

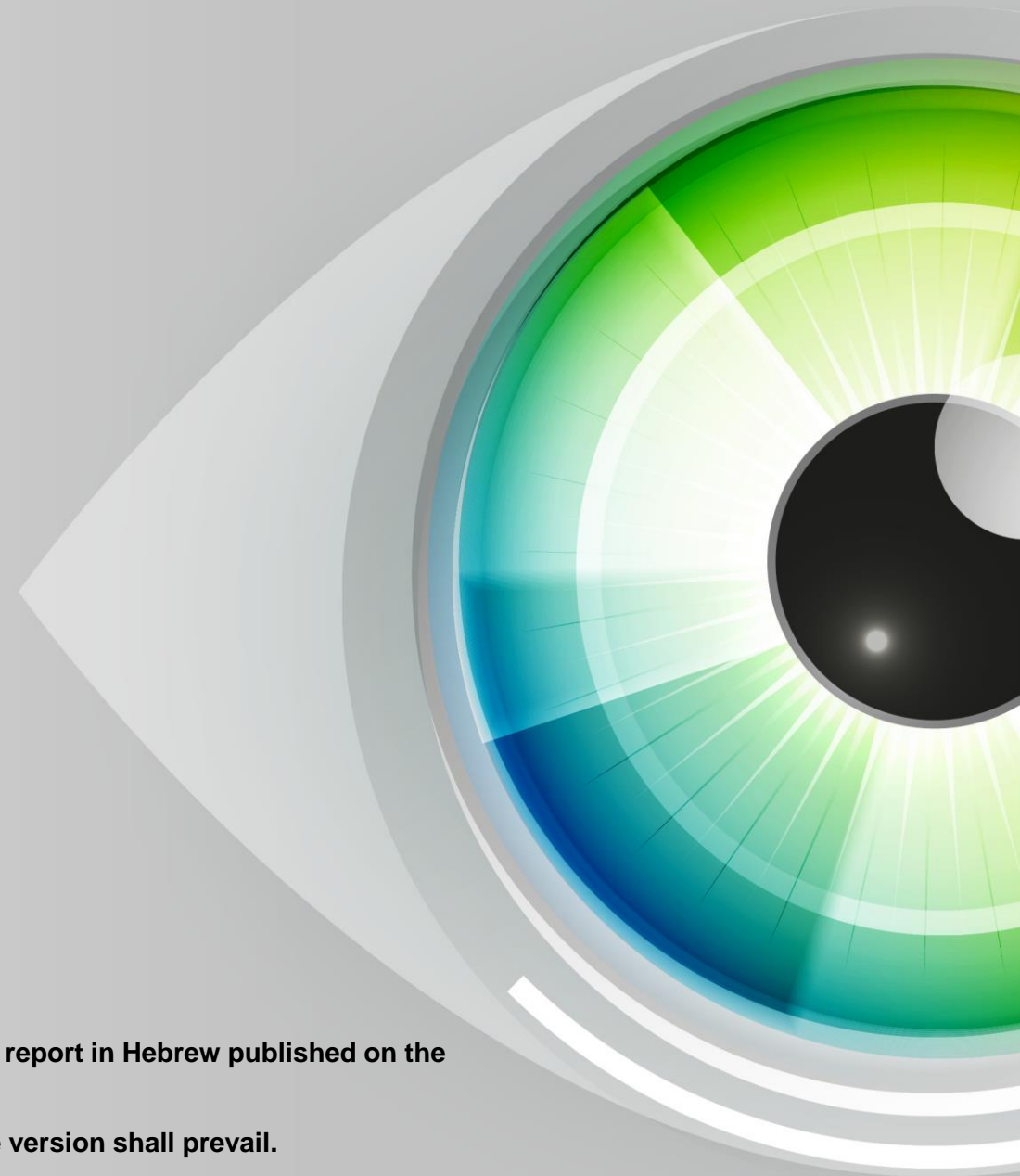


## **Condensed Business Update and Voluntary Financial Information**

**November 2021**

**NON-BINDING TRANSLATION** – The following presentation is a free translation of Company's report in Hebrew published on the TASE on November 29, 2021.

In the event of inconsistency between this version and the Hebrew one, the Hebrew language version shall prevail.



# Update of Activity and Investee Companies

DiagnosTear

About 82%

## Description of activities

DiagnosTear’s TeaRx™ technology is a diagnostic platform intended for diagnosis of disease in the frontal areas of the eye treatment through examination of a number of substances in the composition of teardrops.

## Summary of main developments during report period

To date of this report, over 40 participants enrolled for a clinical trial as part of an agreement, examining the commercial collaboration between international pharmaceutical companies and an Eye-Care Center in India. DiagnosTear continues to advance the development of tests for additional diseases.

ViSci  
Visual Sciences

About 97%

Vi-Sci’s innovative Eye-D technology treats glaucoma by the insertion of a sub-conjunctival implant which releases the prescribed medication: “Latanoprost” in a sustained release manner eliminating the use of eye drops, a daily challenge for the aged.

Ready to perform the next clinical trial and continues to search for a partner to perform / finance the trial.

LIPICARE  
PHARMACEUTICALS

About 90%

LipiCare Pharmaceuticals is engaged in the development of products based on nano-emulsions of Phospholipids aimed at enabling conveyance of fatty medications to the ocular surface in a manner that is both effective and comfortable for patients.

**Engaged in a contract for the production of its Ocular D product (CE approved) and has acquired exclusive marketing rights in Europe and is in the process of establishing sub-distributors within various territories.**

OphRx

About 41%

OphrX is engaged in the development of drugs for the treatment of eye disease through an innovative technological platform designed to improve the conductivity of eye drops based on nano-structures.

Preparing for a clinical trial of high-dose CysA on individuals for the comparison of its' tolerability in comparison to the product on the market. OphrX also began two technological developments of innovative products in the area of retinal diseases.

## Update of Activity and Investee Companies

### Description of Activities

### Summary of main developments during report period



Product eligibility for royalties  
(distributed by Ioptima)

Marketing of LipiTear multi Eye Drops medically approved for the treatment of severe chronic dry eyes and ocular surface treatment.

Engaged in a strategic distribution contract with a leading European ophthalmology pharmaceutical company, for exclusive distribution of the product.



About 5%

Develops an innovative surgical procedure for the treatment of Glaucoma.

Continues its efforts for the distribution and sales of the Sanoculis product in Europe and in Israel through distributors and under its' CE and Israel Medical Device approval (AMAR).



About 4.4%

Engaged in developing TSR1, an innovative product based on a technological platform for the treatment of inflammatory ocular diseases that may lead to blindness.

Raised funds according to company value of 100\$M USD (prior to funding). Its first participant was enrolled in a Phase III clinical trial in the USA.



About 4.3%

Engaged in the development of a clinical laser device to enable glaucoma patients to receive a short and effective laser treatment as first line treatment of the disease.

Completed enrolling patients in a multi-center clinical trial (in the UK, Italy, Georgia and Israel). Results are expected in the first quarter of 2022

# Update of Activity and Investee Companies



About 4.8%

Description of activities

Engaged in the development of artificial intelligence for a variety of retinal diseases.

Summary of main developments during report period

Working towards receiving FDA approval for one of its' products in the field of identifying diabetic complications in the retina and continues to develop additional AI products for the identification of various eye diseases.



About 12.5%

Engaged in the development of solutions for remote diagnosis and monitoring of peripheral vision impairment while using the PC and its' built-in camera to monitor the suspicion or the development of glaucoma and other eye diseases that affect peripheral vision.

Working on the development and installation of the Peripherex product in Key Opinion Leader Clinics (KOL's) specializing in glaucoma throughout the USA.



In June 2021, the sale of the balance of company securities in IOPtima was completed.

SOLD

## Consolidated Statements of Financial Position

	September 30,		December 31,
	2021	2020	2020
	NIS thousands	NIS thousands	NIS thousands
	Not reviewed	Not reviewed	Audited
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	36,388	26,803	29,988
Short-term deposits	245	5,434	1,161
Other accounts receivable	234	417	350
Investment in shares at fair value recognized in profit and loss	-	18,357	19,961
<b>Total current assets</b>	<b>36,867</b>	<b>51,011</b>	<b>51,460</b>
<b>Non-current assets</b>			
Long term receivables	980	-	-
Property and equipment, net	2,222	259	2,236
Right to use asset, net	584	1,058	927
Investment in shares at fair value recognized in profit and loss	25,505	13,667	9,973
Investment in company accounted for at equity method	1,542	180	84
Goodwill and intangible asset	149	149	149
<b>Total non-current assets</b>	<b>30,982</b>	<b>15,313</b>	<b>13,369</b>
<b>Total assets</b>	<b>67,849</b>	<b>66,324</b>	<b>64,829</b>

## Consolidated Statements of Financial Position (continue)

	September 30,		December 31,
	2021	2020	2020
	NIS thousands	NIS thousands	NIS thousands
	Not reviewed	Not reviewed	Audited
<b>Current liabilities</b>			
Trade payables	313	539	580
Other accounts payable	1,146	1,403	1,522
Current maturities of lease liability	470	514	459
<b>Total current liabilities</b>	<b>1,929</b>	<b>2,456</b>	<b>2,561</b>
<b>Non-current liabilities</b>			
Liability related to grants	672	702	558
Deferred tax liability	-	1,253	1,133
Other long-term liabilities	126	548	470
<b>Total non-current liabilities</b>	<b>798</b>	<b>2,503</b>	<b>2,161</b>
<b>Equity attributable to shareholders of the Company</b>			
Share capital, premium and reserves	268,741	264,907	268,555
Accumulated deficit	(204,032)	(202,852)	(209,338)
Total equity attributable to shareholders of the Company	64,709	62,055	59,217
Non-controlling interests	413	(690)	890
<b>Total equity</b>	<b>65,122</b>	<b>61,365</b>	<b>60,107</b>
<b>Total equity and liabilities</b>	<b>67,849</b>	<b>66,324</b>	<b>64,829</b>

## Consolidated Statements of Comprehensive Income (Loss)

	Nine months ended September 30,		Three months ended September 30,		Year ended December 31,
	2021	2020 (*)	2021	2020 (*)	2020
	NIS thousands	NIS thousands	NIS thousands	NIS thousands	NIS thousands
	Not reviewed	Not reviewed	Not reviewed	Not reviewed	Audited
Revenues, net	5	29	3	11	31
Research and development, net	(3,114)	(2,878)	(678)	(828)	(3,993)
Selling and marketing	(400)	(115)	(200)	(76)	(250)
General and administrative, net	(4,115)	(4,615)	(1,239)	(1,457)	(6,411)
Change in investment in shares at fair value recognized in profit and loss	11,011	481 (**)	(231)	(350) (**)	(**) (1,427)
Other expenses, net	-	(705)	-	-	(705)
	<u>3,382</u>	<u>(7,832)</u>	<u>(2,348)</u>	<u>(2,711)</u>	<u>(12,786)</u>
<b>Operating profit (loss)</b>	3,387	(7,803)	(2,345)	(2,700)	(12,755)
Finance income (expenses), net	(49)	883 (**)	(431)	(202) (**)	(**) (906)
Company's share of losses of company accounted for at equity	<u>(157)</u>	<u>(279)</u>	<u>(73)</u>	<u>(113)</u>	<u>(375)</u>
Net profit (loss) before taxes	3,181	(7,199)	(2,849)	(3,015)	(14,036)
Tax income (expenses)	1,572	(407)	-	(53)	(135)
Profit (loss) from continuing operations	<u>4,753</u>	<u>(7,606)</u>	<u>(2,849)</u>	<u>(3,068)</u>	<u>(14,171)</u>
Loss from discontinued operations	-	(813)	-	548	(915)
<b>Net profit (loss)</b>	4,753	(8,419)	(2,849)	(2,520)	(15,086)
Other comprehensive income (loss):					
Amounts that will be reclassified subsequently to profit or loss:					
Exchange differences on translation of foreign operations	<u>26</u>	<u>-</u>	<u>(25)</u>	<u>-</u>	<u>85</u>
<b>Total comprehensive income (loss)</b>	<u>4,779</u>	<u>(8,419)</u>	<u>(2,874)</u>	<u>(2,520)</u>	<u>(15,001)</u>

## Consolidated Statements of Comprehensive Income (Loss) - continue

	Nine months ended September 30,		Three months ended September 30,		Year ended December 31,
	2021	2020 (*)	2021	2020 (*)	2020
	NIS thousands	NIS thousands	NIS thousands	NIS thousands	NIS thousands
	Not reviewed	Not reviewed	Not reviewed	Not reviewed	Audited
<b>Total comprehensive income (loss)</b>	<u>4,779</u>	<u>(8,419)</u>	<u>(2,874)</u>	<u>(2,520)</u>	<u>(15,001)</u>
<b>Total net income (loss) attributable to:</b>					
Shareholders of the Company	5,306	(6,896)	(2,711)	(2,437)	(13,382)
Non-controlling interests	<u>(553)</u>	<u>(1,523)</u>	<u>(138)</u>	<u>(83)</u>	<u>(1,704)</u>
	<u>4,753</u>	<u>(8,419)</u>	<u>(2,849)</u>	<u>(2,520)</u>	<u>(15,086)</u>
<b>Total comprehensive income (loss) attributable to:</b>					
Shareholders of the Company	5,332	(6,896)	(2,736)	(2,437)	(13,297)
Non-controlling interests	<u>(553)</u>	<u>(1,523)</u>	<u>(138)</u>	<u>(83)</u>	<u>(1,704)</u>
	<u>4,779</u>	<u>(8,419)</u>	<u>(2,874)</u>	<u>(2,520)</u>	<u>(15,001)</u>
<b>Net income (loss) per share attributable to shareholders of the Company (NIS):</b>					
Basic income (loss) per share from continuing operations	1.17	(1.49)	(0.60)	(0.54)	(2.90)
Basic income (loss) per share from discontinuing operations	<u>-</u>	<u>(0.03)</u>	<u>-</u>	<u>-</u>	<u>(0.05)</u>
Basic total net income (loss) per share	1.17	(1.52)	(0.60)	(0.54)	(2.95)
Diluted income (loss) per share from continuing operations	1.16	(1.49)	(0.59)	(0.53)	(2.90)
Diluted income (loss) per share from discontinuing operations	<u>-</u>	<u>(0.03)</u>	<u>-</u>	<u>-</u>	<u>(0.05)</u>
Diluted total net income (loss) per share	1.16	(1.52)	(0.59)	(0.53)	(2.95)
Weighted number of shares used in the computation of basic income (loss) per share	<u>4,546,945</u>	<u>4,542,901</u>	<u>4,554,989</u>	<u>4,542,901</u>	<u>4,542,901</u>
Weighted number of shares used in the computation of diluted income (loss) per share	<u>4,588,857</u>	<u>4,554,989</u>	<u>4,580,813</u>	<u>4,579,165</u>	<u>4,542,901</u>

(\*) Reclassified due to discontinuing operations.

(\*\*) Reclassified



## Consolidated Statements of cash flow

	Nine months ended September 30,		Three months ended September 30,		Year ended December 31,
	2021	2020	2021	2020	2020
	NIS thousands	NIS thousands	NIS thousands	NIS thousands	NIS thousands
	Not reviewed	Not reviewed	Not reviewed	Not reviewed	Audited
<b>Net cash used in operating activities</b>	(7,473)	(8,595)	(1,854)	(2,629)	(11,395)
<b>Net cash provided by (used in) investing activities</b>	14,159	(409)	(1,828)	(339)	2,011
<b>Net cash provided by (used in) financing activities</b>	(333)	(336)	(113)	(125)	4,773