



## CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION

U.S. dollars in thousands

	<b>March 31, 2026</b>	<b>December 31, 2025</b>
	<b>Unaudited</b>	
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 8,511	\$ 12,956
Short-term bank deposits	4,543	-
Restricted cash	32	32
Trade receivables	286	317
Other receivables and prepaid expenses	1,416	1,565
Deferred expenses related to issuance of warrants	-	551
Inventories	175	210
	<u>14,963</u>	<u>15,631</u>
<b>LONG-TERM ASSETS:</b>		
Long-term deposits and other receivables	576	571
Investment accounted for using the equity method	-	43
Deferred expenses related to issuance of warrants	-	1,165
Right-of-use-assets	1,672	1,824
Property, plant and equipment, net	737	812
	<u>2,985</u>	<u>4,415</u>
<b>TOTAL ASSETS</b>	<u>\$ 17,948</u>	<u>\$ 20,046</u>
<b>LIABILITIES AND EQUITY</b>		
<b>CURRENT LIABILITIES:</b>		
Trade payables	\$ 463	\$ 639
Employees and payroll accruals	922	861
Lease liabilities	654	716
Liabilities in respect of government grants	101	56
Deferred revenues and other advances	21	17
Warrants and pre-funded warrants liability	1,721	706
Other payables	1,482	449
	<u>5,364</u>	<u>3,444</u>
<b>LONG-TERM LIABILITIES:</b>		
Lease liabilities	1,377	1,482
Liabilities in respect of government grants	3,149	3,073
Deferred revenues and other advances	68	72
	<u>4,594</u>	<u>4,627</u>
<b>TOTAL LIABILITIES</b>	<u>\$ 9,958</u>	<u>\$ 8,071</u>

**CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION**

**U.S. dollars in thousands**

**SHAREHOLDERS' EQUITY:**

Ordinary shares of NIS 0.2 par value: Authorized – 30,000,000 ordinary shares; Issued and outstanding – 10,412,764 ordinary shares on March 31, 2026 and 6,672,173 ordinary shares on December 31, 2025	708	488
Share premium and other capital reserves	285,173	281,986
Accumulated deficit	(288,426)	(282,556)
Equity attributable to equity holders of the Company	(2,545)	(82)
Non-controlling interests	10,535	12,057
<b>TOTAL EQUITY</b>	<b>7,990</b>	<b>11,975</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 17,948</b>	<b>\$ 20,046</b>

**CONSOLIDATED INTERIM STATEMENTS OF PROFIT OR LOSS**
**U.S. dollars in thousands (except share and per share amounts)**

	Three months ended		Year ended
	March 31,		December 31,
	2026	2025 (*)	2025
	Unaudited		
Revenues	\$ 334	\$ 2,343	\$ 3,853
Cost of revenues:			
Inventory impairment	-	-	2,180
Other cost of revenues	130	1,517	1,914
Total Cost of Revenues	130	1,517	4,094
Gross profit	204	826	(241)
Operating expenses (income):			
Research and development, net	1,839	2,471	7,994
Sales and marketing	389	397	1,476
General and administrative	1,156	1,176	4,286
Other expenses (income)	(30)	(191)	37
Total operating expenses, net	3,354	3,853	13,793
Operating loss	(3,150)	(3,027)	(14,034)
Financing income	1,171	1,584	2,508
Financing expenses	(3,884)	(458)	(1,933)
Financing income (expenses), net	(2,713)	1,126	575
Share of loss of an associate	43	2	39
Loss before taxes on income	(5,906)	(1,903)	(13,498)
Taxes on income	4	-	1
Loss from continuing operations	(5,910)	(1,903)	(13,499)
Income (loss) from discontinued operations, net	14	(1,086)	5,672
Loss	\$ (5,896)	\$ (2,989)	\$ (7,827)
Attributable to:			
Equity holders of the Company	(5,870)	(2,587)	(8,485)
Non-controlling interests	(26)	(402)	658
	\$ (5,896)	\$ (2,989)	\$ (7,827)
Basic and diluted gain (loss) per share from continuing operations, attributable to equity holders of the Company	\$ (0.60)	\$ (0.26)	\$ (1.70)
Basic and diluted gain (loss) per share from discontinued operations, attributable to equity holders of the Company	\$ 0.00	\$ (0.12)	\$ 0.62



Basic and diluted gain (loss) per share, attributable to equity holders of the Company

\$ (0.60)

\$ (0.38)

\$ (1.08)

Weighted average number of shares used in computing basic and diluted loss per share

9,738,434

6,798,173

7,874,039

(\*) Reclassified to conform to the current period presentation, following the classification of certain operations as discontinued operations.

**CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS**

U.S. dollars in thousands

	<b>Three months ended</b>		<b>Year ended</b>
	<b>March 31,</b>		<b>December 31,</b>
	<b>2026</b>	<b>2025 (*)</b>	<b>2025</b>
	<b>Unaudited</b>		
<u>Cash flows from operating activities:</u>			
Loss from continuing operations	\$ (5,910)	\$ (1,903)	\$ (13,499)
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	202	310	1,144
Share-based compensation	(9)	238	654
Remeasurement of Convertible SAFE	-	-	(371)
Net financing income	(234)	8	(28)
Gain from sale of equipment and deduction of right-of-use asset and subsequent investment in sub-lease asset	(23)	(191)	(209)
Impairment of property, plant and equipment	-	-	246
Inventory impairment	-	-	2,180
Revaluation of government grants	20	-	40
Amortization of deferred expenses related to issuance of warrants	1,716	326	1,323
Expenses related to warrants inducement transaction	2,095	-	-
Remeasurement of pre-funded warrants and warrants	(1,046)	(1,477)	(1,781)
Share of loss of an associate	43	2	39
Taxes on income (tax benefit)	4	-	(6)
	<u>2,768</u>	<u>(784)</u>	<u>3,231</u>
<u>Changes in asset and liability items:</u>			
Decrease (increase) in trade receivables	31	(1,530)	665
Decrease in other receivables and prepaid expenses	124	1,402	1,047
Decrease (increase) in inventories	35	(447)	(1,019)
Decrease in trade payables	(115)	(306)	(259)
Increase (decrease) in employees and payroll accruals	61	(227)	(756)
Decrease in other payables	(70)	(320)	(570)
Decrease in deferred revenues and other advances	-	(155)	(361)
	<u>66</u>	<u>(1,583)</u>	<u>(1,253)</u>
Cash received (paid) during the year for:			
Interest received	137	95	338
Interest paid	(40)	(46)	(193)
Taxes paid	(15)	-	(11)
	<u>(2,994)</u>	<u>(4,221)</u>	<u>(11,387)</u>
Net cash used in continuing operating activities	(2,994)	(4,221)	(11,387)
Net cash used in operating activities of discontinued operations	40	(961)	(2,115)
Net cash used in operating activities	<u>(2,954)</u>	<u>(5,182)</u>	<u>(13,502)</u>

**CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS**

U.S. dollars in thousands

	Three months ended		Year ended
	March 31,		December 31,
	2026	2025(*)	2025
	Unaudited		
<u>Cash flows from investing activities:</u>			
Purchase of property, plant and equipment	(2)	(121)	(135)
Proceeds from sale of property, plant and equipment	23	-	78
Proceeds from finance sub -lease asset	21	3	52
Withdrawal from (investment in) bank deposits, net	<u>(4,528)</u>	<u>(2,327)</u>	<u>(1)</u>
Net cash provided by (used in) continuing investing activities	(4,486)	(2,445)	(6)
Net cash provided by investing activities of discontinued operations	-	-	17,744
Net cash provided by investing activities	<u>(4,486)</u>	<u>(2,445)</u>	<u>17,738</u>
<u>Cash flows from financing activities:</u>			
Proceeds from issuance of ordinary shares, net of issuance expenses	-	-	4,283
Proceeds from issuance of ordinary shares in warrant inducement transaction, net of issuance expenses	3,206	-	-
Repayment of lease liabilities	(121)	(146)	(526)
Proceeds from government grants	101	-	-
Dividend paid by subsidiary	(193)	-	-
Repayment of convertible SAFE	-	-	(10,000)
Repayment of government grants	<u>-</u>	<u>(122)</u>	<u>(244)</u>
Net cash provided by (used in) continuing financing activities	2,993	(268)	(6,487)
Net cash provided by (used in) financing activities of discontinued operations	-	109	(115)
Net cash provided by (used in) financing activities	<u>2,993</u>	<u>(159)</u>	<u>(6,602)</u>
Exchange rate differences - cash and cash equivalent balances	<u>2</u>	<u>(20)</u>	<u>21</u>
Increase (decrease) in cash and cash equivalents	(4,445)	(7,806)	(2,345)
Cash and cash equivalents at the beginning of the period	<u>12,956</u>	<u>15,301</u>	<u>15,301</u>
Cash and cash equivalents at the end of the period	<u>\$ 8,511</u>	<u>\$ 7,495</u>	<u>\$ 12,956</u>
<u>Significant non-cash activities</u>			
Acquisition of property, plant and equipment	<u>-</u>	<u>-</u>	<u>2</u>
Increase of right-of-use-asset recognized with corresponding lease liability	<u>15</u>	<u>207</u>	<u>207</u>
Exercise of pre-funded warrants	<u>-</u>	<u>229</u>	<u>389</u>
Derecognition of property, plant and equipment under a finance lease	<u>-</u>	<u>13</u>	<u>13</u>
Dividend declared by subsidiary but not yet paid	<u>1,129</u>	<u>-</u>	<u>-</u>

(\*) Reclassified to conform to the current period presentation, following the classification of certain operations as discontinued operations.