

IMPORTANT

This document is an unofficial translation of the Hebrew original, March 31, 2010 financial report of Hadasit Bio-Holdings Ltd. that was submitted to the Tel-Aviv Stock Exchange and the Israeli Securities Authority on May 28, 2010.

The Hebrew version submitted to the TASE and the Israeli Securities Authority shall be the sole binding legal version. This translation is for the convenience of English readers only.

HBL - Hadasit Bio-Holdings Ltd.

Summary Consolidated Financial Statements

As of March 31, 2010

(Unaudited)

HBL - Hadasit Bio-Holdings Ltd.

Summary Consolidated Financial Statements

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Table of Contents

	<u>Page No.</u>
Auditors' Review Report	1-2
Summary Consolidated Statements of Financial Position	3
Summary Consolidated Statements of Comprehensive Income	4
Summary Consolidated Statements of Changes in Shareholder's Equity	5-6
Summary Consolidated Statements of Cash Flows	7-9
Notes to the Summary Consolidated Financial Statements	10-17
Summary Interim Financial Statements of Associates	
1. Conjugate Ltd.	
2. Cell Cure Neurosciences Ltd.	
3. Thrombotech Ltd.	

Auditors' Review Report to the Shareholders of
HBL - Hadasit Bio-Holdings Ltd.

Introduction

We have reviewed the attached financial information of HBL - Hadasit Bio-Holdings Ltd. and its subsidiaries (hereinafter: the "Group"), including the summary consolidated financial statement of financial position as of March 31, 2010, as well as the summary consolidated financial statement of comprehensive income, the statement of changes in shareholders' equity, and the statement of cash flows for the three month period then ended. The board of directors and management are responsible for the preparation and presentation of financial information for this interim period, pursuant to Internal Accounting Standard 34, Interim Financial Reporting. They are also responsible for the preparation of the financial information for the interim period pursuant to Section D of the Securities Regulations (Periodic and Immediate Statements), 5730-1970. Our responsibility is to express our conclusion regarding the financial information for this interim period, based on our review.

We did not review the financial information as of March 31, 2010 for a consolidated subsidiary whose consolidated assets constituted approx. 2.5% of the Company's assets, and whose consolidated results for the three month period ended March 31, 2010 constitute approx. 14%. We also did not review the summary financial information of an associate included using the equity method, where the investment in the associate as of March 31, 2010 and 2009 amounted to a total of approx. NIS 1,099 thousand and NIS 446 thousand, respectively, and where the share in its losses for the three month period ended on the above dates amounted to a total of approx. NIS 96 thousand and NIS 93 thousand, respectively. The financial statements of those companies were reviewed by other auditors, whose reports were delivered to us. Our review report, inasmuch as it refers to the amounts included in respect of those companies, is based on the reports provided by the other auditors.

Scope of the Review

We conducted our review in accordance with Review Standard no. 1 of the Institute of Certified Public Accountants in Israel, "Review of the Interim Financial Information Prepared by the Entity's Auditor". A review of interim financial information includes performance of inquiries, particularly with the individuals responsible for financial and accounting matters, as well as performance of analytic and other review procedures. A review is significantly limited in scope in comparison to an audit conducted in accordance with generally accepted accounting standards in Israel, and therefore does not allow us to obtain assurance that we have become aware of all material issues which may have been identified in an audit. Accordingly, we are not expressing an audit opinion.

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Conclusion

Based on our review and on the review reports provided by other auditors, nothing has come to our attention which would lead us to believe that the above financial information was not prepared, in all material respects, in accordance with IAS 34.

In addition to the foregoing in the preceding paragraph, based on our review and on the review reports provided by other auditors, nothing has come to our attention which would lead us to believe that the above financial information does not fulfill, in all material respects, the disclosure requirements set forth in Section D of the Securities Regulations (Periodic and Immediate Statements), 5730-1970.

Brightman Almagor Zohar & Co. Accountants

Jerusalem, May 27, 2010

סניף אילת	סניף באר שבע	סניף חיפה	סניף ירושלים	סניף רמת-גן	משרד ראשי - תל אביב
המרכז העירוני ת.ד. 583 אילת, 88104	פארק תעשיות עומר, בניין 10 ת.ד. 1369 עומר, 84965	מעלה השחרור 5 ת.ד. 5648 חיפה, 31055	שרי ישראל 12 ירושלים, 94390	הרקון 6 רמת-גן, 52521	מרכז עזריאלי 1 תל אביב, 67021 ת.ד. 16593 תל אביב, 61164
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HBL - Hadasit Bio-Holdings Ltd.
Summary Consolidated Statements of Financial Position

	<u>As of March 31</u>		<u>As of December 31</u>
	<u>2010</u>	<u>2009</u>	<u>2009</u>
	<u>Unaudited</u>		<u>Audited</u>
	<u>Thousands of NIS</u>		<u>Thousands of NIS</u>
<u>Current assets</u>			
Cash and cash equivalents	12,571	4,673	16,585
Accounts receivable	3,624	2,394	2,060
Investments in marketable securities	21,344	-	21,067
Available-for-sale investments	1,457	424	1,133
	<u>38,996</u>	<u>7,491</u>	<u>40,845</u>
<u>Noncurrent assets</u>			
Investments in investees	8,557	9,951	9,869
Fixed assets, net	3,222	348	3,123
Other intangible assets	2,050	2,302	2,113
Prepaid expenses	40	40	40
	<u>13,869</u>	<u>12,641</u>	<u>15,145</u>
Total Assets	<u>52,865</u>	<u>20,132</u>	<u>55,990</u>
<u>Current liabilities</u>			
Trade payables	1,767	1,006	2,094
Other accounts payable	1,452	762	674
Loans from external shareholders in subsidiaries, net	280	200	280
	<u>3,499</u>	<u>1,968</u>	<u>3,048</u>
<u>Noncurrent liabilities</u>			
Liabilities in respect of benefits to employees	45	32	37
Royalties payable	1,764	1,514	1,275
Expenses payable	2,036	-	2,595
Warrants	-	208	-
	<u>3,845</u>	<u>1,754</u>	<u>3,907</u>
<u>Equity</u>			
Share capital	785	194	785
Share premium	89,124	54,319	89,124
Capital reserve from activities with controlling shareholder	754	75 4	75 4
Capital reserve for share-based payment transactions	1,898	932	1,577
Warrants	9,379	-	9,379
Capital reserve for available-for-sale financial assets	1,199	166	875
Loss for the period	<u>(58,286)</u>	<u>(39,955)</u>	<u>(53,459)</u>
Equity attributable to Company shareholders	44,853	16,410	49,035
Non-controlling interest	668	-	-
Equity	<u>45,521</u>	<u>16,410</u>	<u>49,035</u>
Total liabilities and equity	<u>52,865</u>	<u>20,132</u>	<u>55,990</u>

<u>May 27, 2010</u>			
Date of Authorization of the Financial Statements	Prof. Adi Raveh	Dr. Rafi Hofstein	Ophir Shahaf
	Member of the Board	Chairman of the Board	CEO

The notes to the summary consolidated financial statements constitute an inseparable part thereof.

HBL - Hadasit Bio-Holdings Ltd.
Summary Consolidated Statements of Comprehensive Income

	For the Three Month Period Ended March 31		For the Year Ended December 31
	2010	2009	2009
	Unaudited		Audited
	Thousands of NIS		Thousands of NIS
Research and development expenses	(1,928)	(1,412)	(5,904)
Marketing expenses	(8)	(14)	(66)
Selling, general and administrative expenses	(1,922)	(1,190)	(5,895)
Other income (expenses)	-	1,900	1,559
Operating loss	(3,858)	(716)	(10,306)
Financial income	130	2,072	832
Financial expenses	(137)	(1,965)	(322)
Financial income (expenses), net	(7)	107	510
Loss after financing	(3,865)	(609)	(9,796)
Company's share in the losses of investees	(1,312)	(885)	(5,202)
Loss for the period	(5,177)	(1,494)	(14,998)
<u>Other comprehensive income</u>			
Profit from fair value adjustment of available-for-delivery financial assets	324	166	875
Total comprehensive loss for the period	(4,853)	(1,328)	(14,123)
Loss for the period attributable to:			
Shareholders in the parent company	(4,827)	-	-
Non-controlling interest	(350)	-	-
	(5,177)	-	-
Comprehensive loss for the period attributable to:			
Shareholders in the parent company	(4,503)	-	-
Non-controlling interest	(350)	-	-
	(4,853)	-	-
<u>Loss per regular share at NIS 0.01 par value</u>			
Basic and diluted loss per share (in NIS)	(0.13)	(0.08)	(0.38)
Number of shares used in the above calculation (in thousands)	39,926	19,405	39,926

The notes to the summary consolidated financial statements constitute an inseparable part thereof.

HBL - Hadasit Bio-Holdings Ltd.
Summary Consolidated Statements of Changes in Shareholder's Equity

	Share capital	Share premium	Receipts on account of warrants	Capital reserve from operations with controlling shareholder	Capital reserve for share-based payment transactions	Capital reserve for available-for-sale financial assets	Loss for the period	Non-controlling interest	Total
Thousands of NIS									
For the three month period ended March 31, 2010 (unaudited)									
Balance as of January 1, 2010	785	89,124	9,379	75 4	1,577	875	(53,459)	-	49,035
Loss for the period	-	-	-	-	-	-	(4,827)	(350)	(5,177)
Warrants in subsidiaries	-	-	-	-	-	-	-	1,018	1,018
Fair value adjustment of available-for-sale financial assets	-	-	-	-	-	324	-	-	324
Share-based payment	-	-	-	-	321	-	-	-	321
Balance as of March 31, 2010	<u>785</u>	<u>89,124</u>	<u>9,379</u>	<u>754</u>	<u>1,898</u>	<u>1,199</u>	<u>(58,286)</u>	<u>668</u>	<u>45,521</u>
Balance as of January 1, 2009	194	54,319	-	75 4	832	-	(38,461)	-	17,638
Loss for the period	-	-	-	-	-	-	(1,494)	-	(1,494)
Fair value adjustment of available-for-sale financial assets	-	-	-	-	-	166	-	-	166
Share-based payment	-	-	-	-	100	-	-	-	100
Balance as of March 31, 2009	<u>194</u>	<u>54,319</u>	<u>-</u>	<u>75 4</u>	<u>932</u>	<u>166</u>	<u>(39,955)</u>	<u>-</u>	<u>16,410</u>

HBL - Hadasit Bio-Holdings Ltd.
Summary Consolidated Statements of Changes in Shareholder's Equity

	Share capital	Share premium	Receipts on account of warrants	Capital reserve from operations with controlling shareholder	Capital reserve for share-based payment transactions	Capital reserve for available- for-sale financial assets	Loss for the period	Non- controlling interest	Total
	Thousands of NIS								
Balance as of January 1, 2009	194	54,319	-	75 4	832	-	(38,461)	-	17,638
Issuance of Company shares and warrants	591	34,805	9,379	-	-	-	-	-	44,775
Share-based payment	-	-	-	-	745	-	-	-	745
Fair value adjustment of available-for-sale financial assets	-	-	-	-	-	875	-	-	875
Loss for the period	-	-	-	-	-	-	(14,998)	-	(14,998)
Balance as of December 31, 2009	785	89,124	9,379	75 4	1,577	875	(53,459)	-	49,035

The notes to the summary consolidated financial statements constitute an inseparable part thereof.

HBL - Hadasit Bio-Holdings Ltd.
Summary Consolidated Statements of Cash Flows

	For the Three Month Period Ended March 31		For the Year Ended December 31
	2010	2009	2009
	Unaudited Thousands of NIS	Unaudited Thousands of NIS	Audited Thousands of NIS
<u>Cash flows from operating activities</u>			
Loss for the period	(5,177)	(1,494)	(14,998)
Adjustments required to present cash flows from operating activities (Appendix A)	<u>1,581</u>	<u>(1,320)</u>	<u>5,311</u>
Net cash used in operating activities	<u>(3,596)</u>	<u>(2,814)</u>	<u>(9,687)</u>
<u>Cash flows from investing activities</u>			
Investments in marketable securities	(195)	-	(21,074)
Interest receipts	48	242	450
Investments in investees	-	-	(4,577)
Purchase of fixed assets	<u>(148)</u>	<u>(13)</u>	<u>(519)</u>
Net cash provided by (used in) investing operations	<u>(295)</u>	<u>229</u>	<u>(25,720)</u>
<u>Cash flows from financing activities</u>			
Interest payments and bank fees	(123)	(4)	(45)
Allocation of shares and options (less issuance expenses)	-	-	44,775
Net cash provided by (used in) financing activities	<u>(123)</u>	<u>(4)</u>	<u>44,730</u>
<u>Increase (decrease) in cash and cash equivalents</u>	<u>(4,014)</u>	<u>(2,589)</u>	<u>9,323</u>
<u>Balance of cash and cash equivalents at beginning of period</u>	<u>16,585</u>	<u>7,262</u>	<u>7,262</u>
<u>Balance of cash and cash equivalents at end of period</u>	<u>12,571</u>	<u>4,673</u>	<u>16,585</u>

The notes to the summary consolidated financial statements constitute an inseparable part thereof.

HBL - Hadasit Bio-Holdings Ltd.
Summary Consolidated Statements of Cash Flows

	For the Three Month Period		For the Year
	Ended		Ended
	March 31		December 31
	2010	2009	2009
	Unaudited		Audited
	Thousands	Thousands	Thousands of
	of NIS	of NIS	NIS
<u>Appendix A - Adjustments Required to Present Cash Flows from Operating Activities</u>			
<u>Expenses not related to cash flows:</u>			
Share in losses of investees	1,312	885	5,202
Depreciation and write-downs	259	61	402
Financing expenses	137	1,965	322
Financial income	(130)	(2,072)	(832)
Benefit component in respect of options to employees	321	100	745
Income from decrease in the Company's stake in investees	-	(1,901)	(1,900)
Provision for impairment in respect of available-for-sale investments	-	-	341
Increase in liabilities in respect of benefits to employees	8	-	5
Warrants in subsidiaries	1,018	-	-
<u>Changes to items under assets and liabilities:</u>			
Increase in accounts receivable	(1,564)	(482)	(148)
Increase in accounts payable	778	55	17
Increase in royalties payable	489	-	-
Decrease in long term expenses payable	(721)	-	-
(Decrease) Increase in trade payables	(326)	69	1,157
	<u>1,581</u>	<u>(1,320)</u>	<u>5,311</u>

HBL - Hadasit Bio-Holdings Ltd.
Summary Consolidated Statements of Cash Flows

Appendix B - During the reporting period, an additional liability was recorded for fixed assets totaling NIS 162 thousand, in respect of a payable liability for the adjustment works performed in the leasehold area.

The notes to the summary consolidated financial statements constitute an inseparable part thereof.

HBL - Hadasit Bio-Holdings Ltd.
Notes to the Summary Consolidated Financial Statements
As of March 31, 2010

Note 1 - General

A. Definitions

- | | |
|---------------------------------|--|
| The Company | - HBL - Hadasit Bio-Holdings Ltd. |
| The Group | - The Company and the R&D Companies. |
| Related Parties | - As defined in IAS 24. |
| Interested Parties | - As defined in the Securities Regulations (Preparation of Yearly Financial Statements), 5753 - 1993. |
| Controlling Shareholders | - As defined in the Securities Law, 5728 - 1968, including regulations issuing therefrom. |
| Index | - The consumer price index, as published by the Central Bureau of Statistics. |
| Dollar | - The US Dollar. |
| Subsidiaries | - Companies over which the Company has control (as defined in IAS 27), either directly or indirectly, and whose financial statements are fully consolidated with those of the Company. |
| Associates | - Companies over which the Company has material influence, and where the Group's investments in those companies, whether directly or indirectly, are included in the financial statements using the equity method. |
| Investees | - Subsidiaries and Associates. |

HBL - Hadasit Bio-Holdings Ltd.
Notes to the Summary Consolidated Financial Statements
As of March 31, 2010

Note 1 - General (Cont.)

B. HBL - Hadasit Bio-Holdings Ltd. (hereinafter: the "Company"), was founded September 19, 2005, by Hadasit Medical Research Services & Development Ltd. (hereinafter: "Hadasit").

In January 2006, the Company issued shares in the stock exchange amounting to 33% of its share capital and warrants. The net consideration (less issuance expenses) totaled approx. NIS 27,340 thousand.

In September 2005, an agreement was signed between Hadasit and the Company, after which Hadasit transferred to the Company, in January 2006, its holdings in a number of information-rich companies active in the field of medical and biotechnological research and development (hereinafter: the "R&D Companies"). The transfer of holdings was implemented in order to enable the Company to raise funds from the public through the public offering of its securities, and their registration for trading on the Tel Aviv Stock Exchange (hereinafter: the "Stock Exchange").

Hadasit is a company fully owned and controlled by the Hadassah Medical Organization (hereinafter: "Hadassah").

Hadassah is a medical institution including two hospitals in the city of Jerusalem: "Hadassah Ein Kerem" and "Hadassah Har Hatzofim", as well as medical schools and research centers.

Hadasit serves as Hadassah's technology transfer office. Discoveries and developments produced by the doctors of Hadassah (hereinafter: the "Researchers") are transferred to Hadasit, whose responsibility is to preserve intellectual property, and to raise funds and commercialize the scientific discoveries.

The commercialization of scientific ideas and fundraising is done by Hadasit through investees which are founded and given license to use the intellectual property, and which work to commercialize the scientific discoveries developed at Hadassah. Hadasit and the R&D Companies were established in this manner.

As of March 31, 2010

Note 2 - Significant Accounting Policies

Exchange rates and linkage basis

- (1) Balances in foreign currency, or linked to foreign currency, are included in the financial statements according to their representative exchange rates as published by the Bank of Israel on the balance sheet date.
- (2) Balances linked to the consumer price index are presented according to the last known index on the balance sheet date (the index for the month preceding the month of the reporting date), or according to the index for the last month of the reporting period (the index for the month of reporting date), depending on the terms of the transaction.
- (3) The following are the exchange rate data for the Dollar and the Index:

<u>Date of the financial statements</u>	Dollar	Euro	Index in Israel	
	Representative Rate	Representative Rate	Known Index (*)	Actual Index (*)
	(NIS per 1 USD)	(NIS per 1 EUR)	Points	Points
March 31, 2010	3.713	4.99	129.18	129.3
March 31, 2009	4.188	5.573	125.33	124.71
December 31, 2009	3.775	5.441	130.41	130.42
Rates of change over the period of:	%	%	%	%
Three months ended on March 31, 2010	(1.64)	(10.46)	(0.94)	(0.85)
Three months ended on March 31, 2009	10.15	5.2	(0.13)	(0.72)
Year ended December 31, 2009	(0.71)	5.2	3.85	3.95

(*) According to a 1998 average.

HBL - Hadasit Bio-Holdings Ltd.
Notes to the Summary Consolidated Financial Statements
As of March 31, 2010

Note 3 - Newly published financial reporting standards and interpretations

A. New standards and interpretations that affect the current period and / or previous reporting periods:

- **IAS 27 (Revised), "Consolidated and Separate Financial Statements"**

This Standard provides the following rules for accounting treatment of consolidated and separate financial statements:

- The Standard provides that transactions with holders of non-controlling interest, owing to which the Group holds control of a subsidiary before and after the transaction, are to be treated as capital transactions.

- In cases of transactions following which the Group loses its control over a subsidiary, the investment balance in the subsidiary is to be measured on the date control was lost, at fair value.

- The minority share in the losses of a subsidiary in excess of its equity are to be attributed to it without regard to its obligations and its ability to make additional investments in the subsidiary.

The Standard's provisions apply to yearly periods beginning on January 1, 2010 and thereafter. The Standard provisions are being retroactively implemented, excluding a number of exceptions for which they will be prospectively implemented.

During the three month period ended March 31, 2010, a total of NIS 350 thousand in profit and loss was attributed by the Group to non-controlling interest, which was presented under equity, and not under profit and loss, as would have been done had the new Standard not been adopted.

The share of non-controlling interest in the Company's capital amounted to a total of NIS 688 thousand, as a result of presentation of a capital reserve in respect of share-based payment in subsidiaries.

B. **New Standards and interpretations which are in effect, and which do not have a significant influence on the current period and / or on previous reporting periods:**

- **IFRS 3 (Revised), Business Combinations**

The new Standard establishes rules for the accounting treatment of business combinations. The Standard is being implemented with regards to business combinations which took place on January 1, 2010 or thereafter.

HBL - Hadasit Bio-Holdings Ltd.
Notes to the Summary Consolidated Financial Statements
As of March 31, 2010

Note 3 - **Newly published financial reporting standards and interpretations** (Cont.)

- **Revision to IAS 28, "Investments in Associates" (Regarding the Loss of Significant Influence on an Associate)**
As part of the adoption of IAS 27 (revised) noted above, certain provisions of IAS 28, "Investments in Associates", were revised. The revision provides the accounting treatment for loss of significant influence over an associate, where the entity continues to hold a certain holding in the investee. The revision will be retroactively applied for yearly reporting periods beginning on January 1, 2010 and thereafter.

- **Revisions to IFRS 2, Group Cash-Settled Share-Based Payment Transactions**
The revisions specify the accounting treatment for separate and individual financial statements of an entity in respect of share-based payment transactions settled by other entities in the group. The revisions also include in IFRS 2 previous provisions from IFRIC 8, "Applicability of IFRS 2", and IFRIC 11 - Group and Treasury Share Transactions. The instructions issuing from these revisions will be adopted for yearly periods beginning on January 1, 2010. The revisions are being retroactively applied, excluding revisions that refer to previous instructions, which are in effect from their original date.

HBL - Hadasit Bio-Holdings Ltd.
Notes to the Summary Consolidated Financial Statements
As of March 31, 2010

Note 3 - **Newly published financial reporting standards and interpretations** (Cont.)

Revision to IAS 7, "Cash Flow Statements"

The revision to IAS 7, "Cash Flow Statements", clarifies that only exits that result in an asset being recognized in the statement of financial position may be classified as cash flows used in investing activities. The revision will be retroactively applied for yearly reporting periods beginning on January 1, 2010 or later.

Revision to IAS 1, "Presentation of Financial Statements"

The revision to IAS 1, "Presentation of Financial Statements", determines that the liability component of an instrument which may, as chosen by the counterparty, be settled through the issuance of the entity's capital instruments, is to be classified as either current or noncurrent based on the settlement date, by way of transfer of cash or of other assets, and not based on the settlement date by way of conversion. The revision will be retroactively applied for yearly reporting periods beginning on January 1, 2010 or later.

Note 4 - **Significant events during the reporting period**

On March 11, 2010, the Company's Board of Directors approved the granting of options to six members of the Company's advisory board.

Each of the six offerees will be allocated 10,000 non-marketable warrants in the Company, exercisable to a total of 60,000 regular Company shares. The exercise price of the aforementioned warrants will be NIS 2 for each stock option. The warrants will mature in three equal portions, once per year, beginning on February 19, 2009.

The cost of the bonus, amounting to a total of NIS 15 thousand, included in the warrants granted as above, based on their fair value on the date of their granting, will be presented under profit and loss over the maturity period.

Note 5 - **Subsequent events**

On April 12, 2010, Protab Ltd. (hereinafter: "Protab"), a company fully owned and controlled by the Company, signed an investment agreement with the Company and with others. The round of investments amounts to USD 4 million. The Company's share in the round of investments amounts to a total of USD 1 million. In addition, loans provided by the Company to Protab will be converted to a total amount of USD 1.86 million.

The investment funds will be used by Protab for the production of the leading antibody it is currently developing, combining animal experiments, and other regulatory preparations for clinical testing in patients.

Once the transaction has been closed, the Company's stake in Protab will be 70% (at full dilution - 50%).