BioLight Annual Report for 2021

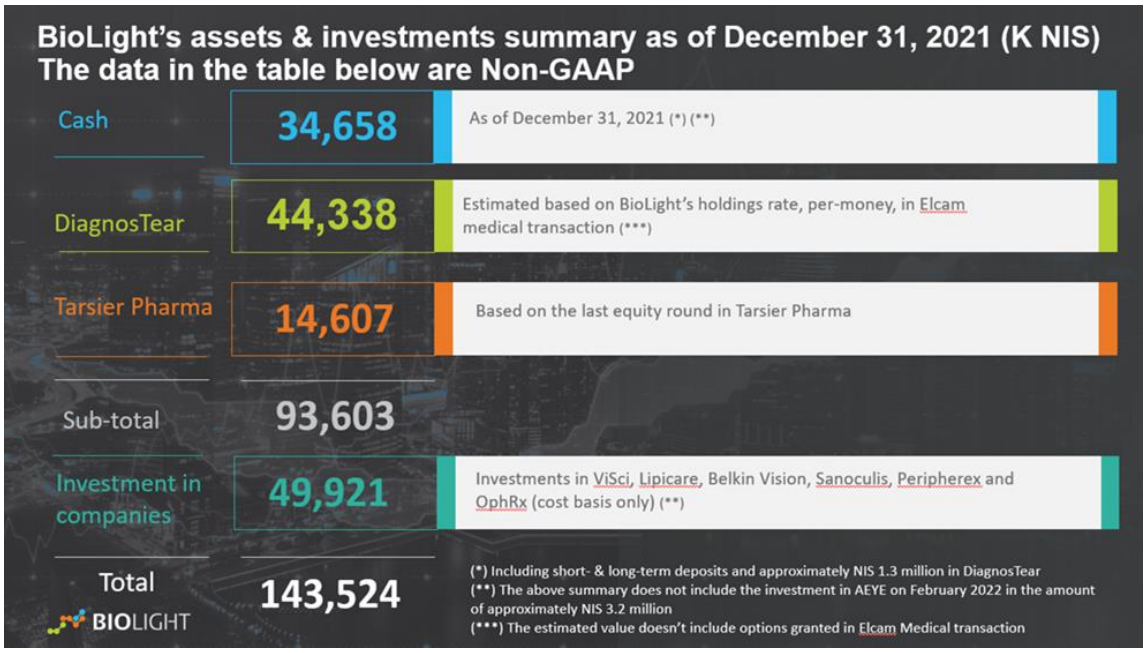
BioLight ended its year with assets amounting to NIS 143.5 million

BioLight invested i*n* 2 new companies in digital eye health technologies over the year

(Tel Aviv, March 24, 2022) BioLight, which is engaged in the development and commercialization of advanced technologies for the treatment of eye diseases, published its results today for 2021.

Along the decrease in management expenses, from NIS 6.4 million in 2020 to NIS 5.6 million in 2021, the company's assets and investments increased to NIS 143.5 million, compared to NIS 140.2 million in 2020.

In conclusion, the company ended the year with a loss of NIS 0.4 million compared to a loss of NIS 15 million in 2020 mainly due to the increase in the value of investment in Tarsier Pharma.



Over the course of the year, BioLight expanded its investments in digital eye health technologies, investing in two ophthalmology companies - AEYE and Peripherex.

AEYE, which develops AI-based diagnostic solutions for retinal disease, is working towards obtaining FDA approval for the detection of diabetic retinopathy, following positive results in a pivotal clinical trial in February of this year. At the beginning of the month, BioLight reported the exercise of an option and an increase in its holdings in AEYE to approximately 8% of the company's issued share capital.

In July of 2021, BioLight also invested in Peripherex, a private American company founded by Stanford University's Head of Ophthalmology, Prof. Jeffrey Goldberg. Peripherex is engaged in developing a technology to monitor the development of glaucoma and other eye diseases that may impair peripheral vision, using a personal computer and a built-in camera tracking the movement of the eyes. Peripherex is in a clinical trial comparing its product Vs. a common vision tool currently used for this type of analysis. Peripherex is currently working towards the completion of a prototype,

and expects to have it allocated in leading clinics throughout the United States. BioLight currently holds 12.5% in Peripherex and has an option for additional investments that may increase its holdings up to 50% of Peripherex, based on milestones set forth in the investment agreement.

Expanding the product basket

"In addition to strengthening the existing portfolio companies, BioLight is focused towards expanding and diversifying its basket of technologies and products in the field of ophthalmology," said BioLight CEO Yaakov Michlin. "We believe that digital eye health technologies are one of the strongest growth engines in the field, and the recent investments we have made have centered in these technologies. With the recent formation of our International Scientific Advisory Board members which we established in 2021, BioLight has become recognized as the leading company in Israel in the field of ophthalmic investments. With our strong balance sheet, a promising portfolio of companies and quality of human resources, we are proud in being well positioned to benefit from our progress and growth in the field of ophthalmology over the coming years."

Portfolio companies

Update of Activity and Investee Companies	Description of activities	Summary of main developments during report period	Presented in the financial statement
DiagnosTear 80%	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.	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.	Consolidated
ViSci 97%	ViSci'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.	Consolidated
LIPICARE PHARMACEUTICALS 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 manufacturing 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.	Consolidated
OphRx 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-structure	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.	Equity method
peripherex 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.	Equity method
Tarsier Pharma see the future 4.5%	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 USD 100 million (prior to funding). Its first participant was enrolled in a Phase III clinical trial in the USA.	Investment in fair value
BELKIN VISION 4.%	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. Won a grant of 2.5 million euros and a commitment to invest about 15 million euros from the European Union.	Investment in fair value
Sanoculis 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).	Investment in fair value
AEYE HEALTH 8%	Engaged in the development of artificial intelligence for a variety of retinal diseases.	Has received positive results in a pivotal clinical trial and is working towards obtaining FDA approval for the detection of diabetic retinopathy.	Investment in fair value

About BioLight

BioLight is engaged in the development and commercialization of products for the treatment of eye diseases. The company invests in technological platforms and innovative medical equipment at various commercial and clinical stages, designed to improve the efficacy and safety of treatments, the manner of drug delivery and the diagnosis of diseases.