

## CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	<u>As of December 31,</u>	
	<u>2023</u>	<u>2022</u>
	<u>U.S. Dollars in thousands</u>	
<u>Assets</u>		
<u>Current Assets</u>		
Cash and cash equivalents	\$ 55,641	\$ 34,258
Trade receivables, net	19,877	27,252
Other accounts receivables	5,965	8,710
Inventories	88,479	68,785
Total Current Assets	<u>169,962</u>	<u>139,005</u>
<u>Non-Current Assets</u>		
Property, plant and equipment, net	28,224	26,157
Right-of-use assets	7,761	2,568
Intangible assets, Goodwill and other long-term assets	140,465	147,072
Contract asset	8,495	7,577
Total Non-Current Assets	<u>184,945</u>	<u>183,374</u>
Total Assets	<u>\$ 354,907</u>	<u>\$ 322,379</u>
<u>Liabilities</u>		
<u>Current Liabilities</u>		
Current maturities of bank loans	\$ -	\$ 4,444
Current maturities of lease liabilities	1,384	1,016
Current maturities of other long term liabilities	14,996	29,708
Trade payables	24,804	32,917
Other accounts payables	8,261	7,585
Deferred revenues	148	35
Total Current Liabilities	<u>49,593</u>	<u>75,705</u>
<u>Non-Current Liabilities</u>		
Bank loans	-	12,963
Lease liabilities	7,438	2,177
Contingent consideration	18,855	17,534
Other long-term liabilities	34,379	37,308
Deferred revenues	-	-
Employee benefit liabilities, net	621	672
Total Non-Current Liabilities	<u>61,293</u>	<u>70,654</u>
<u>Shareholder's Equity</u>		
Ordinary shares	15,021	11,734
Additional paid in capital net	265,848	210,495
Capital reserve due to translation to presentation currency	(3,490)	(3,490)
Capital reserve from hedges	140	(88)
Capital reserve from share-based payments	6,427	5,505
Capital reserve from employee benefits	275	348
Accumulated deficit	(40,200)	(48,484)
Total Shareholder's Equity	<u>244,021</u>	<u>176,020</u>
Total Liabilities and Shareholder's Equity	<u>\$ 354,907</u>	<u>\$ 322,379</u>

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

	For the year ended		Three months period ended	
	December 31,		December 31,	
	2023	2022	2023	2022
	<b>U.S. Dollars in thousands, other than per share information</b>			
Revenues from proprietary products	\$ 115,458	\$ 102,598	\$ 29,021	\$ 35,400
Revenues from distribution	27,061	26,741	7,411	10,039
<b>Total revenues</b>	<b>142,519</b>	<b>129,339</b>	<b>36,432</b>	<b>45,439</b>
Cost of revenues from proprietary products	63,342	58,229	15,479	20,373
Cost of revenues from distribution	23,687	24,407	6,541	9,775
<b>Total cost of revenues</b>	<b>87,029</b>	<b>82,636</b>	<b>22,020</b>	<b>30,148</b>
<b>Gross profit</b>	<b>55,490</b>	<b>46,703</b>	<b>14,412</b>	<b>15,291</b>
Research and development expenses	13,933	13,172	3,239	2,991
Selling and marketing expenses	16,193	15,284	4,620	4,849
General and administrative expenses	14,381	12,803	3,777	3,322
Other expenses	919	912	-	111
<b>Operating income (loss)</b>	<b>10,064</b>	<b>4,532</b>	<b>2,776</b>	<b>4,018</b>
Financial income	588	91	496	59
Income (expenses) in respect of currency exchange differences and derivatives instruments, net	55	298	(671)	(458)
Financial Income (expense) in respect of contingent consideration and other long- term liabilities.	(980)	(6,266)	2,378	(342)
Financial expenses	(1,298)	(914)	(45)	(331)
<b>Income before tax on income</b>	<b>8,429</b>	<b>(2,259)</b>	<b>5,024</b>	<b>2,946</b>
Taxes on income	145	62	(34)	2
<b>Net Income (loss)</b>	<b>\$ 8,284</b>	<b>\$ (2,321)</b>	<b>\$ 5,058</b>	<b>\$ 2,944</b>
<b>Other Comprehensive Income (loss):</b>				
Amounts that will be or that have been reclassified to profit or loss when specific conditions are met				
Gain (loss) on cash flow hedges	(186)	(776)	148	54
Net amounts transferred to the statement of profit or loss for cash flow hedges	414	634	90	115
Items that will not be reclassified to profit or loss in subsequent periods:				
Remeasurement gain (loss) from defined benefit plan	(73)	497	(43)	136
<b>Total comprehensive income (loss)</b>	<b>\$ 8,439</b>	<b>\$ (1,966)</b>	<b>\$ 5,253</b>	<b>\$ 3,249</b>
<b>Earnings per share attributable to equity holders of the Company:</b>				
Basic net earnings per share	\$ 0.17	\$ (0.05)	\$ 0.09	\$ 0.07
Diluted net earnings per share	\$ 0.15	\$ (0.05)	\$ 0.09	\$ 0.07

## CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the year ended		Three months period ended	
	December 31,		December 31,	
	2023	2022	2023	2022
<b>Cash Flows from Operating Activities</b>				
Net income (loss)	\$ 8,284	\$ (2,321)	\$ 5,058	\$ 2,944
Adjustments to reconcile net income to net cash provided by (used in) operating activities:				
Adjustments to the profit or loss items:				
Depreciation and impairment	12,714	12,155	3,208	3,012
Financial expenses (income), net	1,635	6,791	(2,248)	1,072
Cost of share-based payment	1,314	1,153	373	218
Taxes on income	145	62	(34)	2
Gain from sale of property and equipment	(5)	-	-	-
Change in employee benefit liabilities, net	(125)	(111)	19	(5)
	<u>15,678</u>	<u>20,050</u>	<u>1,318</u>	<u>4,299</u>
Changes in asset and liability items:				
Decrease (increase) in trade receivables, net	7,835	7,603	5,757	(3,141)
Decrease (increase) in other accounts receivables	(1,150)	(578)	(3,866)	(3,495)
Decrease (increase) in inventories	(19,694)	(1,361)	(14,683)	4,245
Decrease (increase) in deferred expenses	2,814	(1,340)	51	1,256
Increase (decrease) in trade payables	(8,885)	7,055	11,432	1,160
Increase (decrease) in other accounts payables	765	290	1,124	(276)
Decrease in deferred revenues	113	(20)	133	(20)
	<u>(18,202)</u>	<u>11,649</u>	<u>(52)</u>	<u>(271)</u>
Cash (paid) during the period for:				
Interest paid	(1,228)	(853)	(79)	(303)
Interest received	-	97	(92)	82
Taxes paid	(217)	(36)	(43)	(9)
	<u>(1,445)</u>	<u>(792)</u>	<u>(214)</u>	<u>(230)</u>
<b>Net cash provided by (used in) operating activities</b>	<b>\$ 4,315</b>	<b>\$ 28,586</b>	<b>\$ 6,110</b>	<b>\$ 6,742</b>

## CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the year ended		Three months period ended	
	December 31,		December 31,	
	2023	2022	2023	2022
<b>U.S Dollars In thousands</b>				
<b>Cash Flows from Investing Activities</b>				
Purchase of property and equipment and intangible assets	(5,850)	(3,784)	(1,974)	(977)
Proceeds from sale of property and equipment	7	-	1	-
Net cash provided by (used in) investing activities	(5,843)	(3,784)	(1,973)	(977)
<b>Cash Flows from Financing Activities</b>				
Proceeds from exercise of share base payments	4	9	1	2
Proceeds from issuance of ordinary shares, net	58,231	-	-	-
Repayment of lease liabilities	(850)	(1,098)	(82)	(256)
Repayment of long-term loans	(17,407)	(2,628)	-	(1,111)
Repayment of other long-term liabilities	(17,300)	(5,626)	(1,500)	(1,506)
Net cash provided by (used in) financing activities	22,678	(9,343)	(1,581)	(2,871)
Exchange differences on balances of cash and cash equivalent	233	212	482	112
Increase (decrease) in cash and cash equivalents	21,383	15,671	3,038	3006
<b>Cash and cash equivalents at the beginning of the period</b>	<b>34,258</b>	<b>18,587</b>	<b>52,603</b>	<b>31,252</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>\$ 55,641</b>	<b>\$ 34,258</b>	<b>\$ 55,641</b>	<b>\$ 34,258</b>
<b>Significant non-cash transactions</b>				
Right-of-use asset recognized with corresponding lease liability	\$ 6,546	\$ 551	\$ 2,666	\$ 25
Purchase of property and equipment and Intangible assets	\$ 646	\$ 618	\$ 646	\$ 618

**NON-IFRS MEASURES – ADJUSTED EBITDA**

	<b>For the year ended December 31,</b>		<b>Three months period ended December 31,</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>In thousands</b>			
Net income	\$ 8,284	\$ (2,321)	\$ 5,058	\$ 2,944
Taxes on income	145	62	(34)	2
Financial expense (income), net	1,635	6,791	(2,248)	1,072
Depreciation and amortization expense	12,714	12,155	3,208	3,012
Non-cash share-based compensation expenses	1,314	1,153	373	218
Adjusted EBITDA	<u>\$ 24,092</u>	<u>\$ 17,840</u>	<u>\$ 6,357</u>	<u>\$ 7,248</u>