their fair values due to the short-term maturities of such instruments.

The fair value of the liabilities in respect of government grants is measured using a discount rate that reflects the applicable market rate of interest at the date the grants are received, which approximates the fair value at the respective balance sheet date.

The fair value of lease liability is measured using a discount rate that reflects the IBR of interest at the date of the contract.

The fair value measurement of the Convertible SAFE as described in Note 12 is based on the weighted average value of various scenarios regarding Lavie Bio Ltd.'s estimated enterprise value at the valuation date. The fair value of the ordinary shares of Lavie Bio Ltd. is measured using the income approach, whereby the expected cash flows generated by Lavie Bio Ltd. are discounted to their present value equivalent using a rate of return that reflects its relative risk, as well as the time value of the money, and is considered to be Level 3 fair value hierarchy (see Note 2n). As of December 31, 2024 and 2023 the cash flow projections were discounted using the weighted average cost of capital rates of 24.2% and 25.0%, respectively, and long-term growth rates of 3% and 3%, respectively.

The fair value of warrants and pre-funded warrants liabilities as described in Note 17(c) is initially measured as of the transaction date and then subsequently remeasured at each reporting period using the Black Scholes option pricing model.

The following table presents the fair value of financial liabilities as of December 31, 2024 and 2023:

	December 31,	
	2024	2023
Convertible SAFE	$ 10,371	$ 10,368
Warrants and pre-funded warrants liabilities	$ 2,876	$ -

c. Sensitivity tests relating to changes in market factors:

	December 31,	
	2024	2023
Sensitivity test to changes in the USD/NIS exchange rate:		
Gain (loss) from the change:		
Decrease of 5% in the U.S. dollar relative to the NIS	$ (428)	$ (377)
Increase of 5% in the U.S. dollar relative to the NIS	$ 428	$ 377

Sensitivity tests and principal work assumptions:

The selected changes in the relevant risk variables were determined based on management's estimate as to reasonable possible changes in these risk variables.

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

NOTE 14: - COMMITMENTS AND CONTINGENT LIABILITIES

a. Claims:

On June 27, 2023, Casterra Ag Ltd. entered into a Growing Services Agreement with castor seed service provider ("service provider"), a Zambia-based company, pursuant to which the service provider will provide to Casterra the following services, on a statement of work basis: planning, growing, data collections, harvesting, dehulling, packaging and will serve as an exporter. During January 2024 Casterra Ag Ltd. initiated legal proceedings in Zambia against the service provider for the recovery of approximately $1,000, paid as pre-payment for the services, which were not provided to date. See also Note 23 - Subsequent Events.

b. Government grants:

The Company received research and development grants from the IIA. See also Note 11. If no economic benefits are expected from the research activity, the royalty obligation is not recorded as a liability and instead is treated as a contingent liability in accordance with IAS 37. The grants from the IIA impose certain restrictions on the transfer outside of Israel of the underlying know-how and the manufacturing or manufacturing rights of the underlying products and technologies.

NOTE 15: - SEVERANCE PAY LIABILITY

Labor laws and the Severance Law require the Company to pay compensation to employees upon dismissal or retirement, or to make routine contributions in defined contribution plans pursuant to Section 14 of the Severance Law, as described below. The Company's liability is accounted for as a post-employment benefit. The Company's employee benefit liability is based on a valid labor agreement, the employee's salary, and the applicable terms of employment, which together generate a right to severance compensation.

Post-employment employee benefits are financed by deposits with defined deposit plans, as detailed below.

Contributions in accordance with Section 14 to the Severance Law release the Company from any additional liability to employees for whom said contributions were made. These contributions represent defined contribution plans.

	Year ended December 31,		
	2024	2023	2022
Expenses – in respect to defined contribution plan	$ 841	$ 816	$ 877

NOTE 16: - TAXES ON INCOME

a. Tax rates applicable to the Company and its subsidiaries:

1. The Israeli corporate income tax rate was 23% for all years presented.

2. The Company's U.S. subsidiaries, Evogene Inc., Lavie Bio Inc., Lavie Tech Inc., Taxon Biosciences, Inc., and AgPlenus Inc., are subject to U.S. income taxes.

   During the years 2022 through 2024, the tax rates applicable to those companies, based on the main state where the companies had the most presence, were 21% (federal tax applicable for the years 2022, 2023 and 2024), approximately 3.41% (state tax applicable for the years 2023 and 2024) and approximately 6.5% (state tax applicable for the 2022).

b. Tax assessments:

Evogene Ltd., Lavie Bio Ltd., AgPlenus Ltd., Biomica Ltd., Canonic Ltd. and Casterra Ag Ltd. received final tax assessments, through the 2019 tax year.

c. Carryforward losses for tax purposes and other temporary differences:

As of December 31, 2024, Evogene Ltd. and its Israeli subsidiaries have carryforward operating tax losses amounting to approximately $131,980 and $86,230, respectively, which can be carried forward for an indefinite period.

d. Deferred taxes:

The Company did not record deferred tax assets with respect to net operating losses incurred by the Company and the Israeli subsidiaries since it is not probable that they will generate a taxable income in future years.

During 2023 the Company recorded a reduction in current tax liability in one of its U.S. subsidiaries in the amount of $150 offset by a decrease in deferred tax asset in the amount of $94 that was recorded as of December 31, 2022 with respect to the amortization of research and development expenses within the scope of U.S. Internal Revenue Code section 174 over five years.

e. Theoretical tax:

The Company has incurred operating losses during the years ended December 31, 2024, 2023 and 2022 for which deferred taxes were not recorded, as mentioned in Note 16d. The reconciliation between the tax expense, assuming that all the income and expenses, gains and losses in the statement of income were taxed at the statutory tax rate, and the taxes on income recorded in profit or loss, does not provide significant information and is therefore not presented.

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

NOTE 17: - SHAREHOLDERS' EQUITY

a. Share capital:

	December 31,			
	2024		2023	
	Authorized	Issued and Outstanding	Authorized	Issued and Outstanding
	Number of shares			
Ordinary shares of NIS 0.2 par value each	15,000,000	6,514,589	15,000,000	5,079,313

b. Changes in share capital:

Share capital issued and outstanding:

	Number of shares	NIS par value
Outstanding on January 1, 2023 (*)	4,146,868	829,374
Exercise of options and vesting of restricted share units (“RSUs”) (*)	10,423	2,085
Issuance of ordinary shares (*)	922,022	184,404
Outstanding on December 31, 2023 (*)	5,079,313	1,015,863
Issuance of ordinary shares	275,320	55,064
Exercise of options and vesting of RSUs	13,648	2,730
Exercise of pre-funded warrants	1,146,308	229,262
Outstanding on December 31, 2024	6,514,589	1,302,918

(*) Number of shares and NIS par value amounts have been retroactively adjusted to reflect the reverse share split at a ratio of 1-for-10, as mentioned below.

On July 23, 2024 Evogene announced a reverse share split of its issued and outstanding ordinary shares, at a ratio of 1-for-10, which was implemented after market close on July 24, 2024. Evogene’s ordinary shares began trading on the Nasdaq Capital Market on a post-reverse split basis at the market open on July 25, 2024, and on the Tel Aviv Stock Exchange at the market open on July 28, 2024. The reverse share split was approved by Evogene’s shareholders at the Company’s Annual Meeting of Shareholders held on June 13, 2024, to be effected at the board of directors’ discretion within approved parameters. In addition, proportionate adjustments were made to the number of shares issuable upon the exercise of all outstanding options entitling the holders to purchase ordinary shares (with a reciprocal increase in the per share exercise price) and to the number of ordinary shares underlying outstanding RSUs. As part of the reverse share split, all fractional shares were rounded to the nearest whole ordinary share, such that only shareholders holding fractional consolidated shares of more than half of the number of shares which consolidation constitutes one whole share, were entitled to receive one consolidated share. As a result of the abovementioned mechanism the Company recorded an adjustment of approximately 21,000 ordinary shares to the amount of issued and outstanding shares to all previous periods presented and that have been adjusted to reflect this reverse split.

All shares, per share amounts and weighted selling prices mentioned below have been retroactively adjusted to reflect that reverse share split.

NOTE 17: - SHAREHOLDERS' EQUITY (Cont.)

c. Issuance of ordinary shares:

1. In January 2021, the Company entered into a Controlled Equity Offering Sales Agreement, pursuant to which the Company issued 380,359 ordinary shares during January and February 2021, in an at-the-market ("ATM") offering, with a weighted average selling price of $73.61 per share, resulting in gross proceeds of approximately $28,000.

   On February 19, 2021, the Company entered into a new Controlled Equity Offering Sales Agreement, having an aggregate offering price of up to $50,000 (subsequently reduced to approximately $19,500), pursuant to which the Company issued 72,683 ordinary shares from April through September 2021, in an ATM offering, with a weighted average selling price of $36.35 per share, resulting in gross proceeds of approximately $2,642. During December 2022, 2,851 ordinary shares were issued through the ATM offering, with a weighted selling price of $7.68 per share, resulting in gross proceeds of approximately $22. During 2023, 72,022 ordinary shares were issued through the ATM offering, with a weighted selling price of $9.64 per share, resulting in gross proceeds of approximately $695. During January 2024, 320 ordinary shares were issued through the ATM offering, with a selling price of $10.00 per share, resulting in gross proceeds of approximately $3. In March 2024, the Company terminated the ATM offering pursuant to the terms of the Controlled Equity Offering Sales Agreement.

2. On July 17, 2023, the Company entered into securities purchase agreements with certain institutional investors for the sale of 850,000 ordinary shares in a registered direct offering at a purchase price of $10.00 per ordinary share. The gross proceeds from the offering amounted to approximately $8,500, before deducting placement agent fees and other offering expenses.

3. On March 1, 2024, the Company filed a shelf registration statement on Form F-3 with the Securities and Exchange Commission under which the Company may offer and sell from time to time in one or more offerings, the Company's ordinary shares, rights, warrants and units having an aggregate offering price of up to $200,000.

4. On March 28, 2024, the Company entered a new At-The-Market Issuance Sales Agreement (the "Sales Agreement"), with Lake Street Capital Markets, LLC as selling agent. In accordance with the terms of the Sales Agreement, from time to time the Company may offer and sell its ordinary shares in an ATM offering having an aggregate offering price of up to $7,300. On August 26, 2024 the aggregate offering price was reduced to up to $4,500. During May 2024, the Company issued 10,000 ordinary shares pursuant to the Sales Agreement, with a selling price of $8.50 per share, resulting in gross proceeds of approximately $85.

NOTE 17: - SHAREHOLDERS' EQUITY (Cont.)

5. On August 23, 2024, Evogene entered into a definitive securities purchase agreement, or the Securities Purchase Agreement, with an institutional investor (the "Investor"), pursuant to which Evogene agreed to issue and sell to such Investor in a registered direct offering, (i) 265,000 ordinary shares, and (ii) pre-funded warrants, or the Pre-Funded Warrants, to purchase up to 1,427,308 ordinary shares. The Pre-Funded Warrants have an exercise price of $0.0001 per ordinary share, are immediately exercisable and may be exercised at any time until exercised in full. In a concurrent private placement, the Company also agreed to issue unregistered Series A ordinary warrants to purchase up to 1,692,308 ordinary shares, and unregistered Series B ordinary warrants to purchase up to 1,692,308 ordinary shares. Each ordinary share (or ordinary share equivalent in lieu thereof) was sold with one Series A ordinary warrant to purchase one ordinary share and one Series B ordinary warrant to purchase one ordinary share at a combined purchase price of $3.25. The Series A ordinary warrants have an exercise price of $3.55 per share, immediately exercisable upon issuance and will expire five years from issuance. The Series B ordinary warrants have an exercise price of $3.55 per share, were immediately exercisable upon issuance and will expire eighteen months from issuance. The gross proceeds from the offering were approximately $5,500, before deducting placement agent fees and other offering expenses. Pre-funded warrants and warrants were classified as liabilities on the consolidated statements of financial position. They were initially recorded at fair value and subsequently remeasured at each reporting period using the Black - Scholes option pricing model. As of the transaction date, the excess of the initial fair value of pre-funded warrants over the transaction proceeds amounting to approximately $2,684 was recorded as financial expenses. The excess of initial fair value over the transaction proceeds of Series A ordinary warrants and Series B ordinary warrants amounting to approximately $3,510 was deferred and amortized to financial expenses over the term of the warrants. From the date of the transaction until December 31, 2024, the Company recorded amortization of deferred expenses amounting to approximately $471. As of December 31, 2024, the deferred expenses related to the issuance of warrants were presented in the consolidated statements of financial position as both current and long-term assets, in accordance with the terms of the warrants. Additionally, from the transaction date until December 31, 2024, the Company recorded financial income of approximately $6,529 due to the remeasurement of the warrants to their fair value. See also Note 19f. From October 1, 2024 to December 31, 2024 a total of 1,146,308 pre-funded were exercised into 1,146,308 ordinary shares of the Company.

d. Rights attached to shares:

The Company's ordinary shares have voting rights at the general meeting, rights to dividends, rights upon liquidation of the Company and the right to nominate directors in the Company.

e. Rights attached to pre-funded warrants:

Until the pre-funded warrants are exercised into ordinary shares, there are no rights with respect to the ordinary shares underlying such pre-funded warrants. Upon exercise of the pre-funded warrants into ordinary shares, the holder is entitled to exercise the rights attached to shares only as to matters for which the record date occurs after the exercise date.

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

NOTE 17: - SHAREHOLDERS' EQUITY (Cont.)

f. Capital management in the Company:

The Company's objectives in managing capital are as follows:

To maintain its ability to ensure the continuity of the business, and thus to generate a return to equity holders, investors and other parties. The Company manages its capital structure and makes adjustments following changes in economic conditions and the risk-nature of its operations. In order to maintain or to adjust the necessary capital structure, the Company takes various steps, such as raising funds by capital issues.

g. Composition of non-controlling interests in the statement of financial position:

	2024	2023
Balance as of January 1,	$ 16,632	$ 6,860
Forfeiture of non-controlling interests regarding share-based compensation	(206)	(71)
Share-based compensation	1,432	1,351
Issuance of a subsidiary ordinary shares to the company	-	809
Issuance of a subsidiary preferred shares to non-controlling interests	-	9,761
Benefit to non-controlling interests regarding share-based compensation	-	(3)
Loss attributed to non-controlling interests	(1,569)	(2,075)
Balance as of December 31,	$ 16,289	$ 16,632

h. Issuance of shares by subsidiary:

1. On August 6, 2019, Corteva, through its subsidiary Pioneer Hi-Bred International, Inc., made an investment in the Company's agriculture biologicals subsidiary, Lavie Bio Ltd., which included the contribution of all Corteva’s holdings in its wholly owned subsidiary Taxon Biosciences, Inc. along with an amount of $10,000. Upon consummation of the foregoing transactions, Corteva was issued 27.84% of Lavie Bio Ltd.’s equity while Evogene held 72.16% of Lavie Bio Ltd.’s equity following such investment. As a result, the Company recorded a share premium and a non-controlling interest in the amounts of $17,406 and $10,042, respectively.

   On November 16, 2021, 203,826 options were exercised in Lavie Bio Ltd. into its ordinary shares. Upon the exercise of options, the non-controlling interest was issued 1.99% of Lavie Bio Ltd.'s equity. As a result, the Company recorded an increase in non-controlling interest in the amount of $378.

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

NOTE 17: - SHAREHOLDERS' EQUITY (Cont.)

On March 31, 2022, 8,270 options were exercised in Lavie Bio Ltd. into its ordinary shares. Upon the exercise of options, the non-controlling interest was issued 0.08% of Lavie Bio Ltd.'s equity. As a result, the Company recorded an increase in non-controlling interest in the amount less than $1.

2. On July 23, 2020, 36,520 options were exercised in AgPlenus Ltd. into its ordinary shares. Upon the exercise of options, the non-controlling interest was issued 1.66% of AgPlenus Ltd.'s equity. As a result, the Company recorded an increase in non-controlling interest in the amount $82.

3. On December 21, 2022, Biomica Ltd., signed a definitive agreement for a $20,000 financing round, led by SHC, out of which $10,000 shall be invested by the Company in Biomica Ltd. preferred shares. As a result, the Company recorded a negative capital reserve and an increase of non-controlling interest in the amounts of $238 and $9,761, respectively. In addition, certain convertible loans in total amount of $10,000 were converted by the Company to Biomica Ltd.'s ordinary shares. As a result, the Company recorded an adjustment to capital reserve and non-controlling interest in the amount of $809. Following the closing of the transaction on April 27, 2023, the Company was diluted to approximately 67% of the share capital of Biomica Ltd., on a fully diluted basis, while SHC is holding approximately 20%, on a fully diluted basis.

NOTE 18: - SHARE- BASED COMPENSATION

a. Expenses recognized in the financial statements:

The expense recognized in the Company's financial statements for services provided by employees and service providers is as follows:

	Year ended December 31,		
	2024	**2023**	**2022**
Share-based compensation – Attributable to equity holders of the Company	$ 363	$ 526	$ 617
Share-based compensation – Attributable to non-controlling interests (see Note 17g)	1,432	1,351	569
	$ 1,795	$ 1,877	$ 1,186

b. The Company maintains four share option and incentive plans: Evogene Ltd. 2002 Share Option Plan, Evogene Ltd. 2003 Key Employee Share Incentive Plan, Evogene Ltd. 2013 Share Option Plan and Evogene Ltd. 2021 Share Incentive Plan (the "2021 Plan"). All such option and incentive plans provide for the grant of options to purchase the Company's ordinary shares that generally expire 10 years from the grant date.

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

NOTE 18: - SHARE- BASED COMPENSATION (Cont.)

c. Evogene Ltd. Share-based payment plan for employees, directors and consultants:

During 2024, 2023 and 2022, the board of directors of the Company approved to grant its employees, directors and consultants 217,300, 62,600 and 60,550 options, respectively. The fair value of the options granted in 2024, 2023 and 2022 determined at their grant date using the binomial model, was approximately $208, $204 and $323, respectively.

d. Evogene Ltd. Share options activity:

The following table summarizes the number of share options, the weighted average exercise price, and the changes that were made in the option plans to employees, consultants and directors of the Company:

	2024		2023 (*)		2022 (*)	
	Number of options	Weighted average exercise prices ($)	Number of options	Weighted average exercise prices ($)	Number of options	Weighted average exercise prices ($)
Outstanding at the beginning of year	397,452	28.80	403,603	41.7	423,395	55.4
Granted	217,300	2.71	62,600	8.00	60,550	10.4
Exercised	-	-	-	-	(562)	10.9
Forfeited	(20,664)	41.99	(68,751)	78.1	(79,780)	57.5
Outstanding at end of year	594,088	18.72	397,452	28.8	403,603	41.7
Exercisable at end of year	331,746	29.92	284,183	34.8	275,528	53.2

(*) Number of options and weighted average exercise prices have been retroactively adjusted to reflect the reverse stock split. See Note 17(b).

The following table summarizes information about share options outstanding at December 31, 2024:

	Options outstanding		
Range of exercise prices ($)	Number outstanding	Average remaining contractual life	Weighted average exercise price
2.36 - 10	286,731	9.30	3.93
10.20 - 20	129,069	5.98	11.80
22.26-40.22	87,718	5.03	27.22
48.80 – 76.19	68,470	2.57	54.20
103.40 – 108.60	22,100	0.23	107.50
Total	594,088	6.83	18.72

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

NOTE 18: - SHARE- BASED COMPENSATION (Cont.)

The weighted average outstanding remaining life contractual term of the options as of December 31, 2024 is 6.83 years (as of December 31, 2023, it was 6.37 years).

The weighted average fair value of options granted during 2024 was $0.96 (for options granted during 2023, the weighted average fair value was $0.33).

The fair value of Company share options granted to employees, directors and consultants for the years ended December 31, 2024, 2023 and 2022 was estimated using the binomial model with the following assumptions:

	2024	2023	2022
Dividend yield (%)	-	-	-
Expected volatility of the share prices (%)	54-56	51-53	48-50
Risk-free interest rate (%)	4.21-4.56	3.4-4.4	1.5-3.5
Suboptimal factor	1.8-2	1.8-2	1.8-2
Post-vesting forfeiture rate (%)	5-20	5-20	5-20

The expected volatility of the share prices reflects the assumption that the historical volatility of the share prices is reasonably indicative of expected future trends.

e. Evogene Ltd. RSUs activity:

The 2021 Plan also provides for the grant of restricted shares and RSUs. During 2024 and 2023, the board of directors of the Company approved to grant its employees, directors and consultants 1,300 and 35,260 RSUs, respectively. The fair value of the RSUs granted in 2024 and 2023, was approximately $12.5 and $265, respectively, determined at their grant date according to the Company's share price at the time of their grant since the RSUs were granted at a zero exercise price and no dividends were expected to be distributed during their vesting period.

The following table summarizes the number of RSUs, and the changes that were made under the 2021 Plan to employees, consultants and directors of the Company during 2024 and 2023:

	2024		2023 (*)	
	Number of RSUs	Weighted average grant date fair value	Number of RSUs	Weighted average grant date fair value
Outstanding at beginning of year	41,420	12.40	19,658	25.5
Granted	1,300	9.67	35,260	7.50
Vested	(13,676)	14.93	(10,423)	18.7
Forfeited	(9,238)	9.20	(3,075)	20.1
Outstanding at end of year	19,806	11.87	41,420	12.4

(*) Number of RSUs and weighted average grant date fair value have been retroactively adjusted to reflect the reverse stock split. See Note 17(b).

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

NOTE 18: - SHARE- BASED COMPENSATION (Cont.)

f. The Company's subsidiaries maintain share option and incentive plans with similar terms and conditions.

During the years ended December 31, 2024 and 2023, the Company's subsidiaries approved to grant their employees, directors and consultants 151,013 and 854,139 options, respectively. The fair value of the options determined at their grant date using the binomial model was approximately $1,084 and $2,121 respectively. The fair value was estimated using the binominal model.

The following table summarizes the number of share options, the weighted average exercise price, and the changes that were made in the option plans to employees, consultants and directors of the Company's subsidiaries:

	2024		2023	
	Number of options	Weighted average exercise prices ($)	Number of options	Weighted average exercise prices ($)
Outstanding at beginning of year	2,531,134	1.63	2,273,489	1.72
Granted	151,013	1.42	854,139	2.10
Exercised	(5,000)	0.19	-	-
Forfeited	(958,953)	0.82	(596,494)	2.68
Outstanding at end of year	1,718,194	2.06	2,531,134	1.63
Exercisable at end of year	1,017,367	2.06	1,530,420	1.09

g. The fair value of Company's subsidiaries' share options granted to employees, directors and consultants for the years ended December 31, 2024 and 2023 was estimated using the binomial model with the following assumptions:

	2024	2023
Dividend yield (%)	-	-
Expected volatility of the share prices (%)	68-83	61-84
Risk-free interest rate (%)	3.83-4.79	3.52-5.05
Suboptimal factor	1.8-2.0	1.8-2.0
Post-vesting forfeiture rate (%)	5-10	5-10

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

NOTE 19: - STATEMENTS OF PROFIT OR LOSS – ADDITIONAL INFORMATION

a. Cost of revenues:

	Year ended December 31,		
	2024	2023	2022
Salaries and benefits	$ 747	$ 432	$ 238
Materials and sub-contractors	1,936	1,260	671
	$ 2,683	$ 1,692	$ 909

b. Research and development, net:

	Year ended December 31,		
	2024	2023	2022
Salaries and benefits	$ 8,509	$ 9,862	$ 11,545
Share-based compensation	360	764	593
Materials and sub-contractors	4,152	6,349	5,514
Plant growth and greenhouse maintenance	456	744	839
Office maintenance	651	639	437
Depreciation and amortization	2,440	2,549	2,540
Gain from derecognition of property, plant and equipment	-	(26)	-
Amounts recorded with respect to government grants (*)	48	(143)	(726)
Other	32	39	50
	$ 16,648	$ 20,777	$ 20,792

*) Excludes EU Horizon participation amounts, that were deducted from specific expense items above

c. Sales and marketing:

	Year ended December 31,		
	2024	2023	2022
Salaries and benefits	$ 1,979	$ 1,996	$ 2,475
Share-based compensation	603	595	323
Subcontractors and professional fees	564	855	883
Travel	245	142	76
Legal	21	10	120
Other	13	13	56
	$ 3,425	$ 3,611	$ 3,933

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

NOTE 19: - STATEMENTS OF PROFIT OR LOSS – ADDITIONAL INFORMATION (Cont.)

d. General and administrative:

	Year ended December 31,		
	2024	2023	2022
Salaries and benefits	$ 2,914	$ 2,902	$ 2,929
Share-based compensation	757	518	270
Professional fees	3,436	2,281	2,876
Other	334	367	407
	$ 7,441	$ 6,068	$ 6,482

e. Other expenses (income):

1. During the year ended December 31, 2022, the Company received an amount of $3,500 from Bayer Cropscience LP under their joint seed traits collaboration agreement with Evogene, as part of a restructuring and release of its patent filing, prosecution, and maintenance obligation under the collaboration. According to the agreement, the Company has no further filing, prosecution, and maintenance obligation with respect to the patent rights deriving from this collaboration.

2. The decision to cease Canonic Ltd.'s operations in the first half of 2024 resulted in other expenses of approximately $524, mainly due to impairment of fixed assets in the first quarter of 2024.

f. Financing income and expenses:

Financing income:

	Year ended December 31,		
	2024	2023	2022
Exchange differences	$ 13	$ 167	$ 319
Interest income	957	1,248	182
Financial income in respect of government grants	47	26	15
Change in the fair value of marketable Securities	-	45	-
Remeasurement of warrants and pre-funded warrants	6,529	-	-
	$ 7,546	$ 1,486	$ 516

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

NOTE 19: - STATEMENTS OF PROFIT OR LOSS – ADDITIONAL INFORMATION (Cont.)

Financing expenses:

	Year ended December 31,		
	2024	2023	2022
Bank expenses and commissions	$ 61	$ 56	$ 76
Exchange differences	60	412	2,060
Change in the fair value of marketable securities	-	-	721
Excess of initial fair value of pre-funded warrants over transaction proceeds	2,684	-	-
Amortization of deferred expenses related to issuance of warrants	471	-	-
Lease liability interest	63	115	165
Revaluation of Convertible SAFE	3	254	114
Financial expenses in respect of government grants	-	128	193
	$ 3,342	$ 965	$ 3,329

NOTE 20: - LOSS PER SHARE

Details of the number of shares and loss used in the computation of loss per share:

	Year ended December 31,					
	2024		2023		2022	
	Weighted number of shares *)	Loss attributable to equity holders of the Company	Weighted number of shares *)	Loss attributable to equity holders of the Company	Weighted number of shares *)	Loss attributable to equity holders of the Company
Number of shares and loss	5,697,245	(16,485)	4,589,386	(23,879)	4,141,842	(26,638)

*) To compute diluted loss per share, potential ordinary shares have not been taken into account due to their anti-dilutive effect. See Notes 18(d) and Note 18(e) for number of outstanding options and RSUs. In addition, weighed number of shares for 2023 and 2022 have been retroactively adjusted to reflect the reverse stock split. See Note 17(b).

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

NOTE 21: - OPERATING SEGMENTS

a. General:

The Company operates across several market segments, including human health, agriculture, and other industrial applications. The agriculture segment consists of the certain parent Company's activities and two of the Company's subsidiaries, Lavie Bio Ltd. and AgPlenus Ltd. The human health segment consists of the Company's subsidiaries, Biomica Ltd. and Canonic Ltd. which ceased its operation. The industrial applications segment consists of the Company's subsidiary Casterra Ag Ltd. The segments were determined on the basis of information considered by the Chief Operating Decision-Maker ("CODM") for purposes of decision-making on the allocation of resources and evaluation of performance. The following Company's segments are engaged in business activities for which they earn revenues and incur expenses, their results are reviewed by the CODM and discrete financial information is available:

Agriculture segment	-	Develops seed traits, ag-chemical products, and ag-biological products to improve plant performance.
Industrial applications segment	-	Develops improved castor bean seeds to serve as a feedstock source for other industrial uses.
Human health segment	-	Discovers and develops human microbiome-based therapeutics and cannabis activity.
Unallocated	-	Other corporate expenses and general development of enabling technologies discovery and optimization.

Each segment's performance is determined based on operating loss reported in the financial statements. The results of a segment reported to the CODM include items attributed directly to a segment, as well as other items, which are indirectly attributed using reasonable assumptions and exclude share-based compensation charges as they are not considered in the internal operating plans and measurement of the segment's financial performance.

b. The following table presents our revenues and operating loss by segments:

	Agriculture	Industrial application	Human health	Unallocated	Total
For the Year Ended December 31, 2024					
Revenues	$ 5,889	$ 2,219	$ 80	$ 323	$ 8,511
Operating loss	$ (9,262)	$ (2,411)	$ (7,240)	$ (3,297)	$ (22,210)
Net financing income					$ 4,204
Loss before taxes on income					$ (18,045)

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

NOTE 21: - OPERATING SEGMENTS (Cont.)

	Agriculture	Industrial application	Human health	Unallocated	Total
For the Year Ended December 31, 2023					
Revenues	$ 3,791	$ 1,075	$ 487	$ 287	$ 5,640
Operating loss	$ (11,100)	$ (39)	$ (10,349)	$ (5,020)	$ (26,508)
Net financing income					$ 521
Loss before taxes on income					$ (25,987)

	Agriculture	Industrial application	Human health	Unallocated	Total
For the Year Ended December 31, 2022					
Revenues	$ 876	$ 72	$ 513	$ 214	$ 1,675
Operating loss	$ (12,256)	$ (220)	$ (8,875)	$ (5,590)	$ (26,941)
Net financing expenses					$ (2,813)
Loss before taxes on income					$ (29,754)

c. Major customers:

Revenues from major customers, each of whom amounts to 10% or more of total revenues. The revenues from major customers detailed below were recorded in the Agriculture and Industrial application segment:

	Year ended December 31,		
	2024	2023	2022
Customer A (subsidiary shareholder)	41%	62%	48%
Customer B	21%	-	-
Customer C	-	-	26%
Customer D	20%	17%	-

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

NOTE 21: - OPERATING SEGMENTS (Cont.)

d. Geographical information:

Revenues based on the location of the customers, are as follows:

	2024	2023	2022
United States	46%	65%	51%
Israel	7%	16%	45%
Other	47%	19%	4%
	100%	100%	100%

The carrying amounts of non-current assets (right-of-use-assets, property, plant and equipment property and intangible assets) in the Company's country of domicile (Israel) and in the United States based on the location of the assets, are as follows:

	December 31,		
	2024	2023	2022
United States	74%	80%	79%
Israel	26%	20%	21%
	100%	100%	100%

NOTE 22: - BALANCES AND TRANSACTIONS WITH EXECUTIVE OFFICERS AND CERTAIN SHAREHOLDERS

a. As reported by the shareholders, and based on publicly available information, as of December 31, 2024, Corteva (through its subsidiary Pioneer Hi-Bred International, Inc.) holds 27.26% of the Company's subsidiary shares)Lavie Bio Ltd.'s(. In addition, Corteva is a major customer (see Note 21c, customer A).

b. Balances:

Balance at December 31, 2024:

	Executive officers	Certain shareholders
Receivables	$ -	$ 167
Other payables	$ 322	$ -

Balance at December 31, 2023:

	Executive officers	Certain shareholders
Receivables	$ -	$ 186
Other payables	$ 557	$ -

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

NOTE 22: - BALANCES AND TRANSACTIONS WITH EXECUTIVE OFFICERS AND CERTAIN SHAREHOLDERS (Cont.)

c. Benefits to directors:

	Year ended December 31,		
	2024	2023	2022
Compensation to directors not employed by the Company or on its behalf	$ 260	$ 246	$ 262
Share-based compensation to directors not employed by the Company or on its behalf	38	64	83
	$ 298	$ 310	$ 345
Number of directors that received the above compensation by the Company	6	6	7

d. Salary and Benefits to Executive officers:

	Year ended December 31,		
	2024	2023	2022
Salary and related benefits	$ 2,412	$ 2,441	$ 2,543
Share-based compensation	1,123	869	231
	$ 3,535	$ 3,310	$ 2,774
Number of people that received salary and benefits	13	10	12

e. Transactions with related parties:

For the year ended December 31, 2024:

	Executive officers	Certain shareholders
Revenues (see Note 5)	$ -	$ 4,340
Participation in research and development expenses	-	58
Research and development expenses	698	-
Sales and marketing expenses	1,250	-
General and administrative expenses	$ 1,588	$ -

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

NOTE 22: - BALANCES AND TRANSACTIONS WITH EXECUTIVE OFFICERS AND CERTAIN SHAREHOLDERS (Cont.)

For the year ended December 31, 2023:

	Executive officers	Certain shareholders
Revenues (see Note 5)	$ -	$ 3,475
Participation in research and development expenses	-	115
Research and development expenses	756	125
Sales and marketing expenses	1,185	-
General and administrative expenses	$ 1,369	$ -

For the year ended December 31, 2022:

	Executive officers	Certain shareholder
Revenues (see Note 5)	$ -	$ 811
Other income	-	3,500
Participation in research and development expenses	-	1,898
Research and development expenses	570	297
Sales and marketing expenses	1,098	-
General and administrative expenses	$ 1,111	$ -

NOTE 23: - SUBSEQUENT EVENTS

1. On March 13, 2025 Casterra Ag Ltd. incorporated a Kenyan wholly own subsidiary, Casterra Kenya Limited, which is expected to conduct a production, sales and marketing activities in Kenya.

2. During January 2024 Casterra Ag Ltd. initiated legal proceedings in Zambia against the service provider for the recovery of approximately $1,000, paid as pre-payment for the services, which were not provided to date (see also Note 14). On March 4, 2025, Casterra Ag Ltd. and the service provider entered into a consent judgment, pursuant to which the service provider will repay its debt to Casterra Ag Ltd. in several installments by way of cash and in kind. On March 6, 2025 the service provider has paid Casterra Ag Ltd. $250, in accordance with the terms of the consent judgement.

Exhibit 1.1

SECOND AMENDED AND RESTATED

ARTICLES OF ASSOCIATION

OF

EVOGENE LTD.

(the "Company")

TABLE OF CONTENT

CHAPTER ONE – GENERAL

1. INTRODUCTION

1.1. Each of the words set out below will, in these Articles, bear the meaning appearing opposite it:

Articles	The Articles of Association of the Company as in effect or as may be amended from time to time.
Board	The Board of Directors of the Company
Business Day	A day on which banks in Israel are open for transacting business.
Companies Law	The Companies Law, 5759-1999, or any other enactment replacing the same.
Companies Ordinance	The Companies Ordinance (New Version), 5743-1983, or any other enactment replacing the same.
Companies Regulations	Regulations promulgated under the Companies Law and/or the Companies Ordinance.
Director(s)	The member(s) of the Board constituted in accordance with these Articles holding office at any given time.
In writing or written	Printing and any other form of printing words, including documents that have been sent in writing by fax, telegram, telex, e-mail, by computer or any other form of electronic communication, that creates or enables the creation of a copy or printout of a document.
Incompetent	A person who has been declared to be Incompetent pursuant to the Legal Capacity and Guardianship Law, 5722-1962.
Law	The provisions of any law ("din") applicable in the State of Israel.
Related Company	A body that, directly or indirectly, controls the Company or any other body that is, directly or indirectly, controlled by such body and/or a body that is controlled, directly or indirectly, by the Company.
Securities	As defined in section 1 of the Securities Law.
Securities Law	The Securities Law, 5728-1968, or any other enactment replacing the same
Securities Regulations	Regulations promulgated under the Securities Law
Shareholder	Anyone registered as a Shareholder in the Register of Shareholders of the Company.
Simple Majority	A majority of more than fifty percent (50%) of the votes of the Shareholders entitled to vote and who have, personally or by proxy, voted at a general meeting, excluding abstentions.
Special Majority	A majority of at least seventy-five percent (75%) of the votes of the Shareholders entitled to vote and who have voted personally or by proxy excluding for abstention votes.

1.2. In these Articles, any reference to an organ or officeholder refers to an organ or officeholder of the Company.

1.3. In the absence of any other provision on the subject and save where the subject matter or the context is inconsistent with such application, the provisions of sections 3 – 10 of the Interpretation Law, 5741-1981, will, *mutatis mutandis*, similarly apply to the interpretation of the Articles.

Unless otherwise provided in this clause, words and expressions contained in the Articles bear the meaning ascribed thereto in the Companies Law, the Companies Regulations, the Securities Law, or the Securities Regulations, and in the absence thereof, the meaning ascribed thereto in any other Law, save where such meaning is inconsistent with the context in which such word or expression appears, or with the thrust of the relevant provision contained in the Articles.

Any reference in these Articles to a provision of Law that is subsequently amended or repealed, will be deemed to be in force and form part of the Articles unless, as a result of such amendment or repeal such provision is of no effect.

The provisions of these Articles are in addition to and, to the extent permissible, override those prescribed by the Companies Law. Wherever any provision herein contained is in contradiction to that permitted by Law, the provisions of these Articles will, so far as possible, be construed pursuant to the provisions of Law.

2. PUBLIC COMPANY

The Company is a public company.

3. DONATIONS

The Company may make donations even if such donations do not relate to the Company's business.

4. OBJECTS OF THE COMPANY

The Company will engage in any lawful business.

5. LIMITATION ON LIABILITY

The liability of each of the Shareholders in the Company is limited to the full amount that such Shareholders undertook to pay at the time of the allotment, in respect of the Shares allotted to such Shareholders.

6. ALTERATION OF THE ARTICLES

The Company may, unless otherwise prescribed in relation to any particular provision of these Articles, vary or substitute any of the provisions herein contained by resolution to be adopted by the general meeting, by Simple Majority.

CHAPTER TWO – SHARE CAPITAL OF THE COMPANY

7. SHARE CAPITAL

7.1. The registered share capital of the Company is NIS 3,000,000 divided into 15,000,000 Ordinary Shares of NIS 0.2 nominal value each (hereinafter: "**Share**", "**Ordinary Share**", "**Shares**" or "**Ordinary Shares**", as appropriate). Each Share confers the right to receive invitations to, attend and vote at all general meetings. Each Shareholder, on casting a vote, will have such number of votes as corresponds to the number of Shares that it holds. All Shares have equal rights in relation to the amounts of capital that have been paid or have been credited as paid-up on the nominal value thereof in all matters relating to dividend, the distribution of bonus Shares and other distribution, a return of capital and participation in a distribution of surplus assets of the Company upon winding-up of the Company.

7.2. The provisions of these Articles with respect to Shares will similarly apply to other Securities that will be issued by the Company, *mutatis mutandis*.

8. ISSUE OF SHARES AND OTHER SECURITIES

8.1. No right of Preemption

The existing Shareholders of the Company will have no right of preemption, preferential or other right whatsoever to acquire Securities of the Company. The Directors may, at their absolute discretion, first offer or distribute Securities of the Company to the existing Shareholders.

8.2. Redeemable Securities

The Company may issue redeemable Securities with such rights and subject to such conditions as will be determined by the Board.

8.3. Commissions

The Company may pay to any person a commission (including underwriting fees) in consideration of the underwriting, marketing or distribution of the Company's Securities, unconditionally or on such conditions as will be determined by the Board. The payments mentioned in this Article may be paid in cash or Securities of the Company, or partly by one method and partly in the other, all in the Company's discretion.

8.4. The Board may apply different arrangements among the holders of Securities of the Company in relation to the terms of allotment of the Company's Securities and the rights attaching to those Securities, and may vary such conditions, including waiving any part thereof. The Board may further issue to the holders of Securities, calls in respect of monies that have yet to be paid as consideration for the Securities that they hold.

8.5. Any payment on account of a Share will be first credited to the nominal value and only thereafter on account of the premium in respect of any Share, unless otherwise prescribed by the terms of thereof.

8.6. No Shareholder shall be entitled to exercise any right of a Shareholder nor will such Shareholder be entitled to any dividend prior to having paid all sums outstanding pursuant to the terms of issuance together with interest, linkage differentials and expenses, if any, unless otherwise prescribed by the terms of issuance.

8.7. The Board may forfeit and sell, re-allot or otherwise dispose of any security for which the total consideration has not been paid, as it determines in its discretion, including without any consideration.

8.8. The forfeiture of a security shall lead to the cancellation of any right or claim or demand in or against the Company in relation to such security, save for such rights and obligations as are excepted by these Articles or which by Law are granted to or imposed upon a former holder of Securities.

9. REGISTER OF SHAREHOLDERS OF THE COMPANY AND ISSUANCE OF SHARE CERTIFICATES

9.1. The secretary of the Company or the person who has been appointed for that purpose by the Board will be responsible for managing the Register of Shareholders. Every Shareholder shall be entitled to receive from the Company one Share certificate, or a number of certificates, as decided by the Company, without charge, within two months of the allotment or registration of the transfer (or within such other shorter period as will be otherwise prescribed by the terms of issuance) in respect of all the Shares of a certain class that are registered in his name and such certificate will specify the number and class of the Shares (if any) and such other information as will, in the discretion of the Directors, be significant. In the case of a Share jointly held, the Company will not be bound to issue more than one certificate to all the joint holders and delivery of such certificate to one of the joint holders will be deemed to be delivery to all such joint holders.

9.2. The Board may close the Register of Shareholders up to an aggregate period of 30 days in any year.

9.3. Shares shall be represented by Share certificates unless the Directors adopt a resolution permitting Shares to be uncertificated. Share certificates will be issued under the seal or stamp of the Company or in its printed name, and under the hand of a single Director and the secretary of the Company or of two Directors, or of such other person as the Directors shall have appointed for such purpose.

9.4. The Company may issue a new certificate in lieu of an issued certificate that has been lost or defaced or become worn, against such evidence and indemnity as the Company will require and after payment of such sum as will be determined by the Directors, and the Company may replace existing certificates with new ones without payment, subject to the terms prescribed by the Directors.

9.5. Where two or more persons are registered as joint holders of a Share, a written notification of the payment of a dividend or other payments in respect of the said Share which is sent to one of them will be binding upon the other holder of the Share.

9.6. The Company may recognize a trustee as holder of a Share and issue a Share certificate in the trustee's name, provided the trustee has given notice of the identity of the beneficiary under the trust. The Company shall not be bound or required to recognize any claim based on any equitable or contingent right or a future right or partial right to a Share or to any other right whatsoever in respect of any such Share, other than the absolute right of the registered Shareholder of each Share unless on the basis of a judicial order or pursuant to the requirements of any Law.

10. TRANSFER OF SHARES OF THE COMPANY

10.1. Shares of the Company are transferable.

10.2. Unless otherwise prescribed by the Directors, no transfer of registered Shares will be registered unless an original signed instrument of transfer of the Shares (hereinafter: "**Share Transfer**") will have been submitted to the Company or its transfer agent. The Share Transfer will be in the following or like form so far as possible, or in such other form as will be approved by the Board. Subject to the terms of these Articles, the effectiveness of such transfer of Shares shall not require the prior approval of the Board.

Instrument of Share Transfer

I, I.D./Corporate no. from (hereinafter: **the** "**Transferor**") transfer to I.D./Corporate no. from (hereinafter **the** "**Transferee**") in consideration of the sum of [ ] paid to me, Ordinary Shares NIS [ ] par value each, marked numbered to , (inclusive) Evogene Ltd., (hereinafter: **the** "**Company")** to be held by the Transferee, the administrators of his estate and by his successors on the conditions on which I/we held the same at the time of the execution hereof and I/we, the Transferee/s agree to take the said Shares on such conditions appearing in the Articles, from time to time.

IN WITNESS WHEREOF we have set our hands this day of .

The Transferor	**The Transferee**
Name:	Name:
I.D./Corp. no.:	I.D./Corp. no.:
Signature:	Signature:
Witness to the signature of the Transferor:	Witness to the signature of the Transferee:
Name:	Name:
I.D./Corp. no.:	I.D./Corp. no.:
Signature:	Signature:

10.3. The Transferor will continue to be regarded as the holder of the Shares so transferred until the Transferee's name has been entered in the Register of Shareholders.

10.4. A Share transfer will be presented to the Company or its transfer agent for registration, together, in the case of certificated shares, with the certificates constituting the registered Shares that are to be transferred (if issued), payment of all transfer taxes, and any other evidence as the Company will require concerning the Transferor's title to or right to transfer the Shares, subject to Article 9.3

10.5. A joint Shareholder wishing to transfer his right in a jointly owned Share but who holds no certificate representing such Share will not be bound to attach the Share certificate to the Share Transfer provided that the Share transfer specifies that the Transferor holds no Share certificate in respect of the Share the right in which is being transferred and the transferred Share is jointly held with others.

10.6. The Company may demand payment of a fee for registering the transfer in such sum or at such rate as will be determined by the Board from time to time.

10.7. Only the personal representatives and administrator or executors of the estate of a deceased Shareholder, and in the absence thereof, his heirs, shall be recognized as the holder thereof after proving their entitlement thereto as determined by the Board.

10.8. The Company may recognize the surviving Shareholder of a jointly held Share upon the death of one of the holders unless all the joint holders of the Share have notified the Company in writing prior to the death of any of them of their wish that the provisions of this Article will not apply, but nothing herein contained shall release the estate of a deceased joint holder from any liability in respect of any Share jointly held by him.

10.9. A person acquiring a right to a Share in his capacity as a personal representative, administrator, heir, receiver, liquidator or trustee in bankruptcy of a Shareholder or otherwise by Law, may, when proving his right – as required by the Board – be registered as Shareholder of such Share or transfer the same to another, subject to the provisions regarding transfers pursuant to these Articles.

10.10. The person acquiring a right to a Share in consequence of the transfer thereof by operation of Law, will be entitled to dividends and all other rights in respect of the Share and further be entitled to receive and give receipts for dividend or other payments payable in connection with such Share but will not be entitled to receive notices in connection with the general meetings of the Company (to the extent such right exist) and participate or vote thereat in connection with such Share or exercise any right of a Shareholder, save as stated above, until after he is registered as Shareholder in relation to such Share.

11. SHARE WARRANTS TO BEARER

The Company may not issue Share warrants to bearer from which it derives that the holders thereof have the rights to the Shares therein specified.

12. CHARGE OVER SHARES

12.1. The Company shall have a first charge and right of lien on all Shares that are not fully paid up and on the proceeds of sale thereof whether or not they have matured for payment, which payments have been called or which shall become payable on the date determined for such Share. The Company shall have a lien on all the Shares (other than fully paid up Shares) registered in the name of a Shareholder as security for the monies due from him, or his assets, whether solely or jointly with others. Such lien shall also apply to dividends paid from time to time in respect of these Shares.

12.2. The Board is entitled, in order to exercise any such charge or lien, to sell the Shares or any of them that are subject to the lien in any manner it may deem fit, but no sale shall be made until after a notice in writing has been delivered to the Shareholder concerning the Company's intention to sell the Shares, in default of payment of such sum, fourteen days from the date of the notice. The net proceeds of any such sale, after payment of costs of the sale, shall be used to pay the debts or the liabilities of the Shareholder and the remainder (if any) shall be paid to him.

12.3. If a sale of Shares is made after forfeiture or in order to enforce a charge or lien by the apparent exercise of the powers conferred above, the Board is entitled to register them in the register in the name of the purchaser, and the purchaser shall not be obliged to examine the regularity of the proceedings or the manner in which the proceeds of the sale have been applied. After they have been entered in the register in his name, no person shall challenge the validity of the sale.

13. ALTERATION TO SHARE CAPITAL

The general meeting of Shareholders may, at any time, resolve to effect any of the following, provided that such a resolution of the general meeting will be adopted by Simple Majority:

13.1. Increase of capital:.

To increase its registered share capital whether or not all the Shares registered at that time were issued or not. The increased capital shall be divided into Shares having ordinary, preferred or deferred rights or with any other special rights (subject to any special rights of any existing class of Shares) or subject to terms and restrictions in respect of dividend, repayment of capital, voting or other terms as the general meeting shall provide in its resolution regarding the increase of the registered capital.

13.2. Alteration of rights:

At any time at which the share capital is divided into different classes, by resolution passed by a meeting of the Shareholders by a Simple Majority (unless otherwise prescribed in the terms of issuance of the Shares of that class), vary the rights of a class of the Company's Shares after receiving the consent in writing of all of the holders of the Shares of that class, or with the approval of a resolution duly passed at a general meeting of the holders of that class of Shares, by Simple Majority or in the event of it being stipulated otherwise by the terms of issuance of the particular class of the Shares of the Company as stipulated by the terms of issuance of that class of Shares.

The rights conferred on the holders of the Shares or the holders of a class of Shares that have been issued with either ordinary or preferential rights or other special rights shall not be deemed, by the creation or issue of other Shares having identical rights, or a change in the rights of existing Shares, to have changed unless otherwise provided in the terms of issuance of those Shares.

13.3. Consolidation:

To consolidate and re-divide all or any of its share capital into Shares of larger denomination than those specified in these Articles. In the event that as a result of such consolidation, the holders of Shares whose Shares have been consolidated are left with fractions, the Board may, with the sanction of the general meeting in the resolution deciding on such consolidation, take such action as is determined by the Board to be appropriate to settle such fraction and such determination shall be final and binding on all holders of Company's Shares. Among other actions, the Board of Directors may take the following:

13.3.1. Sell all the fractions and for such purpose appoint a trustee in whose name the certificates comprising the fractions will be issued and who will sell the same and apply the proceeds received, less commissions and expenses, among those entitled. The Board may decide that Shareholders entitled to proceeds that are in a sum that is less than that prescribed, will not receive the proceeds of such fractions and their portion of the proceeds will be divided among the Shareholders entitled to the proceeds that exceed the amount prescribed in proportion to the proceeds to which they are entitled;

13.3.2. Allot to each Shareholder who, as a result of such consolidation and re-distribution, is left with fractional Shares, fully paid-up Shares of the class existing prior to the consolidation in such number as will, when consolidated with the fraction, be sufficient for a single complete consolidated Share and such allotment will be deemed to have taken effect immediately prior to the consolidation;

13.3.3. Determine that Shareholders will not be entitled to receive consolidated Shares in respect of fractional consolidated Shares resulting from the consolidation of one half or less of the number of Shares whose consolidation creates a single consolidated Share, but will be entitled to receive a consolidated Share in respect of a consolidated fractional Share resulting from the consolidation of more than one half of the number of the Shares whose consolidation creates a single consolidated Share.

In the event of any of the actions specified in sub Articles 13.3.2 or 13.3.3 above, necessitating the issuance of additional Shares, the payment thereof will be effected in the manner in which bonus Shares are paid. Such consolidation and distribution will not be deemed to be an alteration of the rights of the Shares to which the consolidation and distribution relate.

13.4. Cancellation of unissued Share capital:

To cancel registered Share capital that has yet to be allotted, provided that no undertaking of the Company exists to allot such Shares.

13.5. Split of Share capital:

To split all or any of the Company's Share capital into Shares of smaller denomination than that prescribed in these Articles by distributing all or any of the Company's Shares for the time being.

CHAPTER THREE – GENERAL MEETINGS

14. POWER OF THE GENERAL MEETING

14.1. Matters within the authority of the general meeting

Resolutions on the following matters will be passed by the Company at a general meeting:

14.1.1. Any amendment of the Articles.

14.1.2. Exercising the powers of the Board, if the general meeting has determined, by a Simple Majority of the votes of the Shareholders entitled to vote and who have voted in person or by proxy, that the Board is constrained from exercising its powers and also that exercising any of the powers is essential for the proper management of the Company.

14.1.3. Approval of acts and transactions requiring the approval of the general meeting, pursuant to the provisions of sections 255 and 267 to 284 of the Companies Law.

14.1.4. Any resolution which by Law or these Articles is required to be passed by way of decision of the general meeting.

14.1.5. Any power that is conferred upon the general meeting by Law.

14.2. Power of the general meeting to remove powers among the organs

The general meeting may, by a Simple Majority of the votes of the Shareholders entitled to vote and who have voted personally or by proxy, assume powers vested in any other organ of the Company and may further transfer powers conferred upon the general manager to the Board, all for a specific matter or for a specific period.

15. ANNUAL AND SPECIAL GENERAL MEETINGS AND CLASS MEETINGS

Notice of general meetings

The Company is not bound to give the Shareholders notice of a general meeting, except to the extent required by Law.

Notice of the general meeting will set out the place and time at which the meeting will convene, the agenda, a description of the proposed resolutions, and such other detail as will be required by Law.

16. PROCEEDING AT GENERAL MEETINGS

16.1. Quorum

No business will be transacted at a general meeting unless a quorum is present at the time the meeting proceeds to business. Two Shareholders present personally or by proxy and holding or representing at least 25% (twenty-five percent) of the voting rights in the Company, will constitute a quorum. For the purpose of a quorum, a Shareholder or his proxy, acting also as proxy of other Shareholders, will be deemed to be two or more Shareholders, pursuant to the number of Shareholders that he represents.

16.2. Adjournment of the general meeting in the absence of a quorum

If no quorum is present within half an hour from the time appointed for the meeting, the meeting will stand adjourned for one week following the date of the meeting, at the same day, time and place or to such other date, time and place as will be determined by the Board by notice to the Shareholders. The Company will, by immediate report, give notice of the adjournment of the meeting and the date of the adjourned meeting. If no quorum is present at such adjourned meeting, one Shareholder at least, present personally or by proxy, will constitute a quorum, except where the meeting has been convened upon the requisition of Shareholders.

16.3. Chairperson of the general meeting

The chairperson of the Board (if any) will preside over every general meeting and in his absence the general meeting will be presided by such person who will be appointed for such purpose by the Directors. In the absence of a chairperson or if he is not present at the meeting within fifteen minutes of the time appointed, the Shareholders present at the meeting will elect one of the Directors of the Company to be chairperson or, if no Director is present, one of the Shareholders present will be elected to preside as chairperson of the meeting.

The chairperson of the meeting will have no additional or casting vote.

17. VOTES OF SHAREHOLDERS

17.1. Voting Power

Subject 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 him 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.

17.2. Majority

Resolutions of the general meeting will be passed by Simple Majority, unless another majority is required by Law.

17.3. Certification of title

A Shareholder must furnish to the Company a certificate of title to the Shares at least two business days prior to the date of the general meeting. The Company may waive such requirement.

17.4. Vote by an incompetent person

A legally incompetent person may vote only by trustee, natural guardian or other legal guardian. Such persons may vote personally or by proxy.

17.5. Vote of joint Shareholders

In the case of two or more holders of a Share, only one of them, either personally or by proxy, may vote. If more than one joint holder of a Share is required to participate in the vote, only the senior of them will vote. For such purpose, the senior of them will be deemed to be the person whose name first appears in the Register of Shareholders.

17.6. Defect

No immaterial defect in the convening or conduct of the general meeting, including a defect resulting from the non-performance of any term or condition prescribed by the Companies Law or by these Articles, including with respect to the manner of convening or conducting the general meeting, will disqualify any resolution passed at the general meeting nor affect the proceedings which took place thereat.

A resolution of the general meeting will be passed if it has earned the majority required for it by Law or according to the provisions of these Articles.

18. APPOINTMENTS OF PROXIES

18.1. Voting by means of proxy

A Shareholder may appoint a proxy to participate in and vote in his stead, either for a particular general meeting or at all general meetings of the Company, provided that the instrument appointing the proxy has been delivered to the Company at least two business days prior to the date scheduled for the general meeting, unless the Company has waived this requirement. A proxy is not required to be a Shareholder of the Company.

Insofar as the instrument of appointment is not for a particular general meeting, then such an instrument of appointment deposited prior to one general meeting will also have effect for all subsequent general meetings unless and until a written instrument cancelling such instrument of appointment is delivered to the company by the relevant Shareholder.

The foregoing will similarly apply to a Shareholder being a body corporate, who appoints a person to participate in and vote in its stead at the general meeting.

18.2. Form of the instrument of appointment

The instrument appointing a proxy will be signed by the Shareholder or by a person authorized on his behalf in writing, and if the appointer is a body corporate, will be signed in the manner binding that body corporate. The Company may require delivery of confirmation in writing to its satisfaction regarding the power of the signatories to bind the body corporate. The instrument of appointment will be made in the form set out below. The secretary of the Company or the Board will, at their discretion, accept an instrument of appointment in different form provided the changes are not material. The Company will only accept an original instrument of appointment or copy thereof, provided that such copy will be certified by a qualified Israeli lawyer or a notary.

Instrument of appointment

(Proxy Form)

Date:

Evogene Ltd.

[address]

Dear Sir/Madam,

RE: Annual General/Special General Meeting of Evogene Ltd. (the "Company") that will take place on [_____] (the "Meeting")

I, the undersigned, I.D./Corporate no. of being the registered holder of (*) Ordinary Shares of NIS nominal value each of Evogene Ltd., hereby appoint , I.D. (**) and/or , I.D. and/or , I.D. to participate and vote for me and on my behalf at the above mentioned meeting and at every adjournment thereof/ any general meeting of the Company, until I notify you to the contrary.

Signature

(*) A registered Shareholder may grant a number of instruments of appointment (proxies), each to relate to a different quantity of Shares of the Company that he holds, provided that he will not grant instruments of appointment for a number larger than that which he holds.

(**) In the event of the attorney not being the holder of an Israeli I.D., his passport number and the country of issue may also be inserted.

18.3. Validity of instrument of appointment (proxy)

A vote cast in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death, incompetence or bankruptcy of the appointer, or if the appointment was made by a corporation the liquidation of or revocation by the appointer of the instrument of appointment or transfer of the Share in respect of which it was given, unless notice in writing is received at the Office of the Company before the meeting to the effect that such event has occurred.

18.4. Disqualification of proxies

Subject to the provisions of any law, the secretary of the Company may, at his discretion, disqualify proxies, if a reasonable suspicion exists that they have been forged or were granted by virtue of Shares for which other proxies were granted.

18.5 Voting by means of a voting warrant

Pursuant to these Articles, and the provisions of the Companies Law and the Regulations that have been issued thereunder, the shareholders of the Company are afforded the possibility of voting at general meetings of the Company by means of voting warrant, on all the matters that are required by law, as well as on such matters as the Directors of the Company will, from time to time, decide to enable voting to be carried out by means of voting warrants.

CHAPTER FOUR – THE BOARD OF DIRECTORS

19. DIRECTORS – APPOINTMENT AND TERMINATION OF OFFICE

19.1 Number of Directors – the number of Directors of the Company shall be no less than three (3) and no more than seven (7), excluding External Directors (as such term is defined in the Companies Law), unless otherwise resolved by the general meeting by a Special Majority of the votes of the shareholders entitled to vote and who have voted in person, or by way of a proxy or by way of a voting paper, with the exception of abstention votes.

19.2 Subject to the number of Directors of the Company not exceeding the maximum number of Directors prescribed in Article 19.1 above, each Director shall be subject to election (or re-election) at every annual general meeting of shareholders by a Simple Majority, and shall serve until the next annual general meeting of shareholders and until his or her successor is duly qualified. A Director may also be elected for his or her initial term at a special general meeting of shareholders, by a Simple Majority, in which case such Director shall serve until the next annual general meeting of shareholders, at which meeting he or she will be subject to re-election (if nominated) by a Simple Majority, along with all other nominees for service on the Board, for a term that expires at the following annual general meeting of shareholders.

19.3 The provisions of this Article 19 (in their entirety) will not apply to the appointment and duration of service of External Directors, to whom the provisions of the Companies Law will apply.

19.4 The Company may, by a Simple Majority, at a special meeting, remove any Director from office before his term of office has expired.

19.5 Subject to the provisions of the Companies Law regarding the termination of a Director's office, but notwithstanding that stated in section 230 of the Companies Law, the office of a Director will not be terminated except as stated in this Article 19, in its entirety.

19.6 Appointment of Directors by the Board – the Board may appoint a Director to the Board either to fill a position that has become vacant for any reason whatsoever or as an additional Director, provided that the number of Directors will not exceed the maximum number of members of the Board as a result of such appointment. Any Director so appointed will remain in office until the earlier of the first annual or special general meeting of shareholders following his or her appointment and until his or her successor is duly qualified. At such annual or special general meeting, such Director (if nominated for re-election) shall be subject to re-election for a term that expires at the next annual general meeting of shareholders and until his or her successor is duly qualified.

19.7 Simple Majority – The majority required to alter the provisions of Articles 19.1 - 19.6 above will be a Simple Majority.

19.8 Date of commencement of the service of a Director – a Director who is elected will take up office from the end of the general meeting at which he or she is elected or on the date of his or her appointment by the Board as stated in Article 19.6 above, as the case may be, unless a later date is specified in the resolution appointing him or her.

19.9 Except for a Director whose term of office expires on the date of the annual general meeting of shareholders, no Director will be elected at an annual general meeting unless the Board has recommended his or her election, or a Shareholder of the Company holding at least one percent (1%) of the voting rights in the Company has submitted to the officers of the Company, at least fourteen (14) days before the annual general meeting convenes, a written document signed by the Shareholder giving notice of the intention of such Shareholder to nominate such candidate for election as a Director, attaching to such notice the written consent of the candidate to be so elected, together with a biography of the candidate that includes all information required to be publicly disclosed with respect to such candidate's experience, education and all other relevant information requested by the Company.

19.10 Alternate Director – subject to the provisions of law, a Director may from time to time appoint an alternate for himself or herself (hereinafter: "Alternate Director"), dismiss such Alternate Director and appoint another instead of any Alternate Director whose office has been vacated for any reason, either for a particular meeting or permanently.

19.11 Termination of the Office of a Director – in the event of the office of a Director being vacated, the remaining Directors may continue to act as long as their number is not reduced below the minimum number of Directors prescribed by these Articles. In the event that the number of Directors is reduced below such minimum number, the remaining Directors may act solely in order to convene a general meeting of shareholders of the Company for the purpose of electing such number of additional Directors as shall result in the number of Directors being at least the minimum number set forth in these Articles.

20. CHAIRPERSON OF THE BOARD

20.1. Appointment – the Board will appoint one of its members as chairperson of the Board and also determine in the resolution of the appointment the period for which he will hold office. Unless otherwise prescribed in the resolution of his appointment, the chairperson of the Board will hold office until another is appointed in his stead or until he ceases to serve as Director whichever is the earlier. Upon the chairperson of the Board ceasing to be Director of the Company, a new chairperson will be appointed at the first meeting of the Board that takes place thereafter.

20.2. Absence of casting vote – in the event of an equality of votes on a resolution of the Board, the chairperson of the Board or the person who has been appointed to conduct the meeting, will have no additional vote.

21. ACTS OF THE DIRECTORS

21.1. Convening meetings of the Board of Directors

The notice regarding convening Board meetings shall be delivered a reasonable time prior to the applicable meeting. Notwithstanding the above, the Board may convene without a prior notice in urgent cases only, if the majority of the Board has approved to do so.

Such notice will be delivered in writing, by fax, e-mail or other means of communication to the address or fax number or e-mail address or address to which notices may be sent by other means of communication as appropriate, as given by each Director to the Company upon his appointment, or by written notice to the Company, thereafter. The notice will detail the schedule and location of the meeting, and reasonable information about the matters on the agenda.

If an alternate Director has been appointed, notice will be given to the alternate Director unless the Director appointing the alternate Director has given notice that he wishes the notice to be supplied to him.

21.2. Quorum – a quorum for meetings will be a majority of the members of the Board who are not by Law prevented from participating in the meeting, or such other quorum as will be fixed by a majority of the members of the Board, from time to time.

21.3. Validity of acts of the Directors in the case of a disqualified Director – all acts effected in good faith at a meeting of the Board or by a committee of Board or by any person acting as a Director will be effective even if it is thereafter discovered that there was a defect in the appointment of such Director or person so acting or that all or any one of them were disqualified, as if every such person had been lawfully appointed and was qualified to be a Director.

21.4. Committees of the Board

Subject to the provisions of the Companies Law, the Board may appoint committees of the Board.

Resolutions or recommendations of any committee of the Board which require the Board's approval shall be brought to the Board's attention a reasonable time prior to the discussion of such resolution or recommendation by the Board.

21.5 Meetings held by means of communication without convening – at a meeting held by means of any form of communication, it will be sufficient that all of the Directors who are entitled to participate in the discussion and the vote, are able to hear one another.

21.6 The Board may pass a resolution without actually convening, provided that all of the Directors who are entitled to participate in the discussion and vote on the business that has been proposed for the resolution have agreed not to convene to discuss the matter. In the case of resolutions so passed, minutes of the resolutions will be taken, including the resolution not to convene, and be signed by the chairperson of the Board. The provisions of Article 21.2 above will apply to such a resolution, *mutatis mutandis*. A resolution passed pursuant to this Article will be valid for all purposes as if passed at a meeting of the Board duly convened and held.

22. VALIDITY OF ACTS AND APPROVAL OF TRANSACTIONS

22.1. All acts effected by the Board or by a committee of the Board or by a person acting as a Director or as a member of a committee of the Board, or by the General Manager of the Company, will be effective even if it is thereafter discovered that there was a defect in the appointment of the Board, committee of the Board, Director being a member of the committee or the General Manager, or that any of such officeholders was disqualified from holding office.

22.2. Subject to the provisions of the Companies Law:

22.2.1. The holding of Shares of the Company and the fact that a person is an officeholder or interested party in the Company, or officeholder of another body corporate, including a body corporate of which the Company is an interested party or which is a Shareholder of the Company, will not disqualify the officeholder from holding the position of officeholder in the Company. In addition, no officeholder will be disqualified by virtue of his office on account of any engagement or engagement of any such body corporate under an agreement with the Company on any matter whatsoever and in any manner whatsoever.

22.2.2. The office of officeholder of the Company will not disqualify such person and/or his relative and/or other body corporate in which he is an interested party from entering into transactions with the Company in which the officeholder has a personal interest in any manner whatsoever.

22.2.3. An officeholder will be entitled to participate in and vote on the discussions regarding the approval of transactions or acts in which he has a personal interest.

22.3. Subject to the provisions of the Companies Law, transactions of the Company with an officeholder thereof or transaction of the Company with any other person, in which an officeholder of the Company has a personal interest, but not being extraordinary transactions, will be approved as follows:

22.3.1. The entering into such a transaction that is not extraordinary will be approved by the Board or by the Audit Committee, or by another party who will be empowered in that behalf by the Board, by a specific resolution or by the procedures of the Board, or by general agreement or by agreement with respect to a certain class of transactions or for a particular transaction.

22.3.2. Approval of transactions that are not extraordinary as stated may be given by general approval to a certain class of transactions or by approving a particular transaction.

22.4. A general notice given to the Board by an officeholder or controlling party of the Company regarding his personal interest in a particular matter setting out details of his personal interest will constitute disclosure by the officeholder or the controlling party to the Company regarding that personal interest for the purpose of any engagement with such body in a transaction not being extraordinary.

22A. Directors Training Programs

The Company may take care to prepare a program to train new directors in the Company's business fields and in relevant laws, and may take care to prepare a follow-up program for serving directors, with the intent to update their knowledge in said fields. The training programs will be adjusted, inter alia, to the position in the Company held by the director.

22B. Composition of the Company's Board of Directors

The composition of the board of directors will be determined, inter alia, considering gender variation.

CHAPTER FIVE – SECRETARY AND AUDITOR

23. SECRETARY

The Board may appoint a secretary for the Company on such conditions as it deems fit and determine the fields of his or her duties and powers. In the absence of an appointment of a secretary for the Company, the General Manager or in the absence of a General Manager, any other person designated by the Board, fulfill the duties of a secretary prescribed by the Law, these Articles and any decision of the Board. The secretary of the Company will be responsible for all the documents being kept at the registered office of the Company and maintain the registers that the Company is required to maintain by Law.

24. AUDITOR

24.1. The general meeting may appoint an auditor for a period exceeding one year, as determined by the general meeting.

24.2. The Directors will determine the remuneration of the auditor of the Company for audit-related services as well as his remuneration for other, non-audit-related services, unless otherwise determined by the general meeting.

CHAPTER SIX – THE COMPANY'S CAPITAL AND DISTRIBUTION THEREOF

25. DISTRIBUTION AND ALLOTMENT OF BONUS SHARES

The resolution of the Company to distribute dividend, bonus Shares and any other distribution and the conditions thereof will be passed by the Board of the Company.

26. DIVIDEND AND BONUS SHARES

26.1. Right to dividend or bonus Shares

26.1.1. Dividends or bonus Shares will be distributed to persons who are registered as Shareholders of the Company on the date of the resolution of the Board regarding the distribution or on such other date as will be determined in such resolution.

26.2. Retention of Dividends

The Board may retain any dividend or other moneys payable or property distributable in respect of a Share in respect of which any person is, under these Articles, entitled to become a Shareholder, or which any person is, under these Articles, entitled to transfer, until such person shall become a Shareholder of record in respect of such Share.

26.3. Payment of dividend

26.3.1. Method of payment

In the absence of directions to the contrary in the resolution regarding the distribution of a dividend, a dividend may be paid subject to withholding as may be required by applicable law, by cheque payable to the payee only, that will be sent by registered mail to the registered address of the Shareholder entitled thereto and registered with the Company, or by bank transfer. Any such cheque will be drawn to the order of the person to whom it is sent. A dividend *in specie* will be distributed as determined in the resolution of the Board approving of the distribution.

In the case of joint registered owners, the cheque will be sent to such Shareholder first named in the Register of Shareholders in relation to the joint ownership.

The dispatch of the cheque to the person who, on the record date, is registered in the Register of Shareholders as holder of a Share, or in the case of joint owners, of any of the joint owners, will constitute a discharge of all payments that have been made in connection with such Share.

The Company may resolve not to send a cheque below a certain sum, and the dividend amounts which ought to have been so paid will be regarded as an unclaimed dividend.

The Company may set off against the dividend amount to which a Shareholder is entitled any debt of that Shareholder to the Company, whether overdue or not.

26.3.2. Unclaimed dividend

The Board may invest any unclaimed dividend for a period of seven years after the declaration thereof or otherwise apply the same for the benefit of the Company until claimed. The Company will not be bound to pay interest or linkage for unclaimed dividend.

The Company may, after one year has elapsed from the date of the payment of any unclaimed dividend, apply such unpaid dividend to any purpose whatsoever and the Shareholder entitled to such unpaid dividend will have no claim or demand in connection therewith.

26.4. Method of Capitalizing Profits and Distribution of Bonus Shares

26.4.1. Reserves

The Board may, at its discretion, set aside to special reserves any amount whatsoever out of the profits of the Company, or from a re-evaluation of its assets or the relative part thereof in re-evaluating the assets of companies associated with it, and determine the designation of such reserves. The Directors may further cancel such reserves.

26.4.2. Distribution of Bonus Shares

To give effect to a distribution of bonus Shares, the Board may settle any difficulty arising and make adjustments, including deciding that fractional Shares will not be distributed except for certificates in respect of a cumulative number of fractional Shares, sell the fractions and pay the proceeds thereof to those entitled to receive the fractional bonus Shares and decide that payment in cash will be paid to the Shareholders or that fractions having a value of less than the amount that will be determined (and, if not determined, an amount being less than NIS 50) will not be brought into account for the purpose of making those adjustments.

27. PURCHASE OF THE COMPANY'S SHARES

Subject to Companies Law, the Company may purchase its own Securities, and Securities so purchased by the Company may be cancelled.

CHAPTER SEVEN – EXEMPTION, INDEMNIFICATION AND INSURANCE OF OFFICEHOLDERS

28. DEFINITION

For purpose of Articles 28, 30, 31 and 30 below, the term "officeholder" shall have the meaning ascribed to such term in the Companies Law.

29. EXEMPTION OF OFFICEHOLDERS

The Company may exempt in advance and retroactively any officeholder thereof from all or any of his responsibilities by reason of damage following a breach of the duty of caution towards it to the maximum extent permitted by Law.

30. INDEMNIFICATION OF OFFICEHOLDERS

30.1. The Company may indemnify an officeholder thereof, in an amount that shall not exceed twenty-five percent (25%) of the Company's Shareholder Equity, as determined based on the financial statements of the Company last published prior to the date of actual payment of the indemnity (the "**Indemnity Cap**"). Without prejudice to the generality of the foregoing, the following provisions will apply:

30.2. The Company may indemnify an officeholder thereof in respect of any liability or expense that has been imposed upon him and which he committed in his capacity of officeholder, as set out below:

30.2.1. Financial liability that has been imposed upon him in favor of any other person by judgment, including a judgment made in a compromise or arbitrator's award that has been approved by a court.

30.2.2. Reasonable litigation expenses, including legal fees, expended by the officeholder on account of any investigation or proceedings which have been conducted against him by an authority competent to do so, and which has concluded without the laying of any information against him and without any financial liability having been imposed upon him as an alternative to a criminal proceeding or which is concluded without the laying of an information against him but with the imposition of financial liability as an alternative to a criminal proceeding in an offence which does not require proof of criminal intent or with respect to a monetary penalty.

30.2.3. Reasonable litigation expenses, including legal fees, expended by an officeholder or for which he has been made liable by any court in any proceeding that has been brought against him by or in the name of the Company or any other person or in any criminal proceedings from which he has been acquitted, or criminal charge of which he has been convicted for an offence that does not require proof of criminal intent.

30.2.4. A payment to any party injured by a violation, as detailed in Section 52(54)(a)(1)(a) of the Securities Law, as will be amended from time to time.

30.2.5. Expenses, including reasonable litigation expenses, including attorney fees, incurred by the officeholder with respect to any procedure conducted in his respect, under Chapters H3, H4, or I1, of the Securities Law, as will be amended from time to time, or under Article D of the Fourth Chapter, Ninth Part of the Companies Law, as will be amended from time to time.

30.2.6. Any liability or other expense by reason of which it is or will be permitted by Law to indemnify an officeholder.

30.3. Indemnification in advance

The Company may grant an undertaking in advance to indemnify an officeholder thereof by reason of any liability or expense mentioned in Article 30.2 above, provided the undertaking to indemnify in advance will be limited to the events which, in the opinion of the Board, may be expected in light of the Company's activity in practice at the time of the granting of the undertaking to indemnify, and for a sum or at a standard that the Board has determined to be reasonable in the circumstances and subject to the indemnity amount not exceeding the Indemnity Cap set forth in Section 30.1 above, there being specified in the undertaking to indemnify the events which, in the Board's opinion, may be expected in light of the Company's activity in practice at the time of granting the undertaking and sum or standard that the Board has determined to be reasonable in the circumstances. The Company may further grant an undertaking in advance to indemnify an officeholder thereof by reason of liabilities or expenses detailed in Articles 30.2.2, 30.2.3, 30.2.4, 30.2.5 and 30.2.6 above.

30.4. Retroactive indemnification

The Company may indemnify an officeholder thereof retroactively, provided that the indemnity amount shall not exceed the Indemnity Cap set forth in Section 30.1 above.

31. INSURANCE OF OFFICEHOLDERS

31.1. The Company may, to the maximum extent permitted by the Companies Law, insure officeholders thereof to the maximum extent permitted by Law. Without derogating from the generality of the foregoing, the Company may enter into a contract to insure the liability of an officeholder of the Company by reason of any liability that will be imposed upon him by reason of any act which he has committed in his capacity of officeholder, on account of any of the following:

31.1.1. Breach of the duty of care towards the Company or any other person;

31.1.2. The breach of any fiduciary duty he has towards the Company, provided the officeholder acted in good faith and had reasonable grounds to assume that the act would not harm the interests of the Company;

31.1.3. Financial liability that will be imposed upon him in favor of any other person;

31.1.4. A payment to any party injured by a violation, as detailed in Section 52(54)(a)(1)(a) of the Securities Law, as will be amended from time to time;

31.1.5. Expenses, including reasonable litigation expenses, including attorney fees, incurred by the officeholder with respect to any procedure conducted in his respect, under Chapters H3, H4, or I1, of the Securities Law, as will be amended from time to time, or under Article D of the Fourth Chapter, Ninth Part of the Companies Law, as will be amended from time to time;

31.1.6. Any other event by reason of which it is or will be permitted by Law to insure the liability of an officeholder.

32. EXEMPTION, INDEMNIFICATION AND INSURANCE - GENERALLY

32.1. The provisions of the above Articles regarding exemption, indemnity and insurance, are not intended nor will they be construed as limiting the Company in any manner whatsoever with respect to entering into a contract regarding exemption, insurance and/or indemnity in relation to the persons set out below:

32.1.1. Persons who are not officeholders of the Company, including employees, consultants or contractors of the Company not being officeholders thereof.

32.1.2. Officeholders in other companies. The Company may enter into a contract to exempt, indemnify and insure officeholders of companies that are in its control, or of affiliated or other companies in which it has an interest, subject to the Indemnity Cap set forth in Section 30.1 above, and the above provisions regarding exemption, indemnity and insurance of officeholders in the Company will, *mutatis mutandis*, apply in this respect.

32.2. It is to be clarified that in this Chapter, such an undertaking relating to exemption, indemnity and insurance for an officeholder may be in effect also after the officeholder has ceased to serve in the Company.

CHAPTER EIGHT – AMALGAMATION, WINDING-UP AND RE-ORGANIZATION OF THE COMPANY

33. AMALGAMATION

The majority required to approve an amalgamation by the general meeting or class meeting will be a Simple Majority.

34. WINDING-UP

34.1. If the Company is wound up, voluntarily or otherwise, the liquidator may, with the approval of the general meeting, distribute *in specie* among the Shareholders parts of the property of the Company and may, with like sanction, vest any part of the property of the Company with trustees in favor of the Shareholders, as the liquidator, with such approval, as it deems fit.

34.2. The Shares of the Company will have equal rights among them in relation to the capital amounts that have been paid or have been credited as paid-up on the nominal value of the Shares, in relation to the repayment of the capital and participation in a distribution of surplus assets of the Company on a winding up, subject to the special rights of the Shares if Shares with special rights have been issued.

35. RE-ORGANIZATION

35.1. On the sale of property of the Company, the directors or the liquidators on a winding up may, if authorized by resolution passed by the general meeting of the

Company by Simple Majority, accept fully paid or partly paid up Shares, debenture or Securities of any other company, Israeli or foreign, whether then existing or to be formed for the purchase in whole or in part of the property of the Company, and the Directors (if the profits of the Company permit), or the liquidators (on a winding up), may distribute such Shares, or Securities, or any other property of the Company without realization, or vest the same in trustees for the Shareholders.

35.2. The general meeting may, by resolution adopted by the general meeting of the Company by a Simple Majority, resolve on the valuation of any such Securities or property at such price and in such manner as the general meeting may decide, and all holders of Shares will be bound to accept any valuation or distribution so authorized, and waive all rights in relation thereto, save only in case the Company is proposed to be or is in the course of being wound-up, to such statutory rights (if any) under the provisions of the Companies Law as are incapable of being varied or excluded.

CHAPTER NINE – NOTICES

36. NOTICES

36.1. Notices or any other document may be given by the Company to any Shareholder appearing in the Shareholder Register or sent to him by registered mail (airmail if sent to a place outside Israel) addressed to such Shareholder according to the address registered in the Shareholders Register, or according to such other address as the Shareholder will serve in writing to the Company's secretary or the General Manager of the Company at the principal office of the Company as being an address for services of notices or by publication of notices in two newspapers in Israel.

36.2. All notices that are required to be given to Shareholders will be given, in relation to Shares having joint owners, to such person whose name first appears in the Shareholders Register, and notice given in this manner will be sufficient notice to all the joint Shareholders.

36.3. Any notice or other document that has been given or sent to the Shareholder pursuant to these Articles will be deemed to have been duly given and sent with respect to the Shares that are held by him whether the Shares are held by him alone or by him jointly with others (notwithstanding the death or bankruptcy of such Shareholder or grant of a winding-up order, appointment of a trustee or liquidator or receiver over his Shares, at such time and regardless of whether the Company knew of his death or bankruptcy or otherwise, or not) until another person will be registered in his stead as holder thereof, and such delivery or dispatch will be deemed to be sufficient if made to any person having a right in the Shares.

36.4. Any notice or other document that has been sent by the Company by mail according to an address in Israel will be deemed to have been delivered within 48 hours of the date on which the letter containing the notice or the document has been posted, or within 96 hours in the case of an address abroad, and in proving delivery it will be sufficient to prove that the letter containing the notice or the document was properly addressed and posted.

36.5. The Company is not bound to deliver any notice regarding a general meeting to the Shareholders except to the extent that this is required by law. Notice of a general meeting will set out the place and time at which the meeting will be convened, the agenda thereof and a synopsis of the resolutions that are proposed and such other detail as is required by law.

36.6. The accidental omission to give notice regarding a general meeting or non-receipt of any notice by a Shareholder of any meeting or other notice will not cause the disqualification of a resolution adopted at such meeting or of any proceedings based on such notice.

36.7. Any Shareholder and any member of the Board may waive his right to receive a notice or to receive a notice at any particular time and may agree that a general meeting of the Company or meeting of the Board, as the case may be, will convene and be held notwithstanding the fact that he has not received any notice thereof or despite the notice not having been received in the time required.

Exhibit 2.1

Description of Ordinary Shares of Evogene Ltd.

The authorized share capital of Evogene Ltd. (hereinafter, "we", "us", "our" or similar expressions) consists of NIS 3,000,000 divided into 15,000,000 ordinary shares, par value NIS 0.2 per share, or ordinary shares. As of March 17, 2025, 6,672,173 ordinary shares were issued and outstanding.

Reverse Share Split

After market close on July 24, 2024, we effected a reverse share split of our issued and outstanding ordinary shares, at a ratio of 1-for-10. As a result of the reverse share split, our shareholders were entitled to receive for every ten ordinary shares, par value 0.02 New Israeli Shekels, or NIS, per share, held by them, one ordinary share, par value NIS 0.20.

Registration Number and Purposes of the Company

Our registration number with the Israeli Registrar of Companies is 51-283872-3. Our purpose as set forth in our articles, is to engage in any lawful business.

Voting Rights

Holders of our ordinary shares have one vote for each ordinary share held on all matters submitted to a vote of shareholders at a shareholder meeting. Shareholders may vote at shareholder meetings either in person, by proxy or by written ballot. Israeli law does not allow public companies to adopt shareholder resolutions by means of written consent in lieu of a shareholder meeting. Shareholder voting rights may be affected by the grant of any special voting rights to the holders of a class of shares with preferential rights that may be authorized in the future. Except as otherwise disclosed herein, an amendment to our articles to change the rights of our shareholders requires the prior approval of a simple majority of our shares represented and voting at a general meeting and, to the extent applicable, of the holders of a class of shares whose rights are being affected.

Share Ownership Restrictions

The ownership or voting of ordinary shares by non-residents of Israel is not restricted in any way by our articles of association, or the articles, or the laws of the State of Israel, except that citizens of countries that are in a state of war with Israel may not be recognized as owners of ordinary shares.

Transfer of Shares

Fully paid ordinary shares are issued in registered form and may be freely transferred under our articles unless the transfer is restricted or prohibited by another instrument, Israeli law or the rules of a stock exchange on which the shares are traded.

Election of Directors

Our ordinary shares do not have cumulative voting rights for the election of directors. Rather, under our articles, our directors, other than external directors (to the extent required to be elected), are elected at each annual general meeting of the shareholders, upon expiration of the term of office, by the holders of a simple majority of our ordinary shares present in person or by proxy at such meeting (excluding abstentions). As a result, the holders of our ordinary shares that represent more than 50% of the voting power represented at a shareholder meeting and voting thereon (excluding abstentions) have the power to elect any or all of our directors. Vacancies on our board of directors, resulting from a resignation or other termination of service by a then serving director, or an additional authorized seat on our board of directors, may be filled by a vote of a simple majority of the directors then in office.

Dividend and Liquidation Rights

Under Israeli law, we may declare and pay a dividend only if, upon the reasonable determination of our board of directors, the distribution will not prevent us from being able to meet the terms of our existing and contingent obligations as they become due. Under the Israeli Companies Law, 5759-1999, or the Companies Law, the distribution amount is further limited to the greater of retained earnings or earnings generated over the two most recent years according to our then last reviewed or audited financial statements, provided that the date of the financial statements is not more than six months prior to the date of distribution. In the event that we do not have retained earnings and earnings legally available for distribution, as defined in the Companies Law, we may seek the approval of the court in order to distribute a dividend. The court may approve our request if it is convinced that there is no reasonable concern that the payment of a dividend will prevent us from satisfying our existing and foreseeable obligations as they become due. As a company listed on an exchange outside of Israel, however, court approval is not required if the proposed distribution is in the form of an equity repurchase, provided that we notify our creditors of the proposed equity repurchase and allow such creditors an opportunity to initiate a court proceeding to review the repurchase. If within 30 days such creditors do not file an objection, then we may proceed with the repurchase without obtaining court approval.

In the event of our liquidation, after satisfaction of liabilities to creditors, our assets will be distributed to the holders of ordinary shares on a pro-rata basis. Dividend and liquidation rights 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.

Shareholder Meetings

Under the Companies Law, we are required to convene an annual general meeting of our shareholders once every calendar year, not more than 15 months following the preceding annual general meeting. Our board of directors may convene a special general meeting of our shareholders and is required to do so at the request of two directors or one quarter of the members of our board of directors, or at the request of one or more holders of 10% or more of our share capital and 1% of our voting power, or the holder or holders of 10% or more of our voting power. All shareholder meetings require prior notice of at least 21 days and, in certain cases, 35 days. The chairperson of our board of directors or another one of our directors authorized by our board of directors presides over our general meetings. If either of such persons is not present within 15 minutes from the appointed time for the commencement of the meeting, the directors present at such meeting shall appoint one of our directors as the chairperson for such meeting, and if they fail to do so, then the shareholders present shall appoint one of our directors to act as chairperson, and if no director is present, then one of the shareholders present at such meeting shall act as chairperson. Subject to the provisions of the Companies Law and the regulations promulgated thereunder, only shareholders of record on a date decided upon by the board of directors, which may be between four and sixty days prior to the date of the meeting (depending on the type of meeting and whether written proxies are being used) are entitled to participate and vote at a general meeting of shareholders.

Quorum

Under our articles, the quorum required for a meeting of shareholders consists of at least two shareholders present in person, by proxy or by written ballot, who hold or represent between them at least 25% of our voting power. A meeting adjourned for lack of a quorum generally is adjourned to the same day in the following week at the same time and place (without requirement of additional notification to the shareholders), or to a later time, if indicated in the notice to the meeting or to such other time and place as determined by the board of directors in a notice to our shareholders. At the reconvened meeting, if a quorum is not present within half an hour from the appointed time for the commencement of the meeting, the meeting will take place so long as at least one shareholder is present (regardless of the voting power held or represented by any such shareholder(s)), unless the meeting was called pursuant to a request by our shareholders, in which case the quorum required is the number of shareholders required to call the meeting as described under "—Shareholder Meetings" above.

Resolutions

Under the Companies Law, unless otherwise provided in the articles or applicable law, all resolutions of the shareholders require a simple majority of the voting rights represented at the meeting, in person, by proxy or by written ballot, and voting on the resolution (excluding abstentions).

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 our financial statements and any document we are required by law to file publicly with the Israeli Companies Registrar 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 patent or that the document's disclosure may otherwise impair our interests.

Modification of Class Rights

The rights attached to any class of share (to the extent that we may have separate classes of shares in the future), such as voting, liquidation and dividend rights, may be amended by adoption of a resolution by the holders of a majority of our shares represented at the meeting and the holders of a majority of the shares of that class present at a separate class meeting, or otherwise in accordance with the rights attached to such class of shares, as set forth in our articles.

Acquisitions under Israeli Law

Full Tender Offer

A person wishing to acquire shares or a class of shares of an Israeli public company such as ours and who would, as a result, own more than 90% of the target company's issued and outstanding share capital or of a certain class of its shares, is required by the Companies Law to make a full tender offer (as defined in the Companies Law) to all of the company's shareholders for the purchase of all of the issued and outstanding shares of the company or class of shares. If either (i) the shareholders who do not accept the offer hold, in the aggregate, less than 5% of the issued and outstanding share capital of the company or of the applicable class, and more than half of the shareholders who do not have a personal interest in the offer accept the offer, or (ii) the shareholders who do not accept the offer hold less than 2% of the issued and outstanding share capital of the company or of the applicable class, then all of the shares that the acquirer offered to purchase will be transferred to the acquirer by operation of law. However, a shareholder that had its shares so transferred, whether or not it accepted the tender offer (unless otherwise provided in the offering memorandum for the tender offer), may, within six months from the date of acceptance of the tender offer, petition the court based on a claim that the tender offer was for less than fair value and that the fair value should be paid as determined by the court. If both of the foregoing conditions (i) and (ii) are not satisfied, the acquirer may not acquire shares of the company that will increase its holdings to more than 90% of the company's issued and outstanding share capital or of the applicable class from shareholders who accepted the full tender offer. Shares purchased not in accordance with those provisions shall become "dormant shares" and shall not grant the purchaser any rights so long as they are held by the purchaser.

Special Tender Offer

Under the Companies Law, an acquisition pursuant to which a purchaser shall hold (i) a "controlling stake", which is defined as 25% or more of the voting rights (assuming that no other shareholder holds a controlling stake), or (ii) more than 45% of the voting rights (assuming that no other shareholder owns more than 45% of the voting rights), of a public company such as ours may not be performed by way of market accumulation, but only by way of a special tender offer (as defined in the Companies Law) made to all of the company's shareholders on a pro rata basis. A special tender offer may not be consummated unless a majority of the shareholders who have submitted their response to the offer have approved it. In counting the total votes of responding shareholders, shares held by the controlling shareholders, shareholders who have a conflict of interest with respect to the offer (referred to under the Companies Law as a "personal interest"), shareholders who own 25% or more of the voting rights in the company, relatives or representatives of any of the above, and the bidder, and corporations under their respective control, shall not be taken into account. A shareholder may object to such a tender offer without such objection being deemed as a waiver of his, her or its right to sell shares to the bidder if the offer is approved by a majority of the company's shareholders despite the subject shareholder's objection. Shares purchased by the bidder in violation of the foregoing rules shall become "dormant shares" and shall not grant the bidder any rights so long as they are held by the bidder. If 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 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 initial tender offer, unless the purchaser or such person or entity undertook to effect such an offer or merger in the initial special tender offer.

Under regulations enacted pursuant to the Companies Law, the above special tender offer requirements do not apply to companies whose shares are listed for trading on a foreign stock exchange if, among other things, the relevant foreign laws or the rules of the stock exchange include provisions limiting the percentage of control which may be acquired or requiring that the acquisition of such percentage of control requires making a tender offer to the public. However, we believe that the Israeli Securities Authority's current opinion is that such leniency does not apply with respect to companies such as ours whose shares are listed for trading on stock exchanges in the United States, including the Nasdaq.

Merger

The Companies Law requires that a merger transaction must be approved by (i) each party's board of directors, and, unless certain requirements described under the Companies Law are met, (ii) a majority of each party's shares (including, if relevant, a majority of each class of shares of each party) voted on the proposed merger at a shareholders meeting called with at least 35 days' prior notice.

For purposes of the shareholder vote, unless a court rules otherwise, the merger requires approval by a majority of the shares represented at the shareholders meeting that are held by parties other than the other party to the merger, or by any person who holds 25% or more of the outstanding shares or the right to appoint 25% or more of the directors of the other party. If the merger would have been approved if not for (a) the required separate approval of each class of shares of the merging party (if relevant), or (b) 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 the merging party, if the court holds that the merger is fair and reasonable, taking into account the value of the parties to the merger and the consideration offered to the shareholders.

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 any of the parties to the merger, 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 was filed by each party with the Israeli Registrar of Companies and 30 days have passed from the date the merger was approved by the shareholders of each party.

Antitakeover Measures under Israeli Law

The Companies Law allows us to create and issue shares having rights different from those accompanying our ordinary shares, including shares providing certain preferred rights, distributions or other rights, including preemptive rights. As of the date of this prospectus, we do not have any authorized or issued shares other than our ordinary shares. In the future, if we do create and issue a class of shares other than ordinary shares, the holders of such class of shares, depending on the specific rights to which they may be entitled, may delay or prevent a takeover or otherwise prevent our shareholders from realizing a potential premium over the market value of their ordinary shares. The authorization of a new class of shares would require the amendment of our articles, which requires the prior approval of the holders of a majority of our shares present and voting at a general meeting. However, the Tel Aviv Stock Exchange, or the TASE, rules and regulations prohibit a listed company from having more than one class of shares listed, and the TASE's current position is that a listed company may not issue or list preferred shares. Therefore, assuming that the TASE's current position does not change, as long as our ordinary shares are listed on the TASE, we will be prohibited from issuing preferred shares.

EXHIBIT 8.1

List of Subsidiaries

Name of Subsidiary	Jurisdiction
AgPlenus Ltd.	Israel
Biomica Ltd.	Israel
Casterra Ag Ltd. (formerly known as Evofuel Ltd.).	Israel
Lavie Bio Ltd.	Israel

Exhibit 11.1

EVOGENE LTD.

INSIDER TRADING COMPLIANCE POLICY

Adopted March 5, 2025

Contents

EVOGENE LTD.

INSIDER TRADING COMPLIANCE POLICY

The shares of Evogene Ltd. (the "***Company***") are traded on the Tel Aviv Stock Exchange Ltd. (the "***TASE***") and the Nasdaq (the "***Nasdaq***"). Israeli and U.S. federal securities laws prohibit trading in the securities of a company while in possession of material nonpublic information and disclosure of material nonpublic information and in breach of a duty of trust or confidence. These laws also prohibit anyone who is aware of material nonpublic information from providing this information to others who may trade. Violating such laws can undermine investor trust, harm our company's reputation, and result in your dismissal from Evogene Ltd. (together with its subsidiaries, the "***Company***") or even serious criminal and civil charges against you and the Company.

This Insider Trading Compliance Policy (this "***Policy***") outlines your responsibilities to avoid insider trading and implements certain procedures to help you avoid even the appearance of insider trading.

I. Introduction and Persons Covered by this Policy

This Policy applies to all officers[1], directors, employees of the Company, and self-employed Company's personnel. As someone subject to this Policy, you are responsible for ensuring that members of your household also comply with this Policy. This Policy also applies to any entities you or a member of your household control, including any corporations, limited liability companies, partnerships, or trusts, and transactions by such entities should be treated for the purposes of this Policy and applicable securities laws as if they were for your own account. The Company may determine that this Policy applies to additional persons with access to material nonpublic information, such as contractors or consultants. This Policy extends to all activities within and outside your Company duties. Officers, directors, employees, self-employed Company's personnel, together with any other person designated as being subject to this Policy, are referred to collectively as "Covered Persons," or "you". Every Covered Person must review this Policy.

In addition, the Company itself must comply with securities laws applicable to its own securities trading activities, and must not engage in any transaction involving a purchase or sale of its securities, including any offer to purchase or offer to sell or other disposition of its securities, when it is in possession of material nonpublic information concerning the Company, other than in compliance with applicable law, subject to the policies and procedures adopted by the Company and the exceptions listed in Section II of this Policy to the extent applicable.

Questions regarding the Policy should be directed to the Company's General Counsel (the "***Compliance Officer***") who shall be responsible for the administration of this Policy; provided that if the General Counsel is unavailable or personally involved in the transaction at issue, the Compliance Officer will be the Company's Chief Financial Officer.

Actions taken by the Company, the Compliance Officer, or any other Company personnel do not constitute legal advice, nor do they insulate you from the consequences of noncompliance with this Policy or with securities laws.

[1] For the purpose of this Policy, the term "officer" has the meaning of the term in Rule 16a-1(f) under the Securities Exchange Act of 1934, as amended which means the Company's president, principal financial officer, principal accounting officer (or, if there is no such accounting officer, the controller), any vice-president of the Company in charge of a principal business unit, division or function (such as sales, administration or finance), any other officer who performs a policy-making function, or any other person who performs similar policy-making functions for the Company. Officers of the Company's parent(s) or subsidiaries shall be deemed officers of the Company if they perform such policy-making functions for the Company. "Policy-making function" is not intended to include policy-making functions that are not significant.

II. Statement of Policies Prohibiting Insider Trading

No Covered Person shall purchase or sell any type of security while in possession of material nonpublic information relating to the security or the issuer of such security, whether the issuer of such security is the Company or any other company. In addition, if a Covered Person is in possession of material nonpublic information about other publicly-traded companies, such as suppliers, customers, competitors or potential acquisition targets, the Covered Person may not trade in such other companies' securities until the information becomes public or is no longer material. Further, no Covered Person shall purchase or sell any security of any other company, including another company in the Company's industry, while in possession of material nonpublic information if such information is obtained in the course of the Covered Person's employment or service with the Company.

These prohibitions do not apply to:

- purchases of the Company's securities from the Company or sales of the Company's securities to the Company;
- exercises of share options or other equity awards or the surrender of shares to the Company in payment of the exercise price or in satisfaction of any tax withholding obligations in a manner permitted by the applicable equity award agreement, or vesting of equity-based awards that, in each case, do not involve a market sale of the Company's securities (the "***cashless exercise***" of a Company share option through a broker *does* involve a market sale of the Company's securities, and therefore would not qualify under this exception);
- *bona fide* gifts of the Company's securities unless the person giving the gift knows or has reason to believe that the recipient intends to sell the securities while the donor is in possession of material nonpublic information about the Company; or
- purchases or sales of the Company's securities made pursuant to a plan adopted to comply with the Rule 10b5-1 under Securities Exchange Act of 1934, as amended ("***Rule 10b5-1***"). For more information about Rule 10b5-1 trading plans, see Section VI below.

No Covered Person will directly or indirectly communicate (or "***tip***") material nonpublic information to anyone outside the Company (except in accordance with the Company's policies regarding confidential information) or to anyone within the Company other than on a "need-to-know" basis.

III. Explanation of Insider Trading

*"**Insider trading**"* refers to the purchase or sale of a security while in possession of material nonpublic information relating to the security or the issuer of such security.

*"**Securities**"* includes shares, bonds, notes, debentures, options, warrants, equity and other convertible securities, as well as derivative instruments.

*"**Purchase**"* and *"**sale**"* are defined broadly under the federal securities law. *"*Purchase*"* includes not only the actual purchase of a security, but any contract to purchase or otherwise acquire a security. *"*Sale*"* includes not only the actual sale of a security, but any contract to sell or otherwise dispose of a security. These definitions extend to a broad range of transactions, including conventional cash-for-shares transactions, conversions, the exercise of share options, transfers, gifts, and acquisitions and exercises of warrants or puts, calls, pledging and margin loans, or other derivative securities.

A. What Information is Material?

Information is considered "***material***" if there is a substantial likelihood that a reasonable investor would consider it important in making a decision to buy, sell, or hold a security, or if the information is likely to have a significant effect on the market price of the security. Material information can be positive or negative and can relate to virtually any aspect of a company's business or to any type of security, debt, or equity. Also, information that something is likely to happen in the future—or even just that it may happen—could be deemed material.

Examples of information that could be material include (but are not limited to) information about corporate earnings or earnings forecasts; possible mergers, acquisitions, tender offers, or dispositions; dividends; major new products or product developments; important business developments such as major contract awards or cancellations, developments regarding strategic collaborators, or the status of regulatory submissions; management or control changes; significant borrowing or financing developments, including pending public sales or offerings of debt or equity securities; defaults on borrowings; bankruptcies; cybersecurity or data security incidents; and significant litigation or regulatory actions. Moreover, material information does not have to be related to a company's business. For example, the contents of a forthcoming newspaper column (relating to the Company or another company) that is expected to affect the market price of a security can be material.

Questions regarding material information should be directed to the Compliance Officer.

A good rule of thumb: When in doubt, do not trade.

B. What is Nonpublic?

Information is "***nonpublic***" if it is not available to the general public. In order for information to be considered public, it must be widely disseminated in a manner making it generally available to investors in a Regulation FD-compliant method, such as, through newswire services such as Dow Jones, Reuters, Bloomberg, Business Wire, The Wall Street Journal, Associated Press, or United Press International; broadcasts on widely available radio or television programs; publication in a widely available newspaper, magazine, or news website; a Regulation FD-compliant conference call; or public disclosure documents filed with the US Securities and Exchange Commission (the "***SEC***") that are available on the SEC's website. Note that simply posting information to the Company's website may not be sufficient disclosure to make the information public.

The circulation of rumors, even if accurate and reported in the media, does not constitute effective public dissemination. In addition, even after a public announcement, a reasonable period of time must lapse in order for the market to react to the information. Generally, one should allow two full trading days following publication as a reasonable waiting period before such information is deemed to be public. For purposes of this Policy, a "trading day" is a day on which U.S. national stock exchanges are open for trading. If, for example, the Company were to make an announcement on a Monday prior to 9:30 a.m. Eastern Time, the information would be deemed public after the close of trading on Tuesday. If an announcement were made on a Monday after 9:30 a.m. Eastern time, the information would be deemed public after the close of trading on Wednesday.

C. Who is an Insider?

"***Insiders***" include officers, directors, any employees of a company, and self-employed Company's personnel, or anyone else who has material nonpublic information about a company. This includes, under Israeli Securities Law of 1968 (the "**Israeli Securities Law**"), certain shareholders of the Company. Insiders have independent fiduciary duties to their company and its shareholders not to trade on material nonpublic information relating to the company's securities. Insiders may not trade in the Company's securities while in possession of material nonpublic information relating to the Company, nor may they tip such information to anyone outside the Company (except in accordance with the Company's policies regarding the protection or authorized external disclosure of Company information) or to anyone within the Company other than on a "need-to-know" basis.

Individuals subject to this Policy are responsible for ensuring that members of their households also comply with this Policy. This Policy also applies to any entities controlled by individuals subject to the Policy, including any corporations, limited liability companies, partnerships or trusts, and transactions by these entities should be treated for the purposes of this Policy and applicable securities laws as if they were for the individual's own account.

D. Trading by Persons Other Than Insiders

Insiders may be liable for communicating or tipping material nonpublic information to a third party ("***tippee***"), and insider trading violations are not limited to trading or tipping by insiders. Persons other than insiders can also be liable for insider trading, including tippees who trade on material nonpublic information tipped to them or individuals who trade on material nonpublic information that has been misappropriated. Insiders may be held liable for tipping even if they receive no personal benefit from tipping and even if no close personal relationship exists between them and the tippee.

Tippees inherit an insider's duties and are liable for trading on material nonpublic information illegally tipped to them by an insider. Similarly, just as insiders are liable for the insider trading of their tippees, so are tippees who pass the information along to others who trade. In other words, a tippee's liability for insider trading is no different from that of an insider. Tippees can obtain material nonpublic information by receiving overt tips from others or through, among other things, conversations at social, business, or other gatherings.

E. Penalties for Engaging in Insider Trading

Penalties for trading on or tipping material nonpublic information can extend significantly beyond any profits made or losses avoided, both for individuals engaging in such unlawful conduct and their employers. The SEC, the U.S. Department of Justice, and the Israeli Securities Authority (the "**ISA**") have made the civil and criminal prosecution of insider trading violations a top priority. Enforcement remedies available to the government or private plaintiffs under the federal and Israeli securities laws include:

SEC and ISA administrative sanctions;

securities industry self-regulatory organization sanctions;

civil injunctions;

damage awards to private plaintiffs;

disgorgement of all profits;

civil fines for the violator of up to three times the amount of profit gained or loss avoided;

civil fines for the employer or other controlling person of a violator (i.e., where the violator is an employee or other controlled person) of up to the greater of $2.17 million (subject to adjustment for inflation) or three times the amount of profit gained or loss avoided by the violator;

criminal fines for individual violators of up to $5 million ($25 million for an entity); and

jail sentences of up to 20 years.

Further, according to the Israeli Securities Law, 5728-1968, an insider may be subject to penalties of more than NIS 1,000,000 or to imprisonment for a term of up to five years.

In addition, insider trading could result in serious sanctions by the Company, including dismissal. Insider trading violations are not limited to violations of the federal securities laws. Other federal and state civil or criminal laws, such as the laws prohibiting mail and wire fraud and the Racketeer Influenced and Corrupt Organizations Act (RICO), may also be violated in connection with insider trading.

F. Size of Transaction and Reason for Transaction Do Not Matter

The size of the transaction or the amount of profit received does not have to be significant to result in prosecution. The SEC and the ISA have the ability to monitor even the smallest trades, and perform routine market surveillance. Brokers or dealers are required by law to inform the SEC of any possible violations by people who may have material nonpublic information. The SEC aggressively investigates even small insider trading violations.

G. Presumption on Use of Material Nonpublic Information by Key Insiders

Under Israeli Securities Law, it is presumed that any Key Insider[2] of the Company, who either (i) purchased any of the Company's securities within a three-month period following the sale of Company's securities by such Key Insider, or (ii) sold any of the Company's securities within a three-month period following the purchase of Company's securities by such Key Insider, has used material nonpublic information. Such Key Insider may provide evidence indicating that the aforementioned purchase or sale of Company's securities was in fact not carried out while using material nonpublic information. However, in such case the burden of proof will be shifted to the Key Insider.

IV. Statement of Procedures to Prevent Insider Trading

The following procedures have been established, and will be maintained and enforced, by the Company to prevent insider trading.

A. Blackout Periods

The period during which the Company prepares quarterly financials is a sensitive time for insider trading purposes, as Company personnel may be more likely to possess, or be presumed to possess, material nonpublic information. To avoid the appearance of impropriety and assist Company personnel in planning transactions in the Company's securities for appropriate times, **no officer, director, employee, or self-employed Company's personnel (as well as any individual or entity covered by this Policy by virtue of their relationship to such director, officer or employee) will purchase or sell any security of the Company during the period beginning at 11:59 p.m. ET on the 14th calendar day before the end of any fiscal quarter of the Company and ending at the close of trading on the second full trading day after the public release of earnings data for such fiscal quarter or during any other trading suspension period declared by the Company.** For example, if the Company's fourth fiscal quarter ends on December 31, the corresponding blackout period would begin at 11:59 p.m., ET, on December 17 and end at the close of trading (generally, 4:01 p.m., ET) on the second full trading day after the public release of earnings data for such fiscal quarter.

Exceptions to the blackout period policy may be approved, in limited circumstances, only by the Compliance Officer or, in the case of exceptions for directors, the Board of Directors or Audit Committee of the Board of Directors.

From time to time, the Company, through the Board of Directors or the Compliance Officer, may recommend that officers, directors, employees, or others suspend trading in the Company's securities because of developments that have not yet been disclosed to the public. Subject to the exceptions noted above, all those affected should not trade in the Company's securities while the suspension is in effect, and should not disclose to others that the Company has suspended trading.

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[2] Under Section 52E(b) of the Israeli Securities Law, a "Key Insider" is either (i) any director, the Chief Executive Officer, deputy general manager, deputy to the Chief Executive Officer, controller and internal auditor, and any person acting at such position, even if his/her position title is different, as well as any main shareholder (a shareholder holding 5% or above of a company or voting rights in the company or has the right to appoint a director); (ii) any household members thereof; or (iii) any entity controlled by any such person in either (i) or (ii).

B. Post-Termination Transactions

This Policy continues to apply to transactions in the Company's securities even after termination of service to the Company. If you are in possession of material nonpublic information when your service terminates, you may not trade in the Company's securities until that information has become public or is no longer material.

C. Termination

The restrictions set forth in this Policy apply to Covered Persons following the termination of their employment or term of office, as applicable, for the longer of the following: (1) if the Insider is aware of Material Nonpublic Information when his or her employment or term of office terminates, until such information ceases to be material or until the close of business on the second Trading Day following the date on which such information is properly disclosed to the public, (2) if the termination of employment or term of office occurs outside a Trading Window, until the next Trading Window or until such earlier date determined by the Company Corporate Secretary and (3) for such period as the Company's Compliance Officer shall determine such person is likely to be in possession of Material Nonpublic Information about the Company and/or its subsidiaries.

V. Additional Prohibited Transactions

The Company has determined that there is a heightened legal risk and/or the appearance of improper or inappropriate conduct if the persons subject to this Policy engage in certain types of transactions. Therefore, Covered Persons shall comply with the following policies with respect to certain transactions in the Company securities:

A. Short Sales

Short sales of the Company's securities evidence an expectation on the part of the seller that the securities will decline in value, and therefore signal to the market that the seller has no confidence in the Company or its short-term prospects. In addition, short sales may reduce the seller's incentive to improve the Company's performance. For these reasons, short sales of the Company's securities are prohibited by this Policy.

B. Publicly Traded Options

A transaction in options is, in effect, a bet on the short-term movement of the Company's shares and therefore creates the appearance that an officer, director, employee, or self-employed Company personnel is trading based on material nonpublic information. Transactions in options may also focus a Covered Person's attention on short-term performance at the expense of the Company's long-term objectives. Accordingly, transactions by Covered Persons in puts, calls, or other derivative securities involving the Company's equity securities, on an exchange or in any other organized market, are prohibited by this Policy.

C. Hedging Transactions

Certain forms of hedging or monetization transactions, such as zero-cost collars and forward sale contracts, allow a Covered Person to lock in much of the value of his or her share holdings, often in exchange for all or part of the potential for upside appreciation in the shares. Such transactions allow the Covered Person to continue to own the covered securities, but without the full risks and rewards of ownership. When that occurs, the Covered Person may no longer have the same objectives as the Company's other shareholders. Therefore, such transactions by Covered Persons involving the Company's equity securities are prohibited by this Policy.

D. Purchases of the Company's Securities on Margin; Pledging the Company's Securities to Secure Margin or Other Loans

Purchasing on margin means borrowing from a brokerage firm, bank, or other entity in order to purchase the Company's securities (other than in connection with a cashless exercise of share options under the Company's equity plans). Margin purchases of the Company's securities by Covered Persons are prohibited by this Policy. Pledging the Company's securities as collateral to secure loans is also prohibited. This prohibition means, among other things, that you cannot hold the Company's securities in a "margin account" (which would allow you to borrow against your holdings to buy securities).

E. Director and Executive Officer Cashless Exercises

The Company will not arrange with brokers to administer cashless exercises on behalf of directors and executive officers of the Company. Directors and executive officers of the Company may use the cashless exercise feature of their equity awards; provided however, that the Company's involvement is procedural only to avoid any inference that the Company has "extended credit" in the form of a personal loan to the director or executive officer in violation of applicable law. Questions about cashless exercises should be directed to the Compliance Officer.

F. Standing Orders

A standing order placed with a broker to sell or purchase Company securities at a specified price leaves the security-holder with no control over the timing of the transaction. A transaction pursuant to a standing order, which does not meet the standards of a Rule 10b5-1 trading plan (as defined below) approved in compliance with this Policy, executed by the broker when the individual subject to this Policy is aware of material nonpublic information about the Company, may result in unlawful insider trading. Other than in connection with Rule 10b5-1 trading plan under this Policy, entry into or fulfillment of a standing order is prohibited whenever an individual subject to this Policy is in possession of material nonpublic information about the Company (including during a quarterly blackout period for persons subject to the blackout restrictions of this Policy or ad hoc blackout period for those insiders subject to such procedures). All standing orders must be of limited duration, cancelable, and in the case of a person subject to the blackout restrictions of this Policy or a person subject to an ad hoc blackout period, must be immediately canceled upon commencement of quarterly blackout or ad hoc blackout period, as applicable.

G. Partnership Distributions

Nothing in this Policy is intended to limit the ability of an investment fund, a venture capital partnership or other similar entity with which a director is affiliated to distribute Company securities to its partners, members or other similar persons. It is the responsibility of each affected director and the affiliated entity, in consultation with their own counsel (as appropriate), to determine the timing of any distributions, based on all relevant facts and circumstances and applicable securities laws.

VI. Rule 10b5-1 Trading Plans

The trading restrictions set forth in this Policy, other than those transactions described under "Additional Prohibited Transactions," do not apply to transactions under a previously established contract, plan or instruction to trade in the Company's securities entered into in accordance with Rule 10b5-1 trading plan that:

- has been submitted to and pre-approved by the Compliance Officer;
- includes a "Cooling Off Period" as required under Rule 10b5-1, which are as follows as of the date of adoption of this Policy :
    - for directors and officers that extends to the later of 90 days after adoption or modification of a Rule 10b5-1 trading plan or two (2) business days after filing the Form 20-F or Form 6-K with financial results covering the fiscal quarter in which the Rule 10b5-1 trading plan was adopted, up to a maximum of 120 days; and
    - for employees and any other persons, other than the Company, that extends 30 days after adoption or modification of a Rule 10b5-1 trading plan;
- for directors and officers, includes a representation in the Rule 10b5-1 trading plan that the directors or officers is (1) not aware of any material nonpublic information about the Company or its securities; and (2) adopting the Rule 10b5-1 trading plan in good faith and not as part of a plan or scheme to evade Rule 10b-5;
- has been entered into in good faith at a time when the individual was not in possession of material nonpublic information about the Company and not otherwise in a blackout period, and the person who entered into the Rule 10b5-1 trading plan has acted in good faith with respect to the Rule 10b5-1 trading plan;
- either (1) specifies the amounts, prices, and dates of all transactions under the Rule 10b5-1 trading plan; or (2) provides a written formula, algorithm, or computer program for determining the amount, price, and date of the transactions, and (3) prohibits the individual from exercising any subsequent influence over the transactions; and
- complies with all other applicable requirements of Rule 10b5-1.

The Compliance Officer may impose such other conditions on the implementation and operation of the Rule 10b5-1 trading plan as the Compliance Officer deems necessary or advisable. Individuals may not adopt more than one Rule 10b5-1 trading plan at a time except under the limited circumstances permitted by Rule 10b5-1 and subject to pre-approval by the Compliance Officer.

Although non-discretionary Rule 10b5-1 trading plans are preferred, discretionary Rule 10b5-1 trading plans, where the discretion or control over trading is transferred to a broker, are permitted if pre-approved by the Compliance Officer.

Revocation of Rule 10b5-1 trading plans should occur only in unusual circumstances. Effectiveness of any revocation or amendment of a Rule 10b5-1 trading plan will be subject to the prior review and approval of the Compliance Officer. Revocation is effected upon written notice to the broker. You should note that revocation of a Rule 10b5-1 trading plan can result in the loss of an affirmative defense for past or future transactions under a Rule 10b5-1 trading plan. You should consult with your own legal counsel before deciding to revoke Rule 10b5-1 trading plan.

An individual may only modify a Rule 10b5-1 trading plan outside of a blackout period and, in any event, when the individual does not possess material nonpublic information. Modifications to and terminations of a Rule 10b5-1 trading plan are subject to pre-approval by the Compliance Officer and modifications of a Rule 10b5-1 trading plan that change the amount, price, or timing of the purchase or sale of the securities underlying a Rule 10b5-1 trading plan will trigger a new Cooling-Off Period.

The Company reserves the right to publicly disclose, announce, or respond to inquiries from the media regarding the adoption, modification, or termination of a Rule 10b5-1 trading plan and non-Rule 10b5-1 trading arrangements, or the execution of transactions made under a Rule 10b5-1 trading plan. The Company also reserves the right from time to time to suspend, discontinue, or otherwise prohibit transactions under a Rule 10b5-1 trading plan if the Compliance Officer or the Board of Directors, in its discretion, determines that such suspension, discontinuation, or other prohibition is in the best interests of the Company.

Compliance of a Rule 10b5-1 trading plan with the terms of Rule 10b5-1 and the execution of transactions pursuant to the Rule 10b5-1 trading plan are the sole responsibility of the person initiating the Rule 10b5-1 trading plan, and none of the Company, the Compliance Officer, or the Company's other employees assumes any liability for any delay in reviewing and/or refusing to approve a Rule 10b5-1 trading plan submitted for approval, nor the legality or consequences relating to a person entering into, informing the Company of, or trading under, a Rule 10b5-1 trading plan.

If required, an SEC Form 144 will be filled out and filed by the individual/brokerage firm in accordance with the existing rules regarding Form 144 filings. A footnote at the bottom of the Form 144 should indicate that the trades are in accordance with a Rule 10b5-1 trading plan that complies with Rule 10b5-1 and noting the expiration date of such Rule 10b5-1 trading plan.

During an open trading window, trades differing from Rule 10b5-1 trading plan instructions that are already in place are allowed as long as the Rule 10b5-1 trading plan continues to be followed.

The transactions prohibited under this Policy, including among others short sales and hedging transactions, may not be carried out through a Trading Plan or other arrangement or trading instruction involving potential sales or purchases of the Company's securities.

VII. Interpretation, Amendment, and Implementation of this Policy

The Compliance Officer shall have the authority to interpret and update this Policy and its Schedules and all related policies and procedures. In particular, such interpretations and updates of this Policy, as authorized by the Compliance Officer, may include amendments or exceptions to the terms of this Policy, to the extent consistent with the general purpose of this Policy and applicable securities laws.

VIII. Execution and Return of Certification of Compliance

After reading this Policy, all Covered Persons should execute and return to the Company's Compliance Officer the Certification of Compliance in a form to be designated by the Compliance Officer.

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Exhibit 12.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER PURSUANT TO EXCHANGE ACT RULE 13a-14(a)/ 15d-14(a)

I, Ofer Haviv, certify that:

1. I have reviewed this annual report on Form 20-F of Evogene Ltd.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;

4. The company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:

a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to 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;

c. Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d. Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and

5. The company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):

a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and

b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

/s/ Ofer Haviv
Ofer Haviv
President and Chief Executive Officer
(principal executive officer)

Date: March 27, 2025

Exhibit 12.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER PURSUANT TO EXCHANGE ACT RULE 13a-14(a)/ 15d-14(a)

I, Yaron Eldad, certify that:

1. I have reviewed this annual report on Form 20-F of Evogene Ltd.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;

4. The company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:

a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to 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;

c. Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d. Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and

5. The company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):

a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and

b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

/s/ Yaron Eldad
Yaron Eldad
Chief Financial Officer
(principal financial and accounting officer)

Date: March 27, 2025

Exhibit 13.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER PURSUANT TO
18 U.S.C. SECTION 1350

In connection with the Annual Report of Evogene Ltd. (the "Company") on Form 20-F for the fiscal year ended December 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Ofer Haviv, do certify, pursuant to 18 U.S.C. § 1350, that to my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Ofer Haviv
Ofer Haviv
President and Chief Executive Officer
(principal executive officer)

Date: March 27, 2025

Exhibit 13.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER PURSUANT TO
18 U.S.C. SECTION 1350

In connection with the Annual Report of Evogene Ltd. (the "Company") on Form 20-F for the fiscal year ended December 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Yaron Eldad, do certify, pursuant to 18 U.S.C. § 1350, that to my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Yaron Eldad
Yaron Eldad
Chief Financial Officer
(principal financial and accounting officer)

Date: March 27, 2025

Exhibit 15.1

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the following Registration Statements:

(1) Registration Statement (Form S-8 No. 333-20385) pertaining to the 2015 Share Option Plan of Evogene Ltd.,
(2) Registration Statement (Form S-8 No. 333-259215) pertaining to the 2021 Share Incentive Plan of Evogene Ltd., and
(3) Registration Statements (Form F-3 No.333-277565) and related Prospectus of Evogene Ltd.,

Of our report dated March 27, 2025, with respect to the consolidated financial statements of Evogene Ltd. included in this Annual Report (Form 20-F) of Evogene Ltd. for the year ended December 31, 2024.

Tel-Aviv, Israel
March 27, 2025

/s/ KOST FORER GABBAY & KASIERER
KOST FORER GABBAY & KASIERER
A Member of Ernst & Young Global