

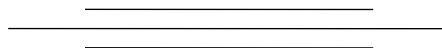
TRANSLATION FROM HEREW ORIGINAL

BIO VIEW LTD.
2020 ANNUAL REPORT

BIO VIEW LTD.
2020 ANNUAL REPORT

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BIO VIEW LTD.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

A s s e t s	Note	December 31	
		2020	2019
		NIS in thousands	
CURRENT ASSETS:			
Cash and cash equivalents	5	17,239	18,743
Accounts receivable:	6		
Trade		3,223	4,301
Other		568	493
Inventory	7	4,377	3,923
		<u>25,407</u>	<u>27,460</u>
NON-CURRENT ASSETS :			
Restricted deposit	13a	125	125
Other long-term receivables	3a	699	690
Right of use asset	13	1,503	2,501
Deferred income tax	8	5,465	5,714
Property and equipment - net		690	493
		<u>8,482</u>	<u>9,523</u>
T O T A L A S S E T S		<u><u>33,889</u></u>	<u><u>36,983</u></u>
Liabilities and equity			
CURRENT LIABILITIES:			
Accounts payable:	9		
Trade		1,177	1,329
Other		2,401	2,878
Prepaid income	11	2,837	4,081
Current maturities of lease liabilities	13	1,067	1,067
Provision for warranty	10	355	533
		<u>7,837</u>	<u>9,888</u>
NON-CURRENT LIABILITIES:			
Retirement benefit obligation - net	14	441	517
Prepaid income	11	147	206
Lease liabilities	13	395	1,422
		<u>983</u>	<u>2,145</u>
COMMITMENTS AND CONTINGENT LIABILITIES	12		
T O T A L L I A B I L I T I E S		<u>8,820</u>	<u>12,033</u>
EQUITY ATTRIBUTED TO COMPANY'S OWNERS:			
Ordinary shares	15	141	141
Share premium		53,044	52,878
Capital surplus in respect of options		661	668
Other comprehensive loss reserves		(1,142)	(889)
Treasury shares		(671)	-
Accumulated deficit		(26,964)	(27,848)
TOTAL EQUITY		<u>25,069</u>	<u>24,950</u>
TOTAL LIABILITIES AND EQUITY		<u><u>33,889</u></u>	<u><u>36,983</u></u>

Emmanuel Gil
Chairman of the
Board of Directors

Dr. Alan Schwebel
CEO

Yulia Kapon
Director of Finance

Date of approval of financial statements by the Board of Directors: March 19, 2020.

The accompanying notes are an integral part of these financial statements.

BIO VIEW LTD.
CONSOLIDATED STATEMENTS OF INCOME OR LOSS

	Note	Year ended December 31		
		2020	2019	2018
NIS in thousands				
REVENUE	16a	25,960	35,790	25,280
COST OF SALES	16b	10,176	15,523	10,520
GROSS PROFIT		15,784	20,267	14,760
RESEARCH AND DEVELOPMENT EXPENSES	16c	5,354	5,708	6,647
SELLING AND MARKETING EXPENSES	16d	4,035	4,837	5,024
GENERAL AND ADMINISTRATIVE EXPENSES	16e	4,730	5,381	5,664
OTHER EXPENSES (INCOME) (MAINLY FOREIGN EXCHANGE RATE DIFFERENCES), NET	16f	464	946	(810)
OPERATING INCOME (LOSS)		1,201	3,395	(1,765)
FINANCE EXPENSES (INCOME) – NET	16g	60	27	61
INCOME (LOSS) BEFORE TAXES ON INCOME		1,141	3,368	(1,826)
INCOME TAX (TAX BENEFITS)	8	257	843	28
NET INCOME (LOSS) FOR THE YEAR		884	2,525	(1,854)
NIS				
EARNINGS (LOSS) PER SHARE:	17			
Basic income (loss) per share		0.06	0.18	(0.13)
Diluted income (loss) per share		0.06	0.18	(0.13)

The accompanying notes are an integral part of these financial statements.

BIO VIEW LTD.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

	Year ended December 31		
	2020	2019	2018
	NIS in thousands		
NET INCOME (LOSS) FOR THE YEAR	<u>884</u>	<u>2,525</u>	<u>(1,854)</u>
OTHER COMPREHENSIVE INCOME (LOSS):			
Items that will not be reclassified to profit or loss -			
remeasurement of post-employment benefit obligations	76	(166)	67
Items that may be subsequently reclassified to profit or loss -			
foreign exchange differences arising from translation of the net investment in foreign operation	<u>(329)</u>	<u>(345)</u>	<u>307</u>
TOTAL OTHER COMPREHENSIVE INCOME (LOSS)	<u>(253)</u>	<u>(511)</u>	<u>374</u>
COMPREHENSIVE INCOME (LOSS) FOR THE YEAR	<u>631</u>	<u>2,014</u>	<u>(1,480)</u>

The accompanying notes are an integral part of these financial statements.

BIO VIEW LTD.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

(Continued) - 1

BIO VIEW LTD.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year ended December 31		
	2020	2019	2018
	NIS in thousands		
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net cash generated by (used in operations) (see appendix A)	1,008	2,845	(1,078)
Income tax paid – net	(85)	(275)	(247)
Interest paid on lease	(121)	(74)	-
Net cash provided by (used in) operations	<u>802</u>	<u>2,496</u>	<u>(1,325)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Acquisition of property and equipment	(304)	(208)	(180)
Deposits – net	(9)	(18)	(14)
Net cash used in investing activities	<u>(313)</u>	<u>(226)</u>	<u>(194)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:			
Maturity of lease liability	(1,027)	(1,047)	-
Cost of Treasury Shares	(671)	-	-
Exercise of warrants into shares by employees	98	66	672
Net cash provided by (used in financing activities)	<u>(1,600)</u>	<u>(981)</u>	<u>672</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,111)	1,289	(847)
BALANCE OF CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	18,743	18,007	17,942
INCOME (LOSS) FROM FOREIGN EXCHANGE DIFFERENCES ON CASH AND CASH EQUIVALENTS	(393)	(553)	912
BALANCE OF CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>17,239</u>	<u>18,743</u>	<u>18,007</u>

The accompanying notes are an integral part of these financial statements.

BIO VIEW LTD.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

(Concluded) - 2

BIO VIEW LTD.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	<u>2020</u>	<u>2019</u>	<u>2018</u>
	<u>NIS in thousands</u>		
APPENDIXES TO STATEMENT OF CASH FLOWS:			
(a) Net cash provided by (used in operating activities):			
Income (loss) before taxes on income	1,141	3,368	(1,826)
Adjustments in respect of – income and expense not involving cash flows:			
Depreciation and amortization	1,228	1,402	541
Amounts charged in respect of options to employees	61	121	102
Interest paid on lease	121	63	-
Loss from foreign exchange rate differences on cash and cash equivalents	(306)	(316)	(123)
	<u>2,245</u>	<u>4,638</u>	<u>(1,306)</u>
Changes in operating asset and liability items:			
Decrease (increase) in accounts receivable:			
Trade	1,005	(1,318)	1,784
Other	(9)	73	230
Increase in inventory	(655)	(105)	(545)
Increase (decrease) in accounts payable and accruals:			
Trade	(146)	(206)	194
Other (including provision for warranty)	(312)	669	(386)
Decrease in provision for royalties to Chief Scientist	-	(422)	(798)
Increase (decrease) in prepaid income (including long-term prepaid income)	(1,120)	(484)	(251)
	<u>(1,237)</u>	<u>(1,793)</u>	<u>228</u>
Net cash provided by (used in operating activities)	<u>1,008</u>	<u>2,845</u>	<u>(1,078)</u>
(b) Information regarding interest received in cash	<u>44</u>	<u>86</u>	<u>92</u>
(c) Information about investing and financing activities not involving cash flows :			
right of use of assets	<u>75</u>	<u>722</u>	<u>-</u>

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