

# **BioLight Life Sciences Ltd.**

## **Condensed Consolidated Financial Statements As of June 30, 2024**

### **NON-BINDING TRANSLATION**

**The following condensed consolidated financial statements is a free translation of the Company's consolidated financial statements in Hebrew published on the TASE on August 21, 2024. In the event of inconsistency between this version and the Hebrew one, the Hebrew language version shall prevail.**

## Consolidated Statements of Financial Position

	June 30,		December 31,
	2024	2023	2023
	<u>NIS thousands</u>	<u>NIS thousands</u>	<u>NIS thousands</u>
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	1,366	8,658	5,276
Short-term deposits	-	1,309	250
Investment in company at fair value recognized in profit and loss	8,874	-	-
Other accounts receivable	659	557	414
Investment in tradable shares at fair value recognized in profit and loss	3,182	3,045	3,117
<b>Total current assets</b>	<u>14,081</u>	<u>13,569</u>	<u>9,057</u>
<b>Non-current assets</b>			
Long term deposits	251	90	69
Property and equipment, net	3,588	4,195	4,177
Right to use asset, net	832	224	91
Investment in companies at fair value recognized in profit and loss	12,698	18,150	15,916
Investment in financial instruments at fair value recognized in profit and loss	-	465	-
Investment in company accounted for at equity method	3,651	3,502	3,456
Goodwill and intangible asset	686	686	686
<b>Total non-current assets</b>	<u>21,706</u>	<u>27,312</u>	<u>24,395</u>
<b>Total assets</b>	<u><u>35,787</u></u>	<u><u>40,881</u></u>	<u><u>33,452</u></u>

## Consolidated Statements of Financial Position (Cont.)

	<b>June 30,</b>		<b>December 31,</b>
	<b>2024</b>	<b>2023</b>	<b>2023</b>
	<u>NIS thousands</u>	<u>NIS thousands</u>	<u>NIS thousands</u>
<b>Current liabilities</b>			
Trade payables	150	280	235
Other accounts payable	2,525	1,707	1,989
Current maturities of lease liability	533	271	91
<b>Total current liabilities</b>	<u>3,208</u>	<u>2,258</u>	<u>2,315</u>
<b>Non-current liabilities</b>			
Liability related to grants	883	824	836
	313	-	-
<b>Total non-current liabilities</b>	<u>1,196</u>	<u>824</u>	<u>836</u>
<b>Equity attributable to shareholders of the Company</b>			
Share capital, premium and reserves	273,210	272,732	272,599
Accumulated deficit	(241,985)	(235,828)	(242,823)
Total equity attributable to shareholders of the Company	<u>31,225</u>	<u>36,904</u>	<u>29,776</u>
Non-controlling interests	158	895	525
<b>Total equity</b>	<u>31,383</u>	<u>37,799</u>	<u>30,301</u>
<b>Total equity and liabilities</b>	<u>35,787</u>	<u>40,881</u>	<u>33,452</u>

**Consolidated Statements of Comprehensive Income (Loss)**

	<b>Six months ended June 30,</b>		<b>Year ended</b>
	<b>2024</b>	<b>2023</b>	<b>December 31,</b>
	<b>NIS thousands</b>	<b>NIS thousands</b>	<b>2023</b>
			<b>NIS thousands</b>
Revenues, net	114	34	118
Research and development, net	(1,610)	(2,575)	(4,522)
Marketing, net	(208)	(435)	(612)
General and administrative, net	(3,484)	(2,911)	(5,635)
Change in investment in companies at fair value recognized in profit and loss	5,656	(13,684)	(15,918)
	<u>354</u>	<u>(19,605)</u>	<u>(26,687)</u>
<b>Operating profit (loss)</b>	468	(19,571)	(26,569)
Finance income (expenses), net	19	(76)	(531)
Company's share of losses of company accounted for at equity	(172)	(220)	(387)
	<u>315</u>	<u>(19,867)</u>	<u>(27,487)</u>
<b>Net profit (loss)</b>			
Other comprehensive income (loss):			
Amounts that will be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations	126	197	183
	<u>441</u>	<u>(19,670)</u>	<u>(27,304)</u>
<b>Total comprehensive income (loss)</b>			
<b>Total net income (loss) attributable to:</b>			
Shareholders of the Company	838	(19,025)	(26,020)
Non-controlling interests	(523)	(842)	(1,467)
	<u>315</u>	<u>(19,867)</u>	<u>(27,487)</u>
<b>Total comprehensive income (loss) attributable to:</b>			
Shareholders of the Company	964	(18,828)	(25,837)
Non-controlling interests	(523)	(842)	(1,467)
	<u>441</u>	<u>(19,670)</u>	<u>(27,304)</u>
<b>Net income (loss) per share attributable to shareholders of the Company (NIS):</b>			
Basic and diluted total net income (loss) per share	<u>0.18</u>	<u>(4.11)</u>	<u>(5.60)</u>
Weighted number of shares used in the computation of basic income (loss) per share	<u>4,657,836</u>	<u>4,632,873</u>	<u>4,644,301</u>
Weighted number of shares used in the computation of diluted income (loss) per share	<u>4,711,372</u>	<u>4,632,873</u>	<u>4,644,301</u>

## Consolidated Statements of Changes in Equity

	Attributable to shareholders of the Company								
	Ordinary shares	Share premium	Share-based payment reserve	Transactions with non-controlling interests reserve	Accumulated deficit	Foreign currency translation reserve	Total	Non-controlling interests	Total equity
	NIS thousands								
Balance as of January 1, 2024	11,647	249,070	1,709	13,493	(242,823)	(3,320)	29,776	525	30,301
Net profit (loss)	-	-	-	-	838	-	838	(523)	315
Total other comprehensive profit	-	-	-	-	-	126	126	-	126
Total comprehensive income (loss)	-	-	-	-	838	126	964	(523)	441
Share-based payment in subsidiaries	-	-	-	-	-	-	-	25	25
Share-based payment in the Company	-	-	113	-	-	-	113	-	113
Issuance of shares in a subsidiary	-	-	-	372	-	-	372	131	503
Balance as of June 30, 2024	<b>11,647</b>	<b>249,070</b>	<b>1,822</b>	<b>13,865</b>	<b>(241,424)</b>	<b>(3,194)</b>	<b>31,225</b>	<b>158</b>	<b>31,383</b>

## Consolidated Statements of Changes in Equity (Cont.)

	Attributable to shareholders of the Company								
	Ordinary shares	Share premium	Share-based payment reserve	Transactions with non-controlling interests reserve	Accumulated deficit	Foreign currency translation reserve	Total	Non-controlling interests	Total equity
	NIS thousands								
Balance as of January 1, 2023	11,443	248,635	1,828	11,568	(216,803)	(3,503)	53,168	524	53,692
Net loss	-	-	-	-	(19,025)	-	(19,025)	(842)	(19,867)
Total other comprehensive profit	-	-	-	-	-	197	197	-	197
Total comprehensive income (loss)	-	-	-	-	(19,025)	197	(18,828)	(842)	(19,670)
Issuance of shares in the Company	162	338	-	-	-	-	500	-	500
Share-based payment in subsidiaries	-	-	-	-	-	-	-	243	243
Share-based payment in the Company	-	-	20	-	-	-	20	-	20
Issuance of shares in a subsidiary	-	-	-	2,044	-	-	2,044	970	3,014
Balance as of June 30, 2023	<b>11,605</b>	<b>248,973</b>	<b>1,848</b>	<b>13,612</b>	<b>(235,828)</b>	<b>(3,306)</b>	<b>36,904</b>	<b>895</b>	<b>37,799</b>

## Consolidated Statements of Changes in Equity (Cont.)

	Attributable to shareholders of the Company								
	Ordinary shares	Share premium	Share-based payment reserve	Transactions with non-controlling interests reserve	Accumulated deficit	Foreign currency translation reserve	Total	Non-controlling interests	Total equity
	NIS thousands								
Balance as of January 1, 2023	11,443	248,635	1,828	11,568	(216,803)	(3,503)	53,168	524	53,692
Net loss	-	-	-	-	(26,020)	-	(26,020)	(1,467)	(27,487)
Total other comprehensive profit	-	-	-	-	-	183	183	-	183
Total comprehensive (loss) profit	-	-	-	-	(26,020)	183	(25,837)	(1,467)	(27,304)
Issuance of shares in the Company	162	338	-	-	-	-	500	-	500
Share-based payment in subsidiaries	-	-	-	-	-	-	-	34	34
Share-based payment in the Company	-	-	20	-	-	-	20	-	20
Restricted share units exercised into ordinary shares of the Company	42	97	(139)	-	-	-	-	-	-
Issuance of shares in a subsidiary	-	-	-	1,925	-	-	1,925	1,434	3,359
Balance as of December 31, 2023	<u>11,647</u>	<u>249,070</u>	<u>1,709</u>	<u>13,493</u>	<u>(242,823)</u>	<u>(3,320)</u>	<u>29,776</u>	<u>525</u>	<u>30,301</u>

**Consolidated Statements of Cash Flows**

	<b>Six months ended June 30,</b>		<b>Year ended</b>
	<b>2024</b>	<b>2023</b>	<b>December 31,</b>
	<b>NIS thousands</b>	<b>NIS thousands</b>	<b>2023</b>
	<b>NIS thousands</b>	<b>NIS thousands</b>	<b>NIS thousands</b>
<b>Cash flows from operating activities</b>			
Net profit (loss)	315	(19,867)	(27,487)
Adjustments to reconcile loss to net cash used in operating activities:			
<u>Adjustments to the profit or loss items:</u>			
Finance income, net	(62)	(413)	(476)
Adjustment of liabilities related to grants	47	41	53
Depreciation and amortization	321	327	574
Share-based payment in the Company	113	20	20
Share-based payment in subsidiaries	25	243	34
Interest expenses in respect of lease liability	38	43	77
Change in investment in companies at fair value recognized in profit and loss	(5,656)	13,684	15,918
Change in investment in financial instruments at fair value recognized in profit and loss	-	420	885
Change in investment in companies at fair value recognized in profit and loss	(65)	(58)	(130)
Share of loss of company accounted for at equity method	172	220	387
	<u>(5,067)</u>	<u>14,527</u>	<u>17,342</u>
<u>Changes in asset and liability items:</u>			
Increase in other accounts receivable	(245)	(158)	(15)
Decrease in trade payables	(85)	(21)	(66)
Increase in other accounts payable	536	55	387
	<u>206</u>	<u>(124)</u>	<u>306</u>
<u>Cash received during the period for:</u>			
Interest received	20	211	262
	<u>20</u>	<u>211</u>	<u>262</u>
<b>Net cash used in operating activities</b>	<b><u>(4,526)</u></b>	<b><u>(5,253)</u></b>	<b><u>(9,577)</u></b>



**Consolidated Statements of Cash Flows (Cont.)**

	<b>Six months ended June 30,</b>		<b>Year ended</b>
	<b>2024</b>	<b>2023</b>	<b>December 31,</b>
	<b>NIS thousands</b>	<b>NIS thousands</b>	<b>2023</b>
	<b>NIS thousands</b>	<b>NIS thousands</b>	<b>NIS thousands</b>
<b>Cash flows from investing activities</b>			
Investment in company accounted for at equity method	(241)	(1,425)	(1,610)
Purchase of property and equipment, net	(17)	(1,410)	(1,415)
Proceeds received for property and equipment	564	-	-
Proceeds from short-term deposits	250	-	-
Investment in long-term deposit	(159)	-	1,052
Proceeds from (investment in) long-term lease deposits	(23)	-	21
<b>Net cash provided from (used in) investing activities</b>	<b>374</b>	<b>(2,835)</b>	<b>(1,952)</b>
<b>Cash flows from financing activities</b>			
Issuance of shares in the Company	-	500	500
Proceeds from issuance of shares in a subsidiary	503	3,014	3,359
Repayment of lease liability principal	(303)	(299)	(604)
<b>Net cash provided by financing activities</b>	<b>200</b>	<b>3,215</b>	<b>3,255</b>
Exchange differences on balances of cash and cash equivalents	42	139	158
Decrease in cash and cash equivalents	(3,910)	(4,734)	(8,116)
Cash and cash equivalents at the beginning of the period	5,276	13,392	13,392
<b>Cash and cash equivalents at the end of the period</b>	<b>1,366</b>	<b>8,658</b>	<b>5,276</b>
<b>A. Non-cash activities</b>			
Recognize right of usage asset against lease liabilities	1,020	-	91