



## CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION

U.S. dollars in thousands

	June 30, 2025	December 31, 2024
	Unaudited	
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 8,329	\$ 15,301
Short-term bank deposits	3,362	10
Trade receivables	1,110	1,091
Other receivables and prepaid expenses	680	2,064
Deferred expenses related to issuance of warrants	991	1,304
Assets held for sale	12,218	-
Inventories	1,955	1,819
	28,645	21,589
<b>LONG-TERM ASSETS:</b>		
Long-term deposits and other receivables	165	12
Investment in an associate	15	82
Deferred expenses related to issuance of warrants	1,392	1,735
Right-of-use-assets	2,350	2,447
Property, plant and equipment, net	1,359	1,804
Intangible assets, net	-	12,195
	5,281	18,275
<b>TOTAL ASSETS</b>	<b>\$ 33,926</b>	<b>\$ 39,864</b>
<b>LIABILITIES AND EQUITY</b>		
<b>CURRENT LIABILITIES:</b>		
Trade payables	\$ 557	\$ 1,228
Employees and payroll accruals	1,773	1,869
Lease liabilities	680	589
Liabilities in respect of government grants	470	323
Deferred revenues and other advances	-	360
Warrants and pre-funded warrants liability	1,168	2,876
Convertible SAFE	10,026	10,371
Other payables	520	1,079
	15,194	18,695
<b>LONG-TERM LIABILITIES:</b>		
Lease liabilities	1,979	1,914
Liabilities in respect of government grants	4,279	4,327
Deferred revenues and other advances	99	90
	6,357	6,331
<b>TOTAL LIABILITIES</b>	<b>\$ 21,551</b>	<b>\$ 25,026</b>

**CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION****U.S. dollars in thousands****SHAREHOLDERS' EQUITY:**

Ordinary shares of NIS 0.2 par value:

Authorized – 15,000,000 ordinary shares; Issued and  
outstanding – 8,714,230 ordinary shares on June 30,  
2025 and 6,514,589 ordinary shares on December 31,  
2024

Share premium and other capital reserves

Accumulated deficit

488

277,083

(281,121)

363

272,257

(274,071)

Equity attributable to equity holders of the Company

(3,550)

(1,451)

Non-controlling interests

15,925

16,289

**TOTAL EQUITY**

12,375

14,838

**TOTAL LIABILITIES AND EQUITY**

\$ 33,926

\$ 39,864

# **CONSOLIDATED INTERIM STATEMENTS OF PROFIT OR LOSS**

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

	Six months ended June 30,		Three months ended June 30,		Year ended December 31,
	2025	2024	2025	2024	2024
	Unaudited				Audited
Revenues	\$ 3,227	\$ 2,294	\$ 884	\$ 605	\$ 5,577
Cost of revenues	1,653	646	136	336	2,380
Gross profit	1,574	1,648	748	269	3,197
Operating expenses:					
Research and development, net	4,792	6,499	2,321	2,882	12,511
Sales and marketing	809	1,112	412	591	1,983
General and administrative	2,262	2,917	1,086	1,420	6,993
Other expenses (income)	(191)	524	-	5	514
Total operating expenses, net	7,672	11,052	3,819	4,898	22,001
Operating loss	(6,098)	(9,404)	(3,071)	(4,629)	(18,804)
Financing income	1,820	591	235	194	7,393
Financing expenses	(1,088)	(218)	(628)	(97)	(3,358)
Financing income (expenses), net	732	373	(393)	97	4,035
Share of loss from equity accounted investment	(66)	(20)	(64)	(20)	(39)
Loss before taxes on income	(5,432)	(9,051)	(3,528)	(4,552)	(14,808)
Taxes on income (tax benefit)	1	1	1	1	9
Loss from operations held for sale, net	(2,238)	(778)	(1,152)	(1,432)	(3,237)
Loss	<u>\$ (7,671)</u>	<u>\$ (9,830)</u>	<u>\$ (4,681)</u>	<u>\$ (5,985)</u>	<u>\$ (18,054)</u>
Attributable to:					
Equity holders of the Company	\$ (7,050)	\$ (9,282)	\$ (4,462)	\$ (5,419)	(16,485)
Non-controlling interests	(621)	(548)	(219)	(566)	(1,569)
	<u>\$ (7,671)</u>	<u>\$ (9,830)</u>	<u>\$ (4,681)</u>	<u>\$ (5,985)</u>	<u>\$ (18,054)</u>
Basic and diluted loss per share from continuing operations, attributable to equity holders of the Company	<u>\$ (0.77)</u>	<u>\$ (1.69)</u>	<u>\$ (0.50)</u>	<u>\$ (0.85)</u>	<u>\$ (2.46)</u>
Basic and diluted loss per share from operations held for sale, attributable to equity holders of the Company	<u>\$ (0.24)</u>	<u>\$ (0.13)</u>	<u>\$ (0.12)</u>	<u>\$ (0.21)</u>	<u>\$ (0.43)</u>
Weighted average number of shares used in computing basic and diluted loss per share	<u>7,012,031</u>	<u>5,087,029</u>	<u>7,225,862</u>	<u>5,090,993</u>	<u>5,697,245</u>

# **CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS**

**U.S. dollars in thousands**

	Six months ended June 30,		Three months ended June 30,		Year ended December 31,
	2025	2024	2025	2024	2024
	Unaudited				Audited
<u>Cash flows from operating activities</u>					
Loss	\$ (5,433)	\$ (9,052)	\$ (3,529)	\$ (4,553)	\$ (14,817)
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	600	731	290	330	1,381
Amortization of intangible assets	-	-	-	-	-
Share-based compensation	472	617	234	311	1,243
Remeasurement of Convertible SAFE	(345)	24	(345)	49	3
Net financing expenses (income)	156	(364)	147	(70)	(771)
Loss (gain) from sale of property, plant and equipment	(194)	524	(3)	5	525
Excess of initial fair value of pre-funded warrants over transaction proceeds			-		2,684
Amortization of deferred expenses related to issuance of warrants	656		330		471
Remeasurement of pre-funded warrants and warrants	(1,318)		159		(6,529)
Share of loss of an associate	67	20	65	20	39
Taxes on income (tax benefit)	1	1	1	1	9
	95	1,553	878	646	(945)
Changes in asset and liability items:					
Decrease (increase) in trade receivables	(63)	119	1,467	303	(627)
Decrease (increase) in other receivables and prepaid expenses	1,369	(627)	(33)	(437)	806
Decrease (increase) in inventories	(601)	(228)	(154)	(157)	(1,277)
Increase (decrease) in trade payables	(369)	(716)	(63)	(79)	(630)
Increase (decrease) in employees and payroll accruals	(124)	(120)	103	(12)	(548)
Increase (decrease) in other payables	(458)	(94)	(138)	(130)	222
Increase (decrease) in deferred revenues and other advances	(351)	(105)	(196)	(34)	(559)
	(597)	(1,771)	986	(546)	(2,613)

**CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS****U.S. dollars in thousands**

	<b>Six months ended June 30,</b>		<b>Three months ended June 30,</b>		<b>Year ended December 31,</b>
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>	<b>2024</b>
	<b>Unaudited</b>				<b>Audited</b>
Cash received (paid) during the period for:					
Interest received	176	402	81	231	934
Interest paid	(98)	(41)	(52)	(18)	(67)
Taxes paid	(11)	-	(11)	-	(11)
Net cash used in continuing operating activities	(5,868)	(8,909)	(1,647)	(4,240)	(17,519)
Net cash used in operating activities held for sale	(1,615)	(656)	(654)	(1,215)	(2,181)
Net cash used in operating activities	\$ (7,483)	\$ (9,565)	\$ (2,301)	\$ (5,455)	\$ (19,700)
<u>Cash flows from investing activities:</u>					
Purchase of property, plant and equipment	\$ (123)	(166)	(2)	(26)	\$ (626)
Proceeds from sale of property, plant and equipment	-	10	-	-	10
Proceeds from finance sub-lease asset	17	-	14	-	-
Withdrawal from (investment in) bank deposits, net	(3,328)	1,024	(1,001)	5,255	10,190
Net cash provided by (used in) continuing investing activities	(3,434)	868	(989)	5,229	9,574
Net cash provided by (used in) investing activities held for sale	-	(2,020)	-	(2,019)	48
Net cash provided by (used in) investing activities	\$ (3,434)	\$ (1,152)	\$ (989)	\$ 3,210	\$ 9,622

# **CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS**

**U.S. dollars in thousands**

	Six months ended June 30,		Three months ended June 30,		Year ended December 31,
	2025	2024	2025	2024	2024
	Unaudited				Audited
<u>Cash flows from financing activities:</u>					
Proceeds from issuance of ordinary shares, pre-funded warrants and warrants	4,283	-	4,283	-	5,500
Proceeds from issuance of ordinary shares, net of issuance expenses		86	-	83	122
Repayment of lease liability	(283)	(470)	(137)	(235)	(886)
Proceeds from government grants	-	-	-	6	134
Repayment of government grants	(122)	(142)	-	(9)	(298)
Net cash provided by (used in) continuing financing activities	3,878	(526)	4,146	(155)	4,572
Net cash provided by financing activities held for sale	112	8	3	4	84
Net cash provided by (used in) financing activities	\$ 3,990	\$ (518)	\$ 4,149	\$ (151)	\$ 4,656
Exchange rate differences - cash and cash equivalent balances	25	(53)	45	(35)	(49)
Increase (decrease) in cash and cash equivalents	(6,902)	(11,288)	904	(2,431)	(5,471)
Cash and cash equivalents, beginning of the period	15,301	20,772	7,495	11,915	20,772
Cash and cash equivalents presented in assets held for sale	(70)	-	(70)	-	-
Cash and cash equivalents, end of the period	\$ 8,329	\$ 9,484	\$ 8,329	\$ 9,484	\$ 15,301
<u>Significant non-cash activities</u>					
Acquisition of property, plant and equipment	\$ 11	\$ 15	\$ 11	\$ 15	\$ 120
Right-of-use asset recognized with corresponding lease liability	\$ 207	\$ 184	\$ -	\$ 54	\$ 2,307
Exercise of pre-funded warrants	\$ 389	\$ -	\$ 160	\$ -	\$ 2,289
Derecognition of property, plant and equipment under a finance lease	\$ 13	\$ -	\$ -	\$ -	\$ -
Investment in affiliated company with corresponding deferred revenues	\$ -	\$ 120	\$ -	\$ -	\$ 120