

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

| | September 30, 2021 | December 31, 2020 |
|---|-------------------------------|------------------------------|
| | Unaudited | Audited |
| CURRENT ASSETS: | | |
| Cash and cash equivalents | \$ 37,633 | \$ 46,229 |
| Marketable securities | 20,360 | - |
| Short-term bank deposits | 3,600 | 2,000 |
| Trade receivables | 151 | 222 |
| Other receivables and prepaid expenses | 1,856 | 3,372 |
| | <u>63,600</u> | <u>51,823</u> |
| LONG-TERM ASSETS: | | |
| Long-term deposits | 25 | 9 |
| Right-of-use-assets | 2,195 | 1,872 |
| Property, plant and equipment, net | 2,127 | 2,072 |
| Intangible assets, net | 15,442 | 16,139 |
| | <u>19,789</u> | <u>20,092</u> |
| | <u>\$ 83,389</u> | <u>\$ 71,915</u> |
| CURRENT LIABILITIES: | | |
| Trade payables | \$ 1,850 | \$ 863 |
| Employees and payroll accruals | 2,361 | 2,535 |
| Lease liability | 927 | 777 |
| Liabilities in respect of government grants | 150 | 72 |
| Pre-funded warrants | - | 4,144 |
| Deferred revenues and other advances | - | 47 |
| Other payables | 1,253 | 1,238 |
| | <u>6,541</u> | <u>9,676</u> |
| LONG-TERM LIABILITIES: | | |
| Lease liability | 1,788 | 1,663 |
| Liabilities in respect of government grants | 4,300 | 3,694 |
| | <u>6,088</u> | <u>5,357</u> |
| SHAREHOLDERS' EQUITY: | | |
| Ordinary shares of NIS 0.02 par value: | | |
| Authorized – 150,000,000 ordinary shares; Issued and outstanding – 41,164,424 shares as of September 30, 2021 and 35,600,088 shares as of December 31, 2020 | 234 | 200 |
| Share premium and other capital reserve | 260,156 | 225,121 |
| Accumulated deficit | (199,698) | (179,276) |
| | <u>60,692</u> | <u>46,045</u> |
| Equity attributable to equity holders of the Company | | |
| Non-controlling interests | <u>10,068</u> | <u>10,837</u> |
| | <u>70,760</u> | <u>56,882</u> |
| Total equity | | |
| | <u>\$ 83,389</u> | <u>\$ 71,915</u> |

CONSOLIDATED INTERIM STATEMENTS OF PROFIT OR LOSS

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

| | Nine months ended September 30, | | Three months ended September 30, | | Year ended December 31, |
|--|------------------------------------|--------------------|-------------------------------------|-------------------|----------------------------|
| | 2021 | 2020 | 2021 | 2020 | 2020 |
| | Unaudited | | | | Audited |
| Revenues | \$ 619 | \$ 689 | \$ 151 | \$ 316 | \$ 1,040 |
| Cost of revenues | 500 | 228 | 101 | 75 | 574 |
| Gross profit | 119 | 461 | 50 | 241 | 466 |
| Operating expenses: | | | | | |
| Research and development, net | 15,109 | 12,476 | 5,826 | 3,998 | 17,287 |
| Business development | 2,018 | 2,002 | 776 | 564 | 2,672 |
| General and administrative | 5,253 | 3,620 | 2,004 | 1,232 | 5,321 |
| Total operating expenses | 22,380 | 18,098 | 8,606 | 5,794 | 25,280 |
| Operating loss | (22,261) | (17,637) | (8,556) | (5,553) | (24,814) |
| Financing income | 997 | 858 | 380 | 215 | 1,591 |
| Financing expenses | (1,078) | (657) | (159) | (73) | (2,951) |
| Financing income (expenses), net | (81) | 201 | 221 | 142 | (1,360) |
| Loss before taxes on income | (22,342) | (17,436) | (8,335) | (5,411) | (26,174) |
| Taxes on income | 19 | 7 | 8 | - | 32 |
| Loss | <u>\$ (22,361)</u> | <u>\$ (17,443)</u> | <u>\$ (8,343)</u> | <u>\$ (5,411)</u> | <u>\$ (26,206)</u> |
| Attributable to: | | | | | |
| Equity holders of the Company | \$ (20,422) | \$ (15,252) | \$ (7,610) | \$ (4,786) | \$ (23,374) |
| Non-controlling interests | (1,939) | (2,191) | (733) | (625) | (2,832) |
| | <u>\$ (22,361)</u> | <u>\$ (17,443)</u> | <u>\$ (8,343)</u> | <u>\$ (5,411)</u> | <u>\$ (26,206)</u> |
| Basic and diluted loss per share, attributable to equity holders of the Company | <u>\$ (0.51)</u> | <u>\$ (0.58)</u> | <u>\$ (0.19)</u> | <u>\$ (0.17)</u> | <u>\$ (0.83)</u> |
| Weighted average number of shares used in computing basic and diluted loss per share | <u>40,184,407</u> | <u>26,161,932</u> | <u>40,847,117</u> | <u>26,977,201</u> | <u>28,158,779</u> |

CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS

U.S. dollars in thousands

| | Nine months ended September 30, | | Three months ended September 30, | | Year ended December 31, |
|---|------------------------------------|--------------------|-------------------------------------|-------------------|----------------------------|
| | 2021 | 2020 | 2021 | 2020 | 2020 |
| | Unaudited | | | | Audited |
| <u>Cash flows from operating activities</u> | | | | | |
| Loss | \$ (22,361) | \$ (17,443) | \$ (8,343) | \$ (5,411) | \$ (26,206) |
| Adjustments to reconcile loss to net cash used in operating activities: | | | | | |
| Adjustments to the profit or loss items: | | | | | |
| Depreciation | 985 | 1,400 | 313 | 484 | 1,792 |
| Amortization of intangible assets | 697 | 700 | 235 | 234 | 935 |
| Share-based compensation | 1,872 | 3,482 | 783 | 691 | 4,097 |
| Pre-funded warrants issuance expenses | 212 | - | - | - | 211 |
| Net financing expense (income) | (363) | (223) | (346) | (154) | 1,031 |
| Decrease in accrued bank interest | 15 | - | 5 | - | - |
| Taxes on income | 19 | 7 | 8 | - | 32 |
| | <u>3,437</u> | <u>5,366</u> | <u>998</u> | <u>1,255</u> | <u>8,098</u> |
| Changes in asset and liability items: | | | | | |
| Decrease (increase) in trade receivables | 71 | 38 | 57 | 25 | (150) |
| Decrease (increase) in other receivables | 1,444 | 141 | 434 | (249) | (1,300) |
| Increase in long-term deposits | (16) | - | (13) | - | - |
| Increase (decrease) in trade payables | 987 | (151) | 632 | 83 | (29) |
| Increase (decrease) in employees and payroll accruals | (174) | (349) | 144 | 134 | 456 |
| Increase (decrease) in other payables | 24 | (93) | 302 | 136 | (87) |
| Decrease in deferred revenues and other advances | (47) | (254) | (26) | (426) | (339) |
| | <u>2,289</u> | <u>(668)</u> | <u>1,530</u> | <u>(297)</u> | <u>(1,449)</u> |
| Cash received (paid) during the period for: | | | | | |
| Interest received | 245 | 291 | 100 | 125 | 294 |
| Interest paid | (225) | (182) | (87) | (64) | (238) |
| Tax paid | (19) | (7) | (8) | - | (13) |
| Net cash used in operating activities | <u>\$ (16,634)</u> | <u>\$ (12,643)</u> | <u>\$ (5,810)</u> | <u>\$ (4,392)</u> | <u>\$ (19,514)</u> |

CONSOLIDATED STATEMENTS OF CASH FLOWS

U.S. dollars in thousands

| | Nine months ended September 30, | | Three months ended September 30, | | Year ended December 31, |
|---|------------------------------------|------------------|-------------------------------------|------------------|----------------------------|
| | 2021 | 2020 | 2021 | 2020 | 2020 |
| | Unaudited | | | | Audited |
| <u>Cash flows from investing activities:</u> | | | | | |
| Purchase of property, plant and equipment | \$ (587) | \$ (579) | \$ (180) | \$ (164) | \$ (682) |
| Proceeds from sale of marketable securities | 1,017 | 2,097 | 611 | - | 2,097 |
| Purchase of marketable securities | (21,404) | - | (414) | - | - |
| Proceeds from (investment in) bank deposits, net | (1,600) | 8,000 | (1,600) | 5,000 | 8,000 |
| Net cash provided by (used in) investing activities | (22,574) | 9,518 | (1,583) | 4,836 | 9,415 |
| <u>Cash flows from financing activities:</u> | | | | | |
| Proceeds from issuance of ordinary shares, net of issuance expenses | 29,582 | 9,801 | 1,660 | 9,801 | 18,658 |
| Proceeds from issuance of pre-funded warrants | - | - | - | - | 1,989 |
| Proceeds from advances for pre-funded warrants | - | - | - | - | 9 |
| Proceeds from exercise of options | 476 | 13 | 16 | 13 | 59 |
| Repayment of lease liability | (437) | (484) | (121) | (155) | (639) |
| Proceeds from government grants | 792 | 320 | 412 | 145 | 320 |
| Repayment of government grants | (34) | (22) | (14) | (11) | (22) |
| Net cash provided by financing activities | 30,379 | 9,628 | 1,953 | 9,793 | 20,374 |
| Exchange rate differences - cash and cash equivalent balances | 233 | 243 | 318 | 183 | 1,206 |
| Increase (decrease) in cash and cash equivalents | (8,596) | 6,746 | (5,122) | 10,420 | 11,481 |
| Cash and cash equivalents, beginning of the period | 46,229 | 34,748 | 42,755 | 31,074 | 34,748 |
| Cash and cash equivalents, end of the period | <u>\$ 37,633</u> | <u>\$ 41,494</u> | <u>\$ 37,633</u> | <u>\$ 41,494</u> | <u>\$ 46,229</u> |
| <u>Significant non-cash activities</u> | | | | | |
| Acquisition of property, plant and equipment | <u>\$ 59</u> | <u>\$ 17</u> | <u>\$ 17</u> | <u>\$ 17</u> | <u>\$ 57</u> |
| Increase (decrease) of right-of-use asset recognized with corresponding lease liability | <u>\$ 775</u> | <u>-</u> | <u>\$ 775</u> | <u>-</u> | <u>\$ (41)</u> |
| Exercise of options | <u>-</u> | <u>\$ -</u> | <u>-</u> | <u>\$ -</u> | <u>\$ 57</u> |