



BioLight Life Sciences Ltd.

(the "Company")

July 15, 2024

**To: Israel Security Authority
www.isa.gov.il**

**TASE Tel Aviv Stock Exchange
www.tase.co.il**

Re: Sale of all of LipiCare's (subsidiary) business activity to Chemipal

BioLight [TASE:BOLT] is pleased to announce that on July 14, 2024, the Company and LipiCare Pharmaceuticals Ltd., a subsidiary of the Company ("LipiCare")¹, which is engaged in marketing the Ocular D product (the "Product"), signed and completed an agreement for the sale of all LipiCare's business activities to Chemipal Ltd. (the "Agreement," the "Activity", and "Chemipal," respectively).

The Product is an eye drop based on nano-emulsion designed for the treatment of dry eyes combined with vitamin D and also functions to block blue light and alleviate a syndrome known as Digital Eye Strain.

The activity includes granting a sublicense for the use of the nano-emulsion technology that the Company received from Ramot at Tel Aviv University Ltd. (the "Technology" and "Ramot," respectively), ownership of the Patent and all the intellectual property underlying the Product, and exclusive rights to manufacture, market, sell, and distribute the Product.

According to the provisions of the Agreement, the Activity is sold to Chemipal in its current state (as is), subject to the representations and undertakings provided by LipiCare in the Agreement, in exchange for royalty payments and fees for granting rights, calculated as certain percentages of the net revenues actually received by Chemipal from Product sales and/or granting rights to third parties, as well as from any future products that Chemipal or its affiliates may produce using the Technology².

¹ LipiCare is held by the Company (based on issued share capital) at a rate of 92%, and by Ramot at Tel Aviv University Ltd. (the technology transfer company of Tel Aviv University) at a rate of 8%.

² For details regarding the license agreement with Ramot and the distribution agreement with Chemipal, see Sections 4.5.9.2 and 4.5.1, respectively, in the Company's annual report for 2023, published on March 21, 2024 [Reference No. 2024-01-024910], which is incorporated herein by reference.

As part of the Agreement, Chemipal will act at its sole discretion and in a commercially reasonable manner to continue the development and obtain regulatory approvals for the Product and subsequently to market and sell the Product³ in any territory it chooses.

The Agreement also includes standard provisions for agreements of this type, including liability and indemnity provisions, termination provisions, representations and undertakings, as well as provisions regarding the maintenance of the Patent underlying the Product by Chemipal.

About Chemipal

As informed to the Company and LipiCare: Chemipal was established in 1941 and is currently one of the largest distribution companies in Israel in the pharmaceutical field. Chemipal Brands, which will handle the marketing of the Product, is one of the leading entities in importing, marketing, and selling health products in the Israeli pharmaceutical market. Over the past 30 years, the division's marketing and sales team has launched and built many brands recognized by the Israeli consumer.

Forward-looking statement - *the information, details and Company's estimates contained in this report including obtaining regulatory approvals for the Product (if any) and receiving royalties and/or proceeds from Chemipal's sales (if any) of the Product and/or any future product that Chemipal or its affiliates may produce based on the Technology, are "forward-looking information" as defined in the Securities Law, 1968-5778 which involves high uncertainty, and is based, among other things, on third parties and on many variables over which the Company and LipiCare do not necessarily have control, and therefore it is possible that the information, details and estimates as stated, in practice, will not be realized and/or they will not be realized in full and/or they will be realized in a way that is fundamentally different from what was estimated or expected in the first place.*

Free translation: non-binding

This is a translated version of the Company's immediate report in Hebrew as filed with the Israeli SEC - created for convenience purposes only. In case of contradiction, the Hebrew version will prevail.

³ As stated in Section 2.1.5 of the annual report, the product has been approved for marketing in Europe under the old directive, and for continued sales, it needs to be approved for marketing under the new European MDR directive.