

## CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	As of June 30,		As of
	2021	2020	December 31,
	Unaudited		2020
	U.S Dollars in thousands		Audited
<u>Assets</u>			
<u>Current Assets</u>			
Cash and cash equivalents	\$ 68,416	\$ 57,399	\$ 70,197
Short-term investments	36,137	47,272	39,069
Trade receivables, net	27,743	19,823	22,108
Other accounts receivables	2,450	2,980	4,524
Inventories	44,601	47,646	42,016
Total Current Assets	<u>179,347</u>	<u>175,120</u>	<u>177,914</u>
<u>Non-Current Assets</u>			
Property, plant and equipment, net	25,665	24,574	25,679
Right-of-use-assets	3,453	3,796	3,440
Other long term assets	3,413	1,058	1,573
Contract assets	4,472	911	2,059
Deferred taxes	-	632	-
Total Non-Current Assets	<u>37,003</u>	<u>30,971</u>	<u>32,751</u>
Total Assets	<u>\$ 216,350</u>	<u>\$ 206,091</u>	<u>\$ 210,665</u>
<u>Liabilities</u>			
<u>Current Liabilities</u>			
Current maturities of bank loans	\$ 61	\$ 431	\$ 238
Current maturities of lease liabilities	1,149	990	1,072
Trade payables	17,948	22,760	16,110
Other accounts payables	6,989	5,497	7,547
Deferred revenues	-	589	-
Total Current Liabilities	<u>26,147</u>	<u>30,267</u>	<u>24,967</u>
<u>Non-Current Liabilities</u>			
Bank loans	5	63	36
Lease liabilities	3,401	3,704	3,593
Deferred revenues	3,025	1,025	2,025
Employee benefit liabilities, net	1,429	1,267	1,406
Total Non-Current Liabilities	<u>7,860</u>	<u>6,059</u>	<u>7,060</u>
<u>Shareholder's Equity</u>			
Ordinary shares	11,716	11,662	11,706
Additional paid in capital	209,942	207,731	209,760
Capital reserve due to translation to presentation currency	(3,490)	(3,490)	(3,490)
Capital reserve from hedges	58	411	357
Capital reserve from share-based payments	4,746	6,204	4,558
Capital reserve from employee benefits	(320)	(356)	(320)
Accumulated deficit	(40,309)	(52,397)	(43,933)
Total Shareholder's Equity	<u>182,343</u>	<u>169,765</u>	<u>178,638</u>
Total Liabilities and Shareholder's Equity	<u>\$ 216,350</u>	<u>\$ 206,091</u>	<u>\$ 210,665</u>

**CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

	Six months period ended		Three months period ended		Year ended
	June 30,		June 30,		December 31,
	2021	2020	2021	2020	2020
	Unaudited		Unaudited		Audited
	U.S Dollars In thousands				
Revenues from proprietary products	\$ 40,193	\$ 47,942	\$ 19,323	\$ 22,625	\$ 100,916
Revenues from distribution	8,946	18,437	4,916	10,464	32,330
Total revenues	49,139	66,379	24,239	33,089	133,246
Cost of revenues from proprietary products	23,527	27,881	11,059	12,934	57,750
Cost of revenues from distribution	7,609	15,932	4,108	9,040	27,944
Total cost of revenues	31,136	43,813	15,167	21,974	85,694
Gross profit	18,003	22,566	9,072	11,115	47,552
Research and development expenses	5,364	6,970	2,736	3,623	13,609
Selling and marketing expenses	2,547	2,118	1,424	1,178	4,518
General and administrative expenses	6,112	4,619	3,303	2,307	10,139
Other expenses	570	34	563	32	49
Operating income	3,410	8,825	1,046	3,975	19,237
Financial income	209	615	99	298	1,027
Income (expense) in respect of securities measured at fair value, net *	-	102	-	-	102
Income (expenses) in respect of currency exchange differences and derivatives instruments, net	121	65	(145)	(367)	(1,535)
Financial expenses	(116)	(135)	(63)	(58)	(266)
Income before tax on income	3,624	9,472	937	3,848	18,565
Taxes on income	-	796	-	390	1,425
Net Income	\$ 3,624	\$ 8,676	\$ 937	\$ 3,458	\$ 17,140
Other Comprehensive Income (loss) :					
Amounts that will be or that have been reclassified to profit or loss when specific conditions are met					
Gain (loss) from securities measured at fair value through other comprehensive income	-	(188)	-	-	(188)
Gain (loss) on cash flow hedges	(43)	441	30	200	876
Net amounts transferred to the statement of profit or loss for cash flow hedges	(256)	(7)	(2)	(41)	(528)
Items that will not be reclassified to profit or loss in subsequent periods:					
Remeasurement gain (loss) from defined benefit plan	-	-	-	-	64
Tax effect	-	15	-	(12)	19
Total comprehensive income	\$ 3,325	\$ 8,937	\$ 965	\$ 3,605	\$ 17,383
<u>Earnings per share attributable to equity holders of the Company:</u>					
Basic net earnings per share	\$ 0.08	\$ 0.20	\$ 0.02	\$ 0.10	\$ 0.39
Diluted net earnings per share	\$ 0.08	\$ 0.20	\$ 0.02	\$ 0.10	\$ 0.38

**CONSOLIDATED STATEMENTS OF CASH FLOWS**

	Six months period Ended		Three months period		Year Ended
	June, 30		Ended		December 31,
	2021	2020	2021	2020	2020
	Unaudited				Audited
	U.S Dollars In thousands				
<u>Cash Flows from Operating Activities</u>					
Net income	\$ 3,624	\$ 8,676	\$ 937	\$ 3,458	\$ 17,140
Adjustments to reconcile net income to net cash provided by (used in) operating activities:					
Adjustments to the profit or loss items:					
Depreciation and impairment	2,372	2,380	1,225	1,188	4,897
Financial expenses (income), net	(214)	(647)	109	127	672
Cost of share-based payment	370	588	155	330	977
Taxes on income	-	796	-	390	1,425
Loss (gain) from sale of property and equipment	-	(6)	-	(6)	(7)
Change in employee benefit liabilities, net	23	(2)	60	16	201
	<u>2,551</u>	<u>3,109</u>	<u>1,549</u>	<u>2,045</u>	<u>8,165</u>
Changes in asset and liability items:					
Decrease (increase) in trade receivables, net	(5,646)	3,416	(7,231)	6,432	1,332
Decrease (increase) in other accounts receivables	1,629	741	1,643	(772)	115
Increase in inventories	(2,401)	(4,473)	(3,446)	(5,859)	1,157
Decrease (increase) in deferred expenses	(2,362)	(911)	(1,209)	(490)	(3,085)
Increase (decrease) in trade payables	1,139	(2,719)	2,623	4,497	(9,560)
Increase (decrease) in other accounts payables	(799)	(314)	1,346	866	1,736
Decrease in deferred revenues	1,000	793	500	396	1,204
	<u>(7,440)</u>	<u>(3,467)</u>	<u>(5,774)</u>	<u>5,070</u>	<u>(7,101)</u>
Cash received (paid) during the period for:					
Interest paid	(107)	(107)	(59)	(52)	(209)
Interest received	217	601	76	150	1,211
Taxes paid	(23)	(74)	(9)	(13)	(101)
	<u>87</u>	<u>420</u>	<u>8</u>	<u>85</u>	<u>901</u>
<u>Net cash provided by operating activities</u>	<u>\$ (1,178)</u>	<u>\$ 8,738</u>	<u>\$ (3,280)</u>	<u>\$ 10,658</u>	<u>\$ 19,105</u>

## CONSOLIDATED STATEMENTS OF CASH FLOWS

	Six months period Ended		Three months period		Year Ended
	June, 30		Ended		December 31,
	2021	2020	2021	2020	2020
	Unaudited				Audited
	U.S Dollars In thousands				
<u>Cash Flows from Investing Activities</u>					
Proceeds of investment in short term investments, net	\$ 2,967	\$ (15,646)	\$ 11,967	\$ -	\$ (7,646)
Purchase of property and equipment and intangible assets	(1,463)	(1,901)	(1,332)	(1,005)	(5,488)
Proceeds from sale of property and equipment	-	6	-	6	7
Acquisition of subsidiary (LLC), net (1)	(1,404)	-	-	-	-
Net cash used in investing activities	100	(17,541)	10,635	(999)	(13,127)
<u>Cash Flows from Financing Activities</u>					
Proceeds from exercise of share base payments	10	20	3	15	64
Repayment of lease liabilities	(595)	(540)	(306)	(262)	(1,103)
Repayment of long-term loans	(206)	(247)	(85)	(124)	(492)
Proceeds from issuance of ordinary shares, net	-	24,895	-	-	24,895
Net cash provided by (used in) financing activities	(791)	24,128	(388)	(371)	23,364
Exchange differences on balances of cash and cash equivalent	88	(588)	13	(1,177)	(1,807)
Increase in cash and cash equivalents	(1,781)	14,737	6,980	8,111	27,535
<u>Cash and cash equivalents at the beginning of the period</u>	<u>70,197</u>	<u>42,662</u>	<u>61,436</u>	<u>49,288</u>	<u>42,662</u>
<u>Cash and cash equivalents at the end of the period</u>	<u>\$ 68,416</u>	<u>\$ 57,399</u>	<u>\$ 68,416</u>	<u>\$ 57,399</u>	<u>\$ 70,197</u>
<u>Significant non-cash transactions</u>					
Right-of-use asset recognized with corresponding lease liability	\$ 588	\$ 345	\$ 286	\$ 287	\$ 539
Purchase of property and equipment	\$ 748	\$ 722	\$ 748	\$ 722	\$ 722
					<b>Six months period Ended June, 30 2021</b>
<u>Appendix A (1)</u>					
<u>Acquisition of a subsidiary that was first consolidated</u>					
Current Assets (exclusive of cash and cash equivalents)					(184)
Non Current Assets					(1,460)
Current Liabilities					240
					(1,404)

**Adjusted EBITDA**

	Six months period ended June 30,		Three months period ended June 30,		Year ended December 31,
	2021	2020	2021	2020	2020
	<b>In thousands</b>				
Net income	\$ 3,624	\$ 8,676	\$ 937	\$ 3,458	\$ 17,140
Taxes on income	-	796	-	390	1,425
Financial expense (income), net	(214)	(647)	109	127	692
Depreciation and amortization expense	2,372	2,380	1,225	1,188	4,897
Non-cash share-based compensation expenses	370	588	155	330	977
Adjusted EBITDA	<u>\$ 6,152</u>	<u>\$ 11,793</u>	<u>\$ 2,426</u>	<u>\$ 5,493</u>	<u>\$ 25,131</u>

**Adjusted net income**

	Six months period ended June 30,		Three months period ended June 30,		Year ended December 31,
	2021	2020	2021	2020	2020
	<b>In thousands</b>				
Net income	\$ 3,624	\$ 8,676	\$ 937	\$ 3,458	\$ 17,140
Share-based compensation charges	370	588	155	330	977
Adjusted net income	<u>\$ 3,994</u>	<u>\$ 9,264</u>	<u>\$ 1,092</u>	<u>\$ 3,788</u>	<u>\$ 18,117</u>