Therapix Biosciences Ltd.

Quarterly Report

3rd Quarter | 2015

CONTENTS

As of the Report Date, Therapix Biosciences Ltd. ("the Company") is considered a "small corporation" in accordance with the conditions stipulated in Regulation 5c to the Israeli Securities Regulations (Periodic and Immediate Reports), 1970 ("the Regulations"). According to the decision of the Company's Board, the Company adopts and applies (to the extent that such application is relevant or irrelevant to the Company) several exemptions prescribed in the Regulations as follows:

1. **Increasing the materiality threshold in connection with the attachment of valuations to 20%[1];**
2. **Increasing the minimum requirement for attachment material affiliates' financial statements (to interim financial statements) to 40% (the materiality threshold for attaching annual financial statements is (remains) 20%[2];**
3. **Exemption from adopting the provisions of the Second Addendum to the Regulations regarding (details of the exposure to market risks and their management (the Galai Report))[3];**
4. **Cancelling the duty to issue a report on internal control and an auditors' report about the internal control thereby allowing the Company to attach only letters of representation that are limited in scope[4].**

---

1 Regulation 5d(b)(1) to the Regulations. Pursuant to the ISA Staff legal resolution SLB 105-23, as updated on March 13, 2014 and July 16, 2014, regarding parameters for testing the materiality of valuations, "**a very material valuation in a small corporation**" is defined as a valuation:
(a) whose subject matter represents at least 20% of the Company's total assets; **or**
(b) whose effect of the change in value on the net income or comprehensive income, as applicable, represents at least 20% of total net income or comprehensive income, respectively, **and** the effect of said change represents at least 10% of the Corporation's equity.

2 Regulation 5d(b)(2) to the Regulations.

3 Regulation 5d(b)(3) to the Regulations.

4 Regulation 5d(b)(4) to the Regulations.

Therapix Biosciences Ltd.

CHAPTER B - THE REPORT OF THE BOARD OF DIRECTORS ON THE STATE OF THE CORPORATION'S AFFAIRS FOR THE INTERIM PERIOD

The Company's Board of Directors is hereby pleased to present the report of the Board of Directors on the state of affairs of Therapix Biosciences Ltd. (collectively with its subsidiaries - "**the Company**" or "**Therapix**") as of September 30, 2015 and for the nine and three month periods then ended ("**the Report Date**" and "**the Interim Period**", respectively), prepared in conformity with the Israeli Securities Regulations (Periodic and Immediate Reports), 1970 ("**the Board of Directors' Interim Report**" and "**the Report Regulations**", respectively). The Board of Directors' Interim Report is attached to the interim consolidated financial statements ("**the Interim Financial Statements**") under the assumption that the readers of this report also have at their disposal the Interim Financial Statements. The financial data from the Interim Financial Statements attributable to the Company are also attached to this report ("**the Separate Interim Financial Statements**"; collectively with the Interim Financial Statements, as applicable - "**the Financial Statements**").

a. The Board's explanations for the state of the Company's affairs, operating results, equity and cash flows

1. **General**

1.1 Effective from the second quarter of 2014, the Company has been focusing on identifying and investing in promising bio-pharma technologies. As of the reporting date, the Company continues to focus on creating a portfolio of technologies and assets in the field of cannabinoid based treatments this in addition to several projects that the Company elected to sign in this field.

2. **The financial position**

The Company's auditors draw attention to the matter discussed in Note 1c to the Interim Financial Statements according to which in the nine months period ended September 30, 2015, the Company incurred losses totaling NIS 8,264 thousand and it had negative cash flows from operating activities totaling NIS 3,592 thousand. These factors, along with other factors detailed in that Note, raise substantial doubt as to the Company's ability to continue as a going concern. The Interim Financial Statements do not include any adjustments to the carrying amounts and classifications of assets and liabilities that would result if the Company was unable to continue as a going concern.

The Company's condensed consolidated balance sheets in NIS in thousands

	September 30, 2015	December 31, 2014
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	96	614
Restricted cash	44	44
Other accounts receivable	187	102
	327	**760**
NON-CURRENT ASSETS:		
Investment in investee	-	187
Property, plant and equipment	42	70
	42	**257**
Total assets	**369**	**1,017**
LIABILITIES AND EQUITY		
CURRENT LIABILITIES:		
Trade payables	1,355	1,182
Other accounts payable	240	132
	1,595	**1,314**
NON-CURRENT LIABILITIES:		
Government grants	191	156
	191	**156**
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY:		
Share capital	2,462	1,841
Share premium	87,562	80,460
Reserve from financial statements of foreign operation	20	10
Share options	330	4,981
Capital reserve from share-based payment transactions	19,433	15,215
Capital reserve from transactions with non-controlling interests	941	941
Accumulated deficit	(111,806)	(103,591)
	(1,058)	(143)
Non-controlling interests	(359)	(310)
Total equity (deficit)	**(1,417)**	**(453)**
Total liabilities and equity	**369**	**1,017**

2.1 Current assets

The balance of cash and cash equivalents as of September 30, 2015 amounted to NIS 96 thousand compared to NIS 614 thousand as of December 31, 2014. The decrease mainly derives from negative cash flow from operating activities totaling NIS 3,592 thousand offset by rounds of financing of NIS 3,072 thousand.

The balance of restricted cash as of September 30, 2015 amounted to NIS 44 thousand, similarly to December 31, 2014. The restricted deposit arises from the lease of the Company's offices.

Other accounts receivable as of September 30, 2015 amounted to NIS 187 thousand compared to NIS 102 thousand as of December 31, 2014. The main growth is a result of the increase in prepaid expenses compared to end of year 2014..

Total current assets as of September 30, 2015 amounted to NIS 327 thousand compared to NIS 760 thousand as of December 31, 2014. The main decline is a result of the decrease in the balances of cash and cash equivalents as above.

2.2 Non-current assets

As of September 30, 2015, the carrying amount of the investment in an investee was 0 compared to NIS 187 thousand as of December 31, 2014. The decrease in the carrying amount of the investment which is accounted for at equity mainly arises from losses incurred by Lara-Pharm Ltd. in the reporting period.

Property, plant and equipment, net as of September 30, 2015 amounted to NIS 42 thousand compared to NIS 70 thousand as of December 31, 2014. The decrease derives from sale of assets and current depreciation in the period.

Total non-current assets as of September 30, 2015 amounted to NIS 42 thousand compared to NIS 257 thousand as of December 31, 2014. The decrease derives, as above, from write-off of the investment in LaraPharm.

2.3 Current liabilities

Trade payables as of September 30, 2015 amounted to NIS 1,355 thousand compared to NIS 1,182 thousand as of December 31, 2014. The main growth arises from increase in liabilities related to the Anti-CD3 to foreign and local consultants.

Other accounts payable as of September 30, 2015 amounted to NIS 240 thousand compared to NIS 132 thousand as of December 31, 2014. The increase is mainly a result of the added manpower and social contributions.

The balance of current liabilities as of September 30, 2015 amounted to NIS 1,595 thousand compared to NIS 1,314 thousand as of December 31, 2014. The growth is mainly due to the increase in suppliers' balances, employees and social contributions.

2.4 Non-current liabilities

Liabilities in respect of Government grants as of September 30, 2015 amounted to NIS 191 thousand compared to NIS 156 thousand as of December 31, 2014. The balance represents the fair value of the liability for grants received from the Chief Scientist for the Anti-CD3 project.

2.5 Equity

The Company's deficit as of September 30, 2015 amounted to NIS 1,417 thousand compared to deficit of NIS 453 thousand as of December 31, 2014. The increase in deficit mainly derives from the loss in the period offset by the issuance of shares and options.

3. **Operating results (development in profit and loss items)**

The Company's consolidated statements of comprehensive income in NIS in thousands:

	Nine months ended September 30,		**Three months ended September 30,**	
	2015	**2014**	**2015**	**2014**
Research and development expenses, net	(620)	(1,695)	(143)	(561)
General and administrative expenses	(3,498)	(4,008)	(1,042)	(1,523)
	(4,118)	(5,703)	(1,185)	(2,084)
Other income (expenses)	(3,926)	116	(3,907)	83
Operating loss	(8,044)	(5,587)	(5,092)	(2,001)
Finance income	-	585	-	193
Finance expenses	(23)	(215)	(18)	(171)
Group's share of losses of company accounted for at equity	(197)	(251)	-	(251)
Loss and total comprehensive loss	(8,264)	(5,468)	(5,110)	(2,230)
Attributable to:				
Equity holders of the parent	(8,215)	(5,409)	(5,099)	(2,191)
Non-controlling interests	(49)	(59)	(11)	(39)
	(8,264)	(5,468)	(5,110)	(2,230)

Analysis of the operating results

The Company is a development stage company without sales.

3.1 Research and development expenses

In the three months ended September 30, 2015, research and development expenses amounted to NIS 143 thousand compared to NIS 561 thousand in the corresponding period of last year. The decline is mainly a result of cuts made in the research and development activity compared to the corresponding period of last year following lack of resources in the reporting period.

3.2 General and administrative expenses

In the three months ended September 30, 2015, general and administrative expenses amounted to NIS 1,042 thousand compared to NIS 1,523 thousand in the corresponding period of last year. The decline in expenses compared to the corresponding period of last year is mainly due to decrease in expenses for professional services.

3.3 Other income (expenses)

In the three months ended September 30, 2015, other expenses amounted to NIS 3,907 thousand compared to NIS 83 thousand in the corresponding period of last year. Other expenses in this quarter are derived from writing-off the cost of acquiring Dekel's technology. The acquisition cost was estimated based on the value of options allocated to Dekel which was valuated as of the closing date of the transaction with Dekel.

3.4 Operating loss

In the three months ended September 30, 2015, operating loss amounted to NIS 5,092 thousand compared to operating loss of NIS 2,001 thousand in the corresponding period of last year. The increase is mainly a result of acquiring Dekel's technology, as above.

3.5 Finance income/expenses, net

In the three months ended September 30, 2015, finance expenses amounted to NIS 18 thousand compared to finance income, net of NIS 22 thousand in the corresponding period of last year. Finance expenses in the reporting period mainly derive from revaluation of liability to the Chief Scientist which increased following the rise in the exchange rate of the dollar.

3.6 Group's share of results of company accounted for at equity

In the three months ended September 30, 2015, the Group's share of results of company accounted for at equity (LaraPharm Ltd.) was NIS 0 thousand compared to a loss of NIS 251 thousand in the corresponding period of last year.

3.7 Loss for the period and comprehensive loss

In the three months ended September 30, 2015, loss and comprehensive loss of the Company amounted to NIS 5,110 thousand compared to loss and comprehensive loss of NIS 2,230 thousand in the corresponding period of last year. The increase in loss derives from the acquisition of Dekel's technology offset by the decrease in current expenses.

3.8 Cash flows

The Company is a development stage company without sales.

Cash flows used in operating activities in the three months ended September 30, 2015 amounted to NIS 936 thousand compared to NIS 2,054 thousand in the corresponding period of last year.

There were no cash flows from investing activities in the three months ended September 30, 2015 compared to NIS 742 thousand in the corresponding period of last year.

There were no cash flows from financing activities in the three months ended September 30, 2015 similarly to the corresponding period of last year.

4. Liquidity, cash flows and financing resources

4.1 Since its inception, the Company financed its activities using the capital raised from the public in December 2005 in the context of which the Company's securities were listed for trade on the Tel-Aviv Stock Exchange and from private placements.

4.2 On April 29, 2015, the Company raised capital in the amount of NIS 2,200 thousand from Jesselson Investments Ltd. (unrelated to the Company). In consideration of this funding, the Company issued a total of 4,400,000 Ordinary shares of NIS 0.01 par value each at the price of NIS 0.50 per share. As a result of the issuance, Jesselson Investments Ltd. holds about 18.87% of the Company's shares (16.2% on a fully diluted basis).

4.3 On June 9 and 15, 2015, 1,300,000 options which had been granted under a private placement dated November 19, 2014 were exercised into Ordinary shares of NIS 0.1 par value each at the exercise price of NIS 0.5 per share The total proceeds from the exercise of the shares were NIS 650 thousand.

4.4 The balance of cash at the company may not be sufficient to finance its operating activities. These factors raise substantial doubt as to the Company's ability to continue as a "going concern". See Note 1c to the Interim Financial Statements.

4.5 **Issues to which the Company's auditor draws attention in the auditors' review report on the Interim Financial Statements**

Due to the Company's accumulated losses and negative cash flows from operating activities, as discussed in Note 1c to the Interim Financial Statements, in the auditors' review report, the Company's auditor draws attention to the existence of doubts as to the Company's ability to continue as a "going concern", as discussed in 2 above.

5. **Compensation to interested parties and senior officers**

In the interim period, there were no material changes compared to the Annual Report of the Board of Directors, regarding the examination of the compensation terms to the officers in the Company, the reasonableness of the compensation and the correlation between the compensation to the officers and interested parties in the Company and their contribution to the Company, as required by Regulation 21 to the Israeli Securities Regulations (Periodic and Immediate Reports), 1970, other than the matters described in section 3 to Chapter A (Update to the Chapter of Description of the Corporation's Business) to this Report.

b. Corporate governance aspects

6. **Details of directors with accounting and financial expertise**

6.1 On August 24, 2014, the Company's Board decided that the minimum required number of directors (including external directors) with accounting and financial expertise on the Board ("**the minimum number**") should be one.

6.2 In the interim period and as of the reporting date, the number of directors with accounting and financial expertise was not below the minimum number.

7. **Independent directors**

7.1 In the interim period, the Company did not adopt in its articles of association the directive in section 219(e) to the Israeli Companies Law, 1999 ("**the Companies Law**") regarding the rate of independent directors.

8. **Update on events or matters that are subject to Regulation 37a2(a) to the Report Regulations**

8.1 In the interim period and as of the reporting date, the Company did not report any event or matter which might have occurred on a later date than the original report ("**the original report**") date which requires disclosure.

8.2 Without derogating from the aforementioned, see Chapter A (update to the Chapter of Description of the Corporation's Business) in this Report above for an update of the Company's activities and material changes that occurred during the interim period.

9. **Disclosure of the Company's internal auditor**

9.1 The Company's internal auditor meets all the provisions of sections 3(a) and 8 to the Israeli Internal Audit Law, 1992 ("**the Internal Audit Law**") and the requirements of section 146(b) to the Companies Law and serves as a senior officer in the Company by virtue of applicable law.

9.2 In the interim period and as of the reporting date, there was no material change regarding the Company's internal auditor compared to the disclosure provided in the Annual Report of the Board of Directors.

9.3 The internal auditor has prepared an internal audit plan for 2015 after consulting with and obtaining the approval of the Audit Committee of the Company's Board.

10. **Details of outstanding bonds**

10.1 In the interim period and as of the reporting date, the Company has no outstanding bonds.

11. **Details of the financial statement approval process**

11.1 The Company's management prepared the Financial Statements and the Company's auditor reviewed them. The entity in the Company in charge of entity-level controls and of the approval of the Financial Statements is the Board.

11.2 As of the reporting date, the members of the Company's Board consist of: Dr. Asher Shmulewitz (Chairman of the Board), Mr. Avi Meizler (director), Mr. Ahmed Alimi (director), Mr. Michael Jesselson (director), Mr. Zohar Heiblum (external director), Mrs. Tamar Kfir (director), Mr. Amit Berger (external director) and Dr. Yafit Stark (independent director).

11.3 Pursuant to the provisions of the Companies Regulations (Provisions and Conditions underlying the Financial Statement Approval Process), 2010 ("**the Financial Statement Approval Regulations**"), the Company's Audit Committee was also appointed as the Company's Financial Statement Review Committee (in this paragraph, "**the Committee**"). As of the reporting date, the Committee consists of three members: Mr. Zohar Heiblum (Chairman of the Committee), Mrs. Tamar Kfir and Mr. Amit Berger.

11.4 The approval of the Financial Statements took place in two meetings as follows:

(1) A meeting of the Financial Statement Committee;
(2) A meeting of the Board for discussion and approval the Financial Statements in view of the Committee's recommendations and comments.

11.5 The Committee met on November 23, 2015 and was attended by all the Committee members, the Company's external auditor, officers and other functionaries of the Company. The Committee concluded that the Financial Statements are prepared in compliance with applicable laws. The Committee held a comprehensive and fundamental discussion of the critical reporting issues and also formulated its recommendations to the Board for the Financial Statement approval process, including reviewing the need to continue to adopt the "small corporation" exemptions. This also included examining the evaluations and estimations made in connection with the Financial Statements, the internal controls over financial report, the completeness and adequacy of disclosures in the Financial Statements, the accounting policies adopted and the accounting treatment of critical processes in the Company, including the going concern warning in the Company's Financial Statements through the Company's Director of Finance comprehensive presentation and review. The external auditor addressed the issues presented in the meeting. The Committee discussed the accounting policies and presentation and disclosure in the Financial Statements including the separate financial information of the Company.

11.6 The Board's meeting of November 25, 2015 which discussed, among others, in the approval of the Financial Statements, was attended by all Board's members (except Mr. Berger). In addition to the Board's members, the meeting was also attended by the Company's external auditor, officers and other functionaries of the Company who were available and prepared to answer any question raised by the Board's members. In this meeting, the Board discussed the Committee's recommendations, reviewed the Company's financial results, financial situation and cash flows, and was presented with data on the Company's activities compared to previous periods reviewed. In particular, a discussion was held regarding the Company's going concern warning and expected cash flows needed for its continued operations. A discussion was also held regarding the valuation which had been attached to the Financial Statements. The timeframe for delivering the Committee's recommendations to the Board's members - one business day before the Board's meeting - was judged to be a reasonable timeframe for delivering recommendations in view of their scope and complexity. During the Board's meeting for approving the Financial Statements, the Company's Director of Finance provided a detailed review of the main financial data presented in the Financial Statements, the major changes in the financial data in the Interim Period, the accounting policies applied and any changes therein (if any) and the adoption of the proper disclosure principle in the Financial Statements and accompanying information, including in all matters relating to the completeness and adequacy of the disclosure and reporting in the Financial Statements. Also a discussion about the Company's cash flows was held as well as a detailed debate about possible financial resources to be used by the Company for executing its short-term plans and Management's intention to raise additional capital in the backdrop of the Company's going concern warning in the Financial Statements. In the discussion, the Company's Management replied to questions from the Board's members and the external auditor addressed the Financial Statements in general and specifically the going concern warning and how the asset that was the issue of the valuation was recorded. At the end of said discussion, once it became clear that the Financial Statements properly reflect the Company's business situation and operating results, the Board adopted the Committee's recommendations and approved the Company's Financial Statements.

c. <u>Disclosure of the Company's financial reporting framework</u>

12. **Disclosure of events after the reporting date**

12.1 To the best of the Company's knowledge, there were no material events which occurred after the date of the statement of financial position other than those mentioned in Note 4 to the Interim Financial Statements and in Chapter A (Update to the Chapter of Description of the Corporation's Business) to this Report.

13. **Repurchase plan**

13.1 The Company has no plans for the repurchase of its securities, as the term "purchase" is defined in Regulation 10(b)(2)(i) to the Regulations.

The Company's Board thanks the Company's employees and managers for their contribution to promoting the Company's business.

Date: November 25, 2015

Signatories	**Position**
Dr. Asher Shmulewitz	Chairman of the Board
Dr. Elran Haber	CEO
Guy Goldin, CPA	Director of Finance

THERAPIX BIOSCIENCES LTD.

CHAPTER D - LETTERS OF REPRESENTATION

Chief Executive Officer's Statement:
Pursuant to Regulation 5d(4)(b)-(c) and Regulation 38c(d)(1) to the Israel Securities Regulations (Periodic and Immediate Reports), 1970

Letter of Representation
Chief Executive Officer's Statement

I, Elran Haber, certify that:

1. I have reviewed the Interim Report of Therapix Biosciences Ltd. ("**the Company**") for the third quarter of 2015 ("**the Reports**");

2. To the best of my knowledge, the Reports do not contain any untrue statement of a material fact or omit to state a material fact necessary not to make the statements made therein, in light of the circumstances under which such statements were made, misleading with respect to the period covered by the Reports.

3. To the best of my knowledge, the financial statements and other financial information included in the Reports fairly present, in all material respects, the financial position, results of operations and cash flows of the Company as of and for the periods presented in the Reports.

4. I have disclosed to the Company's auditors, the Company's Board of Directors and the Company's Board's Audit Committee (which also acts as the Financial Statement Review Committee) any fraud, whether or not material, that involves the CEO or anyone directly subordinate to the CEO or that involves other employees who have a significant role in the Company's internal control over financial reporting and disclosure.

There is nothing in the aforesaid to derogate from my responsibility or the responsibility of anyone else, pursuant to any law.

Date: November 25, 2015

Dr. Elran Haber, CEO

Chief Financial Officer's Statement:
Pursuant to Regulation 5d(4)(b)-(c) and Regulation 38c(d)(1) to the Israel Securities Regulations (Periodic and Immediate Reports), 1970

Letter of Representation
Chief Financial Officer's Statement

I, Guy Goldin, certify that:

1. I have reviewed the Interim Financial Statements and other financial information included in the Interim Report of Therapix Biosciences Ltd. ("**the Company**") for the third quarter of 2015 ("**the Reports**" or "**the Interim Reports**");

2. To the best of my knowledge, the Interim Financial Statements and other financial information included in the Interim Reports do not contain any untrue statement of a material fact or omit to state a material fact necessary not to make the statements made therein, in light of the circumstances under which such statements were made, misleading with respect to the period covered by the Reports.

3. To the best of my knowledge, the Interim Financial Statements and other financial information included in the Interim Reports fairly present, in all material respects, the financial position, results of operations and cash flows of the Company as of and for the periods presented in the Reports.

4. I have disclosed to the Company's auditors, the Company's Board of Directors and the Company's Board's Audit Committee (which also acts as the Financial Statement Review Committee) any fraud, whether or not material, that involves the CEO or anyone directly subordinate to the CEO or that involves other employees who have a significant role in the Company's internal control over financial reporting and disclosure.

There is nothing in the aforesaid to derogate from my responsibility or the responsibility of anyone else, pursuant to any law.

Date: November 25, 2015

Guy Goldin, CPA, Director of Finance

F:\W2000\w2000\60633903\OTR\15\דוח דירקטוריון רבעון 3 אנגלית.docx

THERAPIX BIOSCIENCES LTD.
(Formerly: NasVax Ltd.)

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

AS OF SEPTEMBER 30, 2015

UNAUDITED

INDEX

\- - - - - - - - - - -

Building a better
working world

Kost Forer Gabbay & Kasierer
2 Pal-Yam Ave.
Haifa 33095, Israel

Tel: 972 (4)8654000
Fax: 972 (4)5633443
ey.com

Auditors' review report to the shareholders
Therapix Biosciences Ltd. (formerly: NasVax Ld.)

Introduction

We have reviewed the accompanying financial information of Therapix Biosciences Ltd. (formerly: NasVax Ltd.) and subsidiaries ("the Group"), which comprises the condensed consolidated statement of financial position as of September 30, 2015 and the related condensed consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the nine and three months periods then ended. The Company's board of directors and management are responsible for the preparation and presentation of interim financial information for these periods in accordance with IAS 34, "Interim Financial Reporting" and are responsible for the preparation of this interim financial information in accordance with Chapter D of the Securities Regulations (Periodic and Immediate Reports), 1970. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

We conducted our review in accordance with Review Standard 1 of the Institute of Certified Public Accountants in Israel, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards in Israel and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with IAS 34.

In addition to the abovementioned, based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information does not comply, in all material respects, with the disclosure requirements of Chapter D of the Securities Regulations (Periodic and Immediate Reports), 1970.

Without qualifying our above conclusion, we draw attention to the matter discussed in Note 1c to the financial statements. For the nine and three months periods ended September 30, 2015, the Company incurred losses totaling NIS 8,264 thousand and NIS 5,110 thousand, respectively, and it had negative cash flow from operating activities totaling NIS 3,592 thousand and NIS 936 thousand, respectively. These factors, along with other factors detailed in that Note, raise substantial doubt as to the Company's ability to continue as a going concern. Management's plans with respect to these matters are discussed in Note 1c. The financial statements do not include any adjustments to the carrying amounts and classifications of assets and liabilities that would result if the Company was unable to continue as a going concern.

Haifa, Israel
November 25, 2015

KOST FORER GABBAY & KASIERER
A Member of Ernst & Young Global

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	September 30,		December 31,
	2015	**2014**	**2014**
	Unaudited		**Audited**
	NIS in thousands		
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents	96	767	614
Restricted cash	44	371	44
Accounts receivable	187	332	102
	327	1,470	760
NON-CURRENT ASSETS:			
Investment in company accounted for at equity	-	1,865	187
Property, plant and equipment	42	84	70
Financial derivatives	-	350	-
	42	2,299	257
	369	3,769	1,017

The accompanying notes are an integral part of the interim consolidated financial statements.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	September 30, 2015	September 30, 2014	December 31, 2014
	Unaudited	Unaudited	Audited
	NIS in thousands		
LIABILITIES AND EQUITY (DEFICIT)			
CURRENT LIABILITIES:			
Trade payables	1,355	1,069	1,182
Other accounts payable	240	265	132
Commitment to invest in associate	-	1,625	-
	1,595	2,959	1,314
NON-CURRENT LIABILITIES:			
Government grants	191	147	156
Employee benefit liabilities	-	12	-
	191	159	156
EQUITY (DEFICIT) ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY:			
Share capital	2,462	1,711	1,841
Share premium	87,562	80,272	80,460
Capital reserve from financial statements of foreign operation	20	(29)	10
Share options	330	4,650	4,981
Reserve from share-based payment transactions	19,433	15,183	15,215
Reserve from transactions with non-controlling interests	941	941	941
Accumulated deficit	(111,806)	(101,793)	(103,591)
	(1,058)	935	(143)
Non-controlling interests	(359)	(284)	(310)
Total equity (deficit)	(1,417)	651	(453)
	369	3,769	1,017

The accompanying notes are an integral part of the interim consolidated financial statements.

November 25, 2015			
Date of approval of the financial statements	Dr. Elran Haber CEO	Dr. Asher Shmulevitz Chairman of the Board	Guy Goldin, CPA Director of Finance

CONSOLIDATED STATEMENTS PROFIT OR LOSS

	Nine months ended September 30,		Three months ended September 30,		Year ended December 31,
	2015	**2014**	**2015**	**2014**	**2014**
	Unaudited				**Audited**
	NIS in thousands (except per share data)				
Research and development expenses, net	(620)	(1,695)	(143)	(561)	(1,800)
General and administrative expenses	(3,498)	(4,008)	(1,042)	(1,523)	(5,238)
	(4,118)	(5,703)	(1,185)	(2,084)	(7,038)
Other income (expenses) (see Note 3a)	(3,926)	116	(3,907)	83	115
Operating loss	(8,044)	(5,587)	(5,092)	(2,001)	(6,923)
Finance income	-	585	-	193	401
Finance expenses	(23)	(215)	(18)	(171)	(427)
Group's share of losses of company accounted for at equity	(197)	(251)	-	(251)	(343)
Loss	(8,264)	(5,468)	(5,110)	(2,230)	(7,292)
Attributable to:					
Equity holders of the Company	(8,215)	(5,409)	(5,099)	(2,191)	(7,207)
Non-controlling interests	(49)	(59)	(11)	(39)	(85)
	(8,264)	(5,468)	(5,110)	(2,230)	(7,292)
Basic and diluted loss per share attributable to equity holders of the Company (in NIS)	(0.38)	(0.34)	(0.21)	(0.14)	(0.45)

The accompanying notes are an integral part of the interim consolidated financial statements.

CONSOLIDATED STATEMENTS COMPREHENSIVE INCOME

	Nine months ended September 30,		Three months ended September 30,		Year ended December 31,
	2015	2014	2015	2014	2014
	Unaudited				Audited
	NIS in thousands				
Loss	(8,264)	(5,468)	(5,110)	(2,230)	(7,292)
Amounts that will be reclassified or that are reclassified to profit or loss when specific conditions are met:					
Adjustments arising from translating financial statements of foreign operations	10	(29)	-	(29)	10
Total other comprehensive income	10	(29)	-	(29)	10
Total comprehensive loss	(8,254)	(5,497)	(5,110)	(2,259)	(7,282)
Attributable to:					
Equity holders of the Company	(8,205)	(5,438)	(5,099)	(2,220)	(7,197)
Non-controlling interests	(49)	(59)	(11)	(39)	(85)
	(8,254)	(5,497)	(5,110)	(2,259)	(7,282)

The accompanying notes are an integral part of the interim consolidated financial statements.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (DEFICIT)

	Attributable to equity holders of the Company									
	Share capital	**Share premium**	**Reserve from share-based payment transactions**	**Capital reserve from financial statements of foreign operation**	**Share options**	**Reserve from transactions with non-controlling interests**	**Accumulated deficit**	**Total**	**Non-controlling interests**	**Total equity (deficit)**
	Unaudited									
	NIS in thousands									
Balance at January 1, 2015 (audited)	1,841	80,460	15,215	10	4,981	941	(103,591)	(143)	(310)	(453)
Loss	-	-	-	-	-	-	(8,215)	(8,215)	(49)	(8,264)
Other comprehensive income	-	-	-	10	-	-	-	10	-	10
Total comprehensive loss	-		-	10	-	-	(8,215)	(8,205)	(49)	(8,254)
Issue of shares and share options (1)	490	1,907	-	-	-		-	2,397	-	2,397
Exercise of share options	131	875	-	-	(331)	-	-	675	-	675
Expiration of share options (2)	-	4,320	-	-	(4,320)	-	-	-	-	-
Cost of share-based payment (3)	-	-	4,218	-	-	-	-	4,218	-	4,218
Balance at September 30, 2015	2,462	87,562	19,433	20	330	941	(111,806)	(1,058)	(359)	(1,417)
Balance at January 1, 2014 (audited)	1,410	78,276	15,071	-	4,377	941	(96,384)	3,691	(225)	3,466
Loss	-	-	-	-	-	-	(5,409)	(5,409)	(59)	(5,468)
Other comprehensive loss	-	-	-	(29)	-	-	-	(29)	-	(29)
Total comprehensive loss	-	-	-	(29)	-	-	(5,409)	(5,438)	(59)	(5,497)
Issue of shares (4)	301	1,996	18	-	273	-	-	2,588	-	2,588
Cost of share-based payment	-	-	94	-	-	-	-	94	-	94
Balance at September 30, 2014	1,711	80,272	15,183	(29)	4,650	941	(101,793)	935	(284)	651

(1) Less issuance expenses of NIS 33 thousand.
(2) See Note 3b and c.
(3) See Note 3a.
(2) Less issuance expenses of NIS 271 thousand.

The accompanying notes are an integral part of the interim consolidated financial statements.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (DEFICIT)

	Attributable to equity holders of the Company									
	Share capital	Share premium	Reserve from share-based payment transactions	Capital reserve from financial statements of foreign operation	Share options	Reserve from transactions with non-controlling interests	Accumulated deficit	Total	Non-controlling interests	Total equity (deficit)
	Unaudited									
	NIS in thousands									
Balance at July 1, 2015	2,462	87,562	15,462	20	330	941	(106,707)	70	(348)	(278)
Loss	-	-	-	-	-	-	(5,099)	(5,099)	(11)	(5,110)
Other comprehensive loss	-	-	-	-	-	-	-	-	-	-
Total comprehensive loss	-	-	-	-	-	-	(5,099)	(5,099)	(11)	(5,110)
Cost of share-based payment (3)	-	-	3,971	-	-	-	-	3,971	-	3,971
Balance at September 30, 2015	2,462	87,562	19,433	20	330	941	(111,806)	(1,058)	(359)	(1,417)
Balance at July 1, 2014	1,711	80,272	15,153	-	4,650	941	(99,602)	3,125	(245)	2,880
Loss	-	-	-	-	-	-	(2,191)	(2,191)	(39)	(2,230)
Other comprehensive loss	-	-	-	(29)	-	-	-	(29)	-	(29)
Total comprehensive loss	-	-	-	(29)	-	-	(2,191)	(2,220)	(39)	(2,259)
Cost of share-based payment	-	-	30	-	-	-	-	30	-	30
Balance at September 30, 2014	1,711	80,272	15,183	(29)	4,650	941	(101,793)	935	(284)	651

(3) See Note 3a.

The accompanying notes are an integral part of the interim consolidated financial statements.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (DEFICIT)

	Attributable to equity holders of the Company									
	Share capital	Share premium	Reserve from share-based payment transactions	Capital reserve from financial statements of foreign operation	Share options	Reserve from transactions with non-controlling interests	Accumulated deficit	Total	Non-controlling interests	Total equity (deficit)
	Audited									
	NIS in thousands									
Balance at January 1, 2014	1,410	78,276	15,071	-	4,377	941	(96,384)	3,691	(225)	3,466
Loss	-	-	-	-	-	-	(7,207)	(7,207)	(85)	(7,292)
Other comprehensive income	-	-	-	10	-	-	-	10	-	10
Total comprehensive loss	-	-	-	10	-	-	(7,207)	(7,197)	(85)	(7,282)
Issue of shares and share options (4)	431	2,184	-	-	604	-	-	3,219	-	3,219
Cost of share-based payment	-	-	144	-	-	-	-	144	-	144
Balance at December 31, 2014	1,841	80,460	15,215	10	4,981	941	(103,591)	(143)	(310)	(453)

(4) Less issuance expenses of NIS 290 thousand.

The accompanying notes are an integral part of the interim consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Nine months ended September 30,		Three months ended September 30,		Year ended December 31,
	2015	**2014**	**2015**	**2014**	**2014**
	Unaudited				**Audited**
	NIS in thousands				
Cash flows from operating activities:					
Loss attributable to the Company	(8,264)	(5,468)	(5,110)	(2,230)	(7,292)
Adjustments to reconcile loss to net cash used in operating activities of the Company:					
Adjustments to the profit or loss items:					
Depreciation and amortization	17	145	1	92	146
Loss (gain) from sale of property, plant and equipment	19	(116)	-	(83)	(116)
Change in employee benefit liabilities, net	-	12	-	12	-
Cost of share-based payment	4,218	94	3,971	30	144
Increase in liability to the Chief Scientist	35	19	19	2	28
Finance expenses (income), net	-	(5)	-	(1)	(5)
Company's share of losses of company accounted for at equity	197	251	-	251	343
Decrease in value of share options	-	(396)	-	(7)	(396)
Change in fair value of financial derivatives	-	-	-	-	350
	4,486	4	3,991	296	494
Changes in operating asset and liability items:					
Decrease (increase) in accounts receivable	(85)	(210)	17	(10)	20
Increase (decrease) in trade payable	163	(487)	183	(147)	(374)
Increase (decrease) in other accounts payable	108	(78)	(17)	36	(211)
	186	(775)	183	(121)	(565)
Cash paid and received - the Company - during the period for:					
Interest received	-	5	-	1	5
Net cash used in operating activities attributable to the Company	(3,592)	(6,234)	(936)	(2,054)	(7,358)

The accompanying notes are an integral part of the interim consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Nine months ended September 30,		Three months ended September 30,		Year ended December 31,
	2015	2014	2015	2014	2014
	Unaudited				Audited
	NIS in thousands				
Cash flows from investing activities:					
Proceeds from sale of property, plant and equipment	2	207	-	174	220
Movement in restricted cash, net	-	(44)	-	(44)	283
Purchase of property, plant and equipment	-	(2)	-	(2)	(2)
Investment in financial derivatives	-	-	-	-	(350)
Investment in company accounted for at equity	-	(870)	-	(870)	(520)
Net cash provided by (used in) investing activities attributable to the Company	2	(709)	-	(742)	(369)
Cash flows from financing activities:					
Issue of shares and options (less issuance expenses)	2,397	2,588	-	-	3,219
Exercise of share options	675	-	-	-	-
Net cash provided by financing activities attributable to the Company	3,072	2,588	-	-	3,219
Decrease in cash and cash equivalents	(518)	(4,355)	(936)	(2,796)	(4,508)
Cash and cash equivalents at the beginning of the period	614	5,122	1,032	3,563	5,122
Cash and cash equivalents at the end of the period	96	767	96	767	614
(a) Significant non-cash transactions:					
Commitment to invest in associate	-	1,625	-	1,625	-

The accompanying notes are an integral part of the interim consolidated financial statements.

NOTE 1:- GENERAL

a. These financial statements have been prepared in a condensed format as of September 30, 2015 and for the nine and three months periods then ended ("interim consolidated financial statements"). These financial statements should be read in conjunction with the Company's annual financial statements as of December 31, 2014 and for the year then ended and accompanying notes ("annual consolidated financial statements").

b. Therapix Biosciences Ltd. (formerly: NasVax Ltd.) was incorporated in Israel and commenced its operations on August 23, 2004. In August 2015, the Company revised its business strategy according to which it will focus on developing approved drugs based on cannabinoid molecules. The Company will focus on its business strategy by creating and deepening the portfolio of technologies and assets in the field of cannabinoid based treatments this in addition to several projects that the Company elected to sign in this field. The Company is examining the development plan of a cannabinoid based medical product for the Tourette syndrome using the entourage technology that was out-licensed to the Company. This development is in addition to another product candidate that the Company is currently examining in connection with cognitive impairment (including the Alzheimer's disease). The Company also continues its attempt to identify a business development for collaboration, strategic investment or other transaction with the Anti-CD3 technology which is not a core activity of the Company.

c. Doubt as to the Company's ability to continue as a "going concern":

For the nine and three months periods ended September 30, 2015, the Company incurred losses totaling NIS 8,264 thousand and NIS 5,110 thousand, respectively, and it had negative cash flow from operating activities totaling NIS 3,592 thousand and NIS 936 thousand, respectively. As discussed in Note 1b above, the Company's business strategy is to focus on identifying and investing in promising bio-pharma technologies in the field of cannabinoid based treatments and, at the same time, to develop the existing technologies. These activities involve, among others, continuous development efforts and pertinent regulatory approvals. Also, from the date of commencement of operation, the Company did not generate cash flows from the sale of its products to sustain its activities. Accordingly, the Company's continued operation is dependent on its ability to raise external funding sources. The Company's management believes that this dependency will continue until the Company will be able to finance its operation by selling its products or commercializing the technology it owns.

The balance of cash at the Company may not be sufficient to finance its operating activities. These factors raise substantial doubt as to the Company's ability to continue as a "going concern".

NOTE 1:- GENERAL (Cont.)

The Company's management is focused on ensuring the Company's financial stability, among others, by exploring the option to raise capital from private investors, including from existing shareholders, through allocating Company's securities.

The financial statements do not include any adjustments to the carrying amounts and classifications of assets and liabilities that would result if the Company was unable to continue as a going concern.

NOTE 2:- SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation of the interim consolidated financial statements:

The interim consolidated financial statements have been prepared in accordance with IAS 34, "Interim Financial Reporting" and in accordance with the disclosure requirements of Chapter D of the Securities Regulations (Periodic and Immediate Reports), 1970.

The accounting policies adopted in the preparation of the interim consolidated financial statements are consistent with those followed in the preparation of the annual consolidated financial statements.

NOTE 3:- EVENTS DURING THE REPORTING PERIOD

a. On January 11, 2015, the Company reported that its Board approved to enter into a binding term sheet with Dekel Pharmaceuticals Ltd. (a private company controlled by the Company's chairman, Mr. Asher Shmulevitz) ("Dekel", together with the Company, "the parties") which outlines the key elements of signing a final and detailed license agreement regarding Dekel's technology and IP consisting also of an option of Dekel's equity investment (by itself and/or others) ("the approved outline" and "the license agreement", respectively) of US$ 0.5 million at the price of NIS 0.5 per share. Dekel was also granted the option to make an equity investment of US$ 2 million at the price of NIS 0.65 for a 15-month period effective from the closing of the license agreement, provided that the options (or some of the options) at the price of NIS 0.5 per share have been exercised.

NOTE 3:- EVENTS DURING THE REPORTING PERIOD (Cont.)

The options expire 90 days after the effective date of the license agreement (unless the options have been exercised). On May 20, 2015, the Company's Board approved the license agreement and on June 10, 2015, the Company's general meeting approved the license agreement which sets a combined outline of the conditions for granting the Company the license to Dekel's technology (the entourage technology) and the conditions for Dekel's equity investment (by itself and/or others), as above. The license agreement consists of payments to Dekel based on the achievement of milestones, royalties amounting to 8% of net sales and 35% of sub-licenses and, on the date of closing the license agreement, a payment of advance to Dekel of NIS 100 thousand (payable by 200,000 Ordinary shares of the Company at the price of NIS 0.5 per share to be offset against future royalties).

On August 19, 2015, the TASE approved the above allocation of options to Dekel as equity investment in the Company. Yet, as of the date of these financial statements, the approval of the TASE to the allocation of 200,000 shares associated with the payment of the advance of NIS 100,000 under the license agreement has not been obtained and the parties agreed that the receipt of the approval of the TASE to the allocation of shares as advance, as above, would not constitute a condition to completing the license agreement. Accordingly, all the preliminary conditions for the entry into force of the license agreement have been fulfilled and, on August 19, 2015, the license agreement became effective. It is clarified that Dekel's consent that receiving the approval of the TASE be a suspending condition for the entry into force of the license agreement does not include a waiver of issuing 200,000 shares, as above. Accordingly, the advance of NIS 100,000 is expected to be repaid by issuing Company's shares, as above, if the approval of the TASE is obtained or in any other way agreed upon between the parties.

The fair value of the 3,876,000 options allocated to Dekel at the grant date was estimated at approximately NIS 3,906 thousand, calculated using the Black & Scholes model based on the exercise prices indicated above, standard deviation of 83% at the grant date, a price per share of NIS 0.897 at the grant date, risk-free interest rate of 0.1% a year, life of 0.25 years and non-marketability premium was taken into account.

Accordingly, an expense of NIS 3,906 thousand was recognized in the statement of profit or loss.

b. On February 1, 2015, the Company's share options (series 2) expired.

NOTE 3:- EVENTS DURING THE REPORTING PERIOD (Cont.)

c. On February 19, 2015, the Company reported on a round of financing of NIS 250 thousand in consideration of 500,000 Ordinary shares of NIS 0.01 par value each, 1,000,000 immediate options and 1,000,000 contingent options. The immediate options may be exercised into shares on a 1:1 basis in consideration of the exercise price of NIS 0.65 from the date of allocation during 45 days. The contingent options may be exercised into shares on a 1:1 basis together with and subject to the exercise of the immediate options in consideration of the exercise price of NIS 1.10 during 24 months. Also, 40,000 options were issued to the Company's consultant as the investment broker. The fair value of the options granted to the consultant was estimated at NIS 2 thousand.

On April 30, 2015, the immediate and contingent options expired without being exercised.

d. On March 4, 2015, the Company reported that the Chief Scientist approved its compliance with the conditions related to the BBS technology (the Alzheimer's drug) as set by the Research Committee and, accordingly, the agreed outline between the Company and Ramot at Tel-Aviv University Ltd. ("Ramot") became effective. The Company and Ramot will act according to the agreed outline to transfer the Company's developments under the license agreement from the Company to Ramot and the license agreement will be cancelled. The Company will return the license to Ramot and, in return, the Company will receive royalties if the assets and know-how of the Company are commercialized in the future.

e. On March 15, 2015, the Company reported that to the best of its knowledge the Securities Authority is conducting an administrative inquiry in connection with the Company's reports regarding the BBS technology and the intention at that time to cancel Ramot's license to the technology. The company and its legal counsels cannot estimate, at this stage, the chances any monetary sanctions will be imposed on the company and also cannot assess the amount of the sanctions.

f. On April 2, 2015, the Company reported that Jonathan Berger, CPA, was appointed as the Company's CFO and on that date the Company reported that the Company's former CFO, Uri Ben-Or, CPA, and the former comptroller, Dov Weinberg, CPA, are leaving the Company.

g. On April 5, 2015, the Company reported that the Company's CEO, Mr. Jan Turek, is leaving the Company effective May 31, 2015. On May 21, 2015, the Company reported that Jonathan Berger, CPA, was appointed as the Company's CEO in addition to his role as the Company's CFO. On August 31, 2015, the Company reported that Jonathan Berger, CPA, terminated his role as the Company's CEO and CFO effective October 1, 2015. See also Note 4e.

NOTE 3:- EVENTS DURING THE REPORTING PERIOD (Cont.)

h. On April 29, 2015, the Company reported on a round of financing of NIS 2,200 thousand from Jesselson Investments Ltd. (unrelated to the Company). In consideration of this funding, the Company issued a total of 4,400,000 Ordinary shares of NIS 0.1 par value each at the price of NIS 0.50 per share. As a result of the issuance, Jesselson Investments holds about 18.87% of the Company's shares.

i. On May 10, 2015, 3,415,669 options (series 4) of the Company expired, 1,850,000 options which had been allocated in December 2013 expired and 1,000,000 immediate options expired.

j. On June 9 and 15, 2015, 1,300,000 options, which had been granted under a private placement dated November 19, 2014, were exercised into Ordinary shares of NIS 0.1 par value each at the exercise price of NIS 0.5 per share. The total proceeds from the exercise of the shares were NIS 650 thousand.

k. On June 10, 2015, the Company reported that the general meeting approved to grant 800,000 options for immediate exercise by the outgoing CEO, Mr. Jan Turek, relating to his consulting services to the Company as CEO, of which 400,000 options into Ordinary shares are at the exercise price of NIS 0.5 per option and 400,000 options into Ordinary shares are at the exercise price of NIS 0.8 per option.

The fair value at the grant date was estimated at approximately NIS 144 thousand, calculated using the Black & Scholes model based on the exercise prices indicated above, standard deviation of 68.78% at the grant date, a price per share of NIS 0.721 at the grant date, risk-free interest rate of 0.11% a year and life of 0.47 years.

Total share-based payment expenses recorded during the period in respect of the CEO were NIS 144 thousand.

l. On May 20, 2015, the Company reported that the Company's Board approved to grant 666,000 options to two officers and to consultants of the Company with vesting terms of 3 years. Each option is exercisable at the exercise price of NIS 0.5.

The fair value at the grant date was estimated at approximately NIS 204 thousand, calculated using the Black & Scholes model based on the exercise price of NIS 0.5 per share, standard deviation of 74.34% at the grant date, a price per share of NIS 0.403 at the grant date, risk-free interest rate of 2.11% a year and life of 10 years.

Total share-based payment expenses recorded during the period in respect of this grant were NIS 72 thousand.

NOTE 3:- EVENTS DURING THE REPORTING PERIOD (Cont.)

m. On May 20, 2015, the Company reported that the Company's Board granted, subject to the approval of the general meeting of the Company, 250,000 options to the Company's chairman, Dr. Asher Shmulevitz, with vesting terms of 3 years. Each option is exercisable at the exercise price of NIS 0.5.

As of the date of the approval of the financial statements, the approval of the general meeting to grant these options has not been obtained and, accordingly, the grant date has not yet been determined. The fair value of the options at the end of the reporting period was estimated at approximately NIS 155 thousand.

n. On June 28, 2015, the Company reported that it entered into a memorandum of understanding with Ramot for the use of Ramot technology in research and licensing the use of low dose of cannabinoid type THC as a treatment for cognitive impairment including the Alzheimer's disease.

According to the memorandum of understanding, the agreement will consist of an agreed research plan which will last 12 month from the date of approval of the agreement and it will include, among others, granting an exclusive right to develop products based on the technology. The Company will support the research project according to a research budget to be approved by the parties. The outcome of the research project, including the joint intellectual property that will be developed under the research project, will be jointly owned by the parties.

o. On August 16, 2015, the Company reported that in furtherance to the meeting recently held between the Company and LaraPharm's management ("LaraPharm"), the latter informed the Company on unilateral cancellation of the agreement, among others, because LaraPharm argues that the Company does not plan on continuing to invest more money in LaraPharm. The Company clarifies that it is not required to invest more money in LaraPharm unless conditions and/or milestones that had been predetermined in the investment agreement occur, it opposes the unilateral cancellation of the agreement and it has even officially informed LaraPharm that. The Company will act to protect its material interests in LaraPharm as well as its legal rights under the agreement and its investment.

NOTE 4:- SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

a. On October 11, 2015, the Company reported on completing a round of financing according to which it signed investment agreements with several new private investors to make private placements against Ordinary shares of the Company and to which also two existing interested parties of the Company joined. In the framework of the private placements, the investors (each one independently) undertook to make an equity investment of an aggregate of approximately NIS 3.3 million against Ordinary shares of the Company (at the price of NIS 1.05 per share), which will constitute about 11.4% of the Company's issued and outstanding share capital immediately after and subject to the completion of the investment (about 6.7% on a fully diluted basis). Simultaneously, with the closing of the private placement agreements, Dekel informed the Company that it sold (or that that it is acting to sell) to any of the other investors (independently) immediate options and contingent options that Dekel holds by virtue of the license agreement in a scope that will constitute (assuming exercise by other investors and exercise of additional amount of Dekel's options by Dekel itself) about additional 12.4% of the Company's issued and outstanding share capital (about 9.1% on a fully diluted basis). Assuming exercise, the implication is that the additional equity investment is a further amount of approximately NIS 2.3 million. The completion of the private placements is subject to the fulfillment of several suspending conditions which must be met within 45 days of the closing of the round of financing, as above, including the receipt of necessary regulatory approvals. During October 2015, the investors exercised the options purchased from Dekel. The total proceeds from the exercise of the options were approximately NIS 1.5 million.

b. Between October 18 and November 18, 2015, the remaining immediate options of Dekel and some of the contingent options were exercised. The total proceeds from the exercise of the options were approximately NIS 2 million.

c. On October 20, 2015, 310,000 options were exercised into Ordinary shares of NIS 0.1 par value each at the exercise price of NIS 0.65 per share. The total proceeds from the exercise of the options were approximately NIS 201 thousand.

d. On November 1, 2015, 300 options which had been allocated to the Company's employees in 2009 expired.

e. At the beginning of October 2015, the employment of the CEO and CFO of the Company, Mr. Jonathan Berger, was terminated.

f. On November 19, 2015, the Company reported that Guy Goldin, CPA, was appointed as the Company's CFO effective November 1, 2015.

g. On November 25, 2015, the Company reported that Dr. Elran Haber was appointed as the Company's CEO.

\- - - - - - - - - - -

THERAPIX BIOSCIENCES LTD.
(Formerly: NasVax Ltd.)

PRESENTATION OF FINANCIAL INFORMATION FROM

THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

ATTRIBUTABLE TO THE COMPANY

AS OF SEPTEMBER 30, 2015

Building a better
working world

Kost Forer Gabbay & Kasierer
2 Pal-Yam Ave.
Haifa 33095, Israel

972 (4)8654000 Tel:
Fax: 972 (4)5633443
ey.com

To
The shareholders of Therapix Biosciences Ltd. (formerly: NasVax Ltd.)

Dear Sirs/Mmes.,

Re: Special Report to the Review of the Separate Interim Financial Information in accordance with Regulation 38d to the Israeli Securities Regulations (Periodic and Immediate Reports), 1970

Introduction

We have reviewed the separate interim financial information disclosed in accordance with Regulation 38d to the Israeli Securities Regulations (Periodic and Immediate Reports), 1970 of Therapix Biosciences Ltd. (formerly: NasVax Ltd.) ("the Company") as of September 30, 2015 and for the nine and three months periods then ended. The Company's board of directors and management are responsible for the separate interim financial information. Our responsibility is to express a conclusion on the separate interim financial information based on our review.

Scope of review

We conducted our review in accordance with Review Standard 1 of the Institute of Certified Public Accountants in Israel, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of the separate interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards in Israel and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the separate interim financial information is not prepared, in all material respects, in accordance with Regulation 38d to the Israeli Securities Regulations (Periodic and Immediate Reports), 1970.

Without qualifying our above conclusion, we draw attention to the matter discussed in the additional information to the separate financial data and financial information attributable to the Company itself from the Group's consolidated financial statements. For the nine months period ended September 30, 2015, the Company incurred losses totaling NIS 8,215 thousand and it had negative cash flow from operating activities totaling NIS 3,593 thousand. These factors, along with other factors detailed in a, raise substantial doubt as to the Company's ability to continue as a going concern. Management's plans with respect to these matters are discussed in a. The separate financial data and financial information attributable to the Company itself from the Group's consolidated financial statements do not include any adjustments to the carrying amounts and classifications of assets and liabilities that would result if the Company was unable to continue as a going concern.

Haifa, Israel
November 25, 2015

KOST FORER GABBAY & KASIERER
A Member of Ernst & Young Global

Special Report in accordance with Regulation 38d

Financial Data and Financial Information from the

Interim Consolidated Financial Statements Attributable to the Company

Below is separate financial data and financial information attributable to the Company from the Group's interim consolidated financial statements as of September 30, 2015, published as part of the periodic reports ("consolidated financial statements") presented in accordance with Regulation 38d to the Israeli Securities Regulations (Periodic and Immediate Reports), 1970.

Financial Data from the Consolidated Statements of Financial Position Attributable to the Company

	September 30, 2015	September 30, 2014	December 31, 2014
	Unaudited	Unaudited	Audited
	NIS in thousands		
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents	75	273	594
Restricted cash	44	371	44
Accounts receivable	187	303	98
	306	947	736
NON-CURRENT ASSETS:			
Receivables from subsidiaries	5,379	4,900	4,680
Investment in company accounted for at equity	-	1,865	187
Property, plant and equipment	42	81	69
Financial derivatives	-	350	-
	5,421	7,196	4,936
	5,727	8,143	5,672
LIABILITIES AND EQUITY (DEFICIT)			
CURRENT LIABILITIES:			
Trade payables	1,160	928	973
Other accounts payable	240	237	132
Commitment to invest in associate	-	1,625	-
	1,400	2,790	1,105
NON-CURRENT LIABILITIES:			
Government grants	191	147	156
Employee benefit liabilities	-	12	-
Liabilities less assets attributable to subsidiaries	5,194	4,259	4,554
	5,385	4,418	4,710
EQUITY (DEFICIT) ATTRIBUTABLE TO THE COMPANY	(1,058)	935	(143)
	5,727	8,143	5,672

November 25, 2015			
Date of approval of the financial statements	Dr. Elran Haber CEO	Dr. Asher Shmulevitz Chairman of the Board	Guy Goldin, CPA Director Of Finance

Financial Data from the Consolidated Statements of Profit or Loss Attributable to the Company

	Nine months ended September 30,		Three months ended September 30,		Year ended December 31,
	2015	2014	2015	2014	2014
	Unaudited				Audited
	NIS in thousands				
Research and development expenses, net	(242)	(936)	(33)	(187)	(914)
General and administrative expenses	(3,390)	(3,809)	(1,039)	(1,427)	(4,910)
	(3,632)	(4,745)	(1,072)	(1,614)	(5,824)
Other income (expenses)	(3,924)	109	(3,906)	76	109
Operating loss	(7,556)	(4,636)	(4,978)	(1,538)	(5,715)
Finance income	199	266	67	65	333
Finance expenses	(31)	(34)	(29)	(8)	(433)
Company's share of losses of investees (including impairment of goodwill), net	(827)	(1,005)	(159)	(710)	(1,392)
Loss attributable to the Company	(8,215)	(5,409)	(5,099)	(2,191)	(7,207)

Financial Data from the Consolidated Statements of Cash Flows Attributable to the Company

	Nine months ended September 30,		Three months ended September 30,		Year ended December 31,
	2015	2014	2015	2014	2014
	Unaudited				Audited
	NIS in thousands				
Cash flows from the Company's operating activities:					
Loss attributable to the Company	(8,215)	(5,409)	(5,099)	(2,191)	(7,207)
Adjustments to reconcile loss to net cash used in the Company's operating activities:					
Adjustments to the Company's profit or loss items:					
Depreciation and amortization	12	138	(4)	79	67
Loss (gain) from sale of property, plant and equipment	19	(109)	-	(83)	(38)
Change in employee benefit liabilities, net	-	12	-	12	-
Cost of share-based payment	4,218	94	3,971	30	144
Increase in balance of liability to the Chief Scientist	35	19	19	2	28
Finance expenses (income), net	7	(5)	7	(1)	(5)
Decrease in value of share options	-	(81)	-	-	(81)
Liabilities less assets attributable to subsidiaries	-	754	-	459	-
Company's share of losses of investees, net	827	251	159	251	1,392
Impairment of financial instrument	-	-	-	-	350
	5,118	1,073	4,152	749	1,857
Changes in the Company's asset and liability items:					
Decrease (increase) in accounts receivable	(788)	(373)	(129)	(21)	52
Increase (decrease) in trade payable	184	(288)	159	(112)	(243)
Increase (decrease) in other accounts payable	108	(106)	(17)	38	(211)
	(496)	(767)	13	(95)	(402)
Cash received by the Company during the period for:					
Interest received	-	5	-	1	5
Net cash used in the Company's operating activities	(3,593)	(5,098)	(934)	(1,536)	(5,747)

Financial Data from the Consolidated Statements of Cash Flows Attributable to the Company

	Nine months ended September 30,		Three months ended September 30,		Year ended December 31,
	2015	2014	2015	2014	2014
	Unaudited				Audited
	NIS in thousands				
Cash flows from the Company's investing activities:					
Proceeds from sale of property, plant and equipment	2	189	-	174	201
Purchase of property, plant and equipment	-	(2)	-	(2)	(2)
Movement in restricted cash	-	(44)	-	(44)	283
Investment in company accounted for at equity	-	(870)	-	(870)	(870)
Net cash provided by (used in) the Company's investing activities	2	(727)	-	(742)	(388)
Cash flows from the Company's financing activities:					
Issue of shares options (less issuance expenses)	2,397	2,588	-	-	3,219
Exercise of shares options	675	-	-	-	-
Net cash provided by the Company's financing activities	3,072	2,588	-	-	3,219
Decrease in cash and cash equivalents	(519)	(3,237)	(934)	(2,278)	(2,916)
Cash and cash equivalents at the beginning of the period	594	3,510	1,009	2,551	3,510
Cash and cash equivalents at the end of the period	75	273	75	273	594

(a) Significant non-cash transactions:

Commitment to invest in associate	-	1,625	-	1,625	-

a. General

This separate financial information has been prepared in a condensed format as of September 30, 2015 and for the nine and three months periods then ended in accordance with Regulation 38d to the Israeli Securities Regulations (Periodic and Immediate Reports), 1970. This separate financial information should be read in conjunction with the financial information from the annual consolidated financial statements as of December 31, 2014 and for the year then ended and the accompanying additional information.

b. Doubt as to the Company's ability to continue as a "going concern"

For the nine and three months periods ended September 30, 2015, the Company incurred losses totaling NIS 8,215 thousand and NIS 5,099 thousand, respectively, and it had negative cash flow from operating activities totaling NIS 3,593 thousand and NIS 934 thousand, respectively. As discussed above, the Company's business strategy is to focus on identifying and investing in promising bio-pharma technologies in the field of cannabinoid based treatments and, at the same time, to develop the existing technologies. These activities involve, among others, continuous development efforts and pertinent regulatory approvals. Also, from the date of commencement of operation, the Company did not generate cash flows from the sale of its products to sustain its activities. Accordingly, the Company's continued operation is dependent on its ability to raise external funding sources mainly by raising capital from private and institutional sources. The Company's management believes that this dependency will continue until the Company will be able to finance its operation by selling its products or commercializing the technology it owns.

The balance of cash at the Company may not be sufficient to finance its operating activities. These factors raise substantial doubt as to the Company's ability to continue as a "going concern".

The Company's management is focused on ensuring the Company's financial stability, among others, by exploring the option to raise capital from private investors, including from existing shareholders, through allocating Company's securities.

The financial statements do not include any adjustments to the carrying amounts and classifications of assets and liabilities that would result if the Company was unable to continue as a going concern.

c. Events during the reporting period

See Note 3 to the interim consolidated financial statements.

- - - - - - - - - - - - -