THERAPIX BIOSCIENCES LTD.

INTERIM REPORT
THIRD QUARTER 2014

INDEX

As of the date of this report, the Company is considered a "small corporation", under the terms defined in Regulation 5C to the Israel Securities Regulations (Periodic and Immediate Reports) (Revised), 2014 ("the Regulations").

Based on the decision of the Company's Board, the Company has adopted and applied the following exemptions provided in the Regulations (insofar as they are or will be relevant to the Company):

1. **Increasing the materiality threshold in connection with the attachment of valuations to 20%[1];**

2. **Increasing the minimum requirement for attachment of financial statements of material associates 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 on internal control thereby allowing the Company to attach only letters of representation that are limited in scope[4].**

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1 Regulation 5d(b)(1) to the Regulations. Pursuant to the ISA Staff legal resolution SLB 105-23, as updated on March 13, 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.

PART A - UPDATE OF THE DESCRIPTION OF THE CORPORATION'S BUSINESS CHAPTER FOR THE PERIODIC REPORT FOR 2013[5] OF THERAPIX BIOSCIENCES LTD.[6]

("**the Annual Report**" and "**the Company**", respectively)

1. **Update to section 1 to Chapter A to the Annual Report - the Corporation's Activities and Description of its Business Development**

   1.1 In late March 2014, the Company announced its updated business strategy according to which it will focus on identifying and investing in promising bio-pharma technologies while emphasizing technologies based on a known biological mechanism that are in the post-proof of concept stage and provide responses for major medical needs in the global market and involve investing up to about $ 2 million for achieving a significant milestone. The Company aims to use its capabilities and experience in developing immunotherapy technologies in order to assist said technologies in achieving a significant milestone within a few years in a manner that will allow their commercialization and/or the introduction of strategic partners, all while continuing to promote the Company's existing technologies[7].

   1.2 The Company's investment strategy is based on the following parameters[8]: (1) building an investment portfolio of 2-5 companies/technologies; (2) providing an available response to major medical needs which currently do not have one; (3) focusing on technologies that have undergone the proof of concept phase; (4) focusing on a known and familiar mechanism of operation; (5) reaching a significant milestone with an investment of up to $ 2 million; (6) achieving significant returns on the investment; (7) spreading the investment over a few years based on predetermined milestones (in order to minimize risks).

2. **Property, Plant and Equipment, Land and Facilities**

   2.1 Effective from August 2014, the Company subleases from an unrelated third party an office space in Tel-Aviv that is used as the Company's headquarters. The lease fees are immaterial to the Company. In order to secure the fulfillment of the Company's obligations pursuant to the sublease agreement, the Company provided the lessor a bank guarantee in an immaterial amount.

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5 The Company's periodic report for 2013 as published on the TASE website (magna) on March 27, 2014 (TASE reference: 2014-01-026091) ("**the Annual Report**").

6 The update is in accordance with Regulation 39A of the Securities Regulations (Periodic and Immediate Reports), 1970 and consists of material changes or developments in the Company's business with respect to any matter that needs to be disclosed (and was not disclosed) in the Annual Report which occurred in the interim period and as of the date of issuance of this update.

7 See the Company's immediate report of March 30, 2014 (TASE reference: 2014-01-029448).

8 See the Company's presentation to the capital market in an immediate report of May 8, 2014 (TASE reference: 2014-01-059022).

3. **<u>Update to section 13 to Chapter A to the Annual Report - Human Capital</u>**

3.1 The Company's Board decided on a reorganization of the Board of Directors in order to improve the activities of the Board of the Company and its subsidiaries. As part of this reorganization, several directors in the Company terminated their service. In addition, a new (active) Chairman of the Board, CEO, CFO, CAO, VP Business Strategy & Innovation and external director were appointed[9].

4. **<u>Update to section 3 to Chapter A to the Annual Report - the Corporation's Equity and Share Transactions</u>**

4.1 <u>ADR listing procedures</u> - based on the Company's Board's decision of May 28, 2014, after completing all the necessary processes and obtaining the required approvals, on October 5, 2014, the Company completed the procedures of listing its Level 1 American Depository Receipts ("**ADRs**") for over-the-counter (OTC) trade in the United States. The ADRs began trading on the OTCQB on October 6, 2014 under the symbol THXBY.

The ADRs are aimed at exposing the Company's securities to US and other foreign investors. It should be noted that on July 18, 2014, the Company filed an F-6 Registration Form to the US Securities and Exchange Commission ("**the SEC**") for registering its Level 1 ADRs for OTC trade in the US. Each ADR will consist of 20 Ordinary shares of the Company. The OTC trade of the ADRs in the US in October 2014 was made possible after obtaining the SEC's approval for the F-6 Registration Form and completing the ADRs' registration process on the OTCQB[10]. In view of the registration of the Company's ADRs on the OTCQB, the English symbols of the Company's listed securities were modified.

<u>Forward-looking information warning</u> - the Company's evaluations and expectations regarding the implications of the registration of its ADRs on the Company's securities consist of "forward-looking information", as this term is defined in the Israeli Securities Law, 1968, which is based on the Company's expectations as of the report date and whose materialization is contingent on various factors which are not under the Company's control. These evaluations and expectations might not materialize at all or materialize in a manner that is significantly different from that anticipated by the Company, among others, due to failure to comply with the conditions underlying the continued registration, change in the financial markets in the US, failure to market the Company's projects to US and foreign investors, failure to recruit foreign investors and other risk factors to which the Company's activities are exposed as described in section 21 to Chapter A to the Annual Report.

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9 See the Company's immediate reports of April 6, 2014 (TASE reference: 2014-01-038910), March 30, 2014 (TASE reference: 2014-01-029475), March 30, 2014 (TASE reference: 2014-01-029466), January 9, 2014 (TASE reference: 2014-01-010213), January 9, 2014 (TASE reference: 2014-01-009880), March 30, 2014 (TASE reference: 2014-01-029448), April 8, 2014 (TASE reference: 2014-01-042225), August 24, 2014 (TASE reference: 2014-01-140232), July 13, 2014 (TASE reference: 2014-01-112740), August 24, 2014 (TASE reference: 2014-01-140232), August 28, 2014 (TASE reference: 2014-01-144540), September 23, 2014 (TASE reference: 2014-01-163011) and October 6, 2014 (TASE reference: 2014-01-170952).

10 See the Company's immediate reports of May 28, 2014 (TASE reference: 2014-01-075777), July 20, 2014 (TASE reference: 2014-01-117225) and October 5, 2014 (TASE reference: 2014-01-170916).

4.2 Expiration of warrants (series 3)

On November 10, 2014, all of the Company's warrants (series 3) expired[11].

4.3 Private placement to private investors

As part of the Company's intention to raise capital to allow implementing the Board's work, business and strategic plans, and after the Company had received indications from a limited number of various private investors irrespectively, on November 19, 2014 ("**the signing date**"), the Company entered into a private placement agreement with three separate private investors ("**the optionees**"), without any mutual liability between the investors and to the best of the Company's knowledge without any relation between them, according to which each of the optionees will be offered Ordinary shares of the Company, immediate (unregistered) options and contingent (unregistered) options, all based on the terms and numbers prescribed in the agreement and in total 1,300,000 Ordinary shares of the Company ("**Ordinary shares**" or "**the offered shares**", as applicable), 1,300,000 immediate options ("**immediate options**") and 1,300,000 contingent options ("**contingent options**") (collectively with the immediate options - "**the offered options**") ("**the agreement**" and "**the offered securities**", respectively). The price per offered share is NIS 0.5. Each immediate option will be exercisable into one Ordinary share for an exercise price of NIS 0.5 immediately from the date of completion (as defined in this paragraph below). Each contingent option will be exercisable into one Ordinary share for an exercise price of NIS 0. 65 immediately upon the exercise of the immediate option allocated with the contingent option for a period of 12 months from the date of completion (as defined in this paragraph below). The completion of the agreement is conditional, among others, on obtaining the Stock Exchange's approval for registering the offered securities according to this report for trade ("**the suspending condition**"). The issuance of the offered securities according to the agreement will be completed within two business days from the date of meeting the suspending condition described above and no later than within 30 days from the signing date ("**the completion date**"). The Company will report the completion date in an immediate report. The immediate proceeds from the offered securities total NIS 650 thousand. The expected future proceeds, assuming the exercise of all the offered options according to the agreement as discussed above (excluding the immediate proceeds mentioned above), total an additional approximately NIS 1,495 thousand[12].

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[11] See the Company's immediate reports of October 13, 2014 (TASE reference: 2014-01-175359) and November 11, 2014 (TASE reference: 2014-01-192951).

[12] See details in the Company's private placement report of November 25, 2014 (TASE reference: 2014-01-204558).

5. Update to section 18 to Chapter A to the Annual Report - Material Agreements

5.1 Agreement for investment in medical cannabis with LaraPharm Ltd.

5.1.1 On April 2, 2014, the Company signed a master investment agreement with LaraPharm Ltd. ("**Lara**"), an Israeli company that operates in the field of medical cannabis and is developing a synthesized formulation that is based on cannabinoids (active components found in the cannabis plant) to be administered through an inhaler ("**the medical product**")[13]. On June 15, 2014, a final investment agreement was signed between the parties (in this paragraph, "**the agreement**") according to which, subject to the fulfillment of several prerequisites[14], the Company will transfer to Lara an initial investment amount of $ 800 thousand (based on the schedules and dates determined in the agreement. The first installment only has been paid as of the date of this report and the second installment which is due has not yet been paid to Lara) against shares that will represent about 26% of Lara's issued and outstanding share capital (on a fully diluted basis) ("**the initial stage**")[15]. The agreement also stipulates that the overall amount that the Company will invest in Lara will be $ 1.5 million (including the initial investment amount), subject to the fulfillment of certain milestones[16] and according to predetermined timetables. It was also determined in the agreement that the investment funds will be used by Lara to manage and promote its activities based on the approved budget and work plans. The agreement also stipulates rights and conditions for appointing directors on Lara's board and additional rights as customary in this type of agreement. Assuming that Lara successfully meets all the milestones determined in the agreement and the Company invests the entire investment amount as above, the Company will hold 49% of Lara's issued and outstanding share capital (on a fully diluted basis)[17].

5.1.2 On August 10, 2014, all the prerequisites for completing the initial stage in the purchase of Lara's shares by the Company were met[18].

5.1.3 See also Note 6g to the interim consolidated financial statements hereby attached in Chapter C to this report.

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13 See the Company's immediate report of April 2, 2014 (TASE reference: 2014-01-035922).

14 Among others, these prerequisites include the completion of related agreements and the completion of various operating, monetary and commercial information and data and additional background studies of Lara to the Company's satisfaction.

15 It should be noted that according to the agreement, the percentage of the Company's holdings in Lara's shares as mentioned above (26%) will be reduced pro rata to the amounts that will be transferred if the Company fails to provide the remaining payments on the predetermined dates. As discussed above, as of the report date, only the first instalment has been paid and the second installment which is due has not yet been paid to Lara. According to the provisions of the agreement, Lara has the right to reduce the Company's holding rate in Lara's shares pro rata to the amounts that will be transferred in a manner that as of the report date, insofar as Lara exercises its right, the Company will hold about 8.125% only.

16 Among others, the milestones include obtaining an expert's approval for the medical product's successful compliance with biotechnological criteria determined both in the context of a simulator test and in preclinical trials (animal testing).

17 See the Company's immediate reports of June 16, 2014 (TASE reference: 2014-01-091608) and of June 23, 2014 (TASE reference: 2014-01-097152).

18 See details of Lara and its business ventures, including the structure of its market, the products which it develops and the R&D stage in the Company's immediate report of August 11, 2014 (TASE reference: 2014-01-131130).

5.2 A non-binding term sheet for additional investment in medical cannabis signed with Dekel Pharmaceuticals Ltd.

5.2.1 On September 30, 2014, the Company signed a non-binding term sheet for the acquisition of the entire share capital (on a fully diluted basis) of Dekel Pharmaceuticals Ltd. ("Dekel") in return for the allocation of shares in the Company ("**the non-binding term sheet**") as detailed below.

5.2.2 To the best of the Company's knowledge, Dekel is a privately-held company incorporated in Israel that is engaged in the research and development of drug therapies based on synthetic cannabinoid substances[19] for treating chronic pain and inflammation. In addition, to the best of the Company's knowledge, Dekel holds the IP rights to a disposable, patent-protected dose-controlled inhalation device, which can be used in the delivery of drug compounds, including steroids and/or cannabinoids. Dekel's shareholders include Dr. Asher Shmulewitz, who also serves as Chairman of the Company's Board and an interested party therein as of the date of this report. Other shareholders in Dekel consist of Dr. Seth Kindler and Prof. Raphael Meshulam ("**Dekel's shareholders**").

5.2.3 The general outline of the proposed transaction and its principal terms, as determined in the non-binding term sheet are as follows:

a. General - the non-binding term-sheet sets forth a general outline for the share swap of Dekel's shares with the Company's shares ("**the proposed transaction**") whose completion is contingent, among others, on completing a preliminary capital raising round in the Company (in the context of one or several separate investments) ("**the preliminary capital raising round**") and under other suspending conditions as specified below.

b. The transaction stages - subject to completing the preliminary capital raising round and meeting other suspending conditions as specified below, Dekel's shareholders will transfer to the Company Dekel's entire issued and outstanding share capital (on a fully diluted basis) in return for the allocation of Ordinary shares of the Company with no par value ("**Ordinary shares**")[20] that will be transferred to Dekel's shareholders in three separate stages as described below, subject to the fulfillment of clinical, regulatory and/or commercial milestones for each such stage ("**the milestones**"):

(1) Stage 1 - subject to completion of the preliminary capital raising round and the fulfillment of the suspending conditions specified below, Dekel's entire issued and outstanding share capital (on a fully diluted basis) will be transferred to the Company and Dekel's activity will be merged with the Company's activities (by way of share swap). Dekel will become a wholly-owned subsidiary of the Company. In return, the Company will allocate Ordinary shares to Dekel's shareholders in a number that will be determined in the final agreement.

[19] The active ingredients in cannabis and synthesized endocannabinoids.

[20] The ultimate number of Company shares that will be allocated to Delek's shareholders and in each stage will be determined in the final agreement.

(2) Stage 2 - subject to meeting a predetermined clinical milestone, the Company will allocate additional Ordinary shares to Dekel's shareholders, as decided in the final agreement.

(3) Stage 3 - subject to meeting a predetermined commercial or regulatory milestone, the Company will allocate additional Ordinary shares to Dekel's shareholders, as decided in the final agreement.

c. Final agreement - completing the negotiations and signing a final and binding agreement between the parties within 60 days from the date of signing the non-bonding term sheet ("**the final agreement**") and the fulfillment of all the suspending conditions as determined in the final agreement which include, among others, the following conditions ("**the suspending conditions**"):

(1) Due diligence study - shortly after signing the non-binding term sheet, the Company will order a due diligence study of Dekel. The final agreement will be signed subject to the completion of the due diligence study to the Company's satisfaction.

(2) Approvals of the relevant entities - obtaining the necessary approvals from the various entities of both parties for entering into the final agreement, all in conformity with the Israeli Companies Law, 1999 and the regulations published thereunder[21].

(3) Tax ruling - obtaining a tax ruling in connection with the transaction from the Israeli Tax Authorities.

(4) Other approvals - obtaining the Stock Exchange's approval for allocating the Company's shares to Dekel's shareholders based on the outline of the proposed transaction, as determined in the final agreement, and other approvals, including of the Israel Securities Authority, if and to the extent needed.

d. No-shop agreement - Dekel has undertaken towards the Company to uphold a no-shop clause, at no consideration, for a period of 60 days from the date of signing the non-binding term sheet.

e. Expiration - according to the non-binding term sheet, it will expire at the earlier of: (1) notice of failure to obtain shareholders' approval delivered by one of the parties to the other; (2) signing and executing the final agreement; (3) reaching a written agreement of the termination of the non-binding term sheet; (4) 90 days from the date of signing the non-binding term sheet.

f. Other standard provisions - the non-binding term sheet sets forth other standard provisions as customary for this type of term sheet (including expenses, international laws, jurisdiction, expiration, confidentiality).

[21] In this context it should be mentioned that the Company's Board has decided that the final agreement, if and when it is formulated and according to the terms and conditions thereof, will be approved by the Company's various qualified entities, including - in contrast to applicable laws and for caution sake only - the general meeting of the Company's shareholders, pursuant to the provisions of Section 275(a) to the Israeli Companies Law, 1999 ("**the Companies Law**").

g. Non-binding term sheet - the term sheet states that the provisions therein are not binding to the parties, other than the above no-shop clause (and other standard provisions), and that no party will be obligated to enter into a final agreement and/or no party will have any arguments against the counterparty for not entering into a final agreement.

5.2.4 As stated above, the final agreement will be brought to the approval of the Company's qualified entities once the Company's Audit Committee and Board decide that the final and binding agreement between the parties, if and when it is formulated and according to the conditions thereof, will be presented - in contrast to applicable laws and for caution sale only - also to the approval of the general meeting of the Company's shareholders, pursuant to the provisions of Section 275(a) to the Companies Law.

5.2.5 The Company intends to have the due diligence study of Dekel completed to its satisfaction in the period following the signing of the non-binding term sheet. The negotiations for the final agreement and the completion of the necessary tests, including the preliminary capital raising round, will be led by the Company's executive officers, headed by its new CEO.

5.2.6 It should be clarified that, subject to completing the negotiations with Dekel and the due diligence study of Dekel's business to the Company's satisfaction and subject to performing the preliminary capital raising round, Dekel's shareholders are not expected to be allocated shares that account for more than 50% of the Company's issued share capital on the date of completion of the transaction (if at all).

5.2.7 In the opinion of the Company's Board, the acquisition of Dekel coincides with the Company's business strategy[22] and is potentially synergetic with (and advantageous to) another operation which the Company has been exploring for some time in this field[23].

5.2.8 As of the report date, the Company has initiated technological and IP due diligence studies which have not yet been completed. Moreover, the accounting due diligence has not yet been completed and therefore the Company has yet to decide on the accounting treatment of the transaction, among others, due to the uncertainty involving this stage regarding the success of finalizing negotiations for a final agreement and its terms and/or accomplishing the preliminary capital raising round.

5.2.9 The Company will provide updates of any material developments in connection with this transaction immediately after receiving and evaluating the above information by management and will convene a general meeting for approving the terms of such final agreement as required by law[24].

5.2.10 See also Note 6l to the interim consolidated financial statements hereby attached in Chapter C to this report.

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22 For details of the Company's business strategy as of the report date, see immediate report of March 30, 2014 (TASE reference: 2014-01-029448).

23 The LaraPharm transaction discussed in the Company's immediate reports of April 2, 2014 (TASE reference: 2014-01-035922), May 8, 2014 (TASE reference: 2014-01-059022), May 21, 2014 (TASE reference: 2014-01-069705), June 16, 2014 (TASE reference: 2014-01-091608) and June 23, 2014 (TASE reference: 2014-01-097152).

24 See the Company's immediate reports of October 1, 2014 (TASE reference: 2014-01-167559) and October 1, 2014 (TASE reference: 2014-01-167748).

<u>Forward-looking information warning</u> - the Company's information and evaluations discussed above in connection with the completion of the proposed transaction and the signing of a final and binding agreement, the success of the preliminary capital raising round, the fulfillment of the any of the suspending conditions, the fulfillment of the abovementioned milestones, in whole or in part, the integration of Dekel's activity in the Company's activities and the contribution thereto, including forecasts, dates, evaluations and/or plans of the Company in connection therewith all represent forward-looking information, as this term is defined in the Israeli Securities Law, 1968, which involves a great degree of uncertainty and is based, among others, on outside factors (including information received from Dekel) and numerous variables which are not necessarily under the Company's control and therefore, the completion of the transaction and the fulfillment of the suspending conditions and/or milestone and/or their expected costs, dates and relevant schedules might not materialize in practice and/or might not be materialized in full and/or might be materialized in a manner that is materially different from that originally evaluated or anticipated. Among the factors that are liable to cause the Company's information and evaluations not to materialize as expected we should mention the discovery of material data in the course of the due diligence studies that might materially alter the terms of the engagement, the failure to sign a final and binding agreement, the failure to raise preliminary capital and/or sufficient capital, the failure to complete the R&D of Dekel's products (including in the context of preclinical and/or clinical trials or non-compliance with preclinical and clinical trial targets) and/or the need to re-conduct tests of Dekel's products, the failure to obtain the required approvals of the regulatory authorities in a timely manner and/or at all, potential disputes with regulatory authorities and their consequences, change and/or aggravation of the approval policy of regulatory authorities with respect to Dekel's products, the failure to obtain the additional required financing and/or entering into strategic collaboration agreements for completing the development of Dekel's products, the failure to obtain the financing from the factors involved on the dates and at the scopes needed for the continued development of Dekel's products, the entry of other competitors for Dekel's products into the market, change in the structure of the competition in the target markets of Dekel's products and the realization of any of the risk factors detailed in section 21 to Chapter A to the Annual Report. It should also be emphasized that there is no certainty that preclinical and/or clinical trials of Dekel's products will yield successful results, which in turn might require making adjustments to the Company's R&D plans, budgets and timetables and that the Company is exposed to additional risk factors, as described in section 21 to Chapter A to the Annual Report, which might significantly affect the Company's evaluations as above either jointly or severally.

5.3 Termination of research and license agreement for the Alzheimer's drug - BBS technology

In January 2014, the Company announced that it has received a letter from Ramot at Tel-Aviv University Ltd. ("**Ramot**"), the Tel-Aviv University's technology transfer company, in which Ramot announces its intention to terminate the license and research agreement in connection with the BBS technology (the Alzheimer's drug). The Company's position is that Ramot's announcement is illegitimate and groundless[25]. The parties are negotiating the disputes between them in order to promote mutual agreement, including on issues that pertain to the Chief Scientist. The Company will provide updates of any major developments in this issue.

Yours truly,

Therapix Biosciences Ltd.

Date: November 30, 2014

Names of signatories and their positions:

Asher Shmulewitz, Chairman of the Board
Jan Turek, CEO[26]
Uri Ben-Or, CFO

[25] See the Company's immediate reports of January 13, 2014 (TASE reference: 2014-01-013072) and of January 29, 2014 (TASE reference: 2014-01-026068).

[26] The CEO's signature is on the original English version.

THERAPIX BIOSCIENCES LTD.

CHAPTER B - BOARD OF DIRECTORS' INTERIM REPORT ON THE STATE OF THE CORPOTATION'S AFFAIRS

The Company's Board of Directors is hereby pleased to present the Board's report on the state of affairs of Therapix Biosciences Ltd. (collectively with its subsidiaries - "**the Company**" or "**Therapix**") as of September 30, 2014 and for the nine and three months 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 itself on a stand-alone basis are also attached to this report ("**the Stand-alone 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 In March 2014, the Company updated its business strategy according to which it will focus on identifying and investing in promising bio-pharma technologies while emphasizing technologies based on a known biological mechanism that are in the post-proof of concept stage and provide responses for major medical needs in the global market and involve investing up to about $ 2 million for achieving a significant milestone.

1.2 On April 2, 2014, the Company entered into a master investment agreement with LaraPharm Ltd. ("**Lara**") an Israeli company that operates in the field of medical cannabis and is developing a synthesized formulation that is based on cannabinoids (active components found in the cannabis plant) to be administered through an inhaler ("**the medical product**"). On June 15, 2014, a final investment agreement was signed between the parties according to which, subject to the fulfillment of several prerequisites, the Company will transfer to Lara an initial investment amount of $ 800 thousand against shares that will represent about 26% of Lara's issued and outstanding share capital (on a fully diluted basis). The overall amount that the Company will invest in Lara will be $ 1.5 million (including the initial investment amount), subject to the fulfillment of certain milestones and according to predetermined timetables. Against the investment of the overall investment amount as described above, the Company will hold 49% of Lara's issued and outstanding share capital (on a fully diluted basis).

1.3 Based on the Company's Board's decision of May 2014, the Company completed the process of registering its Level 1 American Depository Receipts ("**ADRs**") for over-the-counter (OTC) trade in the United States, as detailed below. The ADRs are aimed at exposing the Company's securities to US and other foreign investors. Each ADR consists of 20 Ordinary shares of the Company. The OTC trade of the ADRs in the US began in October 2014.

1.4 As part of the Company's intentions to execute capital raising rounds that will allow realizing the work plans and business and strategic plan established by the Company's Board and after the Company had received indications from a limited number of various private investors, on November 19, 2014, the Company entered into a private placement agreement with three separate Israeli private investors according to which in return for the allocation of the Company's securities (shares and options), the investors will make an initial investment of approximately NIS 650 thousand. The future proceeds expected to be received from the exercise of the options (if exercised) might reach approximately NIS 1,495 thousand.

2. <u>The financial position</u>

The Company's auditors draw attention to the matter discussed in Note 1c to the financial statements according to which in the nine months ended September 30, 2014, the Company incurred losses of NIS 5,568 thousand and has negative cash flows from operating activities totaling NIS 6,234 thousand. These factors, along with other factors specified in this note, raise substantial doubt about the Company's ability to continue as a going concern. 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.

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

	September 30, 2014	December 31, 2013
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	767	5,122
Restricted cash	371	*) 327
Financial instruments	350	-
Accounts receivable	332	*) 112
	1,820	**5,571**
NON-CURRENT ASSETS:		
Investment in investee	1,865	-
Property, plant and equipment	84	318
	1,949	**318**
Total assets	**3,769**	**5,889**
LIABILITIES AND EQUITY		
CURRENT LIABILITIES:		
Trade payables	1,069	1,556
Other accounts payable	265	343
Investment commitment	1,625	-
Warrants	-	396
	2,959	**2,295**
NON-CURRENT LIABILITIES:		
Government grants	147	128
Employee benefit liability	12	-
	159	**128**
EQUITY:		
Share capital	1,711	1,410
Share premium	80,272	78,276
Capital reserve from share-based payment transactions	15,182	15,071
Warrants	4,650	4,377
Capital reserve from translation of financial statements of foreign operation	29	-
Capital reserve from transactions with non-controlling interests	941	941
Accumulated deficit	(101,793)	(96,384)
	935	**3,691**
Non-controlling interests	(284)	(225)
Total equity	**651**	**3,466**
Total liabilities and equity	**3,769**	**5,889**

*) Reclassified.

2.1 Current assets

Cash and cash equivalents as of September 30, 2014 amounted to NIS 767 thousand compared to NIS 5,122 thousand as of December 31, 2013. The decrease arises from expenses used in operating activities totaling approximately NIS 6,234 thousand and the investment in LaraPharm in a total of NIS 870 thousand, offset by amounts totaling approximately NIS 2,588 thousand received in the public offering in May 2014.

The balance of restricted cash as of September 30, 2014 amounted to NIS 371 thousand compared to NIS 327 thousand in the corresponding periods of last year. The increase in the balance of the restricted deposit arises from the new lease which the Company signed in August 2014.

Accounts receivable as of September 30, 2014 amounted to NIS 332 thousand compared to NIS 122 thousand as of December 31, 2013. The increase arises from the increase in the balance of VAT receivable due to a delay in VAT refund and the balance of receivables from sales of equipment after vacating the Company's offices in Ness-Ziona. Current assets include a financial instrument of NIS 350 thousand that reflects the value of the option purchased by the Company in respect of the increase in LaraPharm's interests, as described in paragraph 5.1 above.

Total current assets as of September 30, 2014 amounted to NIS 1,820 thousand compared to NIS 5,571 thousand as of December 31, 2013, mainly deriving from the decrease in the cash balance as discussed above.

2.2 Non-current assets

Property, plant and equipment, net as of September 30, 2014 amounted to NIS 84 thousand compared to NIS 318 thousand as of December 31, 2013. The decrease is mainly a result of the sale of assets after vacating the Company's Ness-Ziona offices.

2.3 Current liabilities

Trade payables as of September 30, 2014 amounted to NIS 1,069 thousand compared to NIS 1,556 thousand as of December 31, 2013. The decrease is mainly a result of the payment of some of the Company's current liabilities and reducing operations.

Other accounts payable as of September 30, 2014 amounted to NIS 265 thousand compared to NIS 343 thousand as of December 31, 2013. The decrease arises from a reduction in the balance of employees and payroll accruals as a result of employee downsizing.

The balance of current liabilities as of September 30, 2014 includes an amount of NIS 1,625 thousand in respect of an investment commitment in LaraPharm, as described in paragraph 5.1 above.

Liabilities in respect of warrants - on December 25, 2013, in keeping with the investment agreement signed between the Company and Acebright, the Company allocated to Acebright shares and options as described above. The options are denominated in U.S. dollars and are for a period of 12 months and therefore they have been presented in the Company's financial statements as a current liability. The Company updates the value of said options at each balance sheet date. As of September 30, 2014, all the remaining options expired and their value was reduced to zero. As of December 31, 2013, the value of the options amounted to NIS 396 thousand.

Total current liabilities as of September 30, 2014 amounted to NIS 2,959 thousand compared to NIS 2,295 thousand as of December 31, 2013. The increase is mainly a result of recording liabilities totaling NIS 1,625 thousand in respect of an investment commitment in LaraPharm against a decrease in the value of the outstanding liabilities in respect of warrants and a decrease in the balance of trade payables and employees and payroll accruals as discussed above.

Non-current liabilities

Liabilities in respect of Government grants as of September 30, 2014 amounted to NIS 147 thousand compared to NIS 128 thousand as of December 31, 2013. The balance represents the fair value of the loans received from the Chief Scientist for the Anti-CD3 project and the Alzheimer's project. The increase is mainly a result of the exchange rate differences in the period.

2.4 Equity

The Company's equity as of September 30, 2014 amounted to NIS 743 thousand compared to equity of NIS 3,466 thousand as of December 31, 2013. The decrease in equity mainly stems from the loss for the period offset by the capital raised in May 2014.

Operating results (developments 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,**	
	2014	**2013**	**2014**	**2013**
Research and development expenses, net	(1,695)	(3,710)	(561)	(1,322)
General and administrative expenses	(4,008)	(2,445)	(1,523)	(1,101)
Other income	117	7,225	84	7
Operating income (loss)	(5,586)	1,070	(2,000)	(2,416)
Financial income	584	1,527	192	38
Financial expenses	(215)	(74)	(171)	(25)
Equity losses	(251)	-	(251)	-
Income (loss) and total comprehensive income (loss)	(5,468)	2,523	(2,230)	(2,403)
Attributable to:				
Equity holders of the parent	(5,409)	2,523	(2,191)	(2,403)
Non-controlling interests	(59)	-	(39)	-
	(5,468)	2,523	(2,230)	(2,403)

Analysis of operating results

The Company is the development stage and does not generate any sales.

2.5 Research and development expenses

In the nine months ended September 30, 2014, research and development expenses amounted to NIS 1,695 thousand compared to NIS 3,710 thousand in the corresponding period of last year. In the three months ended September 30, 2014, research and development expenses amounted to NIS 561 thousand compared to NIS 1,322 thousand in the corresponding quarter of last year. The Company's research and development expenses consist of wages, subcontractors, patents etc. which are used in the Company's research and development activity in all its projects as detailed above. The decrease is mainly a result of cuts made in the Company's work plans and employee downsizing.

2.6 General and administrative expenses

In the nine months ended September 30, 2014, general and administrative expenses amounted to NIS 4,008 thousand compared to NIS 2,445 thousand in the corresponding period of last year. In the three months ended September 30, 2014, general and administrative expenses amounted to NIS 1,523 thousand compared to NIS 1,101 thousand in the corresponding quarter of last year. The Company's general and administrative expenses consist of wages, professional services etc. The increase mainly arises from an increase in business development expenses in Israel and in the US, the ADR registration process described above and a change in the Company's headcount.

2.7 Other income

In the nine months ended September 30, 2014, other income amounted to NIS 117 thousand compared to NIS 7,225 thousand in the corresponding period of last year. Other income in the reporting period arises from the sale of property, plant and equipment as opposed to other income in the corresponding period of 2013 which derived from the decrease in the liabilities to the Chief Scientist due to the transfer of the Vaxisome® technology to Yissum. In the three months ended September 30, 2014, other income amounted to NIS 84 thousand compared to income of NIS 7 thousand in the corresponding quarter of last year, arising from the sale of property, plant and equipment.

Operating loss

In the nine months ended September 30, 2014, operating loss amounted to NIS 5,586 thousand compared to operating income of NIS 1,070 thousand in the corresponding period of last year. In the three months ended September 30, 2014, operating loss amounted to NIS 2,000 thousand compared to operating loss of NIS 2,416 thousand in the corresponding quarter of last year. The change is a result of other income derived in the previous year from the transfer of the Vaxisome® technology to Yissum.

2.8 Financial income/expenses, net

In the nine months ended September 30, 2014, financial income, net amounted to NIS 369 thousand compared to financial income, net of NIS 1,453 thousand in the corresponding period of last year. In the three months ended September 30, 2014, financial income, net amounted to NIS 21 thousand compared to financial income, net of NIS 13 thousand in the corresponding quarter of last year. Financial income this year mainly derived from the change in the valuation of the warrants granted to Acebright. In the previous year, financial income derived from the valuation of the liabilities to the Chief Scientist.

2.9 Income (loss) for the period and comprehensive income (loss)

In the nine months ended September 30, 2014, net loss and comprehensive loss attributable to equity holders of the Company amounted to NIS 5,468 thousand compared to income of NIS 2,523 thousand in the corresponding period of last year. In the three months ended September 30, 2014, net loss and comprehensive loss attributable to equity holders of the Company amounted to NIS 2,230 thousand compared to a loss of NIS 2,403 thousand in the corresponding quarter of last year. Last year, the transfer of the Vaxisome® technology back to Yissum created an accounting gain for the Company as described above.

2.10 Cash flows

Being a development stage company with no sales, the cash flows used in operating activities in the nine months ended September 30, 2014 amounted to approximately NIS 6,234 thousand compared to approximately NIS 7,055 thousand in the corresponding period of last year. The cash flows were mainly used by the Company for business development and to promote its research activities. The decrease is a result of the decrease in the Company's operations.

Cash flows used in operating activities in the three months ended September 30, 2014 amounted to approximately NIS 2,054 thousand compared to approximately NIS 2,327 thousand in the corresponding quarter of last year.

Cash flows used in investing activities in the nine months ended September 30, 2014 amounted to approximately NIS 708 thousand compared to net cash provided by investing activities of NIS 19 thousand in the corresponding period of last year. The negative cash flows in the reporting period mainly resulted from the investment in LaraPharm in a total of NIS 870 thousand, offset by the proceeds from the disposal of property, plant and equipment totaling NIS 207 thousand.

Cash flows used in investing activities in the three months ended September 30, 2014 amounted to approximately NIS 524 thousand compared to cash provided by investing activities of approximately NIS 4 thousand in the corresponding quarter of last year.

Cash flows provided by financing activities in the nine months ended September 30, 2014 amounted to approximately NIS 2,588 thousand due to the capital raised in May 2014, compared to approximately NIS 8,563 thousand in the corresponding period of last year, arising mainly from capital raised (NIS 8,225 thousand) and the exercise of options into Company shares (NIS 338 thousand).

Cash flows provided by financing activities in the three months ended September 30, 2013 amounted to approximately NIS 2,588 thousand compared to NIS 4,067 thousand in the corresponding quarter of last year.

3. **<u>Liquidity, cash flows and financing resources</u>**

3.1 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. In early 2013, the Company completed a raising round of approximately NIS 4.4 million by issuing shares to private investors. In July 2013, the Company raised, through a shelf prospectus, a gross amount of approximately NIS 4.6 million in return for the issuance of shares and options. In December 2013, the Company raised approximately NIS 2.6 million in a private placement of shares and warrants. In May 2014, the Company completed a capital raising round of a gross amount of approximately NIS 2.9 million. The liquid financial assets available to the Company as of September 30, 2014 comprise cash and cash equivalents totaling NIS 767 thousand. The Company invests its funds in solid channels in NIS and dollar deposits against the annual budget which estimates the diversification of expenses between the different currencies.

3.2 The Company's Board of Directors and Management focus on securing the Company's financial stability and explore various financing opportunities, including private placements and capital raising rounds using ADRs. **<u>It should be noted that there is no certainty that financing will be achieved or that business development efforts will be successful.</u>**

3.3 <u>Issues to which the Company's auditor draws attention in the auditors' report on the financial statements</u>

Due to the Company's accumulated losses and negative cash flows from operating activities, in the auditors' 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 paragraph 2 above.

4. **<u>Remuneration of interested parties and senior officers</u>**

4.1 In the Interim Period, there were no material changes compared to the annual Board of Directors' report in the terms of remuneration of officers in the Company, the reasonableness of the remuneration and the correlation between the compensation of officers and interested parties in the Company and their contribution to the Company, as required by Regulation 21 to the Securities Regulations (Periodic and Immediate Reports), 1970, other than the matters described in the former interim report and as described below.

4.1.1 On August 21, 2014, the general meeting of the Company's shareholders approved the appointment of Mr. Amit Berger as an external director in the Company and also approved the terms of his service consisting of remuneration fee and insurance arrangements and (contingent) indemnification and quittance provisions, as customary in the Company. See more details in the Company's immediate reports of July 16, 2014 (TASE reference: 2014-01-115872) and August 24, 2014 (TASE reference: 2014-01-140148).

4.1.2 On July 9, 2014 and on August 24, 2014, the Company's Compensation Committee and Board respectively approved an amendment to the terms of service and employment of the VP Business Strategy & Innovation[27] and also approved that this amendment is commensurate with the Company's compensation policies and targets.

4.1.3 On August 4, 2014, subject to the approval of the general meeting of the Company's shareholders, the Company's Compensation Committee and Board approved the inclusion of directors and senior officers in the Company under officers' insurance policies (including master engagements) and the grant of (contingent) letters of indemnification and quittance as customary in the Company. The Company will convene a general meeting in the near future to discuss and approve these matters.

4.1.4 On August 24, 2014, the Company agreed on the terms of service and employment of the Company's CAO and affirmed that these terms are commensurate with the Company's compensation policies and targets.

4.1.5 On August 24, 2014 and September 22, 2014, the Company's Compensation Committee and Board respectively approved the terms of service and employment of the Company's CFO and affirmed that these terms are commensurate with the Company's compensation policies and targets.

4.1.6 On August 24, 2014 and September 22, 2014, subject to the approval of the general meeting of the Company's shareholders which as of the date of this report has not yet been convened[28], the Company's Compensation Committee and Board respectively approved the terms of service and employment of the Company's CEO and affirmed that these terms are commensurate with the Company's compensation policies and targets.

b. Corporate governance aspects

5. Details of directors with accounting and financial expertise

5.1 On August 24, 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.

5.2 In the Interim Period and as of the report date, the number of directors with accounting and financial expertise was not below the minimum number.

6. Independent directors

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.

[27] This amendment included, among others, increasing his employment scope to a full-time position effective from April 1, 2014 and his entitlement to a variable bonus based on the Company's target plan.

[28] The Company will convene a general meeting for approving the employment terms of the CEO as soon as possible. The CEO's compensation consists mainly of a monthly salary of $ 12 thousand at a scope of up to 50% position, reimbursement of expenses and entitlement to 800,000 vested options (reverse vesting).

7. **<u>Update on events or matters that are subject to Regulation 37a2(a) to the Report Regulations</u>**

7.1 In the Interim Period and as of the report 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.

7.2 Without derogating from the aforementioned, see Chapter A (Update of the Description of the Corporation's Business) in this report above or an update of the Company's activities and material changes that occurred during the Interim Period.

8. **<u>Disclosure of the Company's internal auditor</u>**

8.1 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.

8.2 In the Interim Period and as of the report date, there was no material change regarding the Company's internal auditor compared to the disclosure provided in the Annual Board of Directors' Report.

9. **<u>Details of outstanding certificates of liability</u>**

In the Interim Period and as of the report date, the Company has no outstanding certificates of liability.

10. **<u>Details of the financial statement approval process</u>**

10.1 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 of Directors.

10.2 As of the report date, the members of the Company's Board consist of: Dr. Asher Shmulewitz (Chairman of the Board), Mr. Avi Meizler (director), Mr. Zohar Heiblum (external director), Mrs. Tamar Kfir (director) and Mr. Amit Berger (external director).

10.3 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 report date, the Committee consists of three members: Mr. Zohar Heiblum, external director and Chairman of the Committee, Mrs. Tamar Kfir, ordinary director, and Mr. Amit Berger, external director.

10.4 The approval of the financial statements took place in two meetings as follows:

(1) A meeting of the Financial Statement Review Committee;
(2) A meeting of the Board of Directors for discussing and approving the financial statements in view of the Committee's recommendations and comments.

10.5 The Committee met on November 27, 2014 and was attended by the Committee members - Mr. Amit Berger and Mr. Zohar Heiblum, the Company's external auditor, officers and other holders of positions in 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 of Directors for the financial statement approval process. This included examining the evaluations and estimates made in connection with the Financial Statements, the internal controls over financial reporting, 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 CFO's 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.

10.6 The Board's meeting of November 30, 2014 which discussed, among others, the approval of the Financial Statements, was attended by all the members of the Board. In addition to the Board members, the meeting was also attended by the Company's external auditor, officers and other holders of positions in the Company who were available and prepared to answer any question raised by the Board members. In this meeting, the Board discussed the Committee's recommendations, reviewed the Company's financial results, financial position and cash flows and was presented with data on the Company's activities compared to previous periods reviewed. During the Board's meeting for approving the Financial Statements, the Company's CFO provided a comprehensive 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 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. A discussion was also held in the issue of the financial resources that will be used by the Company in carrying out its plans in the coming year. In the discussion, the Company's Management replied to the questions from the Board members and the external auditor addressed the Financial Statements. At the end of said discussion, once it became clear that the Financial Statements properly reflect the Company's business position 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>

11. <u>Disclosure of events after the balance sheet date</u>

To the best of the Company's knowledge, there were no material events which occurred after the date of the statement of financial position which are mentioned in the Interim Financial Statements. See more details of events during and after the balance sheet date in Notes 6 and 7 to the Interim Financial Statements. See also details in Chapter A (Update of the Description of the Corporation's Business) to this report above.

d. **Repurchases**

12. **Repurchase plan**

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 Report Regulations.

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

Date: November 30, 2014

Signatories	Position
Dr. Asher Shmulewitz	Chairman of the Board
MR. Jan Turek	CEO[29]
Mr. Uri Ben-Or	CFO

29 The CEO's signature is on the original English version.

THERAPIX BIOSCIENCES LTD.

CHAPTER C - INTERIM FINANCIAL STATEMENTS

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, Jan Turek, certify that:

1. I have reviewed the Interim Report of Therapix Biosciences Ltd. ("**the Company**") for the third quarter of 2014 ("**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 30, 2014

____
Jan Turek, CEO[30]

[30] The CEO's signature is on the original English version.

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, Uri Ben-Or, 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 2014 ("**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 30, 2014

Uri Ben-Or, CFO

THERAPIX BIOSCIENCES LTD.
(Formerly: NasVax Ltd.)

PRESENTATION OF FINANCIAL INFORMATION FROM

THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

ATTRIBUTABLE TO THE COMPANY

AS OF SEPTEMBER 30, 2014

Kost Forer Gabbay & Kasierer
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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, 2014 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 paragraph (a) to the additional information to the separate financial data and financial information attributable to the Company itself from the Group's consolidated financial statements. The Company incurred losses totaling NIS 5,409 thousand in the nine months period ended September 30, 2014, and has negative cash flows from operating activities totaling NIS 5,098 thousand in the period then ended. These factors, along with other factors detailed in paragraph (a) mentioned above, 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 paragraph (a) mentioned above. The financial data and separate 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 30, 2014

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, 2014, 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 Balance Sheets
Attributable to the Company

	September 30,		December 31,
	2014	2013	2013
	Unaudited		Audited
	NIS in thousands		
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents	273	3,829	3,510
Restricted cash	371	*) 327	*) 327
Accounts receivable	303	*) 550	*) 110
	947	4,706	3,947
NON-CURRENT ASSETS:			
Receivables from subsidiaries	4,900	4,661	4,720
Investment in associate	1,865	-	-
Property, plant and equipment	81	326	297
Financial derivatives	350	-	-
	7,196	4,987	5,017
	8,143	9,693	8,964
LIABILITIES AND EQUITY			
CURRENT LIABILITIES:			
Trade payables	928	1,041	1,216
Other accounts payable	237	496	343
Warrants	-	-	81
Commitment to invest in associate	1,625	-	-
	2,790	1,537	1,640
NON-CURRENT LIABILITIES:			
Liability for Government grants	147	179	128
Employee benefit liabilities	12	7	-
Liabilities less assets attributable to subsidiaries	4,259	4,390	3,505
	4,418	4,576	3,633
EQUITY ATTRIBUTABLE TO THE COMPANY	935	3,580	3,691
	8,143	9,693	8,964

*) Reclassified.

The accompanying additional information is an integral part of the separate financial data and financial Information.

November 30, 2014			
Date of approval of the financial statements	Uri Ben-Or CFO	Jan Turek CEO	Asher Shmulevitz Chairman of the Board

Financial Data from the Consolidated Statements of Comprehensive Income Attributable to the Company

	Nine months ended September 30,		Three months ended September 30,		Year ended December 31,
	2014	2013	2014	2013	2013
	Unaudited				Audited
	NIS in thousands				
Research and development expenses, net	(936)	(3,696)	(187)	(1,319)	(4,632)
General and administrative expenses	(3,809)	(2,434)	(1,427)	(1,098)	(3,903)
	(4,745)	(6,130)	(1,614)	(2,417)	(8,535)
Other income	109	7,220	76	-	7,240
Operating income (loss)	(4,636)	1,090	(1,538)	(2,417)	(1,295)
Finance income	266	1,704	65	93	1,831
Finance expenses	(34)	(65)	(8)	(24)	(67)
Company's share of losses of investees (including impairment of goodwill), net	(1,005)	(206)	(710)	(55)	(262)
Income (loss) attributable to the Company	(5,409)	(2,523)	(2,191)	(2,403)	207

The accompanying additional information is an integral part of the separate financial data and financial Information.

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,
	2014	2013	2014	2013	2013
	Unaudited				Audited
	NIS in thousands				
Cash flows from the Company's operating activities:					
Income (loss) attributable to the Company	(5,409)	2,523	(2,191)	(2,403)	207
Adjustments to reconcile income (loss) to net cash used in operating activities:					
Adjustments to the Company's profit or loss items:					
Depreciation and amortization	138	128	79	37	160
Gain from sale of property, plant and equipment	(109)	(14)	(83)	(1)	(34)
Change in employee benefit liabilities, net	12	(13)	12	(9)	(20)
Cost of share-based payment	94	(97)	30	115	(154)
Revaluation (erosion) of outstanding liability to the Chief Scientist (including amounts recorded in research and development expenses)	19	(1,477)	2	5	(1,805)
Finance income, net	(5)	(15)	(1)	(8)	(20)
Gain from decrease in value of warrants	(81)	-	-	-	(30)
Write down of liability to the Chief Scientist	-	(7,206)	-	-	(7,206)
Liabilities less assets attributable to subsidiaries	754	206	459	55	262
Company's share losses of associate	251	-	251	-	-
	1,073	(8,488)	749	194	(8,847)
Changes in the Company's asset and liability items:					
Increase in accounts receivable	(373)	(315)	(21)	(235)	(143)
Increase (decrease) in trade payable	(288)	(352)	(112)	243	(177)
Increase (decrease) in other accounts payable	(106)	100	38	67	(53)
	(767)	(567)	(95)	75	(373)
Cash received by the Company during the period for:					
Interest received	5	15	1	8	20
Net cash used in the Company's operating activities	(5,098)	(6,517)	(1,536)	(2,126)	(8,993)

The accompanying additional information is an integral part of the separate financial data and financial Information.

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,
	2014	2013	2014	2013	2013
	Unaudited				Audited
	NIS in thousands				
Cash flows from the Company's investing activities:					
Proceeds from sale of property, plant and equipment	189	15	174	-	34
Purchase of property, plant and equipment	(2)	(4)	(2)	(3)	(6)
Movement in restricted cash	(44)	-	(44)	-	-
Investment in associate	(870)	-	(870)	-	-
Net cash provided by (used in) investing activities	(727)	11	(742)	(3)	28
Cash flows from the Company's financing activities:					
Proceeds from issuance of shares and warrants less issuance expenses	2,588	8,225	-	4,067	9,879
Exercise of options into shares	-	338	-	-	338
Receipts from the Chief Scientist	-	-	-	-	486
Net cash provided by financing activities	2,588	8,563	-	4,067	10,703
Increase (decrease) in cash and cash equivalents	(3,237)	2,057	2,278	1,938	1,738
Cash and cash equivalents at the beginning of the period	3,510	1,772	2,551	1,891	1,772
Cash and cash equivalents at the end of the period	273	3,829	273	3,829	3,510
(a) Significant non-cash transactions:					
Commitment to invest in associate	1,625	-	1,625	-	-

The accompanying additional information is an integral part of the separate financial data and financial Information.

a. General

This separate financial information has been prepared in a condensed format as of September 30, 2014 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 annual financial statements as of December 31, 2013 and for the year then ended and the accompanying additional information.

The Company incurred losses totaling NIS 5,409 thousand in the nine months period ended September 30, 2014, and has negative cash flows from operating activities totaling NIS 5,098 thousand in the period then ended. The balance of cash available to the Company may not be sufficient to finance its operating activities beyond the 12-month period after the date of the approval of the financial statements. These factors raise substantial doubt as to the Group's ability to continue as a "going concern".

In the past, the Company financed its operations by raising capital from private and institutional sources and by collaborating with leading multinational corporations in the industry. The Company's management is focusing on securing the Company's financial stability, among others, by exploring one or more of the above alternatives.

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.

b. Events During the Reporting Period

See Note 5 to the interim consolidated financial statements.

b. Events After the Reporting Date

See Note 6 to the interim consolidated financial statements.

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THERAPIX BIOSCIENCES LTD.

CHAPTER C - INTERIM FINANCIAL STATEMENTS

THERAPIX BIOSCIENCES LTD.
(Formerly: NasVax Ltd.)

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

AS OF SEPTEMBER 30, 2014

UNAUDITED

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

Introduction

We have reviewed the accompanying financial information of Therapix Biosciences Ltd. (formerly: NasVax Ltd.) and subsidiaries ("the Group"), which comprises the consolidated balance sheet as of September 30, 2014 and the related condensed consolidated statements of profit or loss, comprehensive income (loss), 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. The Company has accumulated losses totaling NIS 5,468 thousand in the nine months period ended September 30, 2014 and has negative cash flows from operating activities totaling NIS 6,234 thousand in the period then ended. 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 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 30, 2014

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

CONSOLIDATED BALANCE SHEETS

	September 30,		December 31,
	2014	2013	2013
	Unaudited		Audited
	NIS in thousands		
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents	767	4,402	5,122
Restricted cash	371	*) 327	*) 327
Accounts receivable	332	*) 558	*) 122
	1,470	5,287	5,571
NON-CURRENT ASSETS:			
Investment in associate (Note 5g)	1,865	-	-
Property, plant and equipment	84	353	318
Financial derivatives (Note 5g)	350	-	-
	2,299	353	318
	3,769	5,640	5,889

*) Reclassified.

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

CONSOLIDATED BALANCE SHEETS

	September 30, 2014	September 30, 2013	December 31, 2013
	Unaudited	Unaudited	Audited
	NIS in thousands		
LIABILITIES AND EQUITY			
CURRENT LIABILITIES:			
Trade payables	1,069	1,378	1,556
Other accounts payable	265	496	343
Commitment to invest in associate (Note 5g)	1,625	-	-
Warrants	-	-	396
	2,959	1,874	2,295
NON-CURRENT LIABILITIES:			
Liability for Government grants	147	179	128
Employee benefit liabilities	12	7	-
	159	186	128
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY:			
Share capital	1,711	1,305	1,410
Share premium	80,272	76,922	78,276
Warrants	4,650	4,377	4,377
Reserve from share-based payment transactions	15,183	15,044	15,071
Reserve from financial statements of foreign operation	(29)	-	-
Reserve from transactions with non-controlling interests	941	-	941
Accumulated deficit	(101,793)	(94,068)	(96,384)
	935	3,580	3,691
Non-controlling interests	(284)	-	(225)
Total equity	651	3,580	3,466
	3,769	5,640	5,889

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

November 30, 2014			
Date of approval of the financial statements	Uri Ben-Or CFO	Jan Turek CEO	Asher Shmulevitz Chairman of the Board

CONSOLIDATED STATEMENTS PROFIT OR LOSS

	Nine months ended September 30,		Three months ended September 30,		Year ended December 31,
	2014	2013	2014	2013	2013
	Unaudited				Audited
	NIS in thousands (except per share data)				
Research and development expenses, net	(1,695)	(3,710)	(561)	(1,322)	(4,649)
General and administrative expenses	(4,008)	(2,445)	(1,523)	(1,101)	(3,919)
	(5,703)	(6,155)	(2,084)	(2,423)	(8,568)
Other income, net	116	7,225	83	7	7,246
Operating income (loss)	(5,587)	1,070	(2,001)	(2,416)	(1,322)
Finance income	585	1,527	193	38	1,603
Finance expenses	(215)	(74)	(171)	(25)	(72)
Group's share of losses of associate	(251)	-	(251)	-	-
Net income (loss)	(5,468)	2,523	(2,230)	(2,403)	209
Attributable to:					
Equity holders of the Company	(5,409)	2,523	(2,191)	(2,403)	207
Non-controlling interests	(59)	-	(39)	-	2
	(5,468)	2,523	(2,230)	(2,403)	209
Basic and diluted net earnings (loss) per share attributable to equity holders of the Company (in NIS)	(0.34)	*) 0.27	(0.14)	*) (0.19)	0.02

*) Retroactively adjusted to capital consolidation effected on January 1, 2014, see Note 5a.

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

CONSOLIDATED STATEMENTS COMPREHENSIVE INCOME (LOSS)

	Nine months ended September 30,		Three months ended September 30,		Year ended December 31,
	2014	2013	2014	2013	2013
	Unaudited				Audited
	NIS in thousands				
Net income (loss)	(5,468)	2,523	(2,230)	(2,403)	209
Other comprehensive income (loss):					
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	(29)	-	(29)	-	-
Total other comprehensive loss	(29)	-	(29)	-	-
Total comprehensive income (loss)	(5,497)	2,523	(2,259)	(2,403)	209
Attributable to:					
Equity holders of the Company	(5,438)	2,523	(2,220)	(2,403)	207
Non-controlling interests	(59)	-	(39)	-	2
	(5,497)	2,523	(2,259)	(2,403)	209

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

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to equity holders of the Company									
	Share capital	**Share premium**	**Capital reserve from share-based payment transactions**	**Adjustments arising from translating financial statements of foreign operations**	**Warrants**	**Capital reserve from transactions with non-controlling interests**	**Accumulated deficit**	**Total**	**Non-controlling interests**	**Total equity**
	Unaudited									
	NIS in thousands									
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)
Total other comprehensive loss	-	-	-	(29)	-	-	-	(29)	-	(29)
Total comprehensive loss	-	-	-	(29)	-	-	(5,409)	(5,438)	(59)	(5,497)
Issue of shares *)	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	(101,624)	1,027	(284)	743
Balance at January 1, 2013 (audited)	478	69,947	15,141	-	3,616	-	(96,591)	(7,409)	-	(7,409)
						-				
Total comprehensive income	-	-	-	-	-	-	2,523	2,523	-	2,523
Issue of shares **)	799	6,463	-	-	963	-	-	8,225	-	8,225
Exercise of warrants into shares	28	512	-	-	(202)	-	-	338	-	338
Cost of share-based payment	-	-	(97)	-	-	-	-	(97)	-	(97)
Balance at September 30, 2013	1,305	76,922	15,044	-	4,377	-	(94,068)	3,580	-	3,580

*) Less issue expenses of NIS 271 thousand.
**) Less issue expenses of NIS 775 thousand.

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

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to equity holders of the Company									
	Share capital	Share premium	Capital reserve from share-based payment transactions	Adjustments arising from translating financial statements of foreign operations	Warrants	Capital reserve from transactions with non-controlling interests	Accumulated deficit	Total	Non-controlling interests	Total equity
	Unaudited									
	NIS in thousands									
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)
Total 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
Balance at July 1, 2013	946	74,177	14,929	-	3,414	-	(91,665)	1,801	-	1,801
Total comprehensive loss	-	-	-	-	-	-	(2,403)	(2,403)	-	(2,403)
Issue of shares *)	359	2,745	-	-	963	-	-	4,067	-	4,067
Cost of share-based payment	-	-	115	-	-	-	-	115	-	115
Balance at September 30, 2013	1,305	76,922	15,044	-	4,377	-	(94,068)	3,580	-	3,580

*) Less issue expenses of NIS 533 thousand.

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

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to equity holders of the Company								
	Share capital	Share premium	Capital reserve from share-based payment transactions	Warrants	Capital reserve from transactions with non-controlling interests	Accumulated deficit	Total	Non-controlling interests	Total equity
	Audited								
	NIS in thousands								
Balance at January 1, 2013	478	69,947	15,141	3,616	-	(96,591)	(7,409)	-	(7,409)
Total comprehensive income	-	-	-	-	-	207	207	2	209
Allocation of shares *)	904	7,817	84	963	-	-	9,768	-	9,768
Exercise of warrants into shares	28	512	-	(202)	-	-	338	-	338
Issue of shares to non-controlling interests	-	-	-	-	941	-	941	(227)	714
Cost of share-based payment	-	-	(154)	-	-	-	(154)	-	(154)
Balance at December 31, 2013	1,410	78,276	15,071	4,377	941	(96,384)	3,691	(225)	3,466

*) Less issue expenses of NIS 775 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,
	2014	2013	2014	2013	2013
	Unaudited				Audited
	NIS in thousands				
Cash flows from operating activities:					
Net income (loss)	(5,468)	2,523	(2,230)	(2,403)	209
Adjustments to reconcile net income (loss) to net cash used in operating activities:					
Adjustments to the profit or loss items:					
Depreciation and amortization	145	136	92	39	170
Gain from sale of property, plant and equipment	(116)	(19)	(83)	(7)	(40)
Change in employee benefit liabilities, net	12	(13)	12	(9)	(20)
Cost of share-based payment	94	(97)	30	115	(154)
Write down of liability to the Chief Scientist	-	(1,477)	-	5	(7,206)
Erosion of outstanding liability to the Chief Scientist (including amounts recorded in research and development expenses)	19	(7,206)	2	-	(1,805)
Finance income, net	(5)	(15)	(1)	(8)	(20)
Company's share of losses of associate	251	-	251	-	-
Decrease in value of warrants (series 1) and (series 2)	(396)	-	(7)	-	(47)
	4	(8,671)	296	135	(9,122)
Changes in operating asset and liability items:					
Decrease (increase) in accounts receivable	(210)	(174)	(10)	(184)	53
Increase (decrease) in trade payable	(487)	(790)	(147)	50	(612)
Increase (decrease) in other accounts payable	(78)	62	36	67	(91)
	(775)	(902)	(121)	(67)	(650)
Cash paid and received during the period for:					
Interest received	5	15	1	8	20
Net cash used in operating activities	(6,234)	(7,055)	(2,054)	(2,327)	(9,543)

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,
	2014	**2013**	**2014**	**2013**	**2013**
	Unaudited				**Audited**
	NIS in thousands				
Cash flows from investing activities:					
Proceeds from sale of property, plant and equipment	207	23	174	7	45
Movement in restricted cash	(44)	-	(44)	-	-
Purchase of property, plant and equipment	(2)	(4)	(2)	(3)	(4)
Investment in associate	(870)	-	(870)	-	-
Net cash provided by (used in) investing activities	(709)	19	(742)	4	41
Cash flows from financing activities:					
Issue of share capital and warrants (less issue expenses)	2,588	8,225	-	4,067	10,211
Issue of shares to non-controlling interests	-	-	-	-	714
Exercise of warrants into shares	-	338	-	-	338
Receipts from the Chief Scientist	-	-	-	-	486
Net cash provided by financing activities	2,588	8,563	-	4,067	11,749
Increase (decrease) in cash and cash equivalents	(4,355)	1,527	(2,796)	1,744	2,247
Cash and cash equivalents at the beginning of the period	5,122	2,875	3,563	2,658	2,875
Cash and cash equivalents at the end of the period	767	4,402	767	4,402	5,122
(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, 2014 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, 2013 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. On March 30, 2014, the Company decided to revise its business strategy. As of the reporting date, the Company will focus on identifying and investing in promising technologies in the bio-pharma field and, at the same time, it will accelerate the existing technologies. The Company owns an exclusive license for a series of patents for the orally administered Anti-CD3 antibody. The Company's main product portfolio focuses on the orally administered antibody (Anti-CD3) used to treat inflammatory, autoimmune diseases as well as other immune-related disorders. The Company also has rights to an antibody to treat Alzheimer's disease.

c. The Company has accumulated losses totaling NIS 5,468 thousand in the nine months period ended September 30, 2014 and has negative cash flows from operating activities totaling NIS 6,234 thousand in the nine months period then ended. The balance of cash available to the Company may not be sufficient to finance its operating activities beyond the 12-month period from the date of the approval of the financial statements. These factors raise substantial doubt as to the Company's ability to continue as a "going concern". The Company finances its operations by raising capital from private and institutional sources and by collaborating with leading multinational corporations in the industry. The Company's management is focusing on securing the Company's financial stability, among others, by exploring one or more of the above alternatives. 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

a. 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.

b. New standards, interpretations and amendments applied for the first time by the Company:

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, except as noted below.

NOTE 2:- SIGNIFICANT ACCOUNTING POLICIES (Cont.)

1. Amendments to IAS 32, "Financial Instruments: Presentation" regarding offsetting financial assets and financial liabilities:

   The IASB issued amendments to IAS 32 ("the amendments to IAS 32") regarding the offsetting of financial assets and financial liabilities. The amendments to IAS 32 clarify, among others, the meaning of "currently has a legally enforceable right of set-off" ("the right of set-off"). Among others, the amendments to IAS 32 prescribe that the right of set-off must be legally enforceable not only during the ordinary course of business of the parties to the contract but also in the event of bankruptcy or insolvency of one of the parties. The amendments to IAS 32 also state that in order for the right of set-off to be currently available, it must not be contingent on a future event, there may not be periods during which the right is not available, or there may not be any events that will cause the right to expire.

   The effect of the adoption of the amendments on the Company was immaterial

2. Investments in associate:

   The Group's investments in associates are accounted for using the equity method.

   Under the equity method, the investment in the associate is presented at cost with the addition of post-acquisition changes in the Group's share of net assets, including other comprehensive income of the associate. Profits and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate or in the joint venture.

   Goodwill relating to the acquisition of an associate is presented as part of the investment in the associate, measured at cost and not systematically amortized. Goodwill is evaluated for impairment as part of the investment in the associate as a whole.

   The financial statements of the Company and of the associate are prepared as of the same dates and periods. The financial statements of the associate have been prepared pursuant to IL GAAP. Below are the effects of the reconciliation between the financial statements of the associate and IFRS from the associate's acquisition date.

NOTE 2:- SIGNIFICANT ACCOUNTING POLICIES (Cont.)

On the statements of financial position:

	Israeli GAAP	Reconciliation	IFRS
	NIS in thousands		
As of September 30, 2014 (unaudited):			
Loan from controlling shareholder	789	(307)	482
Total equity	(440)	307	(133)
As of December 31, 2013 (audited):			
Loan from controlling shareholder	789	(438)	351
Total equity	(760)	438	(322)
As of September 30, 2013 (unaudited):			
Loan from controlling shareholder	764	(467)	297
Total equity	(737)	467	(270)

On the statements of comprehensive income:

	Israeli GAAP	Reconciliation	IFRS
	NIS in thousands		
Nine months ended September 30, 2014 (unaudited):			
Finance expenses	3	132	135
Total comprehensive loss	403	132	535
Three months ended September 30, 2014 (unaudited):			
Finance expenses	3	43	46
Total comprehensive loss	392	43	435

NOTE 2:- SIGNIFICANT ACCOUNTING POLICIES (Cont.)

	Israeli GAAP	Reconciliation	IFRS
	NIS in thousands		
Nine months ended September 30, 2013 (unaudited):			
Finance expenses	-	88	88
Total comprehensive loss	52	88	140
Three months ended September 30, 2013 (unaudited):			
Finance expenses	-	29	29
Total comprehensive loss	1	29	30
Year ended December 31, 2013 (audited):			
Finance expenses	16	117	133
Total comprehensive loss	74	117	191

NOTE 3:- DISCLOSURE OF NEW IFRS STANDARDS IN THE PERIOD PRIOR TO THEIR ADOPTION

a. Amendments to IAS 16 and IAS 38 regarding acceptable methods of depreciation and amortization:

In May 2014, the IASB issued amendments to IAS 16 and IAS 38 ("the amendments") regarding the use of a depreciation and amortization method based on revenue.

According to the Amendments, a revenue-based method is not considered to be an appropriate manifestation of consumption since revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset.

As for intangible assets, the revenue-based amortization method can only be applied under certain circumstances such as when it can be demonstrated that revenue and the consumption of economic benefits of the intangible asset are highly correlated.

The amendments will be applied prospectively in the financial statements for annual periods beginning on or after January 1, 2016. Early application is permitted.

NOTE 3:- DISCLOSURE OF NEW IFRS STANDARDS IN THE PERIOD PRIOR TO THEIR ADOPTION (Cont.)

b. IFRS 9, "Financial Instruments":

In keeping with the matters discussed in Note 2 to the annual financial statements as of December 31, 2013 regarding disclosure of new IFRS in the period prior to their adoption in the issue of IFRS 9, in July 2014, the IASB issued the final and complete version of IFRS 9, "Financial Instruments" ("the final Standard") which includes the following elements: classification and measurement, impairment and hedge accounting.

The main changes between the final Standard and the previously published phases of the Standard are:

Classification and measurement:

The final version of IFRS 9 includes another category for the classification and measurement of financial assets that represent debt instruments. Financial assets classified in this category will be measured at fair value through other comprehensive income ("FVOCI") and the differences previously carried to other comprehensive income as above will be reclassified to profit or loss under specific conditions such as when the asset is derecognized. Finance income, exchange rate differences and impairment losses on financial assets, however, will be recognized in profit or loss. The classification in this category is allowed for debt instruments that meet the following tests on a cumulative basis:

- Based on the financial asset's contractual terms and on specific dates, the entity is entitled to receive cash flows that represent solely principal payments and interest payments on the principal balance.

- The asset is held in the context of a business model whose aim is both to collect the contractual cash flows generated from the asset and to dispose of the asset.

Impairment:

The final version of IFRS 9 addresses the issue of impairment of financial assets by introducing the expected credit loss impairment model to replace the incurred loss model prescribed in IAS 39. The expected credit loss model applies to debt instruments measured at amortized cost or at FVOCI and to trade receivables. The model introduces a general and simpler approach for measuring impairment:

- General approach - credit losses due to default which are expected to occur in the subsequent 12-month period will be recognized provided that there has not been a significant increase in credit risk since the date of initial recognition of the instrument. On the other hand, if there has been a significant increase in credit risk since the date of initial recognition of the instrument, a provision should be recognized for credit losses that are expected to occur over the remaining life of the exposure in respect of said instrument.

NOTE 3:- DISCLOSURE OF NEW IFRS STANDARDS IN THE PERIOD PRIOR TO THEIR ADOPTION (Cont.)

- A simpler approach (applies in certain cases and for certain groups of assets only, including trade receivables) - according to this approach, the credit losses that are expected to occur over the remaining life of the exposure in respect of said instrument should be recognized, regardless of the occurrence of credit risk changes since the date of initial recognition of said instrument.

The final Standard will be applied retrospectively, subject to certain exemptions stipulated therein, in the financial statements for annual periods beginning on or after January 1, 2018. Early application is permitted.

NOTE 4:- ATTACHING THE FINANCIAL STATEMENTS OF AN ASSOCIATE

a. The Company has attached to its financial statements for the first time the accounts of LaraPharm Ltd. which is accounted for at equity, see Notes 2b and 5g.

b. LaraPharm is developing a synthesized formulation that is based on cannabinoids (active components found in the cannabis plant) to be administered through an inhaler.

c. Below is condensed information from the statement of financial position and statement of comprehensive income of LaraPharm for each of the reporting periods:

	September 30,		December 31,
	2014	2013	2013
	Unaudited		Audited
	NIS in thousands		
Current assets	529	28	36
Non-current assets	13	2	-
Current liabilities	982	768	796
Deficit attributable to equity holders of the Company	(440)	(738)	(760)

	Nine months ended September 30,		Three months ended September 30,		Year ended December 31,
	2014	2013	2014	2013	2013
	Unaudited				Audited
	NIS in thousands				
Comprehensive loss	403	52	392	1	74

NOTE 4:- ATTACHING THE FINANCIAL STATEMENTS OF AN ASSOCIATE (Cont.)

d. Details of investment:

	September 30, 2014
	Unaudited
	NIS in thousands
Movement in investment:	
Cost of shares	2,144
Post-acquisition losses	(250)
Adjustments arising from translating financial statements of foreign operations	(29)
	1,865

NOTE 5:- EVENTS DURING THE REPORTING PERIOD

a. On January 1, 2014, a special meeting approved to consolidate the authorized share capital and the issued and outstanding share capital such that any existing 10 Ordinary shares of NIS 0.01 par value each in the authorized share capital and the issued and outstanding share capital of the Company will be consolidated into one Ordinary share of the Company of NIS 0.1 par value. The number of the warrants that existed in the Company's equity was be adjusted accordingly.

b. At the beginning of January 2014, the Company received a letter from Ramot in which Ramot announces its intention to bring to an end the license and research agreement that the parties signed on February 23, 2009 in connection with the BBS technology. The Company's position is that Ramot announcement is illegitimate and groundless. The parties are negotiating the issue.

c. On January 8, 2014, the Company's Board named Mr. Asher Shmulevitz as active Chairman of the Company's Board.

d. On February 16, 2014, the Company and the CEO, Mr. Ari Aminetzah, reached understandings regarding the termination of his tenure as the Company's CEO at the end of March 2014. During April-May 2014, Mr. Aminetzah rendered business development services to the Company.

On May 14, 2014, following the termination of the role of Mr. Ari Aminetzah as the CEO, 112,500 warrants were forfeited.

e. On August 24, 2014, the Company's Board authorized Mr. Abraham Meizler to sign the financial statements.

NOTE 5:- EVENTS DURING THE REPORTING PERIOD (Cont.)

f. On March 24, 2014, the general meeting of shareholders approved payment of compensation to the Company's Chairman: (1) for September-December 2013 - monthly payment of US$ 10 thousand (2) from January 8, 2014 - monthly payment of NIS 50 thousand (3) allocation of 423,037 unlisted warrants of the Company at exercise price of not less than the share market price in the 30 days before the allocation plus 10%. The warrants vest during 3 years in equal portions on a quarterly basis. Also, the general meeting approved the Company's remuneration policy. The warrants were allocated on April 1, 2014. The grant date fair value was estimated at approximately NIS 181 thousand.

The compensation was computed using the binomial model based on expected share price volatility of 71.44% computed at the grant date, grant date share price of NIS 0.791 per share, exercise price of NIS 0.789 per share, risk free interest rates of 0.7%-5.74% per year computed at the grant date and a forfeiture rate of 0%.

g. On April 2, 2014, the Company entered into a master investment agreement with LaraPharm Ltd. ("Lara"), an Israeli company that operates in the field of medical cannabis and is developing a synthesized formulation that is based on cannabinoids (active components found in the cannabis plant) to be administered through an inhaler. On June 15, 2014, a final investment agreement was signed between the parties which determines, among others, that the Company will invest in Lara up to a total of US$ 1.5 million, subject to the fulfillment of several prerequisites (completion of related agreements and the completion of various operating, monetary and commercial etc.). The Company will transfer to Lara an initial investment amount of US$ 800 thousand against shares that will represent about 48% of Lara's issued and outstanding share capital (26% on a fully diluted basis including warrants to employees and consultants).

The agreement also stipulates that the percentage of the Company's holdings in Lara's shares (48% of the issued and outstanding share capital) will be reduced pro rata to the amounts that will be transferred if the Company fails to provide the remaining payments on the predetermined dates. The agreement further stipulates that the total amount that the Company will invest in Lara will be US$ 1.5 million (including the initial investment amount), subject to the fulfillment of certain milestones and according to predetermined timetables. Assuming that Lara successfully meets all the milestones determined in the agreement and the Company invests the entire investment amount as above, the Company will hold 49% of Lara's issued and outstanding share capital (on a fully diluted basis). On August 10, 2014, all the prerequisites for completing the initial stage, as aforementioned, were met. As of September 30, 2014, the Company holds 3,538 shares that represent about 48.21% of Lara's issued and outstanding share capital (26.13% on a fully diluted basis). The Company paid US$ 250 thousand and is committed to pay additional US$ 550 thousand.

NOTE 5:- EVENTS DURING THE REPORTING PERIOD (Cont.)

As aforementioned, as of the reporting date, only the first payment was made and the date for the second payment has arrived but not yet paid to Lara. According to the provisions of this agreement, Lara has the right to reduce the percentage of the Company's holdings in Lara's shares pro rata to the amounts that will be transferred in such a manner that at the date of these financial statements, if Lara realizes its right, the Company will be diluted.

The Company accounts for its investment in Lara at equity (one-third of the Board's members are the Company's representatives). The purchase consideration was determined by an external appraiser to be NIS 2,494 thousand and comprised a cash payment of approximately NIS 695 thousand and present value of amount due of approximately NIS 1,799 thousand. Also, an amount of approximately NIS 350 thousand of the purchase consideration was attributed to a financial instrument to increase the percentage of the Company's holdings at a fixed price subject to Lara's fulfillment of milestones as determined in the agreement. The excess of cost arising on acquisition totaled approximately NIS 2,342 thousand of which approximately NIS 1,644 thousand was attributed to in-process research and development asset and approximately NIS 698 thousand to goodwill.

h. On May 4, 2014, in furtherance to the decision of the Company's Board, the Company allocated to the VP of Strategic and Business Development 266,242 unlisted warrants which are exercisable into 266,242 Ordinary shares of the Company. The warrants vest over a period of four years from the date of allocation on a quarterly basis in equal portions. The grant date fair value was estimated at approximately NIS 149 thousand. The compensation was computed using the binomial model based on expected share price volatility of 72.47% computed at the grant date, grant date share price of NIS 0.978 per share, exercise price of NIS 0.99 per share that represents the average share market price in the 30 days before the allocation plus 10%, risk free interest rates of 3.69% computed at the grant date and a forfeiture rate of 0%.

i. On May 8, 2014, the Company raised approximately NIS 2.9 million (gross) in the issuance of 3,009,400 Ordinary shares, 3,009,400 warrants (series 3) and 3,009,400 warrants (series 4) of the Company under a shelf offering report that the Company published on May 8, 2014 and a shelf prospectus from August 8, 2012. On May 15, 2014, the Company allocated 406,269 warrants (series 4) to Clal Finance Underwriting Ltd. as part of raising costs.

j. On September 22, 2014, the Company's Board named Mr. Jan Turek as the Company's CEO.

NOTE 5:- EVENTS DURING THE REPORTING PERIOD (Cont.)

k. On September 30, 2014, the Company signed a non-binding term sheet for the acquisition of the entire share capital of Dekel Pharmaceuticals Ltd. ("Dekel") in return for the allocation of shares in the Company. Dekel is a privately-held company incorporated in Israel that is mainly engaged in the research and development of drug therapies based on synthetic cannabinoid substances for treating chronic pain and inflammation. In addition, to the best of the Company's knowledge, Dekel holds the IP rights to a disposable, patent-protected dose-controlled inhalation device, which can be used in the delivery of drug compounds, including steroids and/or cannabinoids. Dekel's shareholders include Dr. Asher Shmulevitz, who also serves as Chairman of the Company's Board and an interested party therein as of the date of these financial statements.

NOTE 6:- EVENTS AFTER THE REPORTING DATE

a. Based on the Company Board's decision of May 2014, the Company completed the process of registering its Level 1 American Depository Receipts ("ADRs") for over-the-counter (OTC) trade in the United States, as detailed below. The ADRs are aimed at exposing the Company's securities to US and other foreign investors. Each ADR consists of 20 Ordinary shares of the Company. The OTC trade of the ADRs in the US began in October 2014.

b. On November 9, 2014, the Company's warrants (series 3) expired.

c. On November 19, 2014, the Company entered into a private placement agreement where 1,300,000 Ordinary shares, 1,300,000 fully vested warrants and 1,300,000 conditional warrants were offered. The total net proceeds from the offered securities were NIS 650 thousand. As of November 27, 2014, an amount of NIS 300 thousand was received.

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