

ELSE NUTRITION HOLDINGS INC.
UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
AS OF MARCH 31, 2025
(in Canadian Dollars in Thousands)

INDEX

	<u>Page</u>
Interim Condensed Consolidated Statements of Financial Position	3
Interim Condensed Consolidated Statements of Profit or Loss and Comprehensive Loss	4
Interim Condensed Consolidated Statements of Changes in Equity (Deficit)	5-6
Interim Condensed Consolidated Statements of Cash Flows	7-8
Notes to Interim Condensed Consolidated Financial Statements	9-16

ELSE NUTRITION HOLDINGS INC.

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3) (a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited interim condensed financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor, Kost Forer Gabbay & Kasierer (a member of EY Global), has not performed a review of these financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim condensed financial statements by an entity's auditor.

August 21, 2025

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (UNAUDITED)

Canadian dollars in thousands

	March 31, 2025	December 31, 2024
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	215	103
Restricted cash	17	296
Trade receivables	941	833
Other accounts receivables and prepaid expenses	416	489
Inventories, net	4,261	5,122
Total current assets	5,850	6,843
LONG-TERM ASSETS:		
Property, plant and equipment, net	281	408
Goodwill and intangible assets, net	156	164
Right-of-use assets	82	145
Total long-term assets	519	717
Total assets	6,369	7,560
LIABILITIES AND EQUITY		
CURRENT LIABILITIES:		
Trade payables	2,083	2,836
Short term loans	449	-
Bank overdraft	-	56
Other account payables	1,912	2,023
Related parties	21	28
Convertible loan	650	683
Warrants liability	1,659	44
Lease liability	22	135
Total current liabilities	6,796	5,805
EQUITY (DEFICIT):		
Share capital and premium	75,180	73,413
Reserve - options	5,042	5,031
Reserve - warrants	2,903	2,903
Accumulated other comprehensive income (loss)	(458)	67
Accumulated deficit	(83,094)	(79,659)
Total equity (deficit)	(427)	1,755
Total liabilities and equity (deficit)	6,369	7,560

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

August 21, 2025	"Hamutal Yitzhak"	"Sokhie Puar"
Date of approval of the financial statements	Hamutal Yitzhak CEO and Director	Sokhie Puar Director

**INTERIM CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND
COMPREHENSIVE LOSS (UNAUDITED)**
Canadian dollars in thousands, except share and per share data

	Three months ended 31, March	
	2025	2024
Revenues	2,085	2,123
Cost of sales	1,576	1,939
Gross profit	509	184
Operating expenses:		
Employee benefits expense	871	1,148
Research and development subcontractors	24	715
Share-based compensation	11	127
Consulting fees	49	269
Professional fees	126	178
Advertising	563	1,072
Depreciation and amortization	107	88
Investors relations	106	222
Office and miscellaneous	325	342
Total operating expenses	2,182	4,161
Loss before other expenses	(1,673)	(3,977)
Other income (expenses):		
Revaluation of warrants	(1,615)	(1,031)
Unrealized gain on foreign currency	647	486
Revaluation of convertible loan	(690)	(987)
Finance expenses	(107)	(11)
Finance income	3	27
Net loss	(3,435)	(5,493)
Other comprehensive loss:		
Amounts that will be classified subsequently to profit or (loss):		
Exchange differences on translation of foreign operations	(525)	(4)
Total comprehensive loss for the period	(3,960)	(5,497)
Net loss per share attributable to equity holders of the Company (in Canadian dollars):		
Basic and diluted loss per common share	(0.01)	(0.04)
Weighted average number of shares outstanding – basic and diluted	270,725,976	141,306,318

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (DEFICIT) (UNAUDITED)**Canadian dollars in thousands, except share and per share data**

	Common shares		Reserve - warrants	Reserve - options	Accumulated other comprehensive income (loss)(*)	Accumulated deficit	Total shareholders' equity (deficit)
	Number	Amount					
Balance as of January 1, 2024	136,094,159	65,948	344	4,909	(3)	(64,477)	6,721
Other comprehensive loss	-	-	-	-	70	-	70
Net loss	-	-	-	-	-	(15,182)	(15,182)
Total comprehensive income (loss)	-	-	-	-	70	(15,182)	(15,112)
Warrants reclassification in connection with change in functional currency	-	-	1,443	-	-	-	1,443
Issuance of common shares, net	13,245,033	1,362	1,116	-	-	-	2,478
Issuance of share upon conversion of convertible Loan	78,919,915	5,808	-	-	-	-	5,808
Issuance of shares upon option exercise	595,000	295	-	(114)	-	-	181
Share-based compensation	-	-	-	236	-	-	236
Balance as of December 31, 2024	<u>228,854,107</u>	<u>73,413</u>	<u>2,903</u>	<u>5,031</u>	<u>67</u>	<u>(79,659)</u>	<u>1,755</u>
Other comprehensive loss	-	-	-	-	(525)	-	(525)
Net loss	-	-	-	-	-	(3,435)	(3,435)
Total comprehensive income loss	-	-	-	-	(525)	(3,435)	(3,960)
Issuance of common shares	14,737,510	503	-	-	-	-	503
Issuance of share upon conversion of convertible Loan	68,289,473	1,264	-	-	-	-	1,264
Share-based compensation	-	-	-	11	-	-	11
Balance as of March 31, 2025	<u>311,881,090</u>	<u>75,180</u>	<u>2,903</u>	<u>5,042</u>	<u>(458)</u>	<u>(83,094)</u>	<u>(427)</u>

(*) Comprised of exchange differences on translation of foreign operations.

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (DEFICIT) (UNAUDITED) (Cont.)**Canadian dollars in thousands, except share and per share data**

	Common shares		Reserve -	Reserve -	Accumulated other	Accumulated	Total
	Number	Amount	warrants	options	comprehensive	deficit	shareholders'
					income (loss)(*)		equity (Deficit)
Balance as of January 1, 2024	136,094,159	65,948	344	4,909	(3)	(64,477)	6,721
Other comprehensive loss	-	-	-	-	(4)	-	(4)
Net loss	-	-	-	-	-	(5,493)	(5,493)
Total comprehensive loss	-	-	-	-	(4)	(5,493)	(5,497)
Issuance of share upon conversion of convertible Loan	8,056,999	1,874	-	-	-	-	1,874
Issuance of shares upon options exercise	265,000	129	-	(44)	-	-	85
Share-based compensation	-	-	-	127	-	-	127
Balance as of March 31, 2024	<u>144,416,158</u>	<u>67,951</u>	<u>344</u>	<u>4,992</u>	<u>(7)</u>	<u>(69,970)</u>	<u>3,310</u>

(*) Comprised of exchange differences on translation of foreign operations.

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)**Canadian dollars in thousands**

	Three months ended March 31,	
	2025	2024
<u>Cash flows from operating activities:</u>		
Net loss	(3,435)	(5,493)
Adjustments to reconcile net loss to net cash used in operating activities:		
Adjustments to the profit or loss items:		
Share based compensation	11	127
Financial expenses, net	30	4
Revaluation of convertible loan	690	987
Revaluation of share warrants	1,615	1,031
Depreciation and amortization	107	88
Capital loss	12	-
	<u>2,465</u>	<u>2,237</u>
Changes in assets and liability items:		
Increase in trade receivables	(118)	(157)
Decrease in other account receivables and prepaid expenses	51	36
Decrease in inventories	853	177
Increase (decrease) in trade payables	(668)	203
Increase (decrease) in other account payables	<u>(105)</u>	<u>477</u>
	<u>13</u>	<u>736</u>
Net cash used in operating activities	<u>(957)</u>	<u>(2,520)</u>

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED) (Cont.)**Canadian dollars in thousands**

	Three months ended March 31,	
	2025	2024
<u>Cash flows from investing activities:</u>		
Purchase of property and equipment	-	(62)
Proceeds from sale of property, plant and equipment	73	-
Change in short term deposit, net	-	1,266
Change in restricted cash	279	(19)
Net cash provided by investing activities	352	1,185
<u>Cash flows from financing activities:</u>		
Lease payment	(113)	(50)
Issuance of common shares	503	-
Issuance of convertible loan and warrants	541	-
Change in short-term loans, net	423	-
Cash received from exercise of options	-	85
Net cash provided by financing activities	1,354	35
Exchange rate differences on balances of cash and cash equivalents	(581)	(257)
Increase (Decrease) in cash and cash equivalents	168	(1,557)
Cash and cash equivalents at the beginning of the period	47 (*)	2,931
Cash and cash equivalents at the end of the period	215	1,349
<u>Non-cash transactions:</u>		
Issuance of shares as repayment of convertible loan	1,264	1,874

(*) For purposes of the consolidated statement of cash flows, bank overdraft of \$ 56 as of December 31, 2024, is considered a component of cash and cash equivalents.

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

NOTE 1: GENERAL

- a. Else Nutrition Holdings Inc. (the “Company” or “Else”) was incorporated under the Business Corporations Act of British Columbia on July 18, 2011.
- b. The Company’s common shares and part of its warrants are traded on the TSX under the trading symbol of 'BABY'. The Company's common shares are also listed for trading on the OTCQX® Best Market (symbol: "BABYF") and on the Frankfurt Stock Exchange (FSE) (symbol: '0YL').
- c. The Company focuses on research, development, manufacturing, marketing and sale of innovative plant-based food and nutrition products and feeding accessories products to infant, toddler and children's markets.

The head office is located at 6 Hanechoshet Street, Tel Aviv, Israel 6971070. The registered office of the Company is located at 750 West Pender Street, Vancouver, British Columbia.

The Company has wholly-owned subsidiaries in Canada, the U.S. and Australia which are primarily engaged in sales and marketing.

- d. On May 18, 2023, the Company filed and received a receipt for a preliminary base shelf prospectus with the securities commissions in each of the provinces of Canada, excluding Quebec. The Company filed a final base shelf prospectus on November 10, 2023, and received a final receipt on November 14, 2023. The final base shelf prospectus qualifies the distribution of up to \$75,000 in any combination of common shares, warrants, subscription receipts, units, and debt securities of the Company in one or more transactions within a 25-month period from the date of final receipt. The specific terms of any offering under the base shelf prospectus will be established in a prospectus supplement, which will be filed with the applicable Canadian securities regulatory authorities in connection with any such offering. On November 21, 2023, the Company utilized \$5,005 out of the \$75,000 through a public offering of common shares and share warrants. Additionally, on July 5, 2024, the Company closed a marketed public offering and utilized an additional US\$2,000 (approximately \$2,729) of the \$75,000. Each unit comprises one common share of the Company and one common share purchase warrant.
- e. On December 19, 2022, the Company signed a convertible loan agreement with Lind Global Found II LP (Lind) in the amount of up to US \$13,750 thousand (approximately \$18,700). The convertible loan bears an annual interest of 10% with a maturity of 36 months.

Lind will be able to convert 1/20th of the face value (principal and accrued interest) each month at a conversion price equal to 85% of the five-day volume weighted average price of the Common shares immediately prior to each conversion, subject to a right to increase conversions in certain circumstances, all in accordance with the loan schedule.

The outstanding principal amount of the Initial Convertible Security, after 180 days, may be repaid in cash at the discretion of the Company, with a 5% premium (the “Buy-Back Right”). Should the Company exercise its Buy-Back Right, Lind would have the option to convert up to 33% of the face value of the Initial Convertible Security into Common shares.

As of December 31, 2024, pursuant to the convertible loan agreement with Lind Global Fund II LP (“Lind”) for an amount of up to US\$13,750 thousand, of which US\$7,750 thousand had been received to date, the Company had issued convertible securities with an aggregate face value of US\$9,300 thousand and had repaid, through the issuance of shares, an aggregate face value of US\$6,300 thousand. Accordingly, the total outstanding face value as of December 31, 2024 was US\$3,000 thousand.

NOTE 1: GENERAL (Cont.)

On February 13, 2025, the Company amended and restated the convertible security funding agreement originally dated December 18, 2022, with Lind Global Fund II, LP, an entity managed by The Lind Partners LLC. Under the amendment, the loan was increased by up to US\$1,200 thousand ("the Amended Loan"). The Amended Loan bears an annual interest of 12.5% with a maturity of 36 months. The Conversion price was set at 80% of the 5 day volume weighted average price (VWAP) of the Company's common shares immediately prior to each conversion, subject to Lind's right to increase conversions in certain circumstances, in accordance with the amended loan schedule. In connection with the amendment, the Company issued 62,165,217 Warrants to purchase 62,165,217 common shares at an exercise price of \$0.0201 per share for a period of four years from the date of issuance. As the exercise price of the warrants is denominated in Canadian dollars and the functional currency of the Company is the USD the warrants are presented at fair value through profit or loss using the Black & Scholes option pricing model. The fair value of the warrants on the date of issuance was \$1,406. This amount was recorded in profit and loss as it represents transaction costs in connection with the increase in the convertible loan.

On February 18, 2025, the Company elected to exercise its right to increase the face value of its convertible security by US\$ 375 thousand under its previously announced convertible security funding agreement with Lind, for additional proceeds of US\$ 240 thousand, net of a US\$ 60 thousand closing fee (approximately \$326).

On March 17, 2025, the Company elected to exercise its right to increase the face value of its convertible security by US\$ 187.5 thousand under its previously announced convertible security funding agreement with Lind, for additional proceeds of US\$ 150 thousand (approximately \$215).

The convertible loan is accounted for at fair value through profit and loss. During the three months ended March 31, 2025, the Company recorded financial expenses in the amounts of \$690 for the revaluation of the convertible loan. As of March 31, 2025, the convertible loan is classified as level 3, with a fair value of \$650.

The Company and all of its subsidiaries have granted Lind a first lien on all of the company's assets and properties including the IP. The signed agreement constitutes an event of Cash Balance default if the aggregate of the Company's net cash falls below \$ 3,000 at any time.

Since June 30, 2024, the Company has been in default of its covenant under the Convertible Loan Agreement to maintain a minimum net cash of \$ 3,000. As a result of this default, Lind has the right to notify the Company declaring all outstanding obligations under the agreement to be immediately due and payable by cash or share issuance at the Company's discretion. To date, the Company has not received any such notice from Lind.

- f. On January 28, 2025, the Company signed a loan agreement of US \$ 282 (approximately \$407) thousands to be repaid with two months of grace period and twelve bi-weekly repayments until September 2025 for total consideration of US\$ 354 thousands.

NOTE 1: GENERAL (Cont.)

- g. These unaudited interim condensed financial statements have been prepared on a going concern basis, which contemplates that the Group will continue in operation for the foreseeable future and be able to realize its assets and discharge its liabilities and commitments in the normal course of business. To date, the Group has not achieved scalable commercialization of its products. As of March 31, 2025, the Group has an accumulated deficit of \$ 83,094. For the three months ended March 31, 2025, the Group incurred total comprehensive loss of \$ 3,960 and had negative cash flow from operations of \$ 957.

To preserve liquidity, the Group has withheld portions of, and delayed, payments to certain suppliers. As of March 31, 2025, these deferred and delayed payments are reflected in current liabilities. In addition, since June 30, 2024, the Company has been in default of its covenant under the Convertible Loan Agreement to maintain a minimum net cash of \$ 3,000. Accordingly, the entire loan balance is presented as a current liability.

The Group's ability to continue as a going concern is dependent upon its ability to generate product sales, negotiate collaboration agreements with upfront and/or continuing payments, raise additional equity or debt financing, and ultimately attain and maintain profitable operations. While the Group is striving to act on these initiatives, there is no assurance that these and other strategies will be successful or sufficient to permit the Group to continue as a going concern.

The above circumstances indicate that a material uncertainty exists that may cast significant doubt as to the Group's ability to continue as a going concern. These consolidated financial statements do not reflect adjustments to the carrying values of the Group's assets and liabilities, revenue and expenses, and the statement of financial position classifications used, that would be necessary if the going concern assumption were not appropriate. Such adjustments could be material.

h. Changing international trade policies

Due to the interconnected nature of the global economy, policy changes in one region can have immediate and significant adverse effects on markets worldwide. Amendments to international trade policies—including changes to existing agreements, increased restrictions on free trade, and substantial rises in customs duties and tariffs on goods imported could negatively impact the Company's results of operations. In early 2025, the United States ("US") administration has announced intentions to implement or increase tariffs. In early 2025, tariffs of 35% were announced on most Canadian goods. Shortly thereafter, retaliatory tariffs were announced by Canada. At this time, specific additional actions and effective date

for tariffs remain uncertain. The impact of these potential tariffs on our business and financial condition is influenced by several unknown factors, including the effective date and duration of such tariffs, their scope and nature, the amount imposed, and any further retaliatory measures by the target countries.

NOTE 1: GENERAL (Cont.)

i. Cease-trade

The Company was granted by the British Columbia Securities Commission a voluntary management cease trade order ("MCTO") on April 1, 2025, as it was not able to file its Annual Filings by March 31, 2025.

On June 17, 2025, the Company's principal regulator in Canada, the British Columbia Securities Commission (the "BCSC"), has notified the Company that it has issued a cease trade order (the "CTO") under Multilateral Instrument 11-103 Failure-to-File Cease Trade Orders in Multiple Jurisdictions against the Company. The CTO was issued as a result of the Company's delay in filing its interim financial statements, the accompanying management discussion and analysis, and CEO and CFO certifications for the 3 months period ended March 31, 2025 (the "Interim Filings") on SEDAR+ within 45 days after the end of its interim period on March 31, 2025.

NOTE 2: MATERIAL ACCOUNTING POLICIES

The accounting policies applied in the preparation of the unaudited interim condensed consolidated financial statements are consistent with those followed in the preparation of the annual consolidated financial statements, except as described below.

a. Basis of presentation of the financial statements:

The interim consolidated financial statements have been prepared in accordance with generally accepted accounting principles for the preparation of financial statements for interim periods, as prescribed in IAS 34, "Interim Financial Reporting".

NOTE 3: EQUITY

a. Issuance of share capital:

On January 7, 2025, the Company issued 20,266,909 common shares to Lind Global Fund II LP, as the seventeenth payment of the convertible loan according to the loan schedule, including accrued interest. The number of common shares represents an amount of \$ 304.

On January 27, 2025, the Company closed a private placement offering of 14,737,510 shares at US \$0.0238 per unit for aggregate proceeds of US\$ 351 thousand (approximately \$503). The Offering was purchased by a single individual purchaser. The Company used the proceeds from the offering to pay amounts owing to a specific creditor of the Company.

On February 18, 2025, the Company issued 21,858,904 common shares to Lind Global Fund II LP, as the eighteen payment of the convertible loan according to the loan schedule including accrued interest. The number of common shares represents an amount of \$ 437.

On March 21, 2025, the Company issued 26,163,660 common shares to Lind Global Fund II LP, as the nineteen payment of the convertible loan according to the loan schedule including accrued interest. The number of common shares represents an amount of \$ 523.

Canadian dollars in thousands, except share and per share data

NOTE 3: EQUITY (Cont.)

b. Share Warrants:

On June 12, 2019, the Company granted 31,801,492 share warrants to key persons and founders ("Key Person Warrant"). Each Key Person Warrant entitles the holder to receive an additional Common share of the Company at nominal price of \$0.0001 per Common share exercisable for a period of three years following the achievement of following exercise events:

Exercise event	Number of key person warrants
Else obtains (A) Food and Drug Administration ("FDA") or equivalent regulatory approval in the US or (B) any other equivalent regulatory approval in any other primary market (including any of the markets in European Union, UK, Canada, Japan or China) permitting a product based on the intellectual property pertaining to a plant-based, non-dairy formulation to be sold or marketed as an infant formula (up to 12 months of age) or baby formula (any such approval in any market).	10,271,882 (32.3%)
The occurrence of the Group, on a consolidated basis, achieving \$10,000 in top line revenue in any 12-month period.	5,501,658 (17.3%)
The occurrence of the Group, on a consolidated basis, achieving \$20,000 in top line revenue in any 12-month period.	8,013,976 (25.2%)
The occurrence of the Group, on a consolidated basis, achieving \$60,000 in top line revenue in any 12-month period.	8,013,976 (25.2%)

Any unvested Key Person Warrants automatically expire on June 12, 2027, if the above exercise events have not occurred. As of March 31, 2025, no Key Person Warrants have vested. 31,801,492 of the Key Person Warrants are also exercisable, even if the Exercise Event has not occurred, in the following situations before June 2027: Change of control of the Group, sale of substantially all of the assets of the Group and termination of employment of Key Persons for any reason.

The following table presents the number of warrants outstanding and the exercise prices of share warrants as of March 31, 2025:

Liability instruments

Issuance date	Number Of Warrants Outstanding	Exercise Price	Exercisable Through
October 20, 2021	4,024,999	2.7	October, 2026
June 29, 2022	4,146,858	1.25	June, 2027
December 22, 2022	8,247,129	1.15	December, 2026
July 10, 2023	3,591,776	0.9058	July, 2027
May 8, 2024	4,159,886	0.32019	May, 2028
February 13, 2025	62,165,217	0.0201	February 2029
Share warrants outstanding as of March 31, 2025	<u>86,335,865</u>		

ELSE NUTRITION HOLDINGS INC.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

Canadian dollars in thousands, except share and per share data

NOTE 3: EQUITY (Cont.)

Equity instruments

<u>Issuance date</u>	<u>Number Of Warrants Outstanding</u>	<u>Exercise Price</u>	<u>Exercisable Through</u>
June 12, 2019 – Key person warrants	31,801,492	0.0001	Not yet vested
October 20, 2021	23,255	2.7	October, 2026
June 29, 2022	2,857,142	US\$0.151	July, 2029
November 21, 2023	13,000,000	US\$0.151	July, 2029
November 21, 2023	650,000	0.485	November, 2026
July 5, 2024	14,172,185	US\$0.151	July, 2029
Share warrants outstanding as of March 31, 2025	<u>62,504,074</u>		

The following table lists the inputs to the Black-Scholes option pricing model used for the fair value measurement of the above warrants that are not publicly traded (unaudited):

	<u>March 31, 2025</u>
Dividend yield (%)	-
Expected volatility of the share prices (%)	158-220
Risk-free interest rate (%)	2.49-2.54
Expected life of share warrants (years)	1.73-3.88
Share price (\$)	0.025

The following table presents the changes in the number of warrants and the weighted average exercise prices of warrants:

	<u>Number of warrants</u>	<u>Weighted average exercise price (in \$)</u>
Warrants outstanding as of December 31, 2024	86,674,702	0.42
Warrants granted during the period	<u>62,165,217</u>	<u>0.02</u>
Warrants outstanding as of March 31, 2025	<u>148,839,919</u>	<u>0.23</u>
Warrants exercisable as of March 31, 2025	<u>117,038,427</u>	<u>0.29</u>

ELSE NUTRITION HOLDINGS INC.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

Canadian dollars in thousands, except share and per share data

NOTE 4: ADDITIONAL INFORMATION TO PROFIT OR LOSS ITEMS

Additional information on revenues:

	Three months ended March 31,	
	2025	2024
Revenue from Formula	1,924	1,830
Revenue from dried food snacks	93	187
Revenue from feeding accessories	68	106
	<u>2,085</u>	<u>2,123</u>

Revenues from major customers, which for each account 10% or more of total revenues reported in the financial statements:

	Three months ended March 31,	
	2025	2024
Customer A	324	-
Customer B	272	212
	<u>596</u>	<u>212</u>

Geographical information:

The following table shows the breakdown of revenues for the periods indicated by geographic location based on the geographic location of the Company's customers:

	Three months ended March 31,	
	2025	2024
North America	1,924	1,829
Israel	161	294
	<u>2,085</u>	<u>2,123</u>

NOTE 5: SUBSEQUENT EVENTS

- a. On April 1, 2025, the Company increased the face value of the third convertible security by an additional US\$ 187.5 thousands for proceeds of US\$150 (approximately \$216) thousands.
- b. On April 1, 2025, the Company signed a loan agreement of US \$99 (approximately \$143) thousands to be repaid in weekly repayments until October 2025 for total consideration of US\$ 112 thousands.
- c. On April 24, 2025, the Company issued 28,487,226 common shares to Lind Global Fund II LP, as the twentieth payment of the convertible loan according to the loan schedule including accrued interest. The number of common shares represents the face value of \$273 (US\$ 197 thousand).
- d. In May 2025, the Company increased the face value of the third convertible security by an additional US \$ 375 thousands for proceeds of US\$ 300 (approximately \$416) thousands.
- e. In June 2025, the Company increased the face value of the forth convertible security by an additional US \$ 87.5 thousands for proceeds of US\$ 70 (approximately \$97) thousands.
- f. On June 11, 2025, the Company issued 33,745,968 common shares to Lind Global Fund II LP, as the twenty-first payment of the convertible loan according to the loan schedule including accrued interest. The number of common shares represents the face value of \$ 425 (US\$ 311 thousand).
- g. On July 28, 2025, the Company signed a loan agreement of US \$ 175 (approximately \$240) thousands to be repaid in weekly repayments until April 2026 for total consideration of US\$ 236 thousands.