

Condensed Consolidated Interim Statements of Financial Position

| | As of | | As of |
|---|-------------------|-------------------|-------------------|
| | September 30, | | December 31, |
| | 2023 | 2022 | 2022 |
| | Unaudited | | Audited |
| <u>Assets</u> | | | |
| <u>Current Assets</u> | | | |
| Cash and cash equivalents | \$ 52,603 | \$ 31,252 | \$ 34,258 |
| Trade receivables, net | 25,107 | 23,997 | 27,252 |
| Other accounts receivables | 1,648 | 6,884 | 8,710 |
| Inventories | 73,795 | 73,029 | 68,785 |
| Total Current Assets | <u>153,153</u> | <u>135,162</u> | <u>139,005</u> |
| <u>Non-Current Assets</u> | | | |
| Property, plant and equipment, net | 27,362 | 25,898 | 26,157 |
| Right-of-use assets | 5,494 | 2,793 | 2,568 |
| Intangible assets, Goodwill and other long-term assets | 142,501 | 148,620 | 147,072 |
| Contract assets | 8,546 | 7,164 | 7,577 |
| Total Non-Current Assets | <u>183,903</u> | <u>184,475</u> | <u>183,374</u> |
| Total Assets | <u>\$ 337,056</u> | <u>\$ 319,637</u> | <u>\$ 322,379</u> |
| <u>Liabilities</u> | | | |
| <u>Current Liabilities</u> | | | |
| Current maturities of bank loans | \$ - | \$ 4,444 | \$ 4,444 |
| Current maturities of lease liabilities | 1,138 | 1,004 | 1,016 |
| Current maturities of other long term liabilities | 15,989 | 25,095 | 29,708 |
| Trade payables | 12,812 | 30,619 | 32,917 |
| Other accounts payables | 7,318 | 7,948 | 7,585 |
| Deferred revenues | 15 | 40 | 35 |
| Total Current Liabilities | <u>37,272</u> | <u>69,150</u> | <u>75,705</u> |
| <u>Non-Current Liabilities</u> | | | |
| Bank loans | - | 14,074 | 12,963 |
| Lease liabilities | 4,717 | 2,414 | 2,177 |
| Contingent consideration | 19,642 | 20,705 | 17,534 |
| Other long-term liabilities | 36,477 | 39,915 | 37,308 |
| Deferred revenues | - | 15 | - |
| Employee benefit liabilities, net | 558 | 813 | 672 |
| Total Non-Current Liabilities | <u>61,394</u> | <u>77,936</u> | <u>70,654</u> |
| <u>Shareholder's Equity</u> | | | |
| Ordinary shares | 15,020 | 11,732 | 11,734 |
| Additional paid in capital net | 265,700 | 210,355 | 210,495 |
| Capital reserve due to translation to presentation currency | (3,490) | (3,490) | (3,490) |
| Capital reserve from hedges | (98) | (257) | (88) |
| Capital reserve from share-based payments | 6,198 | 5,427 | 5,505 |
| Capital reserve from employee benefits | 318 | 212 | 348 |
| Accumulated deficit | (45,258) | (51,428) | (48,484) |
| Total Shareholder's Equity | <u>238,390</u> | <u>172,551</u> | <u>176,020</u> |
| Total Liabilities and Shareholder's Equity | <u>\$ 337,056</u> | <u>\$ 319,637</u> | <u>\$ 322,379</u> |

Condensed Consolidated Interim Statements of Profit or Loss and Other Comprehensive Income

| | Nine months period ended | | Three months period | | Year ended |
|---|--------------------------|-------------------|---------------------|---------------|-------------------|
| | September 30, | | ended | | December 31, |
| | 2023 | 2022 | 2023 | 2022 | 2022 |
| | Unaudited | | Unaudited | | Audited |
| Revenues from proprietary products | \$ 86,437 | \$ 67,198 | \$ 31,436 | \$ 25,580 | \$ 102,598 |
| Revenues from distribution | 19,650 | 16,702 | 6,498 | 6,637 | 26,741 |
| Total revenues | 106,087 | 83,900 | 37,934 | 32,217 | 129,339 |
| Cost of revenues from proprietary products | 47,863 | 37,856 | 17,447 | 13,151 | 58,229 |
| Cost of revenues from distribution | 17,146 | 14,632 | 5,684 | 6,196 | 24,407 |
| Total cost of revenues | 65,009 | 52,488 | 23,131 | 19,347 | 82,636 |
| Gross profit | 41,078 | 31,412 | 14,803 | 12,870 | 46,703 |
| Research and development expenses | 10,694 | 10,181 | 3,180 | 3,118 | 13,172 |
| Selling and marketing expenses | 11,573 | 10,435 | 3,711 | 3,843 | 15,284 |
| General and administrative expenses | 10,603 | 9,481 | 3,701 | 3,165 | 12,803 |
| Other expenses | 920 | 801 | (157) | 182 | 912 |
| Operating income (loss) | 7,288 | 514 | 4,368 | 2,562 | 4,532 |
| Financial income | 92 | 32 | 67 | 29 | 91 |
| Income (expenses) in respect of currency exchange differences and derivatives instruments, net | 726 | 756 | 553 | 163 | 298 |
| Financial Income (expense) in respect of contingent consideration and other long- term liabilities. | (3,358) | (5,924) | (1,288) | (2,049) | (6,266) |
| Financial expenses | (1,343) | (583) | (404) | (211) | (914) |
| Income (expense) before tax on income | 3,405 | (5,205) | 3,296 | 494 | (2,259) |
| Taxes on income | 179 | 60 | 73 | 10 | 62 |
| Net income (loss) | \$ 3,226 | \$ (5,265) | \$ 3,223 | \$ 484 | \$ (2,321) |
| Other comprehensive income (loss): | | | | | |
| Amounts that will be or that have been reclassified to profit or loss when specific conditions are met: | | | | | |
| Gain (loss) on cash flow hedges | (334) | (830) | (90) | (46) | (776) |
| Net amounts transferred to the statement of profit or loss for cash flow hedges | 324 | 519 | 59 | 231 | 634 |
| Items that will not be reclassified to profit or loss in subsequent periods: | | | | | |
| Remeasurement gain (loss) from defined benefit plan | (30) | 361 | (106) | (59) | 497 |
| Total comprehensive income (loss) | \$ 3,186 | \$ (5,215) | \$ 3,086 | \$ 610 | \$ (1,966) |
| Earnings per share attributable to equity holders of the Company: | | | | | |
| Basic net earnings per share | \$ 0.07 | \$ (0.12) | \$ 0.07 | \$ 0.01 | \$ (0.05) |
| Diluted net earnings per share | \$ 0.06 | \$ (0.12) | \$ 0.06 | \$ 0.01 | \$ (0.05) |

Condensed consolidated interim statements of cash flows

| | Nine months period Ended September, 30 | | Three months period Ended September, 30 | | Year Ended December 31, |
|---|--|------------------|---|-----------------|----------------------------|
| | 2023 | 2022 | 2023 | 2022 | 2022 |
| | Unaudited | | | | Audited |
| | U.S Dollars In thousands | | | | |
| Cash Flows from Operating Activities | | | | | |
| Net income (loss) | \$ 3,226 | \$ (5,265) | \$ 3,223 | \$ 484 | \$ (2,321) |
| Adjustments to reconcile net income to net cash provided by (used in) operating activities: | | | | | |
| Adjustments to the profit or loss items: | | | | | |
| Depreciation and impairment | 9,506 | 9,143 | 3,179 | 3,055 | 12,155 |
| Financial expenses (income), net | 3,883 | 5,719 | 1,072 | 2,068 | 6,791 |
| Cost of share-based payment | 941 | 935 | 312 | 366 | 1,153 |
| Taxes on income | 179 | 60 | 73 | 10 | 62 |
| Loss (gain) from sale of property and equipment | (5) | - | - | - | - |
| Change in employee benefit liabilities, net | (144) | (106) | (104) | (10) | (111) |
| | <u>14,360</u> | <u>15,751</u> | <u>4,532</u> | <u>5,489</u> | <u>20,050</u> |
| Changes in asset and liability items: | | | | | |
| Decrease (increase) in trade receivables, net | 2,078 | 10,744 | (618) | (6,358) | 7,603 |
| Decrease (increase) in other accounts receivables | 2,716 | 2,917 | 1,177 | 844 | (578) |
| Decrease (increase) in inventories | (5,011) | (5,606) | 6,441 | (8,509) | (1,361) |
| Decrease (increase) in deferred expenses | 2,763 | (2,596) | (279) | (2,112) | (1,340) |
| Increase (decrease) in trade payables | (18,617) | 5,895 | (13,181) | 13,738 | 7,055 |
| Increase (decrease) in other accounts payables | (359) | 566 | 49 | 2,083 | 290 |
| Decrease in deferred revenues | (20) | - | (23) | - | (20) |
| | <u>(16,450)</u> | <u>11,920</u> | <u>(6,434)</u> | <u>(314)</u> | <u>11,649</u> |
| Cash received (paid) during the period for: | | | | | |
| Interest paid | (1,149) | (550) | (405) | (170) | (853) |
| Interest received | 92 | 15 | 67 | 12 | 97 |
| Taxes paid | (174) | (27) | (62) | (9) | (36) |
| | <u>(1,231)</u> | <u>(562)</u> | <u>(400)</u> | <u>(167)</u> | <u>(792)</u> |
| Net cash provided by (used in) operating activities | \$ (95) | \$ 21,844 | \$ 921 | \$ 5,492 | \$ 28,586 |

Condensed consolidated interim statements of cash flows

| | Nine months period Ended September, 30 | | Three months period Ended September, 30 | | Year Ended December 31, |
|--|--|------------------|---|------------------|----------------------------|
| | 2023 | 2022 | 2023 | 2022 | 2022 |
| | Unaudited | | | | Audited |
| | U.S Dollars In thousands | | | | |
| <u>Cash Flows from Investing Activities</u> | | | | | |
| Purchase of property and equipment and intangible assets | \$ (3,876) | \$ (2,807) | \$ (1,729) | \$ (1,616) | \$ (3,784) |
| Proceeds from sale of property and equipment | 6 | - | - | - | - |
| Net cash provided by (used in) investing activities | <u>(3,870)</u> | <u>(2,807)</u> | <u>(1,729)</u> | <u>(1,616)</u> | <u>(3,784)</u> |
| <u>Cash Flows from Financing Activities</u> | | | | | |
| Proceeds from exercise of share base payments | 3 | 7 | - | 1 | 9 |
| Repayment of lease liabilities | (768) | (842) | (251) | (269) | (1,098) |
| Repayment of long-term loans | (17,407) | (1,517) | (15,185) | (1,116) | (2,628) |
| Repayment of other long-term liabilities | (17,500) | (4,120) | (11,500) | (877) | (5,626) |
| Proceeds from issuance of ordinary shares, net | 58,231 | - | 58,231 | - | - |
| Net cash provided by (used in) financing activities | <u>22,559</u> | <u>(6,472)</u> | <u>31,295</u> | <u>(2,261)</u> | <u>(9,343)</u> |
| Exchange differences on balances of cash and cash equivalent | <u>(249)</u> | <u>100</u> | <u>328</u> | <u>(296)</u> | <u>212</u> |
| Increase (decrease) in cash and cash equivalents | 18,345 | 12,665 | 30,815 | 1,319 | 15,671 |
| <u>Cash and cash equivalents at the beginning of the period</u> | <u>34,258</u> | <u>18,587</u> | <u>21,788</u> | <u>29,933</u> | <u>18,587</u> |
| <u>Cash and cash equivalents at the end of the period</u> | <u>\$ 52,603</u> | <u>\$ 31,252</u> | <u>\$ 52,603</u> | <u>\$ 31,252</u> | <u>\$ 34,258</u> |
| <u>Significant non-cash transactions</u> | | | | | |
| Right-of-use asset recognized with corresponding lease liability | <u>\$ 3,880</u> | <u>\$ 526</u> | <u>\$ 295</u> | <u>\$ 230</u> | <u>\$ 551</u> |
| Purchase of property and equipment and Intangible assets | <u>\$ 681</u> | <u>\$ 134</u> | <u>\$ 681</u> | <u>\$ 134</u> | <u>\$ 618</u> |

NON-IFRS MEASURES

| | Nine months period ended | | Three months period ended | | Year ended |
|--|--------------------------|------------------|---------------------------|-----------------|------------------|
| | September 30, | | September 30, | | December 31, |
| | 2023 | 2022 | 2023 | 2022 | 2022 |
| | In thousands | | | | |
| Net income | \$ 3,226 | \$ (5,265) | \$ 3,223 | \$ 484 | \$ (2,321) |
| Taxes on income | 179 | 60 | 73 | 10 | 62 |
| Financial expense (income), net | 3,883 | 5,719 | 1,072 | 2,068 | 6,791 |
| Depreciation and amortization expense | 9,506 | 9,143 | 3,179 | 3,055 | 12,155 |
| Non-cash share-based compensation expenses | 941 | 935 | 312 | 366 | 1,153 |
| Adjusted EBITDA | <u>\$ 17,735</u> | <u>\$ 10,592</u> | <u>\$ 7,859</u> | <u>\$ 5,983</u> | <u>\$ 17,840</u> |