ORAMED PHARMACEUTICALS INC.

2024 ANNUAL REPORT

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-K

☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Fiscal Year Ended December 31, 2024

or

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission file number 001-35813

ORAMED PHARMACEUTICALS INC.

(Exact Name of Registrant as Specified in its Charter)

Delaware	**98-0376008**
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification No.)
1185 Avenue of the Americas, Third Floor, New York, NY	**10036**
(Address of Principal Executive Offices)	(Zip Code)

844-967-2633
(Registrant's Telephone Number, Including Area Code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	**Trading symbol**	**Name of each exchange on which registered**
Common Stock, par value $0.012	ORMP	Nasdaq Capital Market, Tel Aviv Stock Exchange

Securities registered pursuant to Section 12(g) of the Act:

None.
(Title of class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.

Yes ☐ No ☒

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Date File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☒
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☐

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act).

Yes ☐ No ☒

The aggregate market value of the voting and non-voting common equity held by non-affiliates as of the last business day of the registrant's most recently completed second fiscal quarter was $131,190,607 based on a price of $3.58, being the last price at which the shares of the registrant's common stock were sold on the Nasdaq Capital Market prior to the end of the most recently completed second fiscal quarter.

As of March 27, 2025, the registrant had 40,850,455 shares of common stock issued and outstanding.

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INTRODUCTION AND USE OF CERTAIN TERMS

As used in this Annual Report on Form 10-K, the terms "we," "us," "our," the "Company," and "Oramed" mean Oramed Pharmaceuticals Inc. and our wholly-owned subsidiaries, unless otherwise indicated. All dollar amounts refer to U.S. dollars unless otherwise indicated.

On December 31, 2024, the exchange rate between the New Israeli Shekel, or NIS, and the dollar, as quoted by the Bank of Israel, was NIS 3.647 to $1.00. Unless indicated otherwise by the context, statements in this Annual Report on Form 10-K that provide the dollar equivalent of NIS amounts or provide the NIS equivalent of dollar amounts are based on such exchange rate.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

The statements contained in this Annual Report on Form 10-K that are not historical facts are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 and other federal securities laws and the Israeli securities law. Words such as "expects," "anticipates," "intends," "plans," "planned expenditures," "believes," "seeks," "estimates" and similar expressions or variations of such words are intended to identify forward-looking statements, but are not deemed to represent an all-inclusive means of identifying forward-looking statements as denoted in this Annual Report on Form 10-K. Additionally, statements concerning future matters are forward-looking statements. We remind readers that forward-looking statements are merely predictions and therefore inherently subject to uncertainties and other factors and involve known and unknown risks that could cause the actual results, performance, levels of activity, or our achievements, or industry results, to be materially different from any future results, performance, levels of activity, or our achievements, or industry results, expressed or implied by such forward-looking statements. Such forward-looking statements appear in "Item 1. Business" and "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations," as well as elsewhere in this Annual Report on Form 10-K and include, among other statements, statements regarding the following:

- our plan to evaluate potential strategic opportunities;
- our potential repurchases of shares of our common stock;
- the possibility that the anticipated benefits of the 2023 Scilex Transaction and 2024 Refinancing (as defined below) are not realized when expected or at all, including as a result of the impact of, or problems arising from, the ability of Scilex Holding Company, or Scilex, to repay the Notes and the ability of the Company to realize the value of the warrants;
- our Profit Sharing Loan Agreement expose us to potential market, liquidity, and execution risks;
- the JV Agreement (as defined herein) includes potential delays and, indemnification liabilities, and the impact of the Spin Off (as defined below) could affect our financial position, operations, and ability to realize anticipated benefits from the joint venture, or OraTech and Spin Off;
- our exposure to potential litigation;
- our ability to enhance value for our stockholders;
- the expected development and potential benefits from our products;
- the prospects of entering into additional license agreements, or other partnerships or forms of cooperation with other companies or medical institutions;
- future milestones, conditions and royalties under our license agreements;
- the potential of the Oravax Medical Inc., or Oravax, vaccine to protect against the coronavirus, or COVID-19, pandemic;
- our research and development plans, including preclinical and clinical trials plans and the timing of enrollment, obtaining results and conclusion of trials;
- our belief that our technology has the potential to deliver medications and vaccines orally that today can only be delivered via injection;

- the competitive ability of our technology based on product efficacy, safety, patient convenience, reliability, value and patent position;
- the potential market demand for our products;
- our ability to obtain patent protection for our intellectual property;
- our expectation that our research and development expenses will continue to be our major expenditure;
- our expectations regarding our short- and long-term capital requirements;
- our outlook for the coming months and future periods, including but not limited to our expectations regarding future revenue and expenses; and
- information with respect to any other plans and strategies for our business.

Although forward-looking statements in this Annual Report on Form 10-K reflect the good faith judgment of our management, such statements can only be based on facts and factors known by us at the time of such statements. Consequently, forward-looking statements are inherently subject to risks and uncertainties and actual results and outcomes may differ materially from the results and outcomes discussed in or anticipated by the forward-looking statements. Factors that could cause or contribute to such differences in results and outcomes include, without limitation, those discussed herein, including those risks described in "Item 1A. Risk Factors," and expressed from time to time in our other filings with the Securities and Exchange Commission, or SEC. In addition, historic results of scientific research, clinical and preclinical trials do not guarantee that the conclusions of future research or trials would not suggest different conclusions. Also, historic results referred to in this Annual Report on Form 10-K could be interpreted differently in light of additional research, clinical and preclinical trials results. Readers are urged not to place undue reliance on these forward-looking statements, which speak only as of the date of this Annual Report on Form 10-K. Except as required by law, we undertake no obligation to revise or update any forward-looking statements in order to reflect any event or circumstance that may arise after the date of this Annual Report on Form 10-K. Readers are urged to carefully review and consider the various disclosures made throughout the entirety of this Annual Report on Form 10-K which attempt to advise interested parties of the risks and factors that may affect our business, financial condition, results of operations and prospects.

PART I

ITEM 1. BUSINESS.

Description of Business

We are a pharmaceutical company engaged in the research and development of innovative pharmaceutical solutions with a technology platform that allows for the oral delivery of therapeutic proteins.

We have developed an oral dosage form intended to withstand the harsh environment of the stomach and effectively deliver active biological insulin or other proteins. The excipients in the formulation are not intended to modify the proteins chemically or biologically, and the dosage form is designed to be safe to ingest.

On January 11, 2023, we announced that the Phase 3 oral insulin trial (ORA-D-013-1) did not meet its primary or secondary endpoints. As a result, we terminated this trial and a parallel Phase 3, ORA-D-013-2 clinical trial. In 2023, we completed an analysis of the ORA-D-013-1 Phase 3 trial data and found that subpopulations of patients with pooled specific parameters, such as body mass index, or BMI, baseline HbA1c and age, responded well to oral insulin. Based on this analysis, on September 12, 2024 we submitted a protocol for a revised Phase 3 (ORA-D-013-3) clinical trial to the U.S. Food and Drug Administration, or the FDA. We intend to initiate study during 2025. We are additionally examining our existing pipeline and have commenced an evaluation process of potential strategic opportunities, with the goal of enhancing value for our stockholders.

On January 22, 2024, we along with our wholly-owned subsidiary Oramed Ltd., entered into a joint venture agreement, or Initial JV Agreement, with Hefei Tianhui Biotech Co., Ltd. or HTIT, and its subsidiary Technowl Limited or HTIT Sub. OraTech will focus on developing and commercializing products based on our oral insulin and POD™ technology, utilizing HTIT's manufacturing capabilities.

On February 7, 2025, we and HTIT entered into a Joint Venture Agreement, or the JV Agreement, amending the Initial JV Agreement signed on January 22, 2024. To execute the JV Agreement, we formed OraTech Pharmaceuticals, Inc., or OraTech, which will serve as the joint venture entity. We currently hold 100% of OraTech shares. OraTech was formed to advance the development and commercialization of oral insulin, combining our proprietary technology and funding with HTIT's manufacturing capabilities. Through this partnership, OraTech will have the technology, resources, and production capacity to bring oral insulin to market. The agreement also outlines the spin-off of OraTech, or the Spin Off, requiring regulatory filings and the distribution of the majority of OraTech's shares held by us to our shareholders. Both we and HTIT agreed to a 120-day lock-up period post-listing, restricting share sales.

The Initial Closing, set for April 30, 2025, or the Initial Closing, includes an investment of $40,000,000 by HTIT and $7,500,000 by us into OraTech. Additionally, we will transfer all our intellectual property rights to OraTech. The second closing, contingent on the listing of OraTech's shares on Nasdaq, involves a $20,000,000 investment by HTIT and an additional $7,500,000 investment by us, or the Second Closing. It is expected to close by May 31, 2025, but no later than September 1, 2025. Upon completion of the Initial Closing and the Second Closing, both HTIT and we will receive OraTech shares, resulting in ownership of 50% for each of HTIT and us, excluding the impact of the contemplated distribution of OraTech shares to our shareholders.

As part of the JV Agreement, HTIT will receive $20,000,000 at the Initial Closing and $10,000,000 at the Second Closing under a supply agreement with OraTech.

2023 Scilex Transaction and 2024 Refinancing

2023 Scilex Transaction

On September 21, 2023, we entered into and consummated transactions, or, collectively, the 2023 Scilex Transaction, with Scilex, pursuant to which Scilex issued to us:

a. A senior secured promissory note, or the Tranche A Note, with a principal amount of $101,875,000, maturing on March 21, 2025 and bearing interest of SOFR plus 8.5%, payable in-kind. Scheduled principal payments are due on December 21, 2023, March 21, 2024, June 21, 2024, September 21, 2024, and December 21, 2024, with the balance due on March 21, 2025. In January 2025, we extended Tranche A Note maturity from March 21, 2025 to December 31, 2025. As per the Tranche A Note terms,

if the Tranche A Note is not repaid in full on or prior to March 21, 2024, an exit fee of approximately $3,056,000 was. Since the Tranche A Note was not repaid by March 21, 2024, we are entitled to the above-mentioned exit fee at the maturity date of the Tranche A Note. As of March 27, 2025, Scilex has repaid $69,200,000 of the amount due under the Tranche A Note and refinanced $25,000,000 as part of the 2024 Refinancing (as defined below).

b. Warrants to purchase up to 4,500,000 shares of Scilex common stock with an exercise price of $0.01 per share, or the Closing Penny Warrants, and four additional warrants, or the Subsequent Penny Warrants, each for 2,125,000 shares of Scilex common stock with an exercise price of $0.01 per share. The Closing Penny Warrants vested on September 21, 2023, and each of the Subsequent Penny Warrants vested on each of March 19, 2024, June 17, 2024, September 15, 2024 and December 14, 2024. The Closing Penny Warrants and the Subsequent Penny Warrants shall become exercisable on the earliest of (i) March 14, 2025 and (ii) the date on which the Tranche A Note has been repaid in full. As of March 27, 2025, the Closing Penny Warrants and the Subsequent Penny Warrants are fully vested.

   On October 30, 2024, we exercised 4,500,000 Closing Penny Warrants and 2,000,000 Subsequent Penny Warrants that were exercisable at such time. As a result, we hold 6,500,000 shares of common stock of Scilex.

c. Transferred warrants, or the Transferred Warrants, to purchase 4,000,000 shares of Scilex common stock with an exercise price of $11.50 per share, fully exercisable and expiring on November 10, 2027. On September 20, 2024, we sold the Transferred Warrants for consideration of $300,000 (see below). As a result, as of March 27, 2025 we do not hold any Transferred Warrants.

On September 20, 2024, we and Scilex entered into an extension agreement, or the Extension Agreement, to extend the due date of the September 21, 2024 payment under the Tranche A Note. Pursuant to the Extension Agreement, Scilex paid us $2,000,000 on September 23, 2024, which payment is to be applied as follows: (i) $1,700,000 to the payment due under the Tranche A Note on March 21, 2025 and (ii) $300,000 to purchase the Transferred Warrants as mentioned above.

2024 Refinancing

On October 7, 2024, we and certain institutional investors, or the Note B Holders, entered into certain agreements with Scilex, pursuant to which the Note B Holders purchased in a registered offering, or the 2024 Refinancing, (i) a new tranche B of senior secured convertible notes of Scilex in the aggregate principal amount of $50,000,000, or the Tranche B Notes, which Tranche B Notes are convertible into shares of Scilex common stock and (ii) warrants, or the Tranche B Warrants, to purchase up to 7,500,000 shares of Scilex common stock, or Tranche B Warrants. We purchased 50% of Tranche B Note and Tranche B Warrants and therefore hold an aggregate principal amount of $25,000,000 under the Tranche B Note and 3,750,000 Tranche B Warrants.

Scilex received from us, in consideration for our part in Tranche B Notes and the Tranche B Warrants issued to us, an exchange and reduction of the principal outstanding balance under the Tranche A Note of $22,500,000.

Royalty Purchase Agreement

In addition, on October 8, 2024, we and certain institutional investors, or the RPA Purchasers, entered into a Purchase and Sale Agreement or the RPA with Scilex and Scilex Pharmaceuticals Inc., or Scilex Pharma. Pursuant to the RPA, the RPA Purchasers acquired the right to receive, in the aggregate, 8% of net sales worldwide for 10 years of certain purchase receivables, or the Purchased Receivables with respect to ZTlido (lidocaine topical system) 1.8%, SP-103 (lidocaine topical system) 5.4%, and any related, improved, successor, replacement or varying dosage forms of the foregoing. We acquired the right to receive 50% of the Purchased Receivables, as more fully described in the RPA and therefore hold the right to receive 4% royalties.

In consideration for our interest in the Purchased Receivables, we exchanged and reduced $2,500,000 of the principal balance under the Tranche A Note.

Following the refinancing as described above, on October 8, 2024, Scilex used $12,500,000 of the net proceeds from the proceeds of the Tranche B Note for the repayment of the outstanding balance under the Tranche A Note.

ZTLido Rest of the World Binding Agreement

In addition, on October 8, 2024, we and certain other institutional investors and Scilex entered into a binding term sheet, or the ROW License Term Sheet, regarding a license and development agreement, or the Lido License Agreement, with respect to services, compositions, products, dosages and formulations comprising lidocaine, including without limitation, the product and any future product defined as a "Product" under Scilex Pharma's existing (i) Product Development Agreement, dated as of May 11, 2011, with Oishi Koseido Co., Ltd., or Oishi, and Itochu Chemical Frontier Corporation, or Itochu, as amended, and (ii) the associated Commercial Supply Agreement, dated February 16, 2017, between Scilex, Oishi and Itochu, as amended.

Subject to determination of a final structure for the transactions contemplated by the ROW License Term Sheet, we anticipate that we and such institutional investors will hold the Lido License Agreement through a joint venture, RoyaltyVest, Inc., or RoyaltyVest.

In consideration for the rights to be provided under the proposed Lido License Agreement, as more fully described in the ROW License Term Sheet, (a) RoyaltyVest will invest (whether through cash consideration or in-kind payment through the provision of services) $200,000 per year toward expanding the Product, (b) Scilex will grant RoyaltyVest a worldwide, exclusive right, license and interest to all products rights for the development, out-licensing, commercialization of any Product outside of the United States and other territories, other than certain excluded designated territories , or the ROW Territory, and (c) each of RoyaltyVest and Scilex will receive 50% percent of the net revenue (less expenses) generated from any Product in the ROW Territory. The term sheet is subject to entering into a definitive agreement (signed on February 22, 2025, see below) and subject to the consent of Oishi and Itochu to the Lido License Agreement.

Tranche B Note Consent

On January 2, 2025, we and other Tranche B noteholders entered into deferral and consent agreements with Scilex or the Tranche B Consent, deferring Scilex's first amortization payment under the Tranche B Note to October 8, 2026. In consideration, we received approximately $877,000 and 2,500,000 shares of Scilex common stock.

In addition, as part of the Tranche B Consent and contingent upon certain conditions that were met:

1. Scilex and the Tranche B Noteholders agreed to a 10-year, assignable 4% royalty on global net sales of Gloperba and Elyxyb in certain territories outside of the United States, or RoW, of which, we are entitled to 2% royalties. Gloperba, an oral liquid colchicine formulation for gout, and Elyxyb, an oral solution for acute migraine treatment, represent key assets in Scilex's portfolio. The definitive agreement was signed on February 28, 2025.

2. The Tranche B Noteholders have the option to fund up to 50% of the cash purchase price for RoW product rights to Gloperba and Elyxyb (excluding Elyxyb in Canada) and will receive proportional revenues from commercialization and licensing.

Tranche A Note Maturity Date Extension Amendment

On January 21, 2025, we entered into an amendment to the Tranche A Note, or the Tranche A Extension Amendment, extending the maturity date from March 21, 2025, to December 31, 2025 or the Extended Maturity Date. Interest will continue to accrue and be payable on the Extended Maturity Date. In consideration of the extension, we received 3,250,000 shares of Scilex common stock.

Lidocaine License Agreement

As part of the ROW License Term Sheet, on February 22, 2025, we, through its 50% ownership in RoyaltyVest, entered into a license agreement with Scilex. Under this agreement, RoyaltyVest acquired exclusive rights to develop, manufacture, and commercialize lidocaine-based products, including ZTlido (lidocaine topical system 1.8%) and SP-103, in the ROW Territory. As part of the arrangement, RoyaltyVest and Scilex will each receive 50% of the net profits from the commercialization of these products. Given our 50% ownership in RoyaltyVest, we effectively holds a 25% in the profits generated under this agreement.

BioXcel

In order to diversify our investments as a part of our use of cash strategy, on March 4, 2025, we participated in a registered direct offering by BioXcel Therapeutics, Inc. (Nasdaq: BTAI), or BioXcel, acquiring 2,000,000 shares of BioXcel's common stock and accompanying warrants to purchase up to an additional 2,000,000 shares. The shares and warrants were purchased at a combined offering price of $3.50 per share and warrant, representing 50% of the total 4,000,000 shares issued in the offering. The warrants have an exercise price of $4.20 per share, are immediately exercisable, and will expire five years from the date of issuance.

BioXcel is a biopharmaceutical company leveraging artificial intelligence to develop innovative medicines in neuroscience and immuno-oncology. Its lead programs focus on treatments for agitation in neuropsychiatric disorders and other central nervous system conditions.

As of March 27, 2025, we have sold 869,992 shares and continues to hold 1,130,008 shares of BioXcel common stock.

Real Estate Transactions

Additionally, as a part of our cash management strategy, we have engaged in certain real estate transactions.

In January 2025, we entered into an agreement to acquire a parcel of land in Mevaseret Zion, Israel for a total purchase price of NIS 5,800,000 (approximately $1,586,000). The transaction is structured in installments, and as of March 27, 2025, we have paid approximately $1,210,000 toward the acquisition price. Under the agreement, the developer is responsible for executing all development-related activities, and we and the developer will share the profits upon the future sale of the property.

On March 24, 2025, we entered into a loan agreement to finance a purchase of a real estate asset in Jerusalem, Israel in the amount of $22,650,000. The loan has a one-year maturity and is secured by a first-ranking mortgage on a property valued at approximately $800,000,000, providing significant collateral coverage. The loan bears an annual interest rate of 12%.

Research and Development

Oral Insulin

Type 2 Diabetes: We conducted the ORA-D-013-1 Phase 3 trial on patients with type 2 diabetes, or T2D, with inadequate glycaemic control who were on two or three oral glucose-lowering agents. The primary endpoint of the trial was to evaluate the efficacy of our oral insulin capsule, ORMD-0801, compared to placebo in improving glycaemic control as assessed by HbA1c, with a secondary efficacy endpoint of assessing the change from baseline in fasting plasma glucose at 26 weeks. On January 11, 2023, we announced that the ORA-D-013-1 Phase 3 trial did not meet its primary or secondary endpoints. Following the results of the ORA-D-013-1 Phase 3 trial, we also terminated the ORA-D-013-2 Phase 3 trial, a second Phase 3 trial that included T2D patients with inadequate glycaemic control who were attempting to manage their condition with either diet alone or with diet and metformin. In 2023, we completed an analysis of the data from the ORA-D-013-1 Phase 3 trial and found that subpopulations of patients with pooled specific parameters, such as BMI, baseline HbA1c and age, responded well to oral insulin. These subsets exhibited an over 1% placebo adjusted, statistically significant, reduction in HbA1c. Based on this analysis, on September 12, 2024 we submitted a protocol for a revised Phase 3 (ORA-D-013-3) clinical trial to the FDA. We intend to initiate this study during 2025. We are additionally examining our existing pipeline and have commenced an evaluation process of potential strategic opportunities, with the goal of enhancing value for our stockholders.

Joint Venture Agreement: As mentioned above, on February 7, 2025, we entered into JV Agreement with HTIT. The collaboration combines our POD technology with HTIT's manufacturing capabilities, creating a synergy. This integration of technology and manufacturing expertise will enable us to ensure consistent, high-quality production at scale, setting new standards for oral protein delivery.

OraTech is backed by a substantial capital and operational commitment. These resources support the initiation of a Phase 3 clinical trial in the U.S. As mentioned above, by leveraging insights from prior clinical studies, we have strategically designed this refined Phase 3 trial to focus on key patient subpopulations that we believe have the highest potential to demonstrate efficacy.

Oral Vaccine

On March 18, 2021, we entered into a license agreement with Oravax, a 63% owned joint venture to commercialize oral vaccines for COVID-19 and other novel coronaviruses based on Premas Biotech Pvt. Ltd.'s proprietary vaccine technology involving a triple antigen virus like particle.

In October 2022, Oravax reported positive preliminary Phase 1 data for Cohort A of a Phase 1 clinical trial, meeting primary or secondary endpoints of safety and immunogenicity. These results included significant antibody response (2-6 fold over baseline) as measured by multiple markers of immune response to virus like particle vaccine antigens observed in the majority of the patients dosed, and no safety issues were observed, including mild symptoms. Cohort B completed dosing in January 2023. Cohort B measured Immunoglobulin G, or IGG, against the spike (S) protein, showing positive IGG in approximately 55% of the patients dosed. We are currently evaluating our path forward for Oravax's oral vaccines for COVID-19.

Impact of Current Events

On October 7, 2023, the State of Israel was attacked by Hamas, a group designated as a terrorist organization by the United States, and the State of Israel subsequently declared war on Hamas. Since that time, Israel has been engaged in a multi-front armed conflict with combatants located in Gaza, the West Bank, Syria, Iran, Lebanon and Yemen. The situation in the region remains volatile and the possibility of renewed conflicts persist. As of March 27, 2025, we believe that there is no immediate risk to our business operations related to these events. For further information, see "Item 1A. Risk Factors," under "We are affected by the political, economic and military risks of having operations in Israel."

Real Estate Investments

On November 7, 2024, our Board of Directors, or the Board, approved investments of up to $10,000,000 in real estate assets. This decision aligns with our strategic approach to capital allocation, leveraging opportunities in the current real estate market where we have identified attractive investment prospects. With interest rates expected to decline and valuations presenting favorable entry points, the Board believes these investments could provide long-term value appreciation and potential income streams, further strengthening our financial position. As we continues to evaluate our business strategy, including potential structural changes, these investments are intended to enhance financial flexibility and maximize shareholder value. On February 13, 2025, the Board approved increasing the real estate investments to up to $30,000,000.

Diabetes Market Overview

Diabetes is a disease in which the body does not produce or properly use insulin. Insulin is a hormone that causes sugar to be absorbed into cells, where the sugar is converted into energy needed for daily life. The cause of diabetes is attributed both to genetics (type 1 diabetes, or T1D) and, most often, to environmental factors such as obesity and lack of exercise (T2D). According to the International Diabetes Federation, or IDF, approximately 537 million adults (20-79 years) worldwide suffered from diabetes in 2021 and the IDF projects this number will increase to 783 million by 2045. According to the American Diabetes Association, or ADA, in 2023, the United States there were approximately 37 million people with diabetes. Diabetes is a leading cause of blindness, kidney failure, heart attack, stroke and amputation.

Intellectual Property and Patents

We own a portfolio of patents and patent applications covering our technologies, and we are aggressively protecting these technology developments on a worldwide basis.

We maintain a proactive intellectual property strategy, which includes patent filings in multiple jurisdictions, including the United States and other commercially significant markets. We hold 26 patent applications currently pending, with respect to various compositions, methods of production and oral administration of proteins and exenatide. Expiration dates for pending patents, if granted, will fall between 2026 and 2039.

We hold 140 patents, eight of which were issued during the year ended December 31, 2024, including patents issued by the United States, Swiss, German, French, U.K., Italian, Netherlands, Swedish, Spanish, Australian, Israeli, Japanese, New Zealand, South African, Russian, Canadian, Hong Kong, Chinese, European and Indian patent offices

that cover a part of our technology, which allows for the oral delivery of proteins; patents issued by the Australian, Canadian, European, Austrian, Belgian, French, German, Irish, Italian, Luxembourg, Monaco, Netherlands, Norwegian, Spanish, Swedish, Swiss, U.K., Israeli, New Zealand, South African, Russian, Brazilian and Japanese patent offices that cover part of our technology for the oral delivery of exenatide; and patents issued by the European, Austrian, Belgian, Denmark, French, German, Irish, Italian, Luxembourg, Monaco, Netherlands, Norway, Spanish, Swedish, Swiss, U.K. and Japanese patent offices for treating diabetes.

Consistent with our strategy to seek protection in key markets worldwide, we have been and will continue to pursue the patent applications and corresponding foreign counterparts of such applications. We believe that our success will depend on our ability to obtain patent protection for our intellectual property.

Our patent strategy is as follows:

- Aggressively protect all current and future technological developments to assure strong and broad protection by filing patents and/or continuations in part as appropriate,
- Protect technological developments at various levels, in a complementary manner, including the base technology, as well as specific applications of the technology, and
- Establish comprehensive coverage in the United States and in all relevant foreign markets in anticipation of future commercialization opportunities.

Trademarks and Trade Secrets

We have trademark applications pending in Israel, with Corresponding international trademark applications in Australia, Brazil, Canada, China, Colombia, the European Union, India, Indonesia, Japan, Kazakhstan, Korea, Malaysia, Mexico, New Zealand, Norway, Oman, Philippines, Russia, Singapore, Switzerland, Thailand, Turkey, Ukraine, United Arab Emirates, United Kingdom, U.S.A., Uzbekistan and Vietnam.

We also rely on trade secrets and unpatentable know-how that we seek to protect, in part, by confidentiality agreements. Our policy is to require our employees, consultants, contractors, manufacturers, outside scientific collaborators and sponsored researchers, our Board, technical review board and other advisors, to execute confidentiality agreements upon the commencement of employment or consulting relationships with us. These agreements provide that all confidential information developed or made known to the individual during the course of the individual's relationship with us is to be kept confidential and not disclosed to third parties except in specific limited circumstances. We also require signed confidentiality or material transfer agreements from any company that is to receive our confidential information. In the case of employees, consultants and contractors, the agreements provide that all inventions conceived by the individual while rendering services to us shall be assigned to us as the exclusive property of the Company. There can be no assurance, however, that all persons who we desire to sign such agreements will sign, or if they do, that these agreements will not be breached, that we would have adequate remedies for any breach, or that our trade secrets or unpatentable know-how will not otherwise become known or be independently developed by competitors.

Out-Licensed Technology

Entera Bio

In June 2010, our wholly-owned subsidiary, Oramed Ltd., entered into a joint venture agreement with DNA GROUP (T.R.) Ltd. (formerly D.N.A Biomedical Solutions Ltd.), or DNA, for the establishment of Entera Bio Ltd., or Entera.

In March 2011, Oramed Ltd. sold shares of Entera to DNA, retaining 117,000 ordinary shares (after giving effect to a stock split by Entera in July 2018). In consideration for the shares sold to DNA, the Company received, among other payments, ordinary shares of DNA (see also note 3 to our audited consolidated financial statements).

As part of this agreement, Oramed Ltd. entered into a patent transfer agreement, or the Patent Transfer Agreement, according to which Oramed Ltd. assigned to Entera all of its rights to a patent application related to the oral administration of proteins that it has licensed to Entera since August 2010, in return for royalties of 3% of Entera's net revenues and a license back of that patent application for use in respect of diabetes and influenza.

As of December 31, 2024, Entera had not paid any royalties to Oramed Ltd. During the years ended December 31, 2024 and 2023, we did not sell any of DNA's ordinary shares. As of December 31, 2024, we held approximately 1.4% of DNA's outstanding ordinary shares and approximately 0.3% of Entera's outstanding ordinary shares.

HTIT

On November 30, 2015, we entered into a Technology License Agreement, or TLA, with HTIT and on December 21, 2015, these parties entered into an Amended and Restated Technology License Agreement that was further amended by the parties on June 3, 2016 and July 24, 2016, or the HTIT License Agreement. According to the HTIT License Agreement, we granted HTIT an exclusive commercialization license in the territory of the People's Republic of China, Macau and Hong Kong, related to our oral insulin capsule, ORMD-0801, or the Product. Pursuant to the HTIT License Agreement, HTIT will conduct, at its own expense, certain pre-commercialization and regulatory activities with respect to our technology and ORMD-0801 capsule, and will pay (i) royalties of 10% on net sales of the related commercialized products to be sold by HTIT in the territory, or Royalties, and (ii) an aggregate of $37,500,000, of which $3,000,000 was payable immediately, $8,000,000 will be paid subject to our entry into certain agreements with certain third parties, and $26,500,000 will be payable upon achievement of certain milestones and conditions. In the event that we will not meet certain conditions, the Royalties rate may be reduced to a minimum of 8%. Following the final expiration of our patents covering the technology in the territory in 2033, the Royalties rate may be reduced, under certain circumstances, to 5%. The royalty payment obligation shall apply during the period of time beginning upon the first commercial sale of the Product in the territory, and ending upon the later of (i) the expiration of the last-to-expire licensed patents in the territory; and (ii) 15 years after the first commercial sale of the Product in the territory. The HTIT License Agreement shall remain in effect until the expiration of the royalty term. The HTIT License Agreement contains customary termination provisions. Through December 31, 2024, we received aggregate milestone payments of $20,500,000 out of the aggregate amount of $37,500,000.

On August 21, 2020, we received a letter from HTIT, disputing certain pending payment obligations of HTIT under the TLA.

Pursuant to the terms of the JV Agreement, each of us, HTIT and HTIT Sub, irrevocably released and waived (i) any claims and demands against each other party in connection with the TLA; and (ii) all rights, obligations and liabilities set out and arising with respect to the performance of the TLA.

HTIT has submitted a Marketing Authorization Application to China's regulators for the oral insulin capsule in China. Since the TLA was novated to OraTech, OraTech is expected to receive royalties from any future sales in China

Oravax License

On March 18, 2021, we entered into a license agreement, or the Oravax License Agreement, with Oravax, a 63% owned joint venture to commercialize oral vaccines for COVID-19 and other novel coronaviruses based on Premas Biotech Pvt. Ltd.'s proprietary vaccine technology involving a triple antigen virus like particle, or the Oravax product.

In consideration for the grant of the license under the Oravax License Agreement, we will receive (i) royalties equal to 7.5% on net sales, as defined in the Oravax License Agreement, of each product commercialized by Oravax, its affiliates and permitted sublicensees related to the license during the term specified in the Oravax License Agreement, (ii) sublicensing fees equal to 15% of any non-sales-based consideration received by Oravax from a permitted sublicensee and (iii) other payments ranging between $25,000,000 to $100,000,000, based on certain sales milestones being achieved by Oravax. The parties further agreed to establish a development and steering committee, which will consist of three members, of which two members will be appointed by us, that will oversee the ongoing research, development, clinical and regulatory activity with respect to the Oravax product. In addition, we agreed to buy and Oravax agreed to issue to us 1,890,000 shares of common stock of Oravax, representing 63% of the common stock of Oravax for the aggregate amount of $1,500,000. Akers Biosciences Inc. contributed $1,500,000 in cash to Oravax and a license agreement to the Oravax product.

Medicox License

On November 13, 2022, we entered into a distribution license agreement with Medicox Co., Ltd., or Medicox, an emerging biotech company with a consortium of proven partnerships in the Republic of Korea. The agreement grants Medicox the exclusive license to apply for regulatory approval and distribute ORMD-0801 for ten years in the Republic

of Korea. Medicox will comply with agreed distribution targets and will purchase ORMD-0801 at an agreed upon transfer price per capsule. In addition, Medicox will pay Oramed up to $15,000,000 in developmental milestones, $2,000,000 of which were received by Oramed in 2022, and up to 15% royalties on gross sales. Medicox will also be responsible for gaining regulatory approval in the Republic of Korea. This agreement was assigned to OraTech.

Government Regulation

The Drug Development Process

Regulatory requirements for the approval of new drugs vary from one country to another. In order to obtain approval to market our drug portfolio, we need to go through a different regulatory process in each country in which we apply for such approval. In some cases, information gathered during the approval process in one country can be used as supporting information for the approval process in another country. As a strategic decision, we decided to first explore the FDA regulatory pathway. The following is a summary of the FDA's requirements.

The FDA requires that pharmaceutical and certain other therapeutic products undergo significant clinical experimentation and clinical testing prior to their marketing or introduction to the general public. Clinical testing, known as clinical trials or clinical studies, is either conducted internally by life science, pharmaceutical or biotechnology companies or is conducted on behalf of these companies by CROs.

The process of conducting clinical trials is highly regulated by the FDA, as well as by other governmental and professional bodies. Below we describe the principal framework in which clinical trials are conducted, as well as describe a number of the parties involved in these trials.

Protocols. Before commencing human clinical trials, the sponsor of a new drug or therapeutic product must submit an IND application to the FDA. The application contains, among other documents, what is known in the industry as a protocol. A protocol is the blueprint for each drug study. The protocol sets forth, among other things, the following:

- Who must be recruited as qualified participants,
- How often to administer the drug or product,
- What tests to perform on the participants, and
- What dosage of the drug or amount of the product to give to the participants.

Institutional Review Board. An institutional review board is an independent committee of professionals and lay persons which reviews clinical research trials involving human beings and is required to adhere to guidelines issued by the FDA. The institutional review board does not report to the FDA, but its records are audited by the FDA. Its members are not appointed by the FDA. All clinical trials must be approved by an institutional review board. The institutional review board's role is to protect the rights of the participants in the clinical trials. It approves the protocols to be used, the advertisements which the company or CRO conducting the study proposes to use to recruit participants, and the form of consent which the participants will be required to sign prior to their participation in the clinical trials.

Clinical Trials. Human clinical trials or testing of a potential product are generally done in three stages known as Phase 1 through Phase 3 testing. The names of the phases are derived from the regulations of the FDA. Generally, there are multiple trials conducted in each phase.

Phase 1. Phase 1 trials involve testing a drug or product on a limited number of healthy or patient participants, typically 24 to 100 people at a time. Phase 1 trials determine a product's basic safety and how the product is absorbed by, and eliminated from, the body. This phase lasts an average of six months to a year.

Phase 2. Phase 2 trials involve testing of no more than 300 participants at a time who may suffer from the targeted disease or condition. Phase 2 testing typically lasts an average of one to two years. In Phase 2, the drug is tested to determine its safety and effectiveness for treating a specific illness or condition. Phase 2 testing also involves determining acceptable dosage levels of the drug. Phase 2 trials may be split into Phase 2a and Phase 2b sub-trials. Phase 2a trials may be conducted with patient volunteers and are exploratory (non-pivotal) trials, typically designed to

evaluate clinical efficacy or biological activity. Phase 2b trials are conducted with patients defined to evaluate definite dose range and evaluate efficacy. If Phase 2 trials show that a new drug has an acceptable range of safety risks and probable effectiveness, a company will generally continue to review the substance in Phase 3 trials.

Phase 3. Phase 3 trials involve testing large numbers of participants, typically several hundred to several thousand persons. The purpose is to verify effectiveness and long-term safety on a large scale. These trials generally last two to three years. Phase 3 trials are conducted at multiple locations or sites. Like the other phases, Phase 3 requires the site to keep detailed records of data collected and procedures performed.

Biological License Application. The results of the clinical trials for a biological product are submitted to the FDA as part of a Biological License Application, or BLA. Following the completion of Phase 3 trials, assuming the sponsor of a potential product in the United States believes it has sufficient information to support the safety and effectiveness of its product, the sponsor will generally submit a BLA to the FDA requesting that the product be approved for marketing. The application is a comprehensive, multi-volume filing that includes the results of all clinical trials, information about the drug's composition, and the sponsor's plans for producing, packaging and labeling the product. The FDA's review of an application can take a few months to many years, with the average review lasting 18 months. Once approved, drugs and other products may be marketed in the United States, subject to any conditions imposed by the FDA. Approval of a BLA provides 12 years of exclusivity in the U.S. market.

Phase 4. The FDA may require that the sponsor conduct additional clinical trials following new drug approval. The purpose of these trials, known as Phase 4 trials, is to monitor long-term risks and benefits, study different dosage levels or evaluate safety and effectiveness. In recent years, the FDA has increased its reliance on these trials. Phase 4 trials usually involve thousands of participants. Phase 4 trials also may be initiated by the company sponsoring the new drug to gain broader market value for an approved drug.

European Regulation. Similar to the U.S., a European sponsor of a biological product may submit a Marketing Approval Application to the European Medicines Agency, or EMA, for the registration of the product. The approval process in Europe consists of several stages, which together are summed up to 210 days from the time of submission of the application (net, without periods in which the sponsor provides answers to questions raised by the agency) following which, a Marketing Approval may be granted. During the approval process, the sponsor's manufacturing facilities will be audited in order to assess Good Manufacturing Practice compliance.

The drug approval process is time-consuming, involves substantial expenditures of resources, and depends upon a number of factors, including the severity of the illness in question, the availability of alternative treatments, and the risks and benefits demonstrated in the clinical trials.

Other Regulations

Various federal, state and local laws, regulations, and recommendations relating to safe working conditions, laboratory practices, the experimental use of animals, the environment and the purchase, storage, movement, import, export, use, and disposal of hazardous or potentially hazardous substances, including radioactive compounds and infectious disease agents, used in connection with our research are applicable to our activities. They include, among others, the U.S. Atomic Energy Act, the Clean Air Act, the Clean Water Act, the Occupational Safety and Health Act, the National Environmental Policy Act, the Toxic Substances Control Act, and Resources Conservation and Recovery Act, national restrictions on technology transfer, import, export, and customs regulations, and other present and possible future local, state, or federal regulation. The compliance with these and other laws, regulations and recommendations can be time-consuming and involve substantial costs. In addition, the extent of governmental regulation which might result from future legislation or administrative action cannot be accurately predicted and may have a material adverse effect on our business, financial condition, results of operations and prospects.

Competition

Competition in the area of biomedical and pharmaceutical research and development is intense and significantly depends on scientific and technological factors. These factors include the availability of patent and other protection for technology and products, the ability to commercialize technological developments and the ability to obtain regulatory approval for testing, manufacturing and marketing. Our competitors include major pharmaceutical, medical products, chemical and specialized biotechnology companies, many of which have financial, technical and marketing resources significantly greater than ours. In addition, many biotechnology companies have formed collaborations with large,

established companies to support research, development and commercialization of products that may be competitive with ours. Academic institutions, governmental agencies and other public and private research organizations are also conducting research activities and seeking patent protection and may commercialize products on their own or through joint ventures. We are aware of certain other products manufactured or under development by competitors that are used for the treatment of the diseases and health conditions that we have targeted for product development. We can provide no assurance that developments by others will not render our technology obsolete or noncompetitive, that we will be able to keep pace with new technological developments or that our technology will be able to supplant established products and methodologies in the therapeutic areas that are targeted by us. The foregoing factors could have a material adverse effect on our business, prospects, financial condition and results of operations. These companies, as well as academic institutions, governmental agencies and private research organizations, also compete with us in recruiting and retaining highly qualified scientific personnel and consultants.

Competition within our sector is increasing, so we will encounter competition from existing firms that offer competitive solutions in diabetes treatment solutions. These competitive companies could develop products that are superior to, or have greater market acceptance, than the products being developed by us. We will have to compete against other biotechnology and pharmaceutical companies with greater market recognition and greater financial, marketing and other resources.

Our competition will be determined in part by the potential indications for which our technology is developed and ultimately approved by regulatory authorities. In addition, the first product to reach the market in a therapeutic or preventive area is often at a significant competitive advantage relative to later entrants to the market. Accordingly, the relative speed with which we, or our potential corporate partners, can develop products, complete the clinical trials and approval processes and supply commercial quantities of the products to the market are expected to be important competitive factors. Our competitive position will also depend on our ability to attract and retain qualified scientific and other personnel, develop effective proprietary products, develop and implement production and marketing plans, obtain and maintain patent protection and secure adequate capital resources. We expect our technology, if approved for sale, to compete primarily on the basis of product efficacy, safety, patient convenience, reliability, value and patent position.

We anticipated that our oral insulin capsule would be a competitive diabetes drug because of its anticipated efficacy and safety profile; however, there are other treatment options for T1D and T2D patients, such as insulin injections, insulin pumps or a combination of diet, exercise and oral medication which improve the body's response to insulin or cause the body to produce more insulin.

Scientific Advisory Board

We maintain a Scientific Advisory Board consisting of internationally recognized scientists who advise us on scientific and technical aspects of our business. The Scientific Advisory Board meets to review specific projects and to assess the value of new technologies and developments to us. In addition, individual members of the Scientific Advisory Board meet with us to provide advice in their particular areas of expertise. The Scientific Advisory Board consists of the following members, information with respect to whom is set forth below: Dr. Roy Eldor, Professor Ele Ferrannini, Dr. Alexander Fleming, Professor Avram Hershko, Dr. Julio Rosenstock, Dr. Jay Skyler and Dr. Anne Peters.

Dr. Roy Eldor, MD, PhD, joined the Oramed Scientific Advisory Board in July 2016. He is an endocrinologist, internist and researcher with over twenty years of clinical and scientific experience. He is currently Director of the Diabetes Unit at the Institute of Endocrinology, Metabolism & Hypertension at the Tel-Aviv Sourasky Medical Center. Prior to that, Dr. Eldor served as Principal Scientist at Merck Research Laboratories, Clinical Research — Diabetes & Endocrinology. He previously served as a senior physician in internal medicine at the Diabetes Unit in Hadassah Hebrew University Hospital in Jerusalem, Israel; and the Diabetes Division at the University of Texas Health Science Center in San Antonio, Texas. Dr. Eldor is a recognized expert, with over 50 peer reviewed papers and book chapters, and has been a guest speaker at numerous international forums.

Professor Ele Ferrannini, MD, joined the Oramed Scientific Advisory Board in February 2007. He is a past President to the European Association for the Study of Diabetes (EASD), which supports scientists, physicians and students from all over the world who are interested in diabetes and related subjects in Europe and performs functions similar to that of the American Diabetes Association in the United States. Professor Ferrannini has worked with various institutions including the Department of Clinical & Experimental Medicine at the University of Pisa School

of Medicine, and CNR (National Research Council) Institute of Clinical Physiology in Pisa, Italy; and the Diabetes Division, Department of Medicine at the University of Texas Health Science Center in San Antonio, Texas. He has extensive training in internal medicine and endocrinology, and has specialized in diabetes trials. Professor Ferrannini has received a Certificate of the Educational Council for Foreign Medical Graduates from the University of Bologna, and completed a subspecialty in Diabetes and Metabolic Diseases at the University of Torino, *cum laude*. He has published over 500 original papers and 50 book chapters and he is a "highly cited researcher," according to the Institute for Scientific Information.

Dr. Alexander Fleming, MD, joined the Oramed Scientific Advisory Board in December 2019. Dr. Fleming, an endocrinologist, is Founder and Executive Chairman of Kinexum, a strategic advisory firm. From 1986 to 1998, he served at the FDA as a supervisory medical officer in the Division of Metabolism and Endocrine Drug Products and was responsible for landmark approvals of the first statin, metformin, and other endocrine and metabolic therapies. He also represented the FDA at the World Health Organization and on multiple expert working groups of the International Conference on Harmonization (ICH). Dr. Fleming coined the term, Metabesity, which refers to the constellation of major chronic diseases and the aging process itself, all which share common metabolic root causes and potential preventive therapies. He organized the first Congress on Metabesity in London in October 2017, followed by annual conferences. In 2020, Dr. Fleming founded the non-profit Kitalys Institute as a means of producing Metabesity conferences and advancing interventions of any kind that can improve health and healthspan.

Professor Avram Hershko, MD, PhD, joined the Oramed Scientific Advisory Board in July 2008. Professor Hershko served as a physician in the Israel Defense Forces from 1965 to 1967. After a post-doctoral fellowship with Gordon Tomkins at the University of San Francisco from 1969 to 1972, he joined the faculty of the Haifa Technion becoming a professor in 1980. He is now Distinguished Professor in the Unit of Biochemistry in the B. Rappaport Faculty of Medicine of the Technion in Haifa, Israel. Professor Hershko's main research interests concern the mechanisms by which cellular proteins are degraded, a formerly neglected field of study. Professor Hershko and his colleagues showed that cellular proteins are degraded by a highly selective proteolytic system. This system tags proteins for destruction by linkage to a protein called ubiquitin, which had previously been identified in many tissues, but whose function was previously unknown. Subsequent work by Professor Hershko and many other laboratories has shown that the ubiquitin system has a vital role in controlling a wide range of cellular processes, such as the regulation of cell division, signal transduction and DNA repair. Professor Hershko was awarded the Nobel Prize in Chemistry in 2004, jointly with his former PhD student Aaron Ciechanover and their colleague Irwin Rose. His many honors include the Israel Prize for Biochemistry (1994), the Gairdner Award (1999), the Lasker Prize for Basic Medical Research (2000), the Wolf Prize for Medicine (2001) and the Louisa Gross Horwitz Award (2001). Professor Hershko is a member of the Israel Academy of Sciences since 2000 and a Foreign Associate of the U.S. Academy of Sciences since 2003.

Dr. Julio Rosenstock, MD, joined the Oramed Scientific Advisory Board in January 2020. Dr. Rosenstock is the Senior Scientific Advisor and Director of Velocity Clinical Research at Medical City, Dallas, Texas, and a Clinical Professor of Medicine at the University of Texas Southwestern Medical Center in Dallas, Texas. He is board certified in Internal Medicine, Endocrinology and Metabolism. His clinical and research activities have focused on exploring novel agents and therapeutic strategies to improve glycemic control, particularly early combination therapies in Type 2 Diabetes. Over the last 30 years, he has participated in hundreds of clinical trials and has had an active role in the development of new oral agents, incretin-related therapies and insulin formulations, often acting as a lead clinical investigator and scientific advisor on the design and reporting of these clinical trials. Dr. Rosenstock has been the author or co-author of 386 peer-reviewed manuscripts (*H-index 124*) and several hundreds of scientific abstracts and he is considered a key opinion leader in Type 2 Diabetes. He has also contributed to 13 book chapters on various topics in the field of diabetes and is considered a key opinion leader in Type 2 Diabetes.

Dr. Jay Skyler, MD, MCAP, FRCP, joined the Oramed Scientific Advisory Board in January 2020. Dr. Skyler is Professor of Medicine, Pediatrics and Psychology in the Division of Endocrinology, Diabetes and Metabolism, Department of Medicine, University of Miami Leonard M. Miller School of Medicine. He previously held the position of Director of the Division of Endocrinology, Diabetes and Metabolism. In addition, Dr. Skyler is Deputy Director of Clinical Research and Academic Programs at the Diabetes Research Institute, and an Adjunct Professor of Pediatrics at

the Barbara Davis Center for Childhood Diabetes at the University of Colorado in Denver. Dr. Skyler's research focuses on the clinical aspects of diabetes, specifically the conduct of randomized controlled clinical trials. From 1993 to 2015, he was Chairman of the National Institute of Health (NIDDK)-sponsored Diabetes Prevention Trial – Type 1 (DPT-1) and its successor Type 1 Diabetes Trial Net, a nationwide and global network conducting clinical trials to prevent T1D.

Dr. Anne Peters, MD, joined the Oramed Scientific Advisory Board in June 2022. Dr. Peters is Professor of Medicine at the Keck School of Medicine of the University of Southern California (USC) and Director of the USC Clinical Diabetes Programs. Dr. Peters earned her medical degree from the Pritzker School of Medicine at the University of Chicago and performed an internal medicine residency at Stanford University and an endocrinology fellowship at Cedars-Sinai Medical Center. She previously directed the clinical diabetes programs at Cedars-Sinai Medical Center and UCLA in California. Her research has focused on testing new approaches for diagnosing and treating diabetes and developing systems of care to improve outcomes in diabetic under-resourced populations. Dr. Peters has consulted for many entities, including the FDA, the Centers for Disease Control and Prevention and the National Institutes of Health to help guide the development and use of treatments for diabetes. In addition to being an investigator for more than 40 research studies, Dr. Peters has published over 200 articles, has written four books, and has given more than 500 lectures locally, nationally, and internationally. She has been on multiple guideline writing committees for the treatment of both type 1 and type 2 diabetes. She was a recipient of the ADA Outstanding Physician Clinician Award, the Bernardo Houssay Award from the National Minority Quality Forum and received an Endocrine Society Laureate Award for Public Service.

Employees

We believe it is imperative to attract and retain top talent for all positions in the Company. We seek to make Oramed an inclusive, diverse and safe workplace, with meaningful compensation, benefits and wellness programs and opportunities.

We have experienced personnel involved in our research and development programs, as well as appropriate clinical/regulatory, quality assurance and other personnel needed to advance through clinical trials or have engaged the services of experts in the field for these requirements. As of December 31, 2024, we have contracted with thirteen individuals for employment or consulting arrangements. Of our staff, four are senior management, three are engaged in research and development work, and the remaining six are involved in corporate and administration work.

We provide competitive compensation, health and retirement programs for our employees. We offer variable pay in the form of bonuses and stock-based compensation for eligible employees. We also provide our employees with additional benefits such as team-building and educational offsite activities and gym facilities. We believe that this provides a comprehensive package to engage, motivate and retain our employees as a cohesive unit unified in its goal to achieve the Company's strategy and objectives.

Additional Information

Additional information about us is contained on our Internet website at *www.oramed.com*. Information on our website is not incorporated by reference into this report. Our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and amendments to those reports filed or furnished pursuant to Section 13(a) of the Securities Exchange Act of 1934, as amended, or the Exchange Act, are available free of charge on our website under "SEC Filings" as soon as reasonably practicable after we electronically file such material with, or furnish it to, the SEC. Reports filed with the SEC are made available on its website at *www.sec.gov* and are also available on the website of the Israeli Securities Authority at *www.magna.isa.gov.il* or on the website of the Tel Aviv Stock Exchange at *www.tase.co.il*. The following corporate governance documents are also posted on our website: Code of Ethics, Whistleblowing Policy and the charters for each of the Audit Committee, Compensation Committee and Nominating Committee of our Board.

ITEM 1A. RISK FACTORS.

An investment in our securities involves a high degree of risk. You should consider carefully the following information about these risks, together with the other information contained in this Annual Report on Form 10-K before making an investment decision. Our business, prospects, financial condition and results of operations may be materially and adversely affected as a result of any of the following risks. The value of our securities could decline as a result of any of these risks. You could lose all or part of your investment in our securities. Some of the statements in "Item 1A. Risk Factors" are forward-looking statements. The following risk factors are not the only risk factors facing the Company. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also affect our business, prospects, financial condition and results of operations.

Summary Risk Factors

Risks Related to Our Business

- Our strategic review process may not be successful or timely.
- Our ability to consummate a strategic transaction depends on our ability to retain our employees required to consummate such transaction.
- We continue, and in the future expect, to incur losses, and we may need substantial additional capital in order to satisfy our business objectives.
- We may be unable to protect our intellectual property rights and we may be liable for infringing the intellectual property rights of others.
- Our success was primarily dependent on the successful commercialization of our oral insulin capsule.
- We have limited experience in conducting clinical trials.
- We can provide no assurance that our products will obtain regulatory approval or that the results of clinical trials will be favorable.
- We may not realize a return on the ordinary shares of DNA and Entera and the common stock of Scilex and BioXcel that we own.
- Because we may from time to time maintain a significant percentage of our assets in cash and/or securities, we may in the future be deemed to be an investment company under the Investment Company Act of 1940 resulting in additional costs and regulatory burdens.
- We may not realize the full benefit from our distribution license agreement with Medicox.
- The biotechnology and biopharmaceutical industries are characterized by rapid technological developments and a high degree of competition. We may be unable to compete with more substantial enterprises.
- Healthcare policy changes, including pending legislation recently adopted and further proposals still pending to reform the U.S. healthcare system, may harm our future business.
- We face uncertainties related to Oravax's oral COVID-19 vaccine.

Risks Related to Our Real Estate Investments

Risks Related to the Notes

- We have lent a substantial amount of funds to Scilex. In the event that Scilex is unable to service its obligations under the Note and defaults on such Note, it could have a material adverse effect on our business.
- We may have difficulty realizing the full value of the Warrants.

Risks Related to our Common Stock

- Future sales of our common stock by our existing stockholders could adversely affect our stock price.
- Our failure to maintain compliance with the Nasdaq Capital Market's continued listing requirements could result in the delisting of our common stock.
- As the market price of our common stock may fluctuate significantly, this may make it difficult for you to sell your shares of common stock when you want or at prices you find attractive.

Risks Related to JV Agreement

- On February 7, 2025, we and HTIT entered into a JV Agreement that amending the original agreement signed on January 22, 2024 or the Supplemental Agreement. If we fail to complete the transactions contemplated under the JV Agreement as supplemented by the Supplemental Agreement with HTIT, if such joint venture is not successful, or if we fail to realize the benefits we anticipate from such joint venture, we may not be able to capitalize on the full market potential of our drug products and technology.
- We may not complete the transactions contemplated by the JV Agreement, as supplemented by the Supplemental Agreement.
- We may not realize the anticipated benefits from the Spin Off, and the Spin Off could harm our business.
- Our business and assets will be less diversified following the Spin Off.

Risks Related to Conducting Business in Israel

- We are affected by the political, economic and military risks of having operations in Israel.
- It may be difficult to enforce a U.S. judgment against us or our officers and directors and to assert U.S. securities laws claims in Israel.

General Risk Factors

- Changes to tax laws could have a negative effect on us or our stockholders.
- Our business and operations would suffer in the event of computer system failures, cyber-attacks or deficiencies in our cyber-security.

Risks Related to Our Business

Our strategic review process may not be successful or timely.

Following the results of the ORA-D-013-1 Phase 3 trial, we conducted a comprehensive analysis of the data to understand if there is a path forward for our oral insulin candidate. We submitted a protocol ORA-D-013-3 titled, "A Double-Blinded, Placebo-controlled, Double Dummy Multi-center Randomized, Phase 3 Study to Evaluate the efficacy and safety in subjects with Type 2 Diabetes Mellitus with Inadequate Glycemic Control on One to Three Glucose-lowering Agents" to the FDA on September 12, 2024. We intend to initiate study during 2025. Concurrently, we are examining our existing pipeline and have commenced an evaluation process of potential strategic opportunities, including among others, continuation as a stand-alone business, capital raises, or one or more acquisitions, mergers or business combinations or other strategic transactions. Potential counterparties in a strategic transaction involving us may place minimal or no value on our assets. While we are devoting significant efforts to identify and evaluate potential strategic alternatives, there can be no assurance that this strategic review process will result in us pursuing any transaction or that any transaction, if pursued, will be completed on attractive terms or at all. Additionally, there can be no assurances that any particular course of action, business arrangement or transaction, or series of transactions, will be pursued, successfully consummated, or lead to any stockholder value. Any potential transaction would be dependent on a number of factors that may be beyond our control, including, among other things, market conditions, industry trends, the interest of third parties in a potential transaction with us, obtaining stockholder approval and the availability of financing to third parties in a potential transaction with us on reasonable terms. The process of reviewing alternative strategic paths may be time consuming, may involve the dedication of significant resources

and may require us to incur significant costs and expenses. It could negatively impact our ability to attract, retain and motivate employees, and expose us to potential litigation in connection with this process or any resulting transaction. If we are not successful in setting forth a new strategic path for the Company, or if our plans are not executed in a timely fashion, this may cause reputational harm with our stockholders and other stakeholders and the value of our securities may be adversely impacted. In addition, speculation regarding any developments related to the review of strategic alternatives and perceived uncertainties related to the future of the Company could cause our stock price to fluctuate significantly. There can be no guarantee that the process of evaluating alternative strategic paths will result in our entering into or completing potential transactions within the anticipated timing or at all.

If we are successful in completing a strategic transaction, we may be exposed to other operational and financial risks.

Although there can be no assurance that a strategic transaction will result from the process we have undertaken to identify and evaluate strategic alternatives, the negotiation and consummation of any such transaction will require significant time on the part of our management and may disrupt our business. The negotiation and consummation of any such transaction may also require more time or greater cash resources than we anticipate and expose us to other operational and financial risks, including: increased near-term and long-term expenditures; exposure to unknown liabilities; higher than expected acquisition or integration costs; incurrence of substantial debt or dilutive issuances of equity securities to fund future operations; write-downs of assets or goodwill or incurrence of non-recurring, impairment or other charges; increased amortization expenses; impairment of relationships with key suppliers of any acquired business due to changes in management and ownership; inability to retain our key employees; and possibility of future litigation. Any of the above risks could have a material adverse effect on our business, financial condition, and prospects.

Our ability to consummate a strategic transaction depends on our ability to retain our employees required to consummate such transaction.

Our ability to consummate a strategic transaction depends upon our ability to retain our employees required to consummate such a transaction, the loss of whose services may adversely impact the ability to consummate such transaction. Our cash conservation activities may yield unintended consequences, such as attrition and reduced employee morale, which may cause remaining employees to seek alternative employment. Our ability to successfully complete a strategic transaction depends in large part on our ability to retain certain of our remaining personnel. If we are unable to successfully retain our remaining personnel, we are at risk of a disruption to our exploration and consummation of a strategic alternative as well as business operations.

We may become involved in securities and stockholder litigation that could divert management's attention and harm the Company's business, and insurance coverage may not be sufficient to cover all costs and damages.

In the past, securities and stockholder litigation has often followed certain significant business transactions, such as the sale of a company or announcement of any other strategic transaction, or the announcement of negative events, such as negative results from clinical trials. The market price of our common stock dropped substantially when we announced the results of the ORA-D-013-1 Phase 3 trial. We may be exposed to such litigation even if no wrongdoing occurred. Litigation is usually expensive and diverts management's attention and resources, which could adversely affect our business and cash resources and our ability to consummate a potential strategic transaction or the ultimate value our stockholders receive in any such transaction.

We continue, and in the future expect, to incur losses.

Successful evaluation and completion of our remaining development programs and our transition to normal operations are dependent upon obtaining necessary regulatory approvals from the FDA prior to selling our products within the United States, and foreign regulatory approvals must be obtained to sell our products internationally. There can be no assurance that we will receive regulatory approval of any of our product candidates, and a substantial amount of time may pass before we achieve a level of revenues adequate to support our operations. We expect to incur substantial expenditures in connection with our research and development programs, our strategic evaluation process, as well as the regulatory approval process with FDA and other agencies for each of our current or future product candidates during their respective developmental periods. Obtaining marketing approval will be directly dependent on our ability to implement the necessary regulatory steps required to obtain marketing approval in the United States and in other countries. We cannot predict the outcome of these activities.

Based on our current cash resources and commitments, we believe we will be able to maintain our current planned activities and the corresponding level of expenditures for at least the next 12 months, although no assurance can be given that we will not need additional funds prior to such time. If there are unexpected increases in our operating expenses, we may need to seek additional financing during the next 12 months.

We may need substantial additional capital in order to satisfy our business objectives.

To date, we have financed our operations principally through offerings of securities and we may require substantial additional financing at various intervals in order to implement any potential strategic alternative, to continue our remaining or potential future research and development programs, including significant requirements for operating expenses including intellectual property protection and enforcement, for pursuit of regulatory approvals, and for commercialization of our remaining or future products. We can provide no assurance that additional funding will be available on a timely basis, on terms acceptable to us, or at all. In the event that we are unable to obtain such financing, we may not be able to implement the actions we decide to take as part of our strategic review process, and we will not be able to fully develop and commercialize our technology or pursue new technology. Our future capital requirements will depend upon many factors, including:

- the results of our strategic review process and any new strategic direction we decide to take;
- continued scientific progress in our research and development programs;
- costs and timing of conducting clinical trials and seeking regulatory approvals and patent prosecutions;
- competing technological and market developments;
- our ability to establish additional collaborative relationships; and
- effects of commercialization activities and facility expansions if and as required.

If we cannot secure adequate financing when needed, we may be required to delay, scale back or eliminate one or more of our existing or planned courses of action or research and development programs, or to enter into license or other arrangements with third parties to commercialize products or technologies that we would otherwise seek to develop ourselves and commercialize ourselves. In such event, our business, prospects, financial condition and results of operations may be adversely affected as we may be required to scale-back, eliminate, or delay development efforts or product introductions or enter into royalty, sales or other agreements with third parties in order to commercialize our products.

We have a history of losses and can provide no assurance as to our future operating results.

We do not have sufficient revenues from our research and development activities to fully support our operations. Consequently, we have incurred net losses since inception. We currently have only licensing revenues and no product revenues, and may not succeed in developing or commercializing any products which could generate product revenues. We do not expect to have any products on the market for several years. In addition, development of our product candidates requires a process of pre-clinical and clinical testing, during which our products could fail. For example, in January 2023, the ORA-D-013-1 Phase 3 trial did not meet its primary or secondary endpoints. We may not be able to enter into agreements with one or more companies experienced in the manufacturing and marketing of therapeutic drugs and, to the extent that we are unable to do so, we will not be able to market our product candidates. Eventual profitability will depend on our success in developing, manufacturing, and marketing our product candidates or in pursuing a successful strategic alternative. As of December 31, 2024 and 2023, we had working capital of approximately $137,536,000 and approximately $109,370,000, respectively, and stockholders' equity of approximately $146,265,000 and approximately $163,821,000, respectively. See "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations."

We rely upon patents to protect our technology.

The patent position of biopharmaceutical and biotechnology firms is generally uncertain and involves complex legal and factual questions. We do not know whether any of our current or future patent applications will result in the issuance of any patents. Even issued patents may be challenged, invalidated or circumvented. Patents may not provide a competitive advantage or afford protection against competitors with similar technology. Competitors or potential

competitors may have filed applications for, or may have received patents and may obtain additional and proprietary rights to compounds or processes used by or competitive with ours. In addition, laws of certain foreign countries do not protect intellectual property rights to the same extent as do the laws of the United States.

Patent litigation is widespread in the biopharmaceutical and biotechnology industry and we cannot predict how this will affect our efforts to form strategic alliances, conduct clinical testing or manufacture and market any products under development. If challenged, our patents may not be held valid. We could also become involved in interference proceedings in connection with one or more of our patents or patent applications to determine priority of invention. If we become involved in any litigation, interference or other administrative proceedings, we will likely incur substantial expenses and the efforts of our technical and management personnel will be significantly diverted. In addition, an adverse determination could subject us to significant liabilities or require us to seek licenses that may not be available on favorable terms, if at all. We may be restricted or prevented from manufacturing and selling our products in the event of an adverse determination in a judicial or administrative proceeding or if we fail to obtain necessary licenses.

We may be unable to protect our intellectual property rights and we may be liable for infringing the intellectual property rights of others.

Our ability to compete effectively will depend on our ability to maintain the proprietary nature of our technologies. We currently hold several pending patent applications in the United States, Canada, Brazil, Europe, India, Hong Kong, Japan and China for our technologies covering oral administration of insulin and other proteins and oral administration of exenatide and proteins and 140 patents issued by the United States and various other countries' patent offices that cover a part of our technology, which allows for the oral delivery of proteins; patents issued by various patent offices that cover part of our technology for the oral delivery of exenatide; and patents issued by patent offices for treating diabetes. Further, we rely on a combination of trade secrets and non-disclosure and other contractual agreements and technical measures to protect our rights in our technology. We depend upon confidentiality agreements with our officers, directors, employees, consultants, and subcontractors, as well as collaborative partners, to maintain the proprietary nature of our technology. These measures may not afford us sufficient or complete protection, and others may independently develop technology similar to ours, otherwise avoid our confidentiality agreements, or produce patents that would materially and adversely affect our business, prospects, financial condition and results of operations. We believe that our technology is not subject to any infringement actions based upon the patents of any third parties; however, our technology may in the future be found to infringe upon the rights of others. Others may assert infringement claims against us or against companies to which we have licensed our technology, and if we should be found to infringe upon their patents, or otherwise impermissibly utilize their intellectual property, our ability to continue to use our technology could be materially restricted or prohibited. If this event occurs, we may be required to obtain licenses from the holders of this intellectual property, enter into royalty agreements, or redesign our products so as not to utilize this intellectual property, each of which may prove to be uneconomical or otherwise impossible. Licenses or royalty agreements required in order for us to use this technology may not be available on terms acceptable to us, or at all. These claims could result in litigation, which could materially adversely affect our business, prospects, financial condition and results of operations. Further, we may need to indemnify companies to which we licensed our technology in the event that such technology is found to infringe upon the rights of others.

Our commercial success will also depend significantly on our ability to operate without infringing the patents and other proprietary rights of third parties. Patent applications are, in many cases, maintained in secrecy until patents are issued. The publication of discoveries in the scientific or patent literature frequently occurs substantially later than the date on which the underlying discoveries were made and patent applications are filed. In the event of infringement or violation of another party's patent, we may be prevented from pursuing product development or commercialization. See "Item 1. Business — Description of Business — Intellectual Property and Patents."

Our success was primarily dependent on the successful commercialization of our oral insulin capsule.

The successful commercialization of our principal product, the oral insulin capsule, was crucial for our success. On January 12, 2023, we announced top-line results from the phase 3 trial of our oral insulin capsule, which did not meet its primary or secondary endpoints, and indicated that we expect to discontinue oral insulin clinical activities for T2D. At present, following the results of the ORA-D-013-1 Phase 3 trial, we conducted a comprehensive analysis of the data and found that subpopulations of patients with pooled specific parameters responded well to oral insulin. Based on this analysis, we submitted a protocol for a new Phase 3 clinical trial to the FDA. Concurrently, we are examining

our existing pipeline and have commenced an evaluation process of potential strategic opportunities. Even if we succeed in commencing a new clinical trial for our oral insulin capsule, there are a variety of risks and uncertainties related to its development. Principally, these risks include the following:

- Future clinical trial results may show the same results as the ORA-D-013-1 Phase 3 trial;
- Future clinical trial results may be inconsistent with previous preliminary testing results and data from our earlier trials may be inconsistent with clinical data;
- Even if our oral insulin capsule is shown to be safe and effective for its intended purposes in future clinical trials, we may face significant or unforeseen difficulties in obtaining or manufacturing sufficient quantities or at reasonable prices;
- Our ability to complete the development and commercialization of the oral insulin capsule for our intended use is significantly dependent upon our ability to obtain and maintain experienced and committed partners to assist us with obtaining clinical and regulatory approvals for, and the manufacturing, marketing and distribution of, the oral insulin capsule on a worldwide basis;
- Even if our oral insulin capsule is successfully developed, commercially produced and receives all necessary regulatory approvals, there is no guarantee that there will be market acceptance of our product; and
- Our competitors may develop therapeutics or other treatments which are superior or less costly than our own with the result that our products, even if they are successfully developed, manufactured and approved, may not generate significant revenues.

Our business may be seriously harmed if our analysis does not produce positive results, if we are unable to find a path forward to continue development of our oral insulin capsule, if we are unsuccessful in realizing new strategic opportunities or dealing with any of these risks, or if we are unable to successfully commercialize our oral insulin capsule for some other reason.

We have limited experience in conducting clinical trials.

Clinical trials must meet FDA and foreign regulatory requirements. We have limited experience in designing, conducting and managing the preclinical trials and clinical trials necessary to obtain regulatory approval for our product candidates in any country. In the past, we entered into agreements with Integrium LLC and other consultants to assist us in designing, conducting and managing our various clinical trials in the United States, Europe and Israel. Any failure of a consultant to fulfill their obligations could result in significant additional costs as well as delays in designing, consulting and completing clinical trials on our products.

Our clinical trials may encounter delays, suspensions or other problems.

We may encounter problems in clinical trials that may cause us or the FDA or foreign regulatory agencies to delay, suspend or terminate our clinical trials at any phase. These problems could include the possibility that we may not be able to conduct clinical trials at our preferred sites, enroll a sufficient number of patients for our clinical trials at one or more sites or begin or successfully complete clinical trials in a timely fashion, if at all. For example, the rate of enrollment for our Phase 1 clinical trial for our oral COVID-19 vaccine in South Africa was slower than anticipated due to several factors, including the fact that many volunteers did not qualify during screening due to prior asymptomatic COVID-19 infection and other conditions, and as a result we had to add an additional clinical site. Furthermore, we, the FDA or foreign regulatory agencies may suspend clinical trials at any time if we or they believe the subjects participating in the trials are being exposed to unacceptable health risks or if we or they find deficiencies in the clinical trial process or conduct of the investigation. If clinical trials of any of the product candidates fail, we will not be able to market the product candidate which is the subject of the failed clinical trials. The FDA and foreign regulatory agencies could also require additional clinical trials, which would result in increased costs and significant development delays. Our failure to adequately demonstrate the safety and effectiveness of a pharmaceutical product candidate under development could delay or prevent regulatory approval of the product candidate and could have a material adverse effect on our business, prospects, financial condition and results of operations. For example, see "Item 1. Business — Description of Business — Research and Development" regarding the results of the ORA-D-013-1 Phase 3 trial that did not meet its primary or secondary endpoints. Finally, the COVID-19 pandemic

impacted clinical trials generally in recent years, and we experienced approximately six months of delays in clinical trials due to slow-downs of recruitment for trials generally related to COVID-19. We may experience further delays in site initiation and patient enrollment, failures to comply with study protocols, delays in the manufacture of our product candidates for clinical testing and other difficulties in starting or competing our clinical trials.

Initial success in the completed and ongoing early-stage clinical trials does not ensure success in later stage trials, regulatory approval or commercial viability of a product.

Positive results in a clinical trial may not be replicated in subsequent or confirmatory trials. Additionally, success in preclinical work or early stage clinical trials does not ensure that later stage or larger scale clinical trials will be successful or that regulatory approval will be obtained. Any of our product's failure to show sufficient efficacy in patients with the targeted indication, or if such studies are discontinued for any other reason, could negatively impact our development and commercialization goals for these products and our stock price could decline. Many companies in the biopharmaceutical industry have suffered significant setbacks in advanced clinical trials due to lack of efficacy or adverse safety profiles, notwithstanding promising results in earlier trials. As a result, preliminary and interim data should be viewed with caution until the final data are available. We have invested in clinical studies of medicines that have not met the primary clinical endpoints in their Phase 3 studies or have been discontinued for other reasons. For example, in January 2023, we reported that ORA-D-013-1 trial did not meet its primary or secondary endpoint. Even if later stage clinical trials are successful, regulatory authorities may delay or decline approval of our product candidates.

There are a number of factors that could cause a clinical study to fail or be delayed, including: (i) the clinical study may produce negative or inconclusive results; (ii) regulators may require that we hold, suspend or terminate clinical research for noncompliance with regulatory requirements; (iii) we, our partners, the FDA or foreign regulatory authorities could suspend or terminate a clinical study due to adverse side effects of a product on subjects or lack of efficacy in the trial; (iv) we, or our partners, may decide, or regulators may require us, to conduct additional preclinical testing or clinical studies; (v) change in rates of enrollment and dropout among clinical trial participants; (vi) differences in the size and type of the patient populations; (vii) changes in and adherence to the dosing regimen and other clinical trial protocols; and (viii) people who enroll in the clinical study may later drop out due to adverse events, a perception they are not benefiting from participating in the study, fatigue with the clinical study process or personal or other issues. The occurrence of any of these events could result in significant costs and expense, have an adverse effect on our business, financial condition and results of operations and/or cause our stock price to decline or experience periods of volatility.

Clinical trials of our products conducted by third parties may encounter delays, suspensions or other problems and are outside of our control.

Third parties who conduct clinical trials of our products may encounter problems that may cause delays, suspensions or other problems at any phase. These problems could include the possibility that they may not be able to conduct clinical trials at their preferred sites, enroll a sufficient number of patients for their clinical trials at one or more sites or begin or successfully complete clinical trials in a timely fashion, if at all. For example, the rate of enrollment for our Phase 1 clinical trial for our oral COVID-19 vaccine in South Africa was slower than anticipated due to several factors, including the fact that many volunteers did not qualify during screening due to prior asymptomatic COVID-19 infection and other conditions, and as a result we had to add an additional clinical site. In addition, these third parties are not controlled by us and may conduct these trials in a manner in which we disagree or which may prove to be unsuccessful. Furthermore, domestic or foreign regulatory agencies may suspend clinical trials at any time if they believe the subjects participating in the trials are being exposed to unacceptable health risks or if they find deficiencies in the clinical trial process or conduct of the investigation. If such clinical trials conducted by third parties fail, it could have a material adverse effect on our business, prospects, financial condition and results of operations.

We can provide no assurance that our products will obtain regulatory approval or that the results of clinical trials will be favorable.

The testing, marketing and manufacturing of any of our products will require the approval of the FDA or regulatory agencies of other countries. We cannot predict with any certainty the amount of time necessary to obtain regulatory approvals, including from the FDA or other foreign regulatory authorities, and whether any such approvals will ultimately be granted. In any event, review and approval by the regulatory bodies is anticipated to take a number of years. Preclinical and clinical trials may reveal that one or more of our products are ineffective or unsafe, in which event further development of such products could be seriously delayed or terminated. For example, in January 2023,

we announced that our ORA-D-013-1 Phase 3 trial did not meet its primary or secondary endpoints. As a result, we decided to terminate our ORA-D-013-2 Phase 3 trial, conducted a comprehensive analysis of the data and found that subpopulations of patients with pooled specific parameters, responded well to oral insulin. Based on this analysis, we submitted a protocol for a new Phase 3 clinical trial to the FDA. Moreover, obtaining approval for certain products may require the testing on human subjects of substances whose effects on humans are not fully understood or documented. Delays in obtaining necessary regulatory approvals of any proposed product and failure to receive such approvals would have an adverse effect on the product's potential commercial success and on our business, prospects, financial condition and results of operations. In addition, it is possible that a product may be found to be ineffective or unsafe due to conditions or facts which arise after development has been completed and regulatory approvals have been obtained. In this event we may be required to withdraw such product from the market. See "Item 1. Business — Description of Business — Government Regulation."

We are dependent upon third party suppliers of our raw materials and for other services.

We are dependent on outside vendors for our entire supply of the oral insulin capsules and do not currently have any long-term agreements in place for the supply of oral insulin capsules, which is still necessary if we decide to continue development of these projects. While we believe that there are numerous sources of supply available, if the third party suppliers were to cease production, or otherwise fail to supply us with quality raw materials in sufficient quantities on a timely basis and we were unable to contract on acceptable terms for these services with alternative suppliers, our ability to produce our products and to conduct testing and clinical trials would be materially adversely affected.

We rely on suppliers, vendors, outsourcing partners, alliance partners and other third parties to research, develop, manufacture, commercialize, co-promote and sell our products, manage certain marketing, IT, data and other business unit and functional services and meet their contractual, regulatory and other obligations. Using these third parties poses a number of risks, such as: (i) they may not perform to our standards or legal requirements, for example, in relation to the outsourcing of significant clinical development activities for innovative medicines to some CROs; (ii) they may not produce reliable products; (iii) they may not perform in a timely manner; (iv) they may not maintain confidentiality of our proprietary information; (v) they may incur a significant cyberattack or business disruption; (vi) they may be subject to government orders or mandates that require them to give priority to the government and set aside pre-existing commercial orders; (vii) disputes may arise with respect to ownership of rights to technology developed with our partners; and (viii) disagreements could cause delays in, or termination of, the research, development or commercialization of the product or result in litigation or arbitration. The failure of any critical third party to meet its obligations; to adequately deploy business continuity plans in the event of a crisis; and/or to satisfactorily resolve significant disagreements with us or address other factors, could have a material adverse impact on our operations and results. In addition, if these third parties violate, or are alleged to have violated, any laws or regulations, including the local pharmaceutical code, the U.S. Foreign Corrupt Practice Act of 1977, the U.K. Bribery Act of 2010, the EU's General Data Protection Regulations, and other similar laws and regulations, during the performance of their obligations for us, we could suffer financial and reputational harm or other negative outcomes, including possible legal consequences.

We may not realize a return on the ordinary shares of DNA and Entera and the common stock of Scilex and BioXcel that we own.

DNA's ordinary shares are traded on the Tel Aviv Stock Exchange and Entera's ordinary shares and Scilex's and BioXcel's common stock are traded on the Nasdaq Stock Market, which are subject to market fluctuations. In addition, the shares of Scilex, DNA and Entera have historically experienced low trading volume compared to the level of shares we hold. As a result, there is no guarantee that we will be able to resell those shares at the prevailing market prices or that we will realize a positive return on such shares.

Because we may from time to time maintain a significant percentage of our assets in cash and/or securities, we may in the future be deemed to be an investment company under the Investment Company Act of 1940 resulting in additional costs and regulatory burdens.

Currently, we believe that either we are not within the definition of "Investment Company" as the term is defined under the Investment Company Act of 1940, or the 1940 Act, or, alternatively, we may rely on one or more of the 1940 Act's exemptions. As of December 31, 2024, we held approximately 1.4% of DNA's outstanding ordinary shares, approximately 0.3% of Entera's outstanding ordinary shares, and beneficially own approximately 15.7% of BioXcel's

outstanding common stock. Further, we hold the Tranche A Note and Tranche B Note and in consideration of deferring Scilex's first amortization payment under the Tranche B Note to October 8, 2026, we received, in addition to a nominal payment, 2,500,000 shares of Scilex Common Stock. We have also investments in real estate and real estate lending transactions as described elsewhere in this Annual Report. In order not to be regulated as an investment company under the 1940 Act, unless we can qualify for an exclusion, we must ensure that we are engaged primarily in a business other than investing, reinvesting or trading in securities and that our activities do not include investing, reinvesting, owning, holding or trading "investment securities" constituting more than 40% of our total assets (exclusive of U.S. government securities and cash items) on an unconsolidated basis. We intend to continue to conduct our operations and ongoing investments into DNA, BioXcel, Entera and Scilex and our real estate transaction in a manner that will exempt us from the registration requirements of the 1940 Act. If we were to be deemed to be an investment company because of our investments, we would be required to register as an investment company under the 1940 Act. Alternatively, to continue qualifying for the exemption, we could be required to dispose of the securities holdings or other investments, which could have a material adverse effect on our business, results of operations and financial condition. The 1940 Act places significant restrictions on the capital structure and corporate governance of a registered investment company and materially restricts its ability to conduct transactions with affiliates. Compliance with the 1940 Act could also increase our operating costs. Such changes could have a material adverse effect on our business, results of operations and financial condition.

We may not realize the full benefit from our distribution license agreement with Medicox.

Our distribution license agreement with Medicox provides that Medicox will comply with agreed distribution targets and will purchase ORMD-0801 at an agreed upon transfer price per capsule and pay us up to $15,000,000 in developmental milestones, $2,000,000 of which have already been received by us. If we are not successful in finding a mutually agreed way to continue our collaboration following the results of the ORA-D-013-1 Phase 3 trial, or if Medicox is not successful in independently advancing the oral insulin candidate, we may not realize the benefits from this collaboration.

We are highly dependent upon our ability to enter into agreements with collaborative partners to develop, commercialize and market our products.

Our long-term strategy is to ultimately seek a strategic commercial partner, or partners, such as large pharmaceutical companies, with extensive experience in the development, commercialization, and marketing of insulin applications and/or other orally digestible drugs. Such planned strategic partnership, or partnerships, may provide a marketing and sales infrastructure for our products as well as financial and operational support for global clinical trials, post marketing trials, label expansions and other regulatory requirements concerning future clinical development in the United States and elsewhere. We currently lack the resources to manufacture any of our product candidates on a large scale and we have no sales, marketing or distribution capabilities. In the event we are not able to enter into a collaborative agreement with a partner, or partners, on commercially reasonable terms, or at all, we may be unable to commercialize our products, which would have a material adverse effect upon our business, prospects, financial condition and results of operations.

The biotechnology and biopharmaceutical industries are characterized by rapid technological developments and a high degree of competition. We may be unable to compete with more substantial enterprises.

The biotechnology and biopharmaceutical industries are characterized by rapid technological developments and a high degree of competition. As a result, our products could become obsolete before we recoup any portion of our related research and development and commercialization expenses. These industries are highly competitive, and this competition comes both from biotechnology firms and from major pharmaceutical and chemical companies. Many of these companies have substantially greater financial, marketing and human resources than we do (including, in some cases, substantially greater experience in clinical testing, manufacturing and marketing of pharmaceutical products). We also experience competition in the development of our products from universities and other research institutions and compete with others in acquiring technology from such universities and institutions. We face the risk that new market entrants and existing competition may try to replicate our business model or introduce a more innovative offering that renders our services less competitive or obsolete. In addition, our research and development efforts may target diseases and conditions for which there are existing therapies or therapies that are being developed by our competitors. Further, any products resulting from our research and development efforts might not be able to compete successfully with others' existing and future products. See "Item 1. Business — Description of Business — Competition."

Our financial position or results could be negatively affected by product liability claims.

It is possible that we will be responsible for potential product liability stemming from product research, development or manufacturing and may face an even greater risk if any product candidate that we develop is commercialized. If we cannot successfully defend ourselves against claims that products we develop independently or with our partners caused injuries, we could incur substantial liabilities. Regardless of the merit or eventual outcome of such claims, any liability claims may result in, among other things, decreased demand for any product that we may develop, loss of revenues, significant time and costs to defend the related litigation, initiation of investigations by regulators and injury to our reputation and significant negative media attention. On occasion, large judgments have been awarded in class action lawsuits based on drugs or medical treatments that had unanticipated adverse effects. Our clinical trials are covered by liability insurance, but notwithstanding such coverage, our financial position or results could be negatively affected by product liability claims.

We have limited senior management resources and may be required to obtain more resources to manage our growth.

We expect the expansion of our business, as well as the activities we take as a result of our strategic review process, to place a significant strain on our limited managerial, operational and financial resources. We will be required to expand our operational and financial systems significantly and to expand, train and manage our work force in order to manage the expansion of our operations. Our failure to fully integrate our new employees into our operations could have a material adverse effect on our business, prospects, financial condition and results of operations. Our ability to attract and retain highly skilled personnel is critical to our operations and expansion. We face competition for these types of personnel from other technology companies and more established organizations, many of which have significantly larger operations and greater financial, technical, human and other resources than we have. We may not be successful in attracting and retaining qualified personnel on a timely basis, on competitive terms or at all. If we are not successful in attracting and retaining these personnel, our business, prospects, financial condition and results of operations will be materially adversely affected. See "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations," "Item 1. Business — Description of Business — Employees."

We depend upon our senior management and skilled personnel and their loss or unavailability could put us at a competitive disadvantage.

We currently depend upon the efforts and abilities of our senior executives, as well as the services of several key consultants and other key personnel, including Dr. Miriam Kidron, our Chief Scientific Officer. The loss or unavailability of the services of any of these individuals for any significant period of time could have a material adverse effect on our business, prospects, financial condition and results of operations. We do not maintain "key man" life insurance policies for any of our senior executives. In addition, recruiting and retaining qualified scientific personnel to perform future research and development work will be critical to our success. There is currently a shortage of employees with expertise in developing, manufacturing and commercialization of products and related clinical and regulatory affairs, and this shortage is likely to continue. Competition for skilled personnel is intense and turnover rates are high. Our ability to attract and retain qualified personnel may be limited. Our inability to attract and retain qualified skilled personnel would have a material adverse effect on our business, prospects, financial condition and results of operations.

Our existing and any future joint ventures may limit our flexibility with jointly owned investments and we may not realize the benefits we expect from these arrangements.

We are currently party to certain joint ventures, and we may in the future sell or contribute additional assets or acquire, develop or recapitalize assets to or in these joint ventures or other joint ventures that we may enter.

Our participation in our existing joint ventures is subject to risks, including the following:

- We share approval rights over certain major decisions affecting the ownership or operation of the joint ventures and any assets owned by the joint ventures;
- We may need to contribute additional capital in order to preserve, maintain or grow the joint ventures and their investments;

- Our joint venture investors may have economic or other business interests or goals that are inconsistent with our business interests or goals and that could affect our ability to fully benefit from the assets owned by the joint ventures;
- Our joint venture investors may be subject to different laws or regulations than us, which could create conflicts of interest;
- Our joint ventures may have license and other agreements with other investors, which we are not party to and have no control over;
- Our ability to sell our interests in, or sell additional assets to, the joint ventures or the joint ventures' ability to sell additional interests of, or assets owned by, the joint ventures when we so desire are subject to the approval rights of the other joint venture investors under the terms of the agreements governing the joint ventures; and
- Disagreements with our joint venture investors could result in litigation or arbitration that could be expensive and distracting to management and could delay important decisions.

Any of the foregoing risks could have a material adverse effect on our business, financial condition and results of operations. Further, these, similar, enhanced or additional risks, including possible risks of the other joint venture investors having licensed assets to the joint venture, may apply to any future additional or amended joint ventures that we may enter into.

Healthcare policy changes, including pending legislation recently adopted and further proposals still pending to reform the U.S. healthcare system, may harm our future business.

Healthcare costs have risen significantly over the past decade. There have been and continue to be proposals by legislators, regulators and third-party payors to keep these costs down. Certain proposals, if passed, would impose limitations on the prices we will be able to charge for the products that we are developing, or the amounts of reimbursement available for these products from governmental agencies or third-party payors. These limitations could in turn reduce the amount of revenues that we will be able to generate in the future from sales of our products and licenses of our technology.

In 2010, the federal government enacted healthcare reform legislation that has significantly impacted the pharmaceutical industry. In addition to requiring most individuals to have health insurance and establishing new regulations on health plans, this legislation requires discounts under the Medicare drug benefit program and increased rebates on drugs covered by Medicaid. In addition, the legislation imposes an annual fee, which has increased annually, on sales by branded pharmaceutical manufacturers. There can be no assurance that our business will not be materially adversely affected by these increased rebates, fees and other provisions. In addition, these and other initiatives in the United States may continue the pressure on drug pricing, especially under the Medicare and Medicaid programs, and may also increase regulatory burdens and operating costs. The announcement or adoption of any such initiative could have an adverse effect on potential revenues from any product that we may successfully develop. An expansion in government's role in the U.S. healthcare industry may lower the future revenues for the products we are developing and adversely affect our future business, possibly materially.

In September 2017, members of the U.S. Congress introduced legislation with the announced intention to repeal and replace major provisions of the Patient Protection and Affordable Care Act, or the ACA. In addition to those efforts, on October 12, 2017, an executive order was issued that modified certain aspects of the ACA. Following several years of litigation in the federal courts, in June 2021, the U.S. Supreme Court upheld the ACA when it dismissed a legal challenge to the ACA's constitutionality. Further attempts to repeal or to repeal and replace the ACA may continue. In addition, various other healthcare reform proposals have also emerged at the federal and state level. We cannot predict what healthcare initiatives, if any, will be implemented at the federal or state level, or the effect any future legislation or regulation will have on us.

We are exposed to fluctuations in currency exchange rates.

A considerable amount of our expenses are generated in dollars or in dollar-linked currencies, but a significant portion of our expenses such as some clinical trials and payroll costs are generated in other currencies such as NIS and Euro. Most of the time, our non-dollar assets are not totally offset by non-dollar liabilities. Due to the foregoing

and to the fact that our financial results are measured in dollars, our results could be adversely affected as a result of a strengthening or weakening of the dollar compared to these other currencies. During the years ended December 31, 2019, 2020 and 2021, the dollar depreciated in relation to the NIS, which raised the dollar cost of our Israeli based operations and adversely affected our financial results, while during the year ended December 31, 2022, 2023 and 2024, the dollar increased in relation to the NIS, which reduced the dollar cost of our Israeli based operations costs. In addition, our results could also be adversely affected if we are unable to guard against currency fluctuations in the future. Although we may in the future decide to undertake foreign exchange hedging transactions to cover a portion of our foreign currency exchange exposure, we currently do not hedge our exposure to foreign currency exchange risks. These transactions, however, may not adequately protect us from future currency fluctuations and, even if they do protect us, may involve operational or financing costs we would not otherwise incur.

We face uncertainties related to Oravax's oral COVID-19 vaccine.

We face uncertainties related to Oravax's oral COVID-19 vaccine, including uncertainties related to the risk that our continued development programs may not be successful, commercially viable or receive approval from regulatory authorities. Other companies may produce superior or competitive oral or other products that make Oravax's oral COVID-19 vaccine not commercially worthwhile. Even if we succeed in developing the product, the demand for any product we may develop may no longer exist, given the fluid nature of the COVID-19 pandemic, including possible decreased demand for vaccines due to weaker strains, the need for different vaccines for new variants of the virus or an end of the pandemic that may render Oravax's vaccine obsolete.

Risks Related to Our Real Estate Investments

Our investments in real estate may expose us to market and liquidity risks that could adversely affect our financial condition and results of operations. On November 7, 2024, our Board approved investments of up to $10,000,000 in real estate assets, and additional investments of up to $20,000,000 On February 13, 2025. While we believe these investments present attractive opportunities, the real estate market is subject to fluctuations due to economic conditions, interest rate changes, and other external factors beyond our control. A downturn in the real estate market or an extended period of declining property values could negatively impact the returns on our investments. Additionally, real estate investments tend to be relatively illiquid, which may limit our ability to quickly exit or reallocate capital in response to market changes. Since our approach focuses on entrepreneurial real estate investments rather than direct property ownership or management, we are also exposed to risks associated with deal execution, market timing, and the financial health of investment partners or counterparties. If any of these risks materialize, they could adversely affect our financial position and ability to generate anticipated returns.

Risks Related to the Notes

We have lent a substantial amount of funds to Scilex. In the event that Scilex is unable to service its obligations under the Note and defaults on such Note, it could have a material adverse effect on our business.

On September 21, 2023, we were issued the Tranche A Note in an aggregate principal amount of $101,875,000 by Scilex pursuant to the Scilex SPA. The Note originally matured on March 21, 2025 and is payable in six principal installments, with the first installment paid on December 21, 2023. In January 2025, we extended Tranche A Note maturity from March 21, 2025 to December 31, 2025. Interest under the Note accrues at a fluctuating per annum interest rate equal to the sum of (1) the greater of (x) four percent (4%) and (y) Term SOFR (as defined in the Note) and (2) eight and one half percent (8.5%), payable in-kind on a monthly basis.

On October 7, 2024, we entered into an agreement to refinance a portion of the Tranche A Note and pay off certain other indebtedness of Scilex. We were issued an aggregate principal amount of $25,000,000 under the Tranche B Note and 3,750,000 Tranche B Warrants. In addition, on October 8, 2024, we entered into the RPA with Scilex to holds the right to receive 4% royalties.

There is no guarantee that Scilex will be able to service its repayment obligations under the Note. Although the Note is secured by a first priority security interest in and liens on all of the assets of Scilex and its subsidiaries, no assurance can be made that Scilex will be able to repay the Tranche A Note and Tranche B Notes, or the Notes, when due or that we will be able to foreclose on such assets and recover enough value upon the sale of such assets to repay the amounts owed to us. In such an event, we could lose all or a substantial portion of our loan investment. Additionally, Scilex has disclosed in its periodic reports filed with the SEC that there is substantial doubt about its

ability to continue as a going concern. If Scilex is unable to continue as a going concern or defaults on the Notes, we may be unable to recover some or all of the principal amount of the Note, which could have a material adverse effect on our business, financial condition and results of operations.

We may have difficulty realizing the full value of the Warrants.

The Closing Penny Warrant will be exercisable upon the earliest of (i) March 14, 2025, (ii) the date on which the Note has been repaid in full, and (iii) the Management Sale Trigger Date (as defined therein), if any, and will expire on the date that is the fifth anniversary of the issuance date. For purposes of the Penny Warrants, the Management Sale Trigger Date is generally the first date that certain members of Scilex management engage in certain sales or other similar transfers of shares of Scilex Common Stock or other of Scilex's or any of its subsidiaries' securities, subject to certain exceptions as are customary for lock-up agreements executed by directors and officers in connection with financings or similar transactions.

The Subsequent Penny Warrants will vest and become exercisable on the date that is the later of (i) Subsequent Penny Warrant Vesting Date, and (ii) the earliest of (A) March 14, 2025, (B) the date on which the Note has been repaid in full and (C) the Management Sale Trigger Date, if any. Each Subsequent Penny Warrant will expire on the date that is the fifth anniversary of the issuance date; provided that, if the Notes are repaid in full prior to the Subsequent Penny Warrant Vesting Date applicable to such Subsequent Penny Warrant, such Subsequent Penny Warrant will expire on the date the Notes are repaid in full.

Because of the foregoing restrictions on exercisability of the Closing Penny Warrant and the Subsequent Penny Warrants, we may not be able to exercise the Warrants for shares of Scilex Common Stock at a time when it would be financially beneficial for us to do so. Accordingly, there is no guarantee that we will be able to realize the full or any value of the Warrants.

Risks Related to our Common Stock

Future sales of our common stock by our existing stockholders could adversely affect our stock price.

The market price of our common stock could decline as a result of sales of a large number of shares of our common stock in the market, or the perception that these sales could occur. We experienced a significant decline in the market price of our common stock and a significant increase in trading volume after announcing the results of our ORA-D-013-1 Phase 3 trial in January 2023. Any strategic decision we make as a result of our strategic review process may also negatively affect our common stock price or cause volatility in the market price of our common stock. Sales of large amounts of our securities or large variations in trading volume might make it more difficult for us to sell equity securities in the future at a time and at a price that we deem appropriate. As of March 27, 2025, we had outstanding 40,850,455 shares of common stock, a large majority of which are freely tradable. Giving effect to the exercise in full of all of our outstanding warrants, options and restricted stock units, or RSUs, including those currently unexercisable or unvested, we would have outstanding 44,599,618 shares of common stock.

Our issuance of warrants, options and RSUs to investors, employees and consultants may have a negative effect on the trading prices of our common stock as well as a dilutive effect.

We have issued and may continue to issue warrants, options, RSUs and convertible notes at, above or below the current market price. As of March 27, 2025, we had outstanding warrants exercisable for 20,000 shares of common stock at a weighed average exercise price of $4.13 and options exercisable for 1,548,633 shares of common stock at a weighted average exercise price of $7.09. We also had outstanding RSUs for 589,781 shares of common stock. In addition to the dilutive effect of a large number of shares of common stock and a low exercise price for the warrants and options, there is a potential that a large number of underlying shares of common stock may be sold in the open market at any given time, which could place downward pressure on the trading of our common stock.

Because we will not pay cash dividends in the foreseeable future, investors may have to sell shares of our common stock in order to realize their investment.

We have not paid any cash dividends on our common stock and do not intend to pay cash dividends in the foreseeable future. We intend to retain future earnings, if any, for reinvestment in the development and expansion of our business. Any credit agreements which we may enter into with institutional lenders or otherwise may restrict our

ability to pay dividends. Whether we pay cash dividends in the future will be at the discretion of our Board and will be dependent upon our financial condition, results of operations, capital requirements and any other factors that our Board decides is relevant.

Our failure to maintain compliance with the Nasdaq Capital Market's continued listing requirements could result in the delisting of our common stock.

Our common stock is currently listed on the Nasdaq Capital Market. In order to maintain this listing, we must satisfy minimum financial and other requirements. Nasdaq Listing Rule 5550(a)(2) requires the minimum bid price of our common stock on the Nasdaq Capital Market to remain above $1.00. If the bid price of our common stock closes below $1.00 per share for 30 consecutive business days, we would be in violation of Nasdaq Listing Rule 5550(a)(2). In accordance with Nasdaq Listing Rule 5810(c)(3)(A), we would have 180 calendar days to regain compliance with the minimum bid requirement.

While we intend to engage in efforts to maintain compliance, and thus maintain our listing, there can be no assurance that we will continue to meet all applicable Nasdaq Capital Market requirements in the future, especially in light of any strategic transaction we may choose to undertake. If our common stock were removed from listing with the Nasdaq Capital Market, it may be subject to the so-called "penny stock" rules. The SEC has adopted regulations that define a "penny stock" to be any equity security that has a market price per share of less than $5.00, subject to certain exceptions, such as any securities listed on a national securities exchange, which is the exception on which we currently rely. For any transaction involving a "penny stock," unless exempt, the rules impose additional sales practice requirements on broker-dealers, subject to certain exceptions. If our common stock were delisted and determined to be a "penny stock," a broker-dealer may find it more difficult to trade our common stock and an investor may find it more difficult to acquire or dispose of our common stock on the secondary market.

If our common stock is delisted and there is no longer an active trading market for our shares, it may, among other things: cause stockholders difficulty in selling our shares without depressing the market price for the shares or selling our shares at all; substantially impair our ability to raise additional funds; result in a loss of institutional investor interest and fewer financing opportunities for us; and/or result in costly litigation, significant liabilities and diversion of our management's time and attention and could have a material adverse effect on our financial condition, business and results of operations.

A delisting would also reduce the value of our equity compensation plans, which could negatively impact our ability to retain employees.

As the market price of our common stock may fluctuate significantly, this may make it difficult for you to sell your shares of common stock when you want or at prices you find attractive.

The price of our common stock is currently listed on the Nasdaq Capital Market and on the Tel Aviv Stock Exchange and constantly changes. In recent years, the stock market in general has experienced extreme price and volume fluctuations. We expect that the market price of our common stock will continue to fluctuate. These fluctuations may result from a variety of factors, many of which are beyond our control. For example, we experienced a significant decline in the market price of our common stock after announcing the results of our ORA-D-013-1 Phase 3 trial in January 2023. These factors include:

- market acceptance of our new strategy, once determined and announced;
- clinical trial results and the timing of the release of such results;
- the amount of cash resources and our ability to obtain additional funding;
- announcements of research activities, business developments, technological innovations or new products by us or our competitors;
- entering into or terminating strategic relationships;
- changes in government regulation;
- departure of key personnel;
- disputes concerning patents or proprietary rights;

- changes in expense level;
- future sales of our equity or equity-related securities;
- public concern regarding the safety, efficacy or other aspects of the products or methodologies being developed;
- activities of various interest groups or organizations;
- media coverage; and
- status of the investment markets.

Future sales of common stock or the issuance of securities senior to our common stock or convertible into, or exchangeable or exercisable for, our common stock could materially adversely affect the trading price of our common stock, and our ability to raise funds in new equity offerings.

Future sales of substantial amounts of our common stock, including pursuant to any strategic opportunity, the ATM Agreement (as defined below), or other equity-related securities in the public market or privately, or the perception that such sales could occur, could adversely affect prevailing trading prices of our common stock and could impair our ability to raise capital through future offerings of equity or other equity-related securities. We anticipate that we will need to raise capital through offerings of equity and equity related securities. We can make no prediction as to the effect, if any, that future sales of shares of our common stock or equity-related securities, or the availability of shares of common stock for future sale, will have on the trading price of our common stock.

Our stockholders may experience significant dilution as a result of any additional financing using our equity securities.

To the extent that we raise additional funds by issuing equity securities, including in connection with any strategic opportunity or pursuant to the ATM Agreement, our stockholders may experience significant dilution. Additionally, we may, from time to time or in connection with a strategic alternative, issue additional shares of common stock at a discount from the current trading price of our common stock. As a result, our stockholders would experience immediate dilution upon the purchase of any shares of our common stock sold at such discount. In addition, as opportunities present themselves, we may enter into financing or similar arrangements in the future, including the issuance of convertible debt securities, preferred stock or common stock. If we issue common stock or securities convertible into common stock, our common stockholders would experience additional dilution and, as a result, our stock price may decline.

Risks Related to JV Agreement

If we fail to complete the transactions contemplated under the JV Agreement as supplemented by the Supplemental Agreement with HTIT, if such joint venture is not successful, or if we fail to realize the benefits we anticipate from such joint venture, we may not be able to capitalize on the full market potential of our drug products and technology.

In joint ventures, we share ownership and management of a company with one or more parties who may not have the same goals, strategies, priorities, business incentives or resources as we do and may compete with us outside the joint venture. Joint ventures are intended to be operated for the benefit of all co-owners, rather than for our exclusive benefit. Operating a business as a joint venture often requires additional organizational formalities as well as time-consuming procedures for sharing information and making decisions that must further take into consideration our partners' interests. In joint ventures, we are required to foster our relationships with our co-owners as well as promote the overall success of the joint venture, and if a co-owner changes, relationships deteriorate or strategic objectives diverge, our success in the joint venture may be materially adversely affected. Further, because most of the benefits from a successful joint venture are shared among the co-owners, we do not receive all the benefits from our successful joint ventures.

In addition, because we share ownership and management with one or more parties, we may have limited control over the actions of a joint venture, particularly when we own a minority interest. As a result, we may be unable to prevent violations of applicable laws or other misconduct by a joint venture, adverse human rights or other impacts or the failure to satisfy contractual obligations by one or more parties. Moreover, a joint venture may not be subject

to the same financial reporting, corporate governance or compliance approaches that we follow. To the extent another party makes decisions that negatively impact the joint venture or internal control issues arise within the joint venture, we may have to take responsive actions, or we may be subject to penalties, fines or other punitive actions or suffer reputational harm for these activities.

The consummation of the transactions contemplated by the JV Agreement, as supplemented by the Supplemental Agreement, is subject to the satisfaction or waiver of certain other closing conditions.

If we do not successfully complete the closing conditions, this may harm our ability to complete the transactions contemplated by the JV Agreement, as supplemented by the Supplemental Agreement, as well as additional clinical trials and marketing of our oral insulin candidate. In addition, this may cause irreparable harm to our financial position and business operations.

Furthermore, there can be no assurances that OraTech will receive the necessary regulatory approvals for the Phase 3 oral insulin trial in the United States or that our drug products and our technology will be developed and commercialized successfully. In addition, OraTech will subject us to a number of risks including risks relating to the lack of full control of OraTech, potential disagreements with HTIT about how to manage OraTech that may result in the delay or termination of the commercialization of our products or product candidates or that result in costly litigation or arbitration that diverts management attention and resources, conflicting interests of OraTech, and OraTech and its business not being profitable.

While we believe that our board representation, voting rights and other contractual rights with respect to OraTech will serve to mitigate some of these risks, we may have disagreements with the other directors and HTIT that could impair our ability to influence OraTech to act in a manner that we believe is in the best interest of us.

We may not complete the transactions contemplated by the JV Agreement, as supplemented by the Supplemental Agreement.

Pursuant to the Supplemental Agreement, the Initial Closing will be April 30, 2025. Subject to the completion and satisfaction of applicable closing conditions, the Second Closing shall occur on a date specified in the applicable closing notice, which such date shall be no later than the fifth business day after the satisfaction or waiver of the applicable closing conditions, provided, however, that the Second Closing shall not be consummated before April 30, 2025 unless the shares of OraTech's common stock have been approved for listing and trading on the Nasdaq Stock Market prior to April 30, 2025. In the event the parties fail to consummate the Second Closing on or before April 30, 2025, solely due to the failure of not achieving the Listing, the parties agreed to consummate the Second Closing on or before May 31, 2025. Notwithstanding the foregoing, the provisions with respect to the Second Closing may be terminated by either HTIT or us if the Second Closing has not occurred by September 1, 2025, subject to certain conditions.

There are no assurances that the applicable parties will consummate either the Initial Closing or the Second Closing, of the Spin Off or complete the closing conditions such closings are subject to. If we do not successfully complete such closings in a timely manner, or at all, this may harm OraTech's ability to complete the transactions contemplated by the JV Agreement and the Supplemental Agreement, which may in turn cause irreparable harm to our financial position and business operations.

We may not realize the anticipated benefits from the Spin Off, and the Spin Off could harm our business.

We may not be able to achieve the full strategic and financial benefits expected to result from the Spin Off and such benefits may be delayed or not occur at all. The Spin Off is designed to enhance strategic and management focus, provide a distinct corporate identity, and allow us to efficiently allocate resources and deploy capital. We may not achieve these and other anticipated benefits for a variety of reasons, including the following:

- the Spin Off will require significant amounts of management's time and effort, which may divert management's attention from operating and growing our business;
- following the Spin Off, OraTech may be more susceptible to economic downturns and other adverse events than if it was still a part of the Company;
- following the Spin Off, our business will be less diversified than prior to the Spin Off;

- following the Spin Off, our business will experience a loss of scale and access to certain financial, managerial, and professional resources as well as product and brand power influence and recognition with some customers from which we have benefited in the past;
- actions required to separate the respective businesses could disrupt our operations; and
- if we fail to achieve some or all of the benefits expected to result from the Spin Off, or if such benefits are delayed, our business could be harmed.

Until the Spin Off occurs, the business of OraTech will remain our business segment. Completion of the Spin Off remains subject to the satisfaction or waiver of certain conditions.

Potential indemnification liabilities to HTIT pursuant to the JV Agreement, as supplemented by the Supplemental Agreement could materially and adversely affect our financial condition, results of operations, and cash flows.

The JV Agreement, as supplemented by the Supplemental Agreement, among other things, provides for indemnification obligations designed to make the Company and the OraTech financially responsible for certain liabilities that may exist relating to its business activities. If we and the OraTech are required to indemnify HTIT under the circumstances set forth in the JV Agreement, as supplemented by the Supplemental Agreement, we may be subject to substantial liabilities.

We potentially could have received better terms from unaffiliated third parties than the terms we received in our agreements with OraTech

The agreements we and OraTech entered into in connection with the Spin Off have been negotiated while OraTech is still a part of our business. The terms of the agreements negotiated in the context of the Spin Off relate to, among other things, the allocation of assets, intellectual property, liabilities, rights, and other obligations between OraTech and us, among others. Arm's-length negotiations between OraTech and an unaffiliated third-party in another form of transaction, such as a buyer in a sale of a business transaction, may have resulted in more favorable terms to the unaffiliated third-party.

Our business and assets will be less diversified following the Spin Off

In connection with the transactions contemplated by the JV Agreement as supplemented by the Supplemental Agreement, on February 7, 2025, we entered into that certain Asset Transfer Agreement or the Asset Transfer Agreement with OraTech and Oramed Ltd., pursuant to which, we and Oramed Ltd. have agreed to transfer to OraTech all of our and their rights, titles, and interests in the Transferred IP, Business Contracts, Business Information, and Regulatory Information (each as defined in the Asset Transfer Agreement and collectively, or the Transferred Assets), as part of the capital contribution to be made to OraTech, in consideration for the issuance to us of certain Shares (as defined in the JV Agreement) in OraTech.

If such Transferred Assets are transferred to OraTech in connection with the Spin Off, OraTech will have all rights, title and interest in such Transferred Assets, and we will no longer have all rights, title and interest in such Transferred Assets, meaning that our business and assets will be less diversified following the Spin Off, which may in turn affect our operations and our financial position.

The financial position and business operations of the OraTech could be impacted by HTIT's ability to perform its obligations under certain contracts with us.

In connection with the Spin Off, we have entered into a number of agreements with HTIT, including a supply agreement and a license agreement that govern our ongoing relationship with HTIT. Our success depends, in part, on the maintenance of our ongoing relationship with HTIT, HTIT's performance of its obligations under these agreements, including HTITs maintenance of the quality of products and services and certain other trademarks and intellectual property that we license to HTIT. If we are unable to maintain a good relationship with HTIT, or if HTIT does not perform its obligations under our agreements with HTIT, the business of OraTech, its operations and its financial position may be negatively impacted.

The Spin Off may expose us to potential liabilities arising out of state and federal fraudulent conveyance laws.

If we file for insolvency or bankruptcy within certain timeframes following the Spin Off, a court could deem the Spin Off or certain internal restructuring transactions undertaken by us in connection therewith to be a fraudulent conveyance or transfer. Fraudulent conveyances or transfers are defined to include transfers made or obligations incurred with the actual intent to hinder, delay or defraud current or future creditors or transfers made or obligations incurred for less than reasonably equivalent value when the debtor was insolvent, or that rendered the debtor insolvent, inadequately capitalized or unable to pay its debts as they become due. In such circumstances, a court could void the transactions or impose substantial liabilities upon us, which could adversely affect our financial condition and our results of operations. Whether a transaction is a fraudulent conveyance or transfer will vary depending upon the jurisdiction whose law is being applied.

Risks Related to Conducting Business in Israel

We are affected by the political, economic and military risks of having operations in Israel.

We have operations in the State of Israel, and we are directly affected by political, economic and security conditions in that country. Since the establishment of the State of Israel in 1948, a number of armed conflicts have taken place between Israel and its Arab neighbors and a state of hostility, varying in degree and intensity, has led to security and economic problems for Israel. In addition, acts of terrorism, armed conflicts or political instability in the region could negatively affect local business conditions and harm our results of operations. We cannot predict the effect on the region of any diplomatic initiatives or political developments involving Israel or the Palestinians or other countries and territories in the Middle East. Recent political events, including political uprisings, social unrest and regime change, in various countries in the Middle East and North Africa have weakened the stability of those countries and territories, which could result in extremists coming to power. In addition, Iran has threatened to attack Israel and is widely believed to be developing nuclear weapons. Iran is also believed to have a strong influence among extremist groups in the region, such as Hamas in Gaza and Hezbollah in Lebanon. This situation has escalated in the past and may potentially escalate in the future to violent events which may affect Israel and us. On October 7, 2023, the State of Israel was attacked by and subsequently declared war on Hamas. Israel has been in an ongoing state of war with Hamas since that time. Following the attack by Hamas, Hezbollah, a terrorist organization in Lebanon has also launched missile, rocket, and shooting attacks against Israeli military sites, troops, and Israeli towns in northern Israel. In response to these attacks, the Israeli army has carried out a number of targeted strikes on sites belonging to Hezbollah in southern Lebanon and in October 2024, the Israeli military initiated a ground operation in Lebanon, primarily near the Israel-Lebanon border. As of the end of November 2024, Israel entered into a ceasefire agreement with Hezbollah, but there are no guarantees as to whether the agreement will hold or whether further hostilities will resume.

In April and October 2024, Iran launched missile and unmanned aerial vehicle, or UAV, attacks on Israel. Most of the missiles and UAVs were intercepted by Israel's defense systems, with support from the United States and other countries, including regional allies, preventing significant damage and resulting in no casualties. Despite the successful interceptions, the attacks posed an elevated threat to Israel's security.

In December 2024, Ba'athist Syria, led by President Bashar al-Assad, collapsed during a major offensive by opposition forces made up of several competing rebel groups. In response, the Israeli Defense Forces took control over a United Nations-designated buffer zone over Mount Hermon that separates Israel and Syria. Simultaneously, Israel conducted targeted military strikes against military assets in Syria, aiming to eliminate any chemical weapons storage sites that could be used by rebel groups and further weaken Iran's operational capabilities in the region. While the transitional government of Syria has indicated that it is interested in reconstruction and stability rather than a continuation of conflicts with Israel, there are no guarantees that there will be no future escalation of hostilities or that Syria will not permit other neighboring countries to launch attacks at Israel from its territory.

It is possible that other terrorist organizations, including Palestinian military organizations in the West Bank, as well as other hostile countries, such as Iran, will join the hostilities. Although we believe that there is no immediate risk to our business operations related to these events, our business, prospects, financial condition and results of operations could be materially adversely affected if such hostilities involving Israel continue or escalate or if trade or scientific cooperation between Israel and its current partners is interrupted or curtailed. Moreover, we cannot predict how this war will ultimately affect Israel's economy in general, which may involve a downgrade in Israel's credit rating by rating agencies (such as the recent downgrade by Moody's of its credit rating of Israel from A1 to A2, in October 2023 and

further downgrade to Baa1 with a negative outlook in September 2024, as well as the downgrade of its outlook rating from "stable" to "negative"). We may also be targeted by cyber terrorists specifically because we are an Israeli-related company.

All adult male and female permanent residents of Israel, unless exempt, may be required to perform military reserve duty annually. Additionally, all such residents are subject to being called to active duty at any time under emergency circumstances, and several hundred thousand Israeli military reservists were drafted to perform immediate military service during the current war with Hamas and other hostile elements, such as Hezbollah in Lebanon. Some of our employees may in the future be obligated to perform annual military reserve duty, although none were called up for reserves in the current war. If called up, such persons may be absent from their positions for a lengthy period of time. We can provide no assurance that such requirements will not have a material adverse effect on our business, prospects, financial condition and results of operations in the future, particularly if emergency circumstances occur.

It may be difficult to enforce a U.S. judgment against us or our officers and directors and to assert U.S. securities laws claims in Israel.

Almost all of our directors and officers are nationals and/or residents of countries other than the United States. As a result, service of process upon us, our Israeli subsidiary and our directors and officers, may be difficult to obtain within the United States. Furthermore, because the majority of our assets and investments, and most of our directors and officers are located outside the United States, it may be difficult for investors to enforce within the United States any judgments obtained against us or any such officers or directors. Additionally, it may be difficult to assert U.S. securities law claims in original actions instituted in Israel. Israeli courts may refuse to hear a claim based on a violation of U.S. securities laws because Israel is not the most appropriate forum in which to bring such a claim. In addition, even if an Israeli court agrees to hear a claim, it may determine that Israeli law and not U.S. law is applicable to such claim. If U.S. law is found to be applicable, the content of applicable U.S. law must be proved as a fact, which can be a time-consuming and costly process. Certain matters of procedure will also be governed by Israeli law.

Subject to specified time limitations and legal procedures, under the rules of private international law currently prevailing in Israel, Israeli courts may enforce a U.S. judgment in a civil matter, including a judgment based upon the civil liability provisions of the U.S. securities laws, as well as a monetary or compensatory judgment in a non-civil matter, provided that the following key conditions are met:

- subject to limited exceptions, the judgment is final and non-appealable;
- the judgment was given by a court competent under the laws of the state in which the court is located and is otherwise enforceable in such state;
- the judgment was rendered by a court competent under the rules of private international law applicable in Israel;
- the laws of the state in which the judgment was given provides for the enforcement of judgments of Israeli courts;
- adequate service of process has been effected and the defendant has had a reasonable opportunity to present its arguments and evidence;
- the judgment and its enforcement are not contrary to the law, public policy, security or sovereignty of the State of Israel;
- the judgment was not obtained by fraud and does not conflict with any other valid judgment in the same matter between the same parties; and
- an action between the same parties in the same matter was not pending in any Israeli court at the time the lawsuit was instituted in the U.S. court.

If any of these conditions are not met, Israeli courts will likely not enforce the applicable U.S. judgment.

General Risk Factors

Changes to tax laws could have a negative effect on us or our stockholders.

At any time, the U.S. federal or state income tax laws, or the administrative interpretations of those laws, may be amended. Federal and state tax laws are constantly under review by persons involved in the legislative process, the U.S. Internal Revenue Service, the U.S. Department of the Treasury and state taxing authorities. Changes to the tax laws, regulations and administrative interpretations, which may have retroactive application, could adversely affect us. Our stockholders are encouraged to consult with their tax advisors about the potential effects that changes in law may have on them and their ownership of our securities.

Our business and operations would suffer in the event of computer system failures, cyber-attacks or deficiencies in our cyber-security.

Despite the implementation of security measures, our internal computer systems, and those of third parties on which we rely, are vulnerable to damage from computer viruses, malware, natural disasters, terrorism, war, telecommunication and electrical failures, cyber-attacks or cyber-intrusions over the Internet, attachments to emails, persons inside our organization, or persons with access to systems inside our organization. The risk of a security breach or disruption, particularly through cyber-attacks or cyber intrusion, including by computer hackers, foreign governments, and cyber terrorists, has generally increased as the number, intensity and sophistication of attempted attacks and intrusions from around the world have increased. If such an event were to occur and cause interruptions in our operations, it could result in a material disruption of our product development programs. For example, the loss of clinical trial data from completed or ongoing or planned clinical trials could result in delays in our clinical trial efforts and significantly increase our costs to recover or reproduce the data. To the extent that any disruption or security breach was to result in a loss of or damage to our data or applications, or inappropriate disclosure of confidential or proprietary information, we could incur material legal claims and liability, and damage to our reputation, and the further development of our product candidates could be delayed.

We also maintain compliance programs to address the potential applicability of restrictions against trading while in possession of material, nonpublic information generally and in connection with a cyber-security breach. However, a breakdown in existing controls and procedures around our cyber-security environment may prevent us from detecting, reporting or responding to cyber incidents in a timely manner and could have a material adverse effect on our financial position and value of our stock.

Our management will have significant flexibility in using the net proceeds of any offering of securities.

We intend generally to use the net proceeds from any offerings of our securities for expenses related to our clinical trials, research and product development activities, and for general corporate purposes, including general working capital purposes. Our management will have significant flexibility in applying the net proceeds of any such offering and we will necessarily be using our capital when we decide on new strategic initiatives. The actual amounts and timing of expenditures will vary significantly depending on a number of factors, including the amount of cash used in our operations and our research and development efforts. Management's failure to use these funds effectively would have an adverse effect on the value of our common stock and could make it more difficult and costly to raise funds in the future.

Delaware law could discourage a change in control, or an acquisition of us by a third party, even if the acquisition would be favorable to you, and thereby adversely affect existing stockholders.

The Delaware General Corporation Law contains provisions that may have the effect of making more difficult or delaying attempts by others to obtain control of the Company, even when these attempts may be in the best interests of stockholders. Delaware law imposes conditions on certain business combination transactions with "interested stockholders." These provisions and others that could be adopted in the future could deter unsolicited takeovers or delay or prevent changes in our control or management, including transactions in which stockholders might otherwise receive a premium for their shares of common stock over then current market prices. These provisions may also limit the ability of stockholders to approve transactions that they may deem to be in their best interests.

ITEM 1B. UNRESOLVED STAFF COMMENTS.

Not applicable.

ITEM 1C. CYBERSECURITY.

The Board recognizes the critical importance of maintaining the trust and confidence of our business partners, employees and clinical trial participants. The Audit Committee is responsible for reviewing our policies with respect to cybersecurity risks and relevant contingent liabilities and risks that may be material to the Company, including risks from third parties and business partners.

We generally seek to address cybersecurity risks by implementing security measures on our internal computer systems and ensuring that third parties and business partners implement similar measures. These security measures include firewalls, intrusion prevention and detection systems, anti-malware functionality and access controls, which are evaluated by our external IT consultant and improved through vulnerability assessments and cybersecurity threat intelligence.

Our Chief Operating and Business Officer is responsible for implementing protection measures for our information systems from cybersecurity threats and promptly responding to any cybersecurity incidents.

To date, risks from cybersecurity threats have not materially affected us and we do not currently believe any risks from cybersecurity threats are reasonably likely to affect the Company, including our business strategy, results of operations or financial condition. For further information, see “Item 1A. Risk Factors,” under “Our business and operations would suffer in the event of computer system failures, cyber-attacks or deficiencies in our cyber-security.”

ITEM 2. PROPERTIES.

We believe that our existing facilities are suitable and adequate to meet our current business requirements. In the event that we should require additional or alternative facilities, we believe that such facilities can be obtained on short notice at competitive rates.

ITEM 3. LEGAL PROCEEDINGS.

From time to time we may become subject to litigation incidental to our business. We are not currently a party to any material legal proceedings.

ITEM 4. MINE SAFETY DISCLOSURES.

Not applicable.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES.

Common Stock

Our common stock is traded on the Nasdaq Capital Market and on the Tel Aviv Stock Exchange, in each case under the symbol "ORMP."

Holders

As of March 27, 2025, there were 40,850,455 shares of our common stock issued and outstanding held of record by approximately 40 registered stockholders. We believe that a significant number of stockholders hold their shares of our common stock in brokerage accounts and registered in the name of stock depositories and are therefore not included in the number of stockholders of record.

Unregistered Sales of Equity Securities and Use of Proceeds

No unregistered sales of equity securities were made during the three months ended December 31, 2024.

Issuer Purchases of Equity Securities

In June 2024, our Board authorized a stock buyback and retirement program pursuant to which we may, from time to time, repurchase up to $20,000,000 in maximum value of our common stock. Share repurchases may be executed through various means, including, without limitation, open market transactions, privately negotiated transactions or otherwise in compliance with Rule 10b-18 under the Exchange Act. The stock buyback program does not obligate us to purchase any shares and expires in 12 months. The authorization for the stock buyback program may be terminated, increased or decreased by our Board in its discretion at any time.

We have repurchased and retired 1,036,976 shares of our common stock under this program for approximately $2,494,000, including approximately $10,000 excise tax, at an average price of $2.36 per share. All purchases were funded with cash on hand.

The following sets forth information with respect to repurchase and retirement made by the Company of its shares of common stock during the fourth quarter ended December 31, 2024:

Period	Total number of shares purchased	Average price paid per share	Total number of shares purchased as part of publicly announced plans or programs	Approximate dollar value of shares that may yet be purchased under the plans or programs
October 1 – 31, 2024	—	—	—	$ 18,708,193
November 1 – 30, 2024	252,802	$ 2.327	252,802	$ 18,119,189
December 1 – 31, 2024	244,722	$ 2.463	244,722	$ 17,515,906
Total	497,524		497,524	

ITEM 6. [RESERVED]

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with the audited consolidated financial statements and the related notes included elsewhere herein and in our audited consolidated financial statements.

In addition to our audited consolidated financial statements, the following discussion contains forward-looking statements that reflect our plans, estimates and beliefs. Our actual results could differ materially from those discussed in the forward-looking statements. Factors that could cause or contribute to these differences include those discussed below and elsewhere in this Annual Report on Form 10-K, particularly in "Cautionary Statement Regarding Forward-Looking Statements" and "Item 1A. Risk Factors."

Overview of Operations

We are a pharmaceutical company engaged in the research and development of innovative pharmaceutical solutions with a technology platform that allows for the oral delivery of therapeutic proteins.

We have developed an oral dosage form intended to withstand the harsh environment of the gastrointestinal tract and effectively deliver active insulin or other proteins. The formulation is not intended to modify the proteins chemically or biologically, and the dosage form is designed to be safe to ingest.

On January 11, 2023, we announced that the Phase 3 oral insulin trial (ORA-D-013-1) did not meet its primary or secondary endpoints. As a result, we terminated this trial and a parallel Phase 3, ORA-D-013-2 clinical trial. In 2023, we completed an analysis of the ORA-D-013-1 Phase 3 trial data and found that subpopulations of patients with pooled specific parameters, such as BMI, baseline HbA1c and age, responded well to oral insulin. Based on this analysis, we submitted a protocol for a new Phase 3 clinical trial to the FDA. We are additionally examining our existing pipeline and have commenced an evaluation process of potential strategic opportunities, with the goal of enhancing value for our stockholders.

As detailed above, in September 2023, we entered into the 2023 Scilex Transaction, which included a senior secured promissory note (Tranche A Note) and warrants. In October 2024, we participated in the 2024 Refinancing, purchasing a portion of the Tranche B Note and acquiring royalty rights under a Purchase and Sale Agreement. Additional agreements secured the right to receive royalties from certain products of Scilex. We believe that these transactions collectively strengthened our financial position and expanded our commercial interests.

Results of Operations

The table and discussion that follows includes a comparison of our results of operations and liquidity and capital resources for the years ended December 31, 2024 and 2023. For a comparison of our results of operations and financial condition for the year ended December 31, 2023 and the year ended December 31, 2022, see "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" included in our Annual Report on Form 10-K for the year ended December 31, 2023, filed with the SEC on March 6, 2024.

	Year ended December 31,	
	2024	2023
	(dollar amounts in thousands, except per share data)	
Revenues	$ —	$ 1,340
Research and development expenses	(6,324)	(8,971)
Sales and marketing	—	287
General and administrative expenses	(6,457)	(8,425)
Interest expenses	(853)	(2,037)
Financial income (expenses), net	(2,286)	22,894
Income (loss) before taxes on income	(15,920)	5,088
Taxes on income	(3,183)	—
Net income (loss) for the year	(19,103)	5,088

	Year ended December 31,	
	2024	2023
	(dollar amounts in thousands, except per share data)	
Net income (loss) attributable to Company's stockholders	(19,060)	5,525
Net loss attributable to non-controlling interest	(43)	(437)
Net income (loss) for the year	(19,103)	5,088
Basic income (loss) per share of common stock	$ (0.48)	$ 0.14
Diluted income (loss) per share of common stock	$ (0.48)	$ 0.14
Weighted average shares of common stock outstanding used in computing basic income (loss) per share of common stock	40,828,380	40,315,068
Weighted average shares of common stock outstanding used in computing diluted income (loss) per share of common stock	40,828,380	40,566,901

Revenues

Revenues consist of proceeds related to the Amended and Restated Technology License Agreement, dated December 21, 2015, between us and HTIT, or as further amended by the parties on June 3, 2016 and July 24, 2016, the HTIT License Agreement, that are recognized on a cumulative basis when it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur, through the expected product submission date by HTIT of June 2023.

We did not recognize revenues for the year ended December 31, 2024, compared to revenues of approximately $1,340,000 for the year ended December 31, 2023. The decrease was due to recognition of revenues through June 30, 2023, the product submission date by HTIT.

Research and Development Expenses

Research and development expenses include costs directly attributable to the conduct of research and development programs, including the cost of salaries, employee benefits, costs of materials, supplies, the cost of services provided by outside contractors, including services related to our clinical trials, clinical trial expenses, the full cost of manufacturing drugs for use in research and preclinical development. All costs associated with research and development are expensed as incurred.

Clinical trial costs are a significant component of research and development expenses and include costs associated with third-party contractors. We outsource a substantial portion of our clinical trial activities, utilizing external entities such as CROs, independent clinical investigators and other third-party service providers to assist us with the execution of our clinical trials.

Clinical activities which relate principally to clinical sites and other administrative functions to manage our clinical trials are performed primarily by CROs. CROs typically perform most of the start-up activities for our trials, including document preparation, site identification, screening and preparation, pre-study visits, training and program management.

Clinical trial and preclinical trial expenses include regulatory and scientific consultants' compensation and fees, research expenses, purchase of materials, cost of manufacturing of the oral insulin and exenatide capsules, payments for patient recruitment and treatment, as well as salaries and related expenses of research and development staff.

Research and development expenses for the year ended December 31, 2024 decreased by 30% to approximately $6,324,000, compared to approximately $8,971,000 for the year ended December 31, 2023. The decrease was mainly due to lower expenses related to our Phase 3 trials that were terminated and was partially offset by stock-based compensation expenses and costs related to the new Phase 3 clinical trial preparations.

Government Grants

The Government of Israel encourages research and development projects through the IIA, pursuant to the R&D Law. Under the R&D Law, a research and development plan that meets specified criteria is generally eligible for a grant of up to 50% of certain approved research and development expenditures. Each plan must be approved by the IIA.

From August 2009 to March 2014, our subsidiary Oramed Ltd. was awarded five government grants amounting to a total net amount of NIS 8,000,000 (approximately $2,214,000 during such period) from the IIA. We used these funds to support further research and development and clinical trials of our oral insulin capsule and oral GLP-1 analog candidate during the period from February 2009 to December 2014.

In the years ended December 31, 2024 and 2023, we did not recognize any research and development grants.

Under the terms of the grants we had received from the IIA, we were obligated to pay royalties of 3% on all revenues derived from the sale of the products developed pursuant to the funded plans, including revenues from licensed ancillary services. Royalties were generally payable up to a maximum amount equaling 100% of the grants received (dollar linked) with the addition of interest at an annual rate based on the SOFR rate. On February 27, 2025, we paid approximately $2,031,000 to the IIA, and, as result, we are free of our obligations to the IIA.

The R&D Law generally requires that a product developed under a program be manufactured in Israel. However, when applying for a grant, the applicant may declare that part of the manufacturing will be performed outside of Israel or by non-Israeli residents and if the IIA is convinced that performing some of the manufacturing abroad is essential for the execution of the program, it may still approve the grant. This declaration will be a significant factor in the determination of the IIA as to whether to approve a program and the amount and other terms of the benefits to be granted. If a company wants to increase the volume of manufacturing outside of Israel after the grant has been approved, it may transfer up to 10% of the company's approved Israeli manufacturing volume, measured on an aggregate basis, outside of Israel after first notifying the IIA thereof (provided that the IIA does not object to such transfer within 30 days). In addition, upon the approval of the IIA, a portion greater than 10% of the manufacturing volume may be performed outside of Israel. In any case of transfer of manufacturing out of Israel, the grant recipient is required to pay royalties at an increased rate, which may be substantial, and the aggregate repayment amount is increased up to 120% or 150% of the grant received (dollar linked) with the addition of interest at an annual rate based on the SOFR rate, depending on the portion of the total manufacturing volume that is performed outside of Israel. The approval we received from the IIA for the License Agreement was subject to payment of increased royalties and an increased ceiling, all in accordance with the provisions of the R&D Law. The R&D Law further permits the IIA, among other things, to approve the transfer of manufacturing rights outside of Israel in exchange for the import of different manufacturing into Israel as a substitute, in lieu of the increased royalties.

The R&D Law also provides that know-how developed under an approved research and development program and any derivatives thereof may not be transferred or licensed to third parties in Israel without the approval of the research committee, which approval may be subject to the payment of royalties from the sale. Such approval is not required for the sale or export of any products resulting from such research or development. The R&D Law further provides that the know-how developed under an approved research and development program and any derivatives thereof may not be transferred or licensed to any third parties outside Israel absent IIA approval which may be granted in certain circumstances as follows: (a) the grant recipient pays to the IIA a portion of the sale or license price paid in consideration for the purchase or license of such IIA-funded know-how or the price paid in consideration for the sale of the grant recipient itself, as the case may be, in accordance with certain formulas included in the tracks published under the R&D Law; (b) the grant recipient receives know-how from a third party in exchange for its IIA-funded know-how; or (c) such transfer of IIA-funded know-how is made in the context of IIA approved research and development cooperation projects or consortia.

The R&D Law imposes reporting requirements with respect to certain changes in the ownership of a grant recipient. The R&D Law requires the grant recipient to notify the IIA of any change in control of the recipient or a change in the holdings of the means of control of the recipient that results in a non-Israeli entity or person becoming an interested party in the recipient, and requires the new non-Israeli interested party to undertake to the IIA to comply with the R&D Law. In addition, the rules of the IIA may require the provision of additional information or representations in respect of certain such events. For this purpose, "control" is defined as the ability to direct the activities of a company other than any ability arising solely from serving as an officer or director of the company. A person is presumed to have control if such person holds 50% or more of the means of control of a company. "Means of control" refers to voting

rights or the right to appoint directors or the chief executive officer. An "interested party" of a company includes a holder of 5% or more of its outstanding share capital or voting rights, its chief executive officer and directors, someone who has the right to appoint its chief executive officer or at least one director, and a company with respect to which any of the foregoing interested parties holds 25% or more of the outstanding share capital or voting rights or has the right to appoint 25% or more of the directors.

Failure to meet the R&D Law's requirements may subject us to mandatory repayment of grants received by us (together with interest and penalties), as well as expose us to criminal proceedings. In addition, the Israeli government may from time to time audit sales of products which it claims incorporate technology funded through IIA programs which may lead to additional royalties being payable on additional products.

Sales and Marketing Expenses

Sales and marketing expenses include the salaries and related expenses of our commercial functions, consulting costs and other general expenses.

We did not recognize any sales and marketing expenses for the year ended December 31, 2024, compared to an income of approximately $287,000 for the year ended December 31, 2023. The income primarily resulted from the reversal of previously recognized expenses related to forfeited employee stock options, following the termination of an executive officer in fiscal year 2023.

General and Administrative Expenses

General and administrative expenses include the salaries and related expenses of our management, consulting expenses, legal and professional fees, travel expenses, business development expenses, insurance expenses and other general expenses.

General and administrative expenses for the year ended December 31, 2024 decreased by 23% to approximately $6,457,000, compared to approximately $8,425,000 for the year ended December 31, 2023. This decrease was mainly due to the reversal of previously recognized expenses following the resignation of certain executive officers.

Interest Expenses

Interest expenses were approximately $853,000 for the year ended December 31, 2024, compared to approximately $2,037,000 for the year ended December 31, 2023, since the Short-Term Borrowings (as defined below) received from Discount Bank Ltd. were terminated during the second quarter of 2024 (see below).

Financial Income, Net

Net financial loss was approximately $2,286,000 for the year ended December 31, 2024, compared to approximately $22,894,000 net financial income for the year ended December 31, 2023. The change was mainly due to the revaluation of the investments in Scilex and lower interest income on deposits.

Liquidity and Capital Resources

From our inception through December 31, 2024, we have incurred losses in an aggregate amount of approximately $176,616,000. During that period and through December 31, 2024, we have financed our operations through several private placements of our common stock, as well as public offerings of our common stock, raising a total of approximately $255,384,000, net of transaction costs. During that period, we also received cash consideration of approximately $28,001,000 from the exercise of warrants and options. We expect to seek additional financing through similar sources in the future, as needed. As of December 31, 2024, we had approximately $54,420,000 of available cash and approximately $55,281,000 of short-term bank deposits. In addition, we hold various of interest in certain investments, including in Scilex and others, as further detailed in this report.

From inception through December 31, 2024, we have not generated significant revenues from our operations. Although, we have increased the research and development activities related to the new Phase 3 clinical trial, our research and development activities have been significantly reduced while we conducted a strategic review process,

following the termination of the ORA-D-013-1 and ORA-D-013-2 Phase 3 trials. Following the preparation and expected initiation of the revised phase 3 trial (ORA-D-013-3) we expect to increase our research and development expenses, either directly or through OraTech.

Based on our current cash resources and commitments, we believe we will be able to maintain our current planned activities and the corresponding level of expenditures for at least the next 12 months, although no assurance can be given that we will not need additional funds prior to such time. If there are increases in our operating expenses, we may need to seek additional financing during the next 12 months. We may also need additional funds to realize the decisions made as part of our strategic review process. We cannot predict the outcome of these activities.

On August 8, 2023, we borrowed an aggregate of $99,550,000 pursuant to loan agreements from Israel Discount Bank Ltd., or the Short-Term Borrowings. The Short-Term Borrowings mature on dates ranging from August 11, 2023 to May 24, 2024, bear interest ranging from 6.66% to 7.38%, were secured by certificates of deposits issued by Israel Discount Bank Ltd. having an aggregate face amount of $99,550,000. The net proceeds of the Short-Term Borrowings were used to fund the Tranche A Note. The Short-Term Borrowings were paid in one payment of principal and interest at each respective maturity. As of December 31, 2024, we repaid the entire Short-Term Borrowings amount.

As of December 31, 2024, our total current assets were approximately $143,221,000 and our total current liabilities were approximately $5,685,000. On December 31, 2024, we had a working capital surplus of approximately $137,536,000 and an accumulated loss of approximately $176,616,000. As of December 31, 2023, our total current assets were approximately $162,584,000 and our total current liabilities were approximately $53,214,000. On December 31, 2023, we had a working capital surplus of approximately $109,370,000 and an accumulated loss of approximately $157,556,000. The increase in working capital surplus was mainly due an increase in cash and cash equivalents together with a decrease in short-term borrowings that was partially offset by a decrease in short-term deposits and investments at fair value.

During the year ended December 31, 2024, cash and cash equivalents increased to approximately $54,420,000 from approximately $9,055,000 as of December 31, 2023. The increase was mainly due to the reasons described below.

Operating activities used cash of approximately $8,412,000 in the year ended December 31, 2024, compared to approximately $10,295,000 used in the year ended December 31, 2023. Cash used in operating activities consisted mainly of changes in fair value of investments partially offset by net loss resulting from research and development and general and administrative expenses.

Investing activities provided cash of approximately $105,817,000 in the year ended December 31, 2024, compared to cash used for investing activities of approximately $73,038,000 in the year ended December 31, 2023. Cash provided by investing activities in the year ended December 31, 2024 consisted primarily of proceeds from short-term deposits and proceeds from repayments by Scilex under the Tranche A Note. Cash used by investing activities in the year ended December 31, 2023 is mainly due to our investment in Scilex and the purchase of short-term deposits, partially offset by the proceeds of short-term deposits.

Financing activities used cash of approximately $52,036,000 in the year ended December 31, 2024, compared to cash of approximately $51,978,000 provided in the year ended December 31, 2023. Cash used for financing activities in the year ended December 31, 2024, consisted primarily of repayments of the Short-Term Borrowings and repurchases of our shares. Cash provided by financing activities in the year ended December 31, 2023, consisted primarily of the Short-Term Borrowings. Our primary financing activities for the year ended December 31, 2024, were as follows:

- In March 2024, we entered into the ATM Agreement with Rodman & Renshaw LLC and StockBlock Securities LLC as sales agents, or the Agents, pursuant to which we may issue and sell in transactions that are deemed to be "at the market" offerings as defined in Rule 415 under the Securities Act of 1933, as amended, or the Securities Act, shares of our common stock, par value $0.012 per share, having a maximum aggregate offering price of up to $75,000,000 from time to time through the Agents.

  Any sales of shares of common stock pursuant to the ATM Agreement will be made pursuant to an effective shelf registration statement on Form S-3 (File No. 333-257926), which was declared effective by the SEC on July 26, 2021, the prospectus contained therein and a prospectus supplement related thereto dated March 18, 2024, filed with the SEC. The Agents may sell our common stock (A) in privately negotiated transactions with our consent; (B) as block transactions; or (C) by any other method permitted by law deemed to be an "at the market offering" as defined in Rule 415(a)(4) promulgated under the Securities

Act, including sales made directly on The Nasdaq Capital Market or sales made into any other existing trading market for our common stock. As of December 31, 2024, no shares had been issued under the ATM Agreement.

- In June 2024, our Board authorized a stock buyback program pursuant to which we may, from time to time, repurchase and retire up to $20,000,000 in maximum value of our common stock.

  During the year ended December 31, 2024, we repurchased and retired 1,036,976 shares of our common stock under this program for approximately $2,494,000, including approximately $10,000 excise tax, at an average price of $2.36 per share. All repurchases were funded with cash on hand.

- On August 8, 2023, we borrowed an aggregate of $99,550,000 pursuant to loan agreements from Israel Discount Bank Ltd., or the Short-Term Borrowings. The Short-Term Borrowings mature on dates ranging from August 11, 2023 to May 24, 2024, bear interest ranging from 6.66% to 7.38%, were secured by certificates of deposits issued by Israel Discount Bank Ltd. having an aggregate face amount of $99,550,000. The net proceeds of the Short-Term Borrowings were used to fund the Tranche A Note. The Short-Term Borrowings were paid in one payment of principal and interest at each respective maturity. As of December 31, 2024, we repaid the entire Short-Term Borrowings amount.

Trend Information

Following the results of the Phase 3 trials for our oral insulin capsule candidate, ORMD-0801, we conducted a comprehensive analysis of the data to understand if there is a path forward for our oral insulin candidate, and we worked on a protocol for a new Phase 3 clinical trial that was submitted to the FDA. Conducting this clinical trial, whether independently or as part of OraTech, will require significant funds and resources. Concurrently, we are examining our existing pipeline and have commenced an evaluation process of potential strategic opportunities, with the goal of enhancing value for our stockholders. At this time, we cannot foresee how these strategic decisions will impact our financial results and operations.

Planned Expenditures

In previous years, we primarily invested in research and development. If we proceed to conduct a new clinical trial for our oral insulin candidate, we expect that in the upcoming years our research and development expenses will continue to be our major operating expense; however, if this clinical trial is conducted through OraTech, these costs will be borne by Oratech and not by us.

Critical Accounting Estimates

Our significant accounting policies are more fully described in the notes to our accompanying consolidated financial statements. We believe that the accounting policy below is critical for one to fully understand and evaluate our financial condition and results of operations.

The discussion and analysis of our financial condition and results of operations is based on our consolidated financial statements, which we prepared in accordance with U.S. generally accepted accounting principles, or GAAP. The preparation of our consolidated financial statements requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements, as well as the reported revenues and expenses during the reporting periods. On an ongoing basis, we evaluate such estimates and judgments. We base our estimates on historical experience and on various other factors that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

Investments at fair value: On September 21, 2023 and on October 7, 2024 we entered into the 2023 Scilex Transaction and 2024 Refinancing, respectively. We elected the fair value option for each of the components under 2023 Scilex Transaction and 2024 Refinancing in order to reduce operational complexity of bifurcating embedded derivatives. Changes in value are recorded under financial income, net and include interest income on the Notes and Royalties received.

Determining the fair value of the components above required significant judgment with regards to the expected repayment date of the Notes which also impacts the number of Subsequent Penny Warrants to be issued to us. The total value of the 2023 Scilex Transaction (and of each of its components) was valued on a weighted average of the different scenarios.

On September 4, 2024, we entered into a loan agreement to finance a real estate project or the Profit Sharing Loan Agreement. We decided to designate the Profit Sharing Loan Agreement as a whole under the fair-value option. The valuation of the Profit Sharing Loan Agreement was based on various project profit scenarios derived from the appraiser's report.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

We are exposed to a variety of risks, including changes in interest rates, foreign currency exchange rates, changes in the value of our marketable securities and inflation.

As of December 31, 2024, we had approximately $54,420,000 in cash and cash equivalents and approximately $55,281,000 in short term bank deposits.

We aim to preserve our financial assets, maintain adequate liquidity and maximize return while minimizing exposure to market risks. Such policy further provides that we should hold most of our current assets in bank deposits. As of today, the currency of our financial assets is mainly in U.S. dollars.

Marketable securities

We own 1,701,357 common shares of DNA, 6,500,000 shares of Scilex Common Stock and 117,000 ordinary shares of Entera, which are presented in our financial statements as marketable securities. Marketable securities are presented at fair value and their realization is subject to certain limitations if sold through the market, and we are therefore exposed to market risk. There is no assurance that at the time of sale of the marketable securities the price per share will be the same or higher, nor that we will be able to sell all of the securities at once given the volume of securities we hold. Entera shares and the Closing Penny Warrants are traded on Nasdaq in U.S. dollars, while DNA shares are traded on the Tel Aviv Stock Exchange in NIS. We are also exposed to changes in the market price of the Scilex, Entera and DNA shares and the Closing Penny Warrants, as well as to exchange rates fluctuations in the NIS currency compared to the U.S. dollar with respect to the DNA shares.

Interest Rate Risk

We invest a major portion of our cash surplus in bank deposits in banks in Israel. Since the bank deposits typically carry fixed interest rates, financial income over the holding period is not sensitive to changes in interest rates, but only the fair value of these instruments. However, our interest gains from future deposits may decline in the future as a result of changes in the financial markets.

The Note issued by Scilex is based on the SOFR rate. Our interest income may decline in the future as a result of a change in the SOFR rate.

Foreign Currency Exchange Risk

A significant portion of our expenditures, including salaries, clinical research expenses, consultants' fees and office expenses relate to our operations in Israel. The cost of those Israeli operations, as expressed in U.S. dollars, is influenced by the extent to which any increase in the rate of inflation in Israel is not offset (or is offset on a lagging basis) by a devaluation of the NIS in relation to the U.S. dollar. If the U.S. dollar declines in value in relation to the NIS, it will become more expensive for us to fund our operations in Israel. In addition, as of December 31, 2024, we own net balances in NIS of approximately $2,078,000. Assuming a 10% appreciation of the NIS against the U.S. dollar, we would experience an exchange rate gain of approximately $231,000, while assuming a 10% devaluation of the NIS against the U.S. dollar, we would experience an exchange rate loss of approximately $189,000.

The exchange rate of the U.S. dollar to the NIS, based on exchange rates published by the Bank of Israel, was as follows:

	Year ended December 31,	
	2024	2023
Average rate for period	3.70	3.69
Rate at period-end	3.65	3.63

We do not use any currency hedging transactions of options or forwards to decrease the risk of financial exposure from fluctuations in the exchange rate of the U.S. dollar against the NIS.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA.

See Item 15 of this Annual Report on Form 10-K.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE.

None.

ITEM 9A. CONTROLS AND PROCEDURES.

Disclosure Controls and Procedures

Our management, including our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures as of December 31, 2024. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures are effective.

Management's Annual Report on Internal Control over Financial Reporting

Our management, under the supervision of our Chief Executive Officer and Chief Financial Officer, is responsible for establishing and maintaining adequate internal control over our financial reporting, as defined in Rules 13a-15(f) and 15d-15(f) promulgated under the Exchange Act. The Company's internal control over financial reporting is defined as a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP. Internal control over financial reporting includes policies and procedures that:

- pertain to the maintenance of records that in reasonable detail accurately and fairly reflect our transactions and asset dispositions;
- provide reasonable assurance that transactions are recorded as necessary to permit the preparation of our financial statements in accordance with GAAP, and that our receipts and expenditures are being made only in accordance with authorizations of our management and directors; and
- provide reasonable assurance regarding the prevention or timely detection of unauthorized acquisition, use or disposition of assets that could have a material effect on our financial statements.

Under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, we evaluated the effectiveness of our internal control over financial reporting as of December 31, 2024 based on the current framework for Internal Control-Integrated Framework (2013) set forth by The Committee of Sponsoring Organizations of the Treadway Commission.

Based on this evaluation, our management concluded that the Company's internal control over financial reporting was effective as of December 31, 2024 at a reasonable assurance level.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting that occurred during the quarter ended December 31, 2024 that have materially affected, or are reasonable likely to materially affect, our internal control over financial reporting.

ITEM 9B. OTHER INFORMATION.

(a) Disclosure Pursuant to Item 5.03 of Form 8-K. Amendments to Bylaws

On March 27, 2025, the Board amended and restated our by-laws, or the Amended and Restated By-Laws. The Amended and Restated By-Laws became effective as of March 27, 2025. The changes to the Amended and Restated By-Laws include (i) in a contested election, a director nominee shall be elected by a plurality of the votes cast by the stockholders entitled to vote at the election on such election of directors (an election shall be considered contested if, as of the last date on which nominees for director may be submitted in accordance with the Amended and Restated By-laws, the nominees for election to the Board of Directors exceed the number of positions on the Board to be filled by election at that meeting); and (ii) clarification that the officers of the Company shall be a Chief Executive Officer, a President, a Secretary and a Treasurer. This description of the amendments to the Amended and Restated By-Laws is qualified in its entirety by reference to the text of the Amended and Restated By-Laws filed as Exhibit 3.2 to this Annual Report on Form 10-K.

(b) Termination of Rule 10b5 – 1 Trading Arrangements

Not applicable.

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS.

Not applicable.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE.

Directors and Executive Officers

The name and age of each of our directors and executive officers, his or her position with us and the period during which such person has served as a director or executive officer of the Company are set forth below.

Name	Age	Position	Serving Since
Nadav Kidron	50	President, Chief Executive Officer, Director and Chairman (effective as of June 30, 2022)	2006
Dr. Miriam Kidron	84	Chief Scientific Officer and Director	2006
Avraham Gabay	40	Chief Financial Officer and Treasurer	2024
Joshua Hexter	54	Chief Operating & Business Officer	2019
Daniel Aghion	43	Director	2024
Dr. Arie Mayer	68	Director	2019
Yehuda Reznick	77	Director	2024
Leonard Sank	59	Director	2007
Benjamin Shapiro	41	Director	2023

Mr. Derovan, our former Chief Legal Officer and Secretary, ended his service with the Company on March 5, 2024. Mr. Silberman, our former Chief Financial Officer, Treasurer and Secretary, ended his service with the Company on July 11, 2024.

Dr. Miriam Kidron is Mr. Nadav Kidron's mother. There are no other directors or officers of the Company who are related by blood or marriage.

Business Experience

The following is a brief account of the education and business experience during at least the past five years of each of our directors and of our executive officers who are not also directors, indicating the principal occupation during that period, and the name and principal business of the organization in which such occupation and employment were carried out.

Mr. Nadav Kidron was appointed ***President, Chief Executive Officer and director*** in March 2006, and ***Chairman of the Board*** effective as of June 30, 2022. He is also Chairman of the board of MDG Real Estate Global, Ltd., director of Israel Advanced Technology Industries organization and until 2016 was a director of Entera Bio Ltd. In 2009, he was a fellow at the Merage Foundation for U.S.-Israel Trade Programs for executives in the life sciences field. From 2003 to 2006, he was the managing director of the Institute of Advanced Jewish Studies at Bar Ilan University. From 2001 to 2003, he was a legal intern at Wine, Mishaiker & Ernstoff Law Offices in Jerusalem, Israel. Mr. Kidron holds an LL.B. and an International MBA from Bar Ilan University, Israel.

We believe that Mr. Kidron's qualifications to serve on our Board include his familiarity with the Company as its founder, his experience in capital markets, as well as his knowledge and familiarity with corporate management.

Dr. Miriam Kidron was appointed ***Chief Scientific Officer and director*** in March 2006. Dr. Kidron is a pharmacologist and a biochemist with a Ph.D. in biochemistry. From 1990 to 2007, Dr. Kidron was a senior researcher in the Diabetes Unit at Hadassah University Hospital in Jerusalem, Israel. Dr. Kidron was formerly a visiting professor at the Medical School at the University of Toronto (Canada), and is a member of the American, European and Israeli Diabetes Associations. Dr. Kidron is a recipient of the Bern Schlanger Award.

We believe that Dr. Kidron's qualifications to serve on our Board include her expertise in the Company's technology, as it is based on her research, as well as her experience and relevant education in the fields of pharmacology and diabetes.

Mr. Avraham Gabay was appointed ***Chief Financial Officer, Treasurer and Secretary*** in June 2024. Prior to his appointment, Mr. Gabay served as interim chief financial officer of BiomX Inc. (NYSE American: PHGE) during 2023. From 2021 until 2023, Mr. Gabay served as the chief financial officer at Oravax Inc., a 63% owned subsidiary of the Company. From 2019 until 2021, Mr. Gabay was the chief financial officer of the Company. From 2015 to 2019, Mr. Gabay served as VP Finance at Orcam Technologies Ltd. From 2014 to 2015, Mr. Gabay provided economic services in the advisory department of KPMG Israel, a certified public accounting firm, and from 2013 to 2014, he worked in the tax department of the law firm Gornitzky & Co. In addition, Mr. Gabay serves as a director on the board of Iintoo Ltd. (TASE: INTO). Mr. Gabay holds a bachelor's degree in law and accounting (magna cum-laude) from Tel-Aviv University and is a certified public accountant in Israel and a member of the Israeli Bar Association.

Mr. Joshua Hexter was appointed ***Chief Operating and Business Officer*** in September 2019. Prior to his appointment, Mr. Hexter served as Chief Business Officer at BrainsWay Ltd. (Nasdaq/TASE: BWAY) from 2018 to 2019, a commercial stage medical device company focused on the development and sale of non-invasive neuromodulation products. From 2013 to 2018, Mr. Hexter served as Chief Operating Officer and VP Business Development of the Company and from 2007 to 2013, Mr. Hexter was a Director or Executive Director of BioLineRx Ltd. (Nasdaq/TASE: BLRX), a biopharmaceutical development company dedicated to identifying, in-licensing and developing innovative therapeutic candidates. Prior to his employment with BioLineRx, Mr. Hexter was a member of the board of directors and Chief Executive Officer of Biosensor Systems Design, Inc., a company developing market-driven biosensors. Mr. Hexter holds a bachelor's degree from the University of Wisconsin and a master's degree in management from Boston University.

Dr. Daniel Aghion became a ***director*** in January 2024. Dr. Aghion has been a neurosurgeon at Memorial Neuroscience Institute in Florida since 2016, where he treats patients with a wide array of spine disorders, including severe degenerative spine diseases, spine trauma, cancer in the spine, spine tumors, peripheral nerve surgery and more. Dr. Aghion holds a Bachelor of Science degree from the University of Michigan and an MD from the Sackler School of Medicine at Tel Aviv University. He completed his residency at Rhode Island Hospital in 2015, and a complex spine fellowship at Johns Hopkins University in Baltimore in 2016.

We believe that Dr. Aghion's qualifications to serve on the Board include his extensive practical and academic medical background.

Dr. Arie Mayer became a ***director*** in December 2019. Dr. Mayer is currently the Managing Director and Chairman of the Board of Sigma-Aldrich Israel Ltd. and has held that position since January 2010. Dr. Mayer has held various roles with Sigma-Aldrich Israel Ltd. since 1995 and was instrumental in introducing and developing the Cell Culture and Molecular Biology business for Sigma Aldrich Israel Ltd. Dr. Mayer holds a Bachelor of Science degree in chemistry from Hebrew University and a Ph.D. in biochemistry from Israel Institute of Technology.

We believe that Dr. Mayer's qualifications to serve on our Board include his experience as an executive in the biotechnology industry, with knowledge in managing large organizations, as well as his experience and relevant education in the fields of chemistry and biochemistry.

Mr. Yehuda Reznick became a ***director*** in April 2024. Mr. Reznick served as an audit partner at Kesselman & Kesselman CPA, a member of PricewaterhouseCoopers International Limited, from 1999 until 2014. Prior to joining Kesselman & Kesselman, he was a tax and audit partner at Shachak, Peer Reznick CPA for sixteen years. Mr. Reznick currently serves on the board of directors of Oravax Medical Inc., an affiliate of the Company. Since 2019, Mr. Reznick has also served on the board of directors of Hiron-Trade Investments & Industrial Buildings Ltd (TASE: HRON). Mr. Reznick previously served on the board of directors of Bonus Biogroup Ltd (OTC: BBIXF) from 2017 to 2023.

We believe that Mr. Reznick's qualifications to serve on the Board include his extensive operational experience and his business background and acumen.

Mr. Leonard Sank became a ***director*** in October 2007. Mr. Sank is a South African entrepreneur and businessman, whose interests lie in entrepreneurial endeavors and initiatives, with over 30 years' experience of playing significant leadership roles in developing businesses. Mr. Sank serves on the boards of a few national businesses and local non-profit charity organizations in Cape Town, where he resides.

We believe that Mr. Sank's qualifications to serve on our Board include his years of experience in development stage businesses, as well as his experience serving as a director of many entities.

Mr. Benjamin Shapiro became a ***director*** in May 2023. Mr. Shapiro is a successful entrepreneur and business professional who co-founded The Daily Wire, a successful, industry leading, international media outlet in June 2015. Since May 2015, he has been host of "The Ben Shapiro Show," a popular podcast, and he is the author of numerous New York Times best-selling books. Mr. Shapiro earned a B.A. in Political Science from UCLA in 2004, summa cum laude, and a law degree from Harvard Law School in 2007, cum laude.

We believe that Mr. Shapiro's qualifications to serve on the Board include his extensive operational experience and his business background and acumen.

Board of Directors

There are no agreements with respect to the election of directors. Each director is currently elected for a period of one year at our annual meeting of stockholders and serves until the next such meeting and until his or her successor is duly elected or until his or her earlier resignation or removal. The Board may also appoint additional directors. A director so chosen or appointed will hold office until the next annual meeting of stockholders and until his or her successor is duly elected and qualified or until his or her earlier resignation or removal.

The Board has determined that Dr. Daniel Aghion, Dr. Arie Mayer, Yehuda Reznick, Leonard Sank and Benjamin Shapiro are independent as defined under the rules promulgated by the Nasdaq. Except for Dr. Arie Mayer and Mr. Reznick, each of whom serves on the board of directors of Oravax, a company 63% owned by us, none of the independent directors has any material relationship with us besides serving on our Board.

We have determined that each of the directors is qualified to serve as a director of the Company based on a review of the experience, qualifications, attributes and skills of each director. In reaching this determination, we have considered a variety of criteria, including, among other things: character and integrity; ability to review critically, evaluate, question and discuss information provided, to exercise effective business judgment and to interact effectively with the other directors; and willingness and ability to commit the time necessary to perform the duties of a director.

Board Meeting Attendance

During the year ended December 31, 2024, our Board held six meetings and took action by written consent on nine occasions. Except Mr. Benjamin Shapiro, all of our directors attended at least 75% of the aggregate number of meetings of the Board and the committees that were held during the period such director served on the Board. Board members are encouraged to attend our annual meetings of stockholders.

Board Evaluation Process

Our Board is committed to continuous improvement and conducts a board and committee evaluation process each year, to ensure that our Board maintains optimal composition and functions effectively.

As part of this process, the members of our Board complete a confidential written assessment of the performance, oversight and composition of the Board and its committees that is submitted to the Company secretary. The results are then reported back to the full Board. After the evaluations, the Board and management work to improve upon any issues presented during the evaluation process and to identify opportunities that may lead to further improvement.

Committees

Audit Committee and Audit Committee Financial Expert

The members of our Audit Committee are Dr. Daniel Aghion, Dr. Arie Mayer and Yehuda Reznick. Our Board has determined that Mr. Reznick is an "audit committee financial expert" as set forth in Item 407(d)(5) of Regulation S-K based on his experience as set forth above, and that all members of the Audit Committee are "independent" as defined by the rules of the SEC and the Nasdaq rules and regulations. The Audit Committee operates under a written charter that is posted on the "Investors" section of our website, *www.oramed.com*. The primary responsibilities of our Audit Committee include:

- Overseeing the accounting and financial reporting processes of the Company and the audits of the financial statements of the Company;
- Appointing, compensating and retaining our registered independent public accounting firm;

- Overseeing the work performed by any outside accounting firm;
- Assisting the Board in fulfilling its responsibilities by reviewing: (i) the financial reports provided by us to the SEC, our stockholders or to the general public and (ii) our internal financial and accounting controls;
- Reviewing the Company's policies with respect to cyber security risks and relevant contingent liabilities and risks that may be material to the Company;
- Recommending, establishing and monitoring procedures designed to improve the quality and reliability of the disclosure of our financial condition and results of operations; and
- Reviewing major financial risk exposures and the steps management has taken to monitor and control such exposures, and discussing the guidelines and polices to govern the process by which risk assessment and management is undertaken.

Our Audit Committee met four times and took action by written consent on four occasions during the year ended December 31, 2024.

Compensation Committee

The members of our Compensation Committee are Dr. Daniel Aghion, Yehuda Reznick and Leonard Sank. The Board has determined that all of the members of the Compensation Committee are "independent" as defined by the rules of the SEC and Nasdaq rules and regulations. The Compensation Committee operates under a written charter that is posted on the "Investors" section of our website, *www.oramed.com*. The primary responsibilities of our Compensation Committee include:

- Reviewing, negotiating and approving, or recommending for approval by our Board the salaries and incentive compensation of our executive officers;
- Administering our equity based plans and making recommendations to our Board with respect to our incentive-compensation plans and equity-based plans;
- Making recommendations to our Board with respect to director compensation; and
- Authority to exercise all rights, authority and functions of the Board under our Clawback Policy.

The Compensation Committee meets as often as it deems necessary, without the presence of any executive officer when approving compensation, except that the Company's Chief Executive Officer, at the discretion of the Compensation Committee, may be present during the approval of, or deliberations with respect to, the compensation of other executive officers. The Compensation Committee may delegate any authority granted to it to one or more subcommittees of the Compensation Committee, in its sole discretion.

Our Compensation Committee met two times and took action by written consent on four occasions during the year ended December 31, 2024.

Nominating Committee

The members of our Nominating Committee are Dr. Arie Mayer and Leonard Sank. The Board has determined that all of the members of the Nominating Committee are "independent" as defined by the rules of the SEC and Nasdaq rules and regulations. The Nominating Committee operates under a written charter that is posted on the "Investors" section of our website, *www.oramed.com*. The primary responsibilities of our Nominating Committee include:

- Overseeing the composition and size of the Board, developing qualification criteria for Board members based on background, skills, experience and diversity, and actively seeking, interviewing and screening individuals qualified to become Board members for recommendation to the Board;
- Recommending the composition of the Board for each annual meeting of stockholders; and

- Reviewing periodically with the Chairman of the Board and the Chief Executive Officer the succession plans relating to positions held by directors, and making recommendations to the Board with respect to the selection and development of individuals to occupy those positions.

Our Nominating Committee met once and took one action by written consent during the year ended December 31, 2024.

Code of Ethics

We have adopted a Code of Ethics and Business Conduct for our senior officers, directors and employees. A copy of the Code of Ethics and Business Conduct is located at our website at *www.oramed.com*. We intend to satisfy the disclosure requirement regarding any amendment to, or a waiver from, a provision of the Code of Ethics that applies to our Chief Executive Officer, Chief Financial Officer or controller, or persons performing similar functions and that relates to the Code of Ethics by posting such information on our website, *www.oramed.com*.

Insider Trading Policy

We have adopted an insider trading policy, or the Policy, governing the purchase, sale and other transactions in our securities that applies to our directors, officers, employees, including part-time and temporary employees, and other covered persons, including immediate family members and entities controlled by any of the foregoing persons, as well as by the Company itself.

The Policy prohibits, among other things, insider trading and certain speculative transactions in our securities (including short sales, buying put and selling call options and other hedging or derivative transactions in our securities) and establishes a regular blackout period schedule during which directors, executive officers, employees, and other covered persons may not trade in the Company's securities, as well as certain pre-clearance procedures that directors and executive officers must observe prior to effecting any transaction in our securities.

The Company believes that the Policy is reasonably designed to promote compliance with insider trading laws, rules and regulations, and listing standards applicable to the Company. A copy of the Policy is filed as Exhibit 19.1 to this Form 10-K.

ITEM 11. EXECUTIVE COMPENSATION.

Compensation Discussion and Analysis

This section explains the policies and decisions that shape our executive compensation program, including its specific objectives and elements, as it relates to our "named executive officers," or NEOs.

Our NEOs for the year ended December 31, 2024 are those three individuals listed in the "Summary Compensation Table" below. The Compensation Committee believes that our executive compensation is appropriately designed to incentivize our NEOs to work for our long-term prosperity, is reasonable in comparison with the levels of compensation provided by comparable companies and reflects a reasonable cost. We believe our NEOs are critical to the achievement of our corporate goals, through which we can drive stockholder value.

The Compensation Committee of our Board is comprised solely of independent directors as defined by Nasdaq and non-employee directors as defined by Rule 16b-3 under the Exchange Act. The Compensation Committee has the authority and responsibility to review and approve the compensation of our President and Chief Executive Officer and other executive officers. Other information concerning the structure, roles and responsibilities of our Compensation Committee is set forth in "Board Meetings and Committees — Compensation Committee" section.

Our executive compensation program and our NEOs' compensation packages are designed around the following objectives:

- attract, hire, and retain talented and experienced executives;
- motivate, reward and retain executives whose knowledge, skills and performance are critical to our success;

- ensure fairness among the executive management team via recognizing the contributions of each executive to our success;
- focus executive behavior on achievement of our corporate objectives and strategy; and
- align the interests of management and stockholders by providing management with longer-term incentives through equity ownership.

The Compensation Committee reviews the allocation of compensation components regularly to ensure alignment with strategic and operating goals, competitive market practices and legislative changes. The Compensation Committee does not apply a specific formula to determine the allocation between cash and non-cash forms of compensation. Certain compensation components, such as base salaries, benefits and perquisites, are intended primarily to attract, hire, and retain well-qualified executives. Other compensation elements, such as long-term incentive opportunities, are designed to motivate and reward performance. Long-term incentives are intended to reward NEOs for our long-term performance and executing our business strategy, and to strongly align NEOs' interests with those of stockholders.

With respect to equity compensation, the Compensation Committee makes awards to executives under our Amended and Restated 2019 Incentive Plan, or the 2019 Plan. Executive compensation is paid or granted based on such matters as the Compensation Committee deems appropriate, including our financial and operating performance and the alignment of the interests of the executive officers and our stockholders.

Elements of Compensation

Our executive officer compensation program is comprised of: (i) base salary or monthly compensation; (ii) discretionary bonus; (iii) long-term equity incentive compensation in the form of stock option and RSU grants; and (iv) benefits and perquisites.

In establishing overall executive compensation levels and making specific compensation decisions for our NEOs in the year ended December 31, 2024, the Compensation Committee considered a number of criteria, including the executive's position, scope of responsibilities, prior base salary and annual incentive awards and expected contribution.

Generally, our Compensation Committee reviews and, as appropriate, approves compensation arrangements for the NEOs from time to time but not less than once each year. The Compensation Committee also takes into consideration the President and Chief Executive Officer's recommendations for executive compensation of the other NEOs. The President and Chief Executive Officer generally presents these recommendations at the time of our Compensation Committee's review of executive compensation arrangements.

During the year ended December 31, 2024, the Compensation Committee received consulting services from Aon Solutions UK Limited., or Aon, with regard to management compensation. The Compensation Committee engaged the consultant to review the Company's current compensation plans for its management and collect and analyze data regarding management compensation at other companies comparable to the Company, in order to provide a competitive compensation benchmark. Aon collected SEC filings data regarding U.S. and Israeli compensation practices and developed a peer group of the following U.S. and Israeli companies: ALX Oncology Holdings Inc., AN2 Therapeutics, Inc., Anavex Life Sciences Corp., Atossa Therapeutics Inc., aTyr Pharma, Inc., Chimerix, Inc., Compugen Ltd., Fulcrum Therapeutics, Inc., Immunic, Inc., Marinus Pharmaceuticals, Inc., MediciNova, Inc., Pluri Biotech Ltd., Rani Therapeutics, Inc., Relmada Therapeutics, Inc., Rezolute, Inc., Vistagen Therapeutics, Inc., vTv Therapeutics Inc. and Zevra Therapeutics, Inc.. Following its review, Aon provided recommendations for cash and equity compensation at various percentiles for the Compensation Committee's consideration.

Base Salary

The Compensation Committee performs a review of base salaries and monthly compensation for our NEOs from time to time as appropriate. In determining salaries, the Compensation Committee members also take into consideration the scope of the NEOs' responsibilities and independent third-party market data, such as compensation surveys to industry, individual experience and performance and contribution to our clinical, regulatory, commercial and operational performance. None of the factors above has a dominant weight in determining the compensation of our NEOs, and our Compensation Committee considers the factors as a whole when considering such compensation.

In addition, our Compensation Committee uses comparative data regarding compensation paid by peer companies in order to obtain a general understanding of current trends in compensation practices and ranges of amounts being awarded by other public companies, and not as part of an analysis or a formula.

We believe that a competitive base salary and monthly compensation is a necessary element of any compensation program that is designed to attract and retain talented and experienced executives. We also believe that attractive base salaries can motivate and reward executives for their overall performance. Base salary and monthly compensation are established in part based on the individual experience, skills and expected contributions to our performance, as well as such executive's performance during the prior year. Generally, we believe that executives' base salaries should be targeted near the median of the range of salaries for executives in similar positions with similar responsibilities, experience and performance at comparable companies. Compensation adjustments are made occasionally based on changes in an executive's level of responsibility, company progress or on changed local and specific executive employment market conditions.

In November 2024, our Compensation Committee increased the base salary of our NEOs by 15% (effective July 1, 2024 as it deemed this to be a reasonable rate based on, among other factors, such NEO's responsibilities and the report from Aon, as it determined the salaries were not in line with market compensation.

Performance Based Bonus

Our NEOs are eligible to receive discretionary annual bonuses based upon performance. The amount of annual bonus to our NEOs is based on various factors, including, among others, the achievement of scientific and business goals and our financial and operational performance. The Compensation Committee takes into account the overall performance of the individuals, as well as the overall performance of the Company over the period being reviewed and the recommendation of management. For any given year, the compensation objectives vary, but relate generally to strategic factors such as developments in our clinical path, the execution of a license agreement for the commercialization of product candidates, the establishment of key strategic collaborations, the build-up of our pipeline and financial factors such as capital raising. Bonuses are awarded generally based on corporate performance, with adjustments made within a range for individual performance, at the discretion of the Compensation Committee. The Compensation Committee determines, on a discretionary basis, the size of the entire bonus pool and the amount of the actual award to each NEO. The overall payment is also based on historic compensation of the NEOs.

We believe that annual bonuses payable based on the achievement of short-term corporate goals incentivize our NEOs to create stockholder value and attain short-term performance objectives.

Long-Term Equity Incentive Compensation

Long-term incentive compensation allows the NEOs to share in any appreciation in the value of our common stock. The Compensation Committee believes that stock participation aligns executive officers' interests with those of our stockholders. Equity incentive awards are generally made at the commencement of employment and following a significant change in job responsibilities, or to meet other special retention or performance objectives. The amounts of the awards are designed to reward past performance and create incentives to meet long-term objectives. Awards are made at a level expected to be competitive within the biotechnology industry, as well as with Israeli-based companies. Awards are made on a discretionary basis and not pursuant to specific criteria set out in advance. In determining the amount of each grant, the Compensation Committee also takes into account the number of shares held by the executive prior to the grant. The vesting schedule for NEOs generally provides for annual installments for new grants, though the Compensation Committee also utilizes quarterly vesting from time to time, as well as performance-based vesting. The Compensation Committee believes that time-based vesting encourages recipients to build stockholder value over a long period of time and that performance-based vesting encourages recipients to achieve goals that benefit the Company.

As part of its engagement in the year ended December 31, 2024 described above, Aon also provided consulting services in connection with grants of equity awards to our executive officers. Aon reviewed annual long-term incentive grants at peer companies, as well as such grants made by companies in the broader market, based on a blend of Black-Scholes valuations and grants as a percentage of the applicable company's capitalization. Following such consultation, the Compensation Committee is considering alternative models and equity vehicles for future equity-based grants.

Benefits and Perquisites

Generally, benefits available to NEOs are available to all employees on similar terms and include welfare benefits, paid time-off, life and disability insurance and other customary or mandatory social benefits in Israel. We provide some of our NEOs with a phone and a company car, which are customary benefits in Israel to managers and officers.

We do not believe that the benefits and perquisites described above deviate materially from the customary practice for compensation of executive officers by other companies similar in size and stage of development in Israel. These benefits represent a relatively small portion of the executive officers' total compensation.

Say-on-Pay Vote

Our stockholders approved, on an advisory basis, our executive compensation program at our annual meeting of stockholders held on August 1, 2024. Over 90% of votes cast were voted "for" the compensation of our named executive officers as described in the proxy statement for last year's annual meeting of stockholders. The Compensation Committee did not specifically rely on the results of the prior vote in making any compensation-related decisions during the year ended December 31, 2024.

SUMMARY COMPENSATION TABLE

The following table sets forth the compensation earned by our NEOs for the years ended December 31, 2024 and 2023.

Name and Principal Position	Year	Salary ($)[1]	Bonus ($)[1][2]	RSUs and PSUs Awards ($)[3]	All Other Compensation ($)[1][4]	Total ($)
Nadav Kidron	2024	540,145	270,767	1,224,760	62,017	2,097,689
President, Chief Executive Officer and Chairman	2023	462,988	242,576	904,920	48,738	1,659,222
Dr. Miriam Kidron	2024	408,104	155,291	951,545	19,607	1,534,547
Chief Scientific Officer and director[5]	2023	347,405	139,123	605,480	17,423	1,109,431
Avraham Gabay[6]	2024	119,925	49,623	450,084	28,583	648,215
Chief Financial Officer						

(1) Amounts paid for Salary, Bonus and All Other Compensation that were originally denominated in NIS were translated into U.S. Dollars at the then average exchange rate for the period.

(2) Bonuses were granted at the discretion of the Compensation Committee.

(3) For RSU and performance stock unit, or PSU, awards, the amounts reflect the grant date fair value, as calculated pursuant to ASC Topic 718 "Compensation — Stock Compensation." The assumptions used to determine the fair value of the RSU awards are set forth in note 10 to our audited consolidated financial statements. Our NEOs will not realize the value of these awards in cash unless and until the awards vest and the underlying shares are issued and subsequently sold.

On January 2, 2025, we granted 328,500 PSUs that shall veste upon at the earliest of (1) the closing of a JV transaction with HTIT; or (2) the repayment to us of the value of our principal investment in Scilex plus 10%. We modified 294,000 outstanding PSUs that were granted, adjusting the vesting criteria and performance targets. As of March 27, 2025, all PSUs that granted achieved the first updated performance target.

(4) See "All Other Compensation Table" below.

(5) Dr. Kidron receives compensation from Oramed Ltd. through KNRY, Ltd., or KNRY. See "— Employment and Consulting Agreements" below.

(6) Mr. Gabay was appointed as Chief Financial Officer, effective June 18, 2024.

All Other Compensation Table

The "All Other Compensation" amounts set forth in the Summary Compensation Table above consist of the following:

Name	Year	Automobile-Related Expenses ($)	Manager's Insurance[(1)] ($)	Education Fund ($)	Total ($)
Nadav Kidron	2024	30,505	25,158	6,354	62,017
	2023	21,191	21,711	5,836	48,738
Dr. Miriam Kidron	2024	19,607	—	—	19,607
	2023	17,423	—	—	17,423
Avraham Gabay	2024	8,854	17,822	1,907	28,583

(1) Manager's insurance and education funds are customary benefits provided to employees based in Israel. Manager's insurance is a combination of severance savings (in accordance with Israeli law), defined contribution tax-qualified pension savings and disability insurance premiums. An education fund is a savings fund of pre-tax contributions to be used after a specified period of time for educational or other permitted purposes.

Employment and Consulting Agreements

On July 1, 2008, Oramed Ltd. entered into a consulting agreement with KNRY whereby Dr. Miriam Kidron, through KNRY, provides services as Chief Scientific Officer of both the Company and Oramed Ltd., or the Miriam Kidron Consulting Agreement.

The Miriam Kidron Consulting Agreement is terminable by either party upon 140 days prior written notice. The agreement, as amended, provides that KNRY will be reimbursed for reasonable expenses incurred in connection with performance of the agreement. Pursuant to the agreement, each of KNRY and Dr. Miriam Kidron agreed that during the term of the agreement and for a 12-month period thereafter, none of them will compete with Oramed Ltd. nor solicit employees of Oramed Ltd. Starting January 1, 2024, Dr. Miriam Kidron receives a monthly consulting fee of NIS 117,040. Effective as of July 1, 2024, the monthly consulting fee is NIS 134,550.

Effective November 1, 2022, the Company entered into a consulting agreement with Shnida Ltd., whereby Nadav Kidron, through Shnida Ltd., provides services as President and Chief Executive Officer of the Company. The agreement is terminable by either party upon 140 days prior written notice. The agreement provides that Shnida Ltd. will be reimbursed for reasonable expenses incurred in connection with performance of the agreement. Effective as of January 1, 2024, Nadav Kidron receives a monthly consulting fee of NIS 96,825. Effective as of July 1, 2024, the monthly consulting fee is NIS 111,349. Pursuant to the agreement, Shnida Ltd. and Nadav Kidron each agree that during the term of the agreement and for a 12-month period thereafter, none of them will compete with the Company nor solicit employees of the Company.

In addition, we, through Oramed Ltd., have entered into an employment agreement with Nadav Kidron, effective as of November 1, 2022, pursuant to which, effective as of January 1, 2024, Mr. Kidron receives gross monthly salary of NIS 51,591 in consideration for his services as President and Chief Executive Officer of Oramed Ltd. Effective as of July 1, 2024, Mr. Kidron receives gross monthly salary of NIS 59,330 in consideration for his services as President and Chief Executive Officer of Oramed Ltd. In addition, Mr. Kidron is provided with a phone and a company car pursuant to the terms of his agreement.

We, through Oramed Ltd., have entered into an employment agreement with Avraham Gabay as of June 6, 2024, pursuant to which Mr. Gabay was appointed as Chief Financial Officer, Treasurer and Secretary of the Company and Oramed Ltd., effective June 18, 2024. In accordance with the employment agreement, as amended, Mr. Gabay's current gross monthly salary is NIS 68,000, and he will be provided with a company car allowance pursuant to the terms of his agreement.

We have entered into indemnification agreements with our directors and officers pursuant to which we agreed to indemnify each director and officer for any liability he or she may incur by reason of the fact that he or she serves as our director or officer, to the maximum extent permitted by law.

Potential Payments upon Termination or Change-in-Control

We have no plans or arrangements in respect of remuneration received or that may be received by our NEOs to compensate such officers in the event of termination of employment (as a result of resignation or retirement).

According to our NEOs' employment agreements, upon a termination in connection with a change-in-control that occurs during the period that is three months prior and 12 months after the event, the following "double trigger" change-in-control provisions shall apply:

- The President and Chief Executive Officer will be entitled to receive 18 months severance.
- All other NEOS will be entitled to receive 12 months severance.
- Severance shall be defined as base salary plus bonuses over the severance period. For U.S.-based persons, COBRA payments equivalent to healthcare benefits values will be provided over the severance period.
- Full vesting acceleration of all outstanding unvested equity incentives.

Pension, Retirement or Similar Benefit Plans

We have no arrangements or plans under which we provide pension, retirement or similar benefits for directors or executive officers. Our directors and executive officers may receive stock options, RSUs or restricted shares at the discretion of our Compensation Committee in the future.

Policy Relating to Recovery of Erroneously Awarded Compensation

Our Board has adopted an executive compensation clawback policy, administered by our Compensation Committee, which provides for the recoupment (or clawback) from current and former executive officers of certain compensation in the event of an accounting restatement resulting from material noncompliance with financial reporting requirements under the federal securities laws of the United States. In the event the Company is required to prepare an accounting restatement of its financial statements due to the Company's material non-compliance with any financial reporting requirement under the securities laws, the Compensation Committee will require prompt reimbursement or forfeiture of any excess incentive compensation (as defined in the clawback policy) received by any covered executive officer during the three completed years immediately preceding the date on which the Company is required to prepare an accounting restatement.

OUTSTANDING EQUITY AWARDS AT DECEMBER 31, 2024

The following table sets forth information concerning stock options and stock awards held by the NEOs as of December 31, 2024.

	Option Awards				Stock Awards	
Name	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price ($)	Option Expiration Date	Number of shares that have not vested (#)	Market value of shares that have not vested ($)
Nadav Kidron	49,000[1]	—	7.77	6/30/27		
	97,000[2]	—	8.14	1/31/28		
	196,500[3][4]	—	3.16	2/26/29		
	190,000[5]	—	4.80	1/8/30		
	150,000[6]		10.40	2/3/31		
	53,500[7]	53,500[7]	13.89	1/3/32		
	116,127[8]		3.91	9/17/32		
					792,082[11][12][13][14][15][16]	1,916,838
Dr. Miriam Kidron . .	69,999[17]	—	7.77	6/30/27		
	47,000[18]	—	8.14	1/31/28		
	104,000[19][4]	—	3.16	2/26/29		
	100,000[20]		4.80	1/8/30		
	100,000[21]		10.40	2/3/31		
	36,000[22]	36,000[22]	13.89	1/3/32		
	32,079[23]		3.91	9/17/32		
					570,085[24][25][26][27][29][30]	1,379,606
Avraham Gabay.					174,040[31][32]	421,177

(1) On June 30, 2017, 147,000 options were granted to Nadav Kidron under the 2008 Plan at an exercise price of $7.77 per share; 49,000 of such options vested on December 31, 2017 and the remainder vested in two equal installments of 49,000 on each of December 31, 2018 and December 31, 2019, subject to the Company share price reaching the target of $9.50 and $12.50 per share, respectively. The options expire on June 30, 2027. As of December 31, 2021, 98,000 of these options were forfeited.

(2) On January 31, 2018, 97,000 options were granted to Nadav Kidron under the 2008 Plan at an exercise price of $8.14 per share; 97,000 of such options vested in four equal installments of 24,250 on each of January 1, 2019, January 1, 2020, January 1, 2021 and January 1, 2022. The options expire on January 31, 2028.

(3) On February 26, 2019, 196,500 options were granted to Nadav Kidron under the 2008 Plan at an exercise price of $3.16 per share; 196,500 of such options vested in four equal installments of 49,125 on each of December 31, 2019, December 31, 2020, December 31, 2021 and December 31, 2022. The options expire on February 26, 2029. For additional information, see footnote 5 below.

(4) On September 11, 2019, these options were canceled and re-granted under the 2019 Plan in the same amounts and under the same terms as the original grants.

(5) On January 8, 2020, 190,000 options were granted to Nadav Kidron under the 2019 Plan at an exercise price of $4.80 per share. 190,000 of the options vested in four equal installments of 47,500 on each of December 31, 2020, December 31, 2021, December 31, 2022 and December 31, 2023. The options expire on January 8, 2030.

(6) On February 3, 2021, 150,000 options were granted to Nadav Kidron under the 2019 Plan at an exercise price of $10.40 per share. 112,500 of the options vested in four equal installments of 37,500 on each of December 31, 2021, December 31, 2022 and December 31, 2023, and December 31, 2024. The options expire on February 3, 2031.

(7) On January 3, 2022, 107,000 options were granted to Nadav Kidron under the 2019 Plan at an exercise price of $13.89 per share. 53,500 options vested in two equal installments of 26,750 on each of January 1, 2023, January 1, 2024, and the remainder shall vest in two equal installments of 26,750 on January 1, 2025 and January 1, 2026. The options expire on January 3, 2032.

(8) On September 18, 2022, 116,127 options were granted to Nadav Kidron under the Oravax Medical Inc. 2021 Long-Term Incentive Plan at an exercise price of $3.91 per share. 116,127 of the options vested in four installments on each of September 18, 2022, December 31, 2022, December 31, 2023 and December 31, 2024. The options expire on September 17, 2032.

(9) On November 13, 2014, 9,788 RSUs, representing a right to receive shares of the Company's common stock, were granted to Nadav Kidron. The RSUs vested in two equal installments, each of 4,894 shares, on November 30 and December 31, 2014. The shares of common stock underlying the RSUs will be issued upon request of the grantee.

(10) On February 23, 2015, 79,848 RSUs, representing a right to receive shares of the Company's common stock, were granted to Nadav Kidron. The RSUs vested in 23 installments consisting of one installment of 6,654 shares on February 28, 2015 and 22 equal monthly installments of 3,327 shares each, commencing March 31, 2015. The shares of common stock underlying the RSUs will be issued upon request of the grantee.

(11) On February 3, 2021, 300,000 RSUs, representing a right to receive shares of the Company's common stock, were granted to Nadav Kidron. 100,000 RSUs vested on August 31, 2021 and the remainder shall vest per the following: 100,000 shares shall vest upon our common stock achieving a specified price per share, and 100,000 shall vest upon our achievement of certain business objectives.

(12) On January 3, 2022, 63,000 RSUs representing a right to receive shares of the Company's common stock were granted to Nadav Kidron. The RSUs vested in two equal installments, each of 15,750 shares on January 1, 2023 and on January 1, 2024. The shares of common stock underlying the RSUs will be issued upon request of the grantee. The remainder shall vest in two equal installments of 15,750 on each of January 1, 2025 and January 1, 2026.

(13) On July 28, 2022, 126,000 RSUs representing a right to receive shares of the Company's common stock were granted to Nadav Kidron. 42,000 RSUs vested on January 1, 2024. The shares of common stock underlying the RSUs will be issued upon request of the grantee. The remainder shall vest in two equal installments of 42,000 on each of January 1, 2025 and January 1, 2026.

(14) On April 17, 2023, 279,000 RSUs representing a right to receive shares of the Company's common stock were granted to Nadav Kidron. 162,750 RSUs vested in seven equal quarterly installments of 23,250 starting May 1, 2023 and the remainder of 116,250 shall vest in five equal quarterly installments of 23,250 starting February 1, 2025.

(15) On January 4, 2024, 329,000 RSUs representing a right to receive shares of the Company's common stock were granted to Nadav Kidron. 109,668 RSUs vested in twelve equal quarterly installments of 27,417 starting January 8, 2024.

(16) On January 4, 2024, 141,000 PSUs representing a right to receive shares of the Company's common stock were granted to Nadav Kidron. The total amount of the PSUs shall vest when the closing price per share of Common Stock of the Company on the Nasdaq Capital Market reaches an average of $4.00 over any 10-trading day period. The total fair value of these PSUs on the date of grant was $691, using the Monte-Carlo model, based on the quoted closing market share price of $2.39 on the Nasdaq Capital Market on the date of grant.

(17) On June 30, 2017, 69,999 options were granted to Dr. Miriam Kidron under the 2008 Plan at an exercise price of $7.77 per share; Such options vested in three equal installments of 23,333 on each of December 31, 2017, December 31, 2018 and December 31, 2019. The options have an expiration date of June 30, 2027.

(18) On January 31, 2018, 47,000 options were granted to Dr. Miriam Kidron under the 2008 Plan at an exercise price of $8.14 per share; 47,000 of such options vested in four equal installments of 11,750 on each of January 1, 2019, January 1, 2020, January 1, 2021 and January 1, 2022. The options expire on January 31, 2028.

(19) On February 26, 2019, 104,000 options were granted to Dr. Miriam Kidron under the 2008 Plan at an exercise price of $3.16 per share; 104,000 of such options vested in four equal installments of 26,000 on each of December 31, 2019, December 31, 2020, December 31, 2021 and December 31, 2022. The options expire on February 26, 2029. For additional information, see footnote 4 above.

(20) On January 8, 2020, 100,000 options were granted to Dr. Miriam Kidron under the 2019 Plan at an exercise price of $4.80 per share. 100,000 of the options vested in four equal installments of 25,000 on each of December 31, 2020, December 31, 2021, December 31, 2022 and December 31, 2023. The options expire on January 8, 2030.

(21) On February 3, 2021, 100,000 options were granted to Dr. Miriam Kidron under the 2019 Plan at an exercise price of $10.40 per share. 100,000 of such options vested in four equal installments of 25,000 on each of December 31, 2021, December 31, 2022 and December 31, 2023 and December 31, 2024. The options expire on February 3, 2031.

(22) On January 3, 2022, 72,000 options were granted to Dr. Miriam Kidron under the 2019 Plan at an exercise price of $13.89 per share. 36,000 of such options vested in two equal installments of 25,000 on each of January 1, 2023 and January 1, 2024. The remaining 36,000 of the options shall vest in two equal installments of 25,000 on each of January 1, 2025 and January 1, 2026. The options expire on January 3, 2032.

(23) On September 18, 2022, 32,079 options were granted to Dr. Miriam Kidron under the Oravax Medical Inc. 2021 Long-Term Incentive Plan at an exercise price of $3.91 per share. 32,079 of the options vested in four installments on each of September 18, 2022, December 31, 2022, December 31, 2023 and December 31, 2024. The options expire on September 17, 2032.

(24) On February 3, 2021, 200,000 RSUs, representing a right to receive shares of the Company's common stock, were granted to Dr. Miriam Kidron. 66,666 RSUs vested in one installment on August 31, 2021 and the remainder shall vest per the following: 66,667 shares shall vest upon our common stock achieving a specified price per share, and 66,667 shall vest upon our achievement of certain business objectives.

(25) On January 3, 2022, 42,000 RSUs representing a right to receive shares of the Company's common stock were granted to Dr. Miriam Kidron. 21,000 vested on two equal installments of 10,500 on each of January 1, 2023 and January 1, 2024. The remaining 21,500 shall vest in two equal installments of 10,500 on each of January 1, 2025 and January 1, 2026.

(26) On July 28, 2022, 84,000 RSUs representing a right to receive shares of the Company's common stock were granted to Dr. Miriam Kidron. 28,000 vested on one installment on January 1, 2024. The remaining 56,000 shall vest in two equal installments of 28,000 on each of January 1, 2025 and January 1, 2026.

(27) On April 17, 2023, 213,000 RSUs representing a right to receive shares of the Company's common stock were granted to Dr. Miriam Kidron. 124,249 RSUs vested in seven equal quarterly installments of 17,750 starting May 1, 2023 and the remainder of 88,751 shall vest in five equal quarterly installments of 17,750 starting February 1, 2025. The shares of common stock underlying the RSUs will be issued upon request of the grantee.

(28) On April 17, 2023, 53,500 performance-based RSUs representing a right to receive shares of the Company's common stock were granted to Dr. Miriam Kidron. 120,000 RSUs vested in one installment on May 26, 2023, upon our common stock achieving a specified price per share. The shares of common stock underlying the RSUs will be issued upon request of the grantee.

(29) On January 4, 2024, 295,500 RSUs representing a right to receive shares of the Company's common stock were granted to Dr. Miriam Kidron. The RSUs vested in twelve equal quarterly installments of 24,625 starting January 8, 2024. The shares of common stock underlying the RSUs will be issued upon request of the grantee.

(30) On January 4, 2024, 74,000 PSUs representing a right to receive shares of the Company's common stock were granted to Dr. Miriam Kidron. The total amount of the PSUs shall vest when the closing price per share of Common Stock of the Company on the Nasdaq Capital Market reaches an average of $4.00 over any 10-trading day period. The total fair value of these PSUs on the date of grant was $691, using the Monte-Carlo model, based on the quoted closing market share price of $2.39 on the Nasdaq Capital Market on the date of grant.

(31) On June 21, 2024, 140,040 RSUs representing a right to receive shares of the Company's common stock were granted to Avraham Gabay. 93,360 shall vest in one installment on June 18, 2026 and 46,680 shall vest in four equal quarterly installments of 11,670 starting September 18, 2026.

(32) On June 20, 2024, the Company granted 34,000 PSUs representing a right to receive shares of the Company's common stock to Avraham Gabay. The total amount of the PSUs shall vest upon the later of (i) June 18, 2026 and (ii) when the closing price per share of Common Stock of the Company on the Nasdaq Capital Market reaches an average of $4.00 over any 10-trading day period. The total fair value of these PSUs on the date of grant was $73, using the Monte-Carlo model, based on the quoted closing market share price of $2.21 on the Nasdaq Capital Market on the date of grant.

On January 2, 2025, we granted 1,023,000 RSUs representing a right to receive shares of the Company's common stock to the Company's executive officers. The total amount of the RSUs shall vest in equal quarterly installments of approximately 85,249 over a three year period starting with the first quarterly vesting on January 1, 2025. Also on January 2, 2025, we granted 328,500 PSUs representing a right to receive shares of the Company's common stock to our executive officers. The total amount of the PSUs shall vest upon at the earliest of (1) the closing of OraTech transaction with HTIT; or (2) the repayment to the Company of the value of its principal investment in Scilex plus 10%. The total fair value of these PSUs on the date of grant was $792 based on the quoted closing market share price of $2.41 on the Nasdaq Capital Market on the date of grant. As of March 27, 2025, all PSUs that were granted to the Company's executive officers achieved the first updated performance target.

DIRECTOR COMPENSATION

The following table provides information regarding compensation earned by, awarded or paid to each person for serving as a director who is not an executive officer during the year ended December 31, 2024:

Name of Director	Fees Earned or Paid in Cash ($)	Stock Awards[1][2] ($)	Option Awards[1][2] ($)	All Other Compensation ($)	Total ($)
Daniel Aghion[6]	39,645	94,992	—	—	134,637
Dr. Arie Mayer	41,963	93,987	—	—	135,950
Yehuda Reznik[3]	29,537	71,091	—	—	100,628
Yadin Rozov[5]	1,913	92,780	—	—	94,693
Leonard Sank	41,117	93,987	—	—	135,104
Benjamin Shapiro	30,000	83,817	—	—	113,817

(1) As of December 31, 2024, our non-employee directors then in office held options to purchase shares of our common stock and RSUs as follows:

Name of Director	Aggregate Number of Shares Underlying Stock Awards	Aggregate Number of Shares Underlying Option Awards
Daniel Aghion[6]	32,204	—
Dr. Arie Mayer[4]	55,831	45,398
Yehuda Reznik[3]	25,314	15,398
Yadin Rozov[5]	—	—
Leonard Sank	55,831	46,773
Benjamin Shapiro	39,600	—

(2) The amounts reflect the grant date fair value, as calculated pursuant to ASC 718, of these option awards. The assumptions used to determine the fair value of the option awards are set forth in note 10 to our audited consolidated financial statements included in the Annual Report. Our directors will not realize the value of these awards in cash unless and until these awards are exercised and the underlying shares subsequently sold.

(3) Mr. Reznik joined the Board effective on April 1, 2024.

(4) Includes 15,398 option awards granted by Oravax for Dr. Mayer's service as a member of the Board of Directors of Oravax.

(5) Mr. Rozov resigned from the Board on January 17, 2024 and forfeited his unvested RSUs and Options.

(6) Mr. Aghion joined the Board on January 1, 2024.

Our directors are entitled to reimbursement for reasonable travel and other out-of-pocket expenses incurred in connection with attendance at meetings of our Board. Based on a report provided to the Compensation Committee by Aon in 2023, effective as of January 1, 2024, each independent director is entitled to receive as remuneration for his or her service as a member of the Board a sum equal to $30,000 and a grant of 5,070 RSUs per annum. The Chairman of our Board is entitled to receive an additional sum equal to $25,500, other than if the Chairman is an executive officer. The members of our Audit Committee are each entitled to receive an additional sum equal to $6,000 and a grant of 2,230 RSUs. The members of our Compensation Committee are each entitled to receive an additional sum equal to $4,500 and a grant of 1,520 RSUs. The members of our Nominating Committee are each entitled to receive an additional sum equal to $4,000 and a grant of 505 RSUs. All cash remuneration is to be paid quarterly after the close of each quarter. The RSUs vest on April 1, July 1, October 1 and January 1 of each year, subject to Compensation Committee approval each year. Our executive officers did not receive additional compensation for service as directors. The Board may award special remuneration to any director undertaking any special services on behalf of us other than services ordinarily required of a director.

On January 2, 2025 the Compensation Committee, approved that in addition to the current annual compensation for the board members, a flat cash fee of $500 per meeting will be paid to each director for attendance at every meeting beyond six meetings per year, and an additional $2,000 in cash will be paid to each director per meeting of over three hours which he or she attends, regardless of the number of meetings.

Other than as described above, we have no present formal plan for compensating our directors for their service in their capacity as directors. Other than indicated above, no director received and/or accrued any compensation for his services as a director, including committee participation and/or special assignments during the year ended December 31, 2024. In addition, during 2024 the directors granted an aggregate of 142,500 RSUs that will vest in three equal annual installments starting January 1, 2025.

The Company's Policies and Practices Related to the Grant of Certain Equity Awards Close in Time to the Release of Material Nonpublic Information

We do not have any formal policy that requires the Company to grant, or avoid granting, equity-based compensation at certain times. We do not grant equity awards in anticipation of the release of material nonpublic information that is likely to result in changes to the price of our common stock, and do not time the public release of such information based on award grant dates. The timing of any equity grants to executive officers or directors in connection with new hires, promotions, or other non-routine grants is tied to the event giving rise to the award (such as an executive officer's commencement of employment or promotion effective date).

During the year ended December 31, 2024, there were no equity grants made to our executive officers during any period beginning four business days before the filing of a periodic report or current report disclosing material non-public information and ending one business day after the filing or furnishing of such report with the SEC.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS.

Stock Option Plans

Our Board adopted the 2008 Plan and the 2019 Plan in order to attract and retain quality personnel.

The 2008 Plan, which is no longer utilized for new grants, provided for the grant of stock options, restricted stock, RSUs, and stock appreciation rights, collectively referred to as "awards." Under the 2008 Plan, as amended, 2,400,000 shares were reserved for the grant of awards. As of December 31, 2024, options with respect to 2,287,989 shares had been granted, of which 275,673 had been forfeited, 308,804 had been exercised and 1,420,504 have expired. As of December 31, 2024, 525,824 RSUs had been granted, none of them have vested and the shares of common stock underlying those RSUs have not been issued and 34,118 have been forfeited.

The 2019 Plan provides for the grant of stock options, restricted stock, RSUs, and stock appreciation rights, collectively referred to as "awards." Under the 2019 Plan, 1,000,000 shares were initially reserved for the grant of awards. On June 29, 2020, and August 3, 2020, respectively, our Board and stockholders approved to amend and restate the 2019 Plan, the principal change being an increase in the number of shares of common stock available under the 2019 Plan from 1,000,000 shares to 3,000,000 shares. On June 30, 2022, our Board and stockholders approved to amend and restate the 2019 Plan, the principal change being an increase in the number of shares of common stock available under the 2019 Plan from 3,000,000 shares to 7,500,000 shares. Stock options granted under the 2019 Plan may be either incentive stock options under the provisions of Section 422 of the Code, or non-qualified stock options. Under the amended 2019 Plan, 7,500,000 shares are reserved for the grant of awards, which may be issued at the discretion of our Board from time to time. As of December 31, 2024, options with respect to 1,863,646 shares have been granted, of which 282,043 had been forfeited, 66,978 had been exercised and none of them were expired. As of December 31, 2024, 4,808,060 RSUs had been granted, of which 290,125 have vested and the shares of common stock underlying those RSUs have not been issued and 808,196 have been forfeited. Since the Company had granted options during the time after the 2008 Plan allegedly terminated, and out of an abundance of caution, the Company canceled these grants and re-granted certain of the options under 2019 Plan in the same amounts and under the same terms as the original grants.

The following table sets forth additional information with respect to our equity compensation plans as of December 31, 2024:

Plan category	Number of securities to be issued upon exercise of outstanding options, RSUs and rights (a)	Weight-average exercise price of outstanding options, RSUs and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders	3,947,562	$ 2.80	2,148,993
Equity compensation plans not approved by security holders	—	—	—
Total	3,947,562	$ 2.80	2,148,993

Security Ownership of Certain Beneficial Owners and Management

The following table sets forth certain information regarding the beneficial ownership of our common stock as of March 27, 2025 by: (1) each person who is known by us to own beneficially more than 5% of our common stock; (2) each of our current directors; (3) each of our NEOs; and (4) all of our directors and executive officers as a group. On such date, we had 40,850,455 shares of common stock outstanding.

As used in the table below and elsewhere in this form, the term "beneficial ownership" with respect to a security consists of sole or shared voting power, including the power to vote or direct the vote, and/or sole or shared investment power, including the power to dispose or direct the disposition, with respect to the security through any contract, arrangement, understanding, relationship or otherwise, including a right to acquire such power(s) during the 60 days following March 27, 2025. Inclusion of shares in the table does not, however, constitute an admission that the named stockholder is a direct or indirect beneficial owner of those shares. Unless otherwise indicated, (1) each person or entity named in the table has sole voting power and investment power (or shares that power with that person's spouse) with respect to all shares of common stock listed as owned by that person or entity and (2) the address of each of the individuals named below is: c/o Oramed Pharmaceuticals Inc., 1185 Avenue of the Americas, Third Floor, New York, New York 10036.

Name and Address of Beneficial Owner	Number of Shares	Percentage of Shares Beneficially Owned
Nadav Kidron#+	3,193,699[1]	7.6%
Dr. Miriam Kidron#+	1,256,332[2]	3.0%
Avraham Gabay+	137,340[3]	*
Dr. Daniel Aghion#	18,820	*
Dr. Arie Mayer#	90,634[4]	*
Yehuda Reznik#	15,560	*
Leonard Sank#	109,294[5]	*
Benjamin Shapiro#	1,930,070[6]	4.7%
All current executive officers and directors, as a group (nine persons)	7,533,336[7]	18.2%
Greater than 5% holders		
BML Investment Partners, L.P.	2,643,907[8]	6.6%

* Less than 1%
\# Director
\+ NEO

(1) Includes 953,884 shares of common stock issuable upon the exercise of outstanding stock options, 86,791 shares of common stock issuable upon the vesting of RSUs. Mr. Nadav's beneficial ownership includes the 218,603 shares of common stock held by Xiaopeng Li, a former director of the Company, over which he holds a proxy.
(2) Includes 474,999 shares of common stock issuable upon the exercise of outstanding stock options, 59,625 shares of common stock issuable upon the vesting of RSUs, and 610,917 shares of common stock underlying vested RSUs that are issuable upon request.
(3) Includes 15,666 shares of common stock issuable upon the vesting of RSUs.
(4) Includes 27,500 shares of common stock issuable upon the exercise of outstanding stock options and 2,500 shares of common stock issuable upon the vesting of RSUs.
(5) Includes 44,273 shares of common stock issuable upon the exercise of outstanding stock options and 2,500 shares of common stock issuable upon the vesting of RSUs.
(6) Includes 1,666 shares of common stock issuable upon the vesting of RSUs.
(7) Includes 1,677,656 shares of common stock issuable upon the exercise of options beneficially owned by the referenced persons, 208,997 shares of common stock issuable upon the vesting of RSUs and 610,917 shares of common stock underlying vested RSUs that are issuable upon request.
(8) Based on Schedule 13G/A, filed on February 13, 2025. BML Investment Partners, L.P. is a Delaware limited partnership whose sole general partner is BML Capital Management, LLC. The managing member of BML Capital Management, LLC is Braden M. Leonard. As a result, Braden M. Leonard is deemed to be the indirect owner of the shares held directly by BML Investment Partners, L.P. Despite such shared beneficial ownership, the reporting persons disclaim that they constitute a statutory group within the meaning of Rule 13d-5(b)(1) of the Exchange Act. The address of BML Investment Partners, L.P. is 65 E Cedar, Suite 2 Zionsville, IN 46077.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE.

During the years ended December 31, 2024 and 2023, except for compensation arrangements described elsewhere herein, we did not participate in any transaction, and we are not currently participating in any proposed transaction, or series of transactions, in which the amount involved exceeded the lesser of $120,000 or one percent of the average of our total assets at year end for the last two completed years, and in which, to our knowledge, any of our directors, officers, five percent beneficial security holders, or any member of the immediate family of the foregoing persons had, or will have, a direct or indirect material interest.

Our policy is to enter into transactions with related persons on terms that, on the whole, are no less favorable than those available from unaffiliated third parties. Based on our experience in the business sectors in which we operate and the terms of our transactions with unaffiliated third parties, we believe that all of the transactions described below met this policy standard at the time they occurred. All related person transactions are approved by our Board.

The Board has determined that Dr. Daniel Aghion, Dr. Arie Mayer, Yehuda Reznick, Leonard Sank and Benjamin Shapiro are independent as defined under the rules promulgated by Nasdaq.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES.

The aggregate fees billed by Kesselman & Kesselman, Certified Public Accountants (Isr.), a member of PricewaterhouseCoopers International Limited, independent registered public accounting firm, for services rendered to us during the years ended December 31, 2024 and 2023:

	2024	2023
Audit Fees[1]	$ 124,882	$ 132,501
Audit-Related Fees[2]	1,500	1,500
Tax Fees[3]	17,986	31,363
All Other Fees	—	—
Total Fees	$ 144,368	$ 165,364

(1) Amount represents fees paid for professional services for the audit of our consolidated financial statements, review of our interim condensed consolidated financial statements included in quarterly reports and services that are normally provided by our independent registered public accounting firm in connection with statutory and regulatory filings or engagements.
(2) Represents fees paid for services rendered in connection with the IIA requirements.
(3) Represents fees paid for tax consulting services.

SEC rules require that before the independent registered public accounting firm are engaged by us to render any auditing or permitted non-audit related service, the engagement be: (1) pre-approved by our Audit Committee; or (2) entered into pursuant to pre-approval policies and procedures established by the Audit Committee, provided the policies and procedures are detailed as to the particular service, the Audit Committee is informed of each service, and such policies and procedures do not include delegation of the Audit Committee's responsibilities to management.

The Audit Committee pre-approves all services provided by our independent registered public accounting firm. All of the above services and fees were reviewed and approved by the Audit Committee before the services were rendered.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES.

(a) Index to Financial Statements

The following consolidated financial statements are filed as part of this Annual Report on Form 10-K:

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders of
Oramed Pharmaceuticals Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Oramed Pharmaceuticals Inc. and its subsidiaries (the "Company") as of December 31, 2024 and 2023, and the related consolidated statements of comprehensive income (loss), changes in equity and cash flows for the years then ended, including the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits of these consolidated financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that (i) relates to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Investments at fair value

As described in Note 4 to the consolidated financial statements, the Company has approximately $34,808 thousand investments at fair value recorded as of December 31, 2024 relating to Tranche A note, Tranche B note, warrants and royalty purchase agreement payment issued to the Company by Scilex Holding Company. Management applied significant judgment in estimating the fair value of the investments recorded, which also impacted the results of operations of the Company by approximately $4,359 thousand for the change in fair value of such investments in the year ended December 31, 2024. The fair value estimation involved the use of significant estimates and assumptions with respect to the repayment dates and amounts of the notes and royalties.

The principal considerations for our determination that performing procedures relating to investments at fair value is a critical audit matter are (i) the high degree of auditor judgment and subjectivity in performing procedures relating to the fair value measurement of the investments recorded, due to significant judgment by management when developing the estimate; (ii) significant audit effort in evaluating the significant assumptions relating to the repayment dates and amounts of the notes and royalties; and (iii) the audit effort involved the use of professionals with specialized skill and knowledge.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included, among others (i) reading the related agreements and (ii) testing management's process for estimating the fair value of the investments. Testing management's process included evaluating the appropriateness of the valuation methods, testing the completeness and accuracy of the data provided by management, and evaluating the reasonableness of significant assumptions related to the repayment dates and amounts of the notes and royalties. Professionals with specialized skill and knowledge were used to assist in the evaluation of the Company's models.

/s/ Kesselman & Kesselman

Certified Public Accountants (Isr.)
A member firm of PricewaterhouseCoopers International Limited

Tel Aviv, Israel
March 27, 2025

We have served as the Company's auditor since 2008.

Kesselman & Kesselman, 146 Derech Menachem Begin St. Tel-Aviv 6492103, Israel,
P.O Box 50005 Tel-Aviv 6150001 Telephone: +972 -3- 7954555, Fax:+972 -3- 7954556, *www.pwc.com/il*

ORAMED PHARMACEUTICALS INC.
CONSOLIDATED BALANCE SHEETS
In thousands (except share and per share data)

	December 31, 2024	December 31, 2023
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 54,420	$ 9,055
Short-term deposits (note 2)	55,281	95,279
Marketable securities (note 3)	3,441	—
Investments at fair value (note 4)	28,788	57,713
Prepaid expenses and other current assets	1,291	537
Total current assets	143,221	162,584
LONG-TERM ASSETS:		
Long-term deposits	2	7
Investments at fair value (note 4)	7,387	51,035
Marketable securities (note 3)	—	1,807
Other non-marketable equity securities (note 5)	3,524	3,524
Amounts funded in respect of employee rights upon retirement	32	27
Property and equipment, net	698	873
Operating lease right of use assets	414	694
Total long-term assets	12,057	57,967
Total assets	$ 155,278	$ 220,551
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable and accrued expenses (note 6)	$ 5,140	$ 1,609
Short-term borrowings (note 7)	—	51,013
Payable to related parties (note 14b)	329	325
Operating lease liabilities	216	267
Total current liabilities	5,685	53,214
LONG-TERM LIABILITIES:		
Long-term deferred revenues	4,000	4,000
Employee rights upon retirement	30	28
Provision for uncertain tax position (note 12f)	—	11
Operating lease liabilities	156	342
Other liabilities	60	63
Total long-term liabilities	4,246	4,444
COMMITMENTS (note 8)		
EQUITY		
EQUITY ATTRIBUTABLE TO COMPANY'S STOCKHOLDERS:		
Common stock, $0.012 par value (60,000,000 authorized shares as of December 31, 2024 and December 31, 2023; 39,919,545 and 40,338,979 shares issued and outstanding as of December 31, 2024 and December 31, 2023, respectively)	480	485
Additional paid-in capital	322,401	320,892
Accumulated deficit	(176,616)	(157,556)
Total stockholders' equity	146,265	163,821
Non-controlling interests	(918)	(928)
Total equity	145,347	162,893
Total liabilities and equity	$ 155,278	$ 220,551

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

ORAMED PHARMACEUTICALS INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
In thousands (except share and per share data)

	Year ended December 31, 2024	Year ended December 31, 2023
REVENUES	$ —	$ 1,340
RESEARCH AND DEVELOPMENT EXPENSES	(6,324)	(8,971)
SALES AND MARKETING	—	287
GENERAL AND ADMINISTRATIVE EXPENSES	(6,457)	(8,425)
OPERATING LOSS	(12,781)	(15,769)
INTEREST EXPENSES (note 11b)	(853)	(2,037)
FINANCIAL INCOME (EXPENSES), NET (note 11a)	(2,286)	22,894
INCOME (LOSS) BEFORE TAX EXPENSES	(15,920)	5,088
TAX EXPENSES	(3,183)	—
NET INCOME (LOSS)	$ (19,103)	$ 5,088
NET INCOME (LOSS) ATTRIBUTABLE TO:		
COMPANY'S STOCKHOLDERS	(19,060)	5,525
NON-CONTROLLING INTERESTS	(43)	(437)
NET INCOME (LOSS)	$ (19,103)	$ 5,088
BASIC INCOME (LOSS) PER SHARE OF COMMON STOCK	$ (0.48)	$ 0.14
DILUTED INCOME (LOSS) PER SHARE OF COMMON STOCK	$ (0.48)	$ 0.14
WEIGHTED AVERAGE NUMBER OF SHARES OF COMMON STOCK USED IN COMPUTING BASIC INCOME (LOSS) PER SHARE OF COMMON STOCK	40,828,380	40,315,068
WEIGHTED AVERAGE NUMBER OF SHARES OF COMMON STOCK USED IN COMPUTING DILUTED INCOME (LOSS) PER SHARE OF COMMON STOCK	40,828,380	40,566,901

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

ORAMED PHARMACEUTICALS INC.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
in thousands

Attributable to Company's Stockholders

	Common Stock		Additional paid-in capital	Accumulated deficit	Total stockholders' equity	Non-controlling interests	Total Equity
	Shares	$					
	In thousands						
BALANCE AS OF JANUARY 1, 2024	40,339	485	320,892	(157,556)	163,821	(928)	162,893
STOCK-BASED COMPENSATION	618	7	3,991	—	3,998	—	3,998
STOCK-BASED COMPENSATION OF SUBSIDIARY	—		—	—	—	53	53
REPURCHASE AND RETIREMENT OF COMMON STOCK	(1,037)	(12)	(2,482)		(2,494)		(2,494)
NET LOSS				(19,060)	(19,060)	(43)	(19,103)
BALANCE AS OF DECEMBER 31, 2024	39,920	480	322,401	(176,616)	146,265	(918)	145,347

Attributable to Company's Stockholders

	Common Stock		Additional paid-in capital	Accumulated deficit	Total stockholders' equity	Non-controlling interests	Total Equity
	Shares	$					
	In thousands						
BALANCE AS OF JANUARY 1, 2023	39,564	476	314,417	(163,081)	151,812	(656)	151,156
SHARES ISSUED FOR SERVICES	3	*	9	—	9	—	9
ISSUANCE OF COMMON STOCK, NET	193	2	2,426	—	2,428	—	2,428
STOCK-BASED COMPENSATION	579	7	4,040	—	4,047	—	4,047
STOCK-BASED COMPENSATION OF SUBSIDIARY	—	—	—	—	—	165	165
NET INCOME (LOSS)	—	—	—	5,525	5,525	(437)	5,088
BALANCE AS OF DECEMBER 31, 2023	40,339	485	320,892	(157,556)	163,821	(928)	162,893

* Represents an amount of less than $1.

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

ORAMED PHARMACEUTICALS INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
In thousands

	Year ended December 31, 2024	Year ended December 31, 2023
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income (loss)	$ (19,103)	$ 5,088
Adjustments required to reconcile net income (loss) to net cash used in operating activities:		
Depreciation	193	196
Exchange differences, accrued interest on deposits and held to maturity bonds	(2,700)	(2,172)
Changes in fair value of investments	7,413	(16,392)
Stock-based compensation	4,053	4,212
Shares issued for services	—	9
Funds in respect of employee rights upon retirement	(5)	(3)
Change in accrued interest on short-term borrowings to maturity	(1,463)	1,463
Changes in operating assets and liabilities:		
Prepaid expenses and other current assets	(356)	852
Accounts payable, accrued expenses and related parties	3,525	(2,225)
Net changes in operating lease	43	8
Deferred revenues	—	(1,340)
Liability for employee rights upon retirement	2	7
Other liabilities	(14)	2
Total net cash used in operating activities	(8,412)	(10,295)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property and equipment	(18)	(254)
Purchase of short-term deposits	(54,450)	(91,369)
Proceeds from redemption of short-term deposits	97,152	109,760
Exercise of Closing Penny Warrants and Subsequent Penny Warrants	(65)	—
Long-term investments	(1,307)	(99,550)
Proceeds from long-term deposits	5	—
Proceeds from long-term investments	64,500	5,000
Proceeds from maturity of held to maturity securities	—	3,375
Total net cash provided by (used in) investing activities	105,817	(73,038)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from issuance of common stock, net of issuance costs	—	2,428
Repurchase and retirement of common stock	(2,484)	—
Loans received	—	99,550
Loans repaid	(49,550)	(50,000)
Tax withholdings related to stock-based compensation settlements	(2)	—
Total net cash provided by (used in) financing activities	(52,036)	51,978
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(4)	(54)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	45,365	(31,409)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	9,055	40,464
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 54,420	$ 9,055

ORAMED PHARMACEUTICALS INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS — (Continued)
In thousands

	Year ended December 31, 2024	Year ended December 31, 2023
(A) SUPPLEMENTARY DISCLOSURE ON CASH FLOWS:		
Interest paid	$ 2,316	$ 574
Interest received	$ 7,376	$ 5,156
(B) SUPPLEMENTAL DISCLOSURE OF NON-CASH ACTIVITIES:		
2024 Refinancing Tranche A	(21,575)	—
2024 Refinancing Tranche B	25,000	—
Excise tax for repurchase and retirement of common stock	(10)	—
Recognition of operating lease right-of-use assets and liabilities	58	—
Derecognition of right-of-use asset	(26)	—
Derecognition of lease liability	23	—

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

NOTE 1 — SIGNIFICANT ACCOUNTING POLICIES:

a. General

Oramed Pharmaceuticals Inc. (collectively with its subsidiaries, the "Company," unless the context indicates otherwise), a Delaware corporation, was incorporated on April 12, 2002.

On February 17, 2006, the Company entered into an agreement with Hadasit Medical Services and Development Ltd. to acquire the provisional patent related to an orally ingestible insulin capsule to be used for the treatment of individuals with diabetes.

On May 14, 2007, the Company incorporated a wholly-owned subsidiary in Israel, Oramed Ltd. (the "Subsidiary"), which is engaged in research and development.

On March 18, 2021, the Company entered into a license agreement with Oravax Medical Inc. ("Oravax") and holds 63% of the issued and outstanding share capital of Oravax, on a fully diluted basis, as of the date of issuance. Consequently, Oramed consolidates Oravax in its consolidated financial statements since that time.

On July 1, 2024, the Company incorporated a wholly-owned subsidiary in Nevada, Oramed NewCo, Inc. ("OraTech"), which intends to serve as the company for the joint venture with Hefei Tianhui Biotech Co., Ltd. ("HTIT"), see note 15 (b)

On January 11, 2023, the Company announced that the ORA-D-013-1 Phase 3 trial did not meet its primary or secondary endpoints. As a result, the Company terminated this trial and a parallel Phase 3, ORA-D-013-2 clinical trial. As these results are considered a triggering event, the Company evaluated all of its long lived assets which include fixed assets and operating lease right-of-use assets in the first quarter of 2023 and concluded that no impairment was required.

In 2023, the Company completed an analysis of the data from the ORA-D-013-1 Phase 3 trial and found that subpopulations of patients with pooled specific parameters, such as body mass index (BMI), baseline HbA1c and age, responded well to oral insulin. These subsets exhibited an over 1% placebo adjusted, statistically significant, reduction in HbA1c. Based on this analysis, on September 12, 2024 the Company submitted protocol ORA-D-013-3 Phase 3 to focus on the subpopulations with the higher probability to show efficacy. The Company intends to initiate a study during 2025. Moreover, the Company is examining its existing pipeline and has commenced an evaluation process of potential strategic opportunities, with the goal of enhancing value for the Company's stockholders.

See note 4 regarding 2023 Scilex Transaction and 2024 Refinancing.

See note 7 regarding Short-Term Borrowings.

See note 15 regarding JV Supplemental Agreement.

b. Basis of presentation

The consolidated financial statements included herein have been prepared in accordance with generally accepted accounting principles in the United States of America ("U.S. GAAP").

c. Use of estimates in the preparation of financial statements

The preparation of the consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the financial statements date and the reported revenues and expenses during the reporting periods. Actual results could differ from those estimates.

As applicable to these consolidated financial statements, the most significant estimates and assumptions relate to stock-based compensation and to the investments at fair value (for further details, see note 4).

NOTE 1 — SIGNIFICANT ACCOUNTING POLICIES: (cont.)

d. Functional currency

The currency of the primary economic environment in which the operations of the Company and its subsidiaries are conducted is the U.S. dollar ("$" or "dollar"). Therefore, the functional currency of the Company and its subsidiaries is the dollar.

Transactions and balances originally denominated in dollars are presented at their original amounts. Balances in foreign currencies are translated into dollars using historical and current exchange rates for non-monetary and monetary balances, respectively. For foreign transactions and other items reflected in the statements of operations, the following exchange rates are used: (1) for transactions — exchange rates at transaction dates or average rates and (2) for other items (derived from non-monetary balance sheet items such as depreciation) — historical exchange rates. The resulting transaction gains or losses are carried to financial income or expenses, as appropriate.

e. Repurchase and retirement of common stock

The Company debited the common stock account by the par value of the shares retired and allocated the excess of the repurchase price over the par value of the shares to additional paid in capital.

f. Principles of consolidation

The consolidated financial statements include the accounts of the Company and its subsidiaries. All inter-company transactions and balances have been eliminated in consolidation.

g. Cash equivalents

The Company considers all short-term, highly liquid investments, which include short-term deposits with original maturities of three months or less from the date of purchase that are not restricted as to withdrawal or use and are readily convertible to known amounts of cash, to be cash equivalents.

h. Fair value measurement:

The Company measures fair value and discloses fair value measurements for financial assets and liabilities. Fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In order to increase consistency and comparability in fair value measurements, the guidance establishes a fair value hierarchy that prioritizes observable and unobservable inputs used to measure fair value into three broad levels, which are described as follows:

Level 1: Quoted prices (unadjusted) in active markets that are accessible at the measurement date for assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.

Level 2: Observable prices that are based on inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs are used when little or no market data is available. The fair value hierarchy gives the lowest priority to Level 3 inputs.

In thousands (except share and per share data)

NOTE 1 — SIGNIFICANT ACCOUNTING POLICIES: (cont.)

The Company's financial assets subject to fair value measurements on a recurring basis and the level of inputs used in such measurements were as follows:

	December 31, 2024			
	Level 1	Level 2	Level 3	Fair Value
Assets:				
Marketable Securities				
DNA	424	—	—	424
Entera	248	—	—	248
Scilex	2,769	—	—	2,769
Subsequent Penny Warrants (see note 4)	—	2,772	—	2,772
Warrants Note B (see note 4)	—	—	548	548
Tranche A Note (see note 4)	—	—	13,714	13,714
Tranche B Note (see note 4)	—	—	15,798	15,798
Royalty Purchase Agreement (see note 4)	—	—	1,976	1,976
Profit Sharing Loan Agreement (see note 4 (e))	—	—	1,367	1,367
	$ 3,441	$ 2,772	$ 33,403	$ 39,616

	December 31, 2023			
	Level 1	Level 2	Level 3	Fair Value
Assets:				
Marketable Securities				
DNA	297	—	—	297
Entera	70	—	—	70
Transferred Warrants (see note 4)	1,440	—	—	1,440
Closing Penny Warrant (see note 4)	—	9,180	—	9,180
Subsequent Penny Warrants (see note 4)	—	—	6,502	6,502
The Note (see note 4)	—	—	93,066	93,066
	$ 1,807	$ 9,180	$ 99,568	$ 110,555

As of December 31, 2024, and December 31, 2023, the carrying amounts of cash equivalents, short-term deposits, Short-Term Borrowings (as defined in Note 7), and accounts payable approximate their fair values due to the short-term maturities of these instruments.

The amounts funded in respect of employee rights are stated at cash surrender value which approximates its fair value.

i. Marketable securities

The Company measured the securities (investments in equity securities of DNA group (T.R.) Ltd. ("DNA"), Entera Bio Ltd. ("Entera") and Scilex Holding Company ("Scilex") at fair value, with changes in fair value recognized in earnings. The Company intends to exercise these investments during 2025, and has classified the marketable securities as short-term accordingly.

NOTE 1 — SIGNIFICANT ACCOUNTING POLICIES: (cont.)

j. Other non-marketable equity securities

The Company also invested in non-marketable equity securities, through an investment in a privately held company. This equity investment does not have a readily determinable fair value. The investment is measured under the measurement alternative in Accounting Standards Codification ("ASC") 321 "Investments — Equity Securities" to the extent such an investment is not subject to consolidation or the equity method. Under the measurement alternative, this equity investment is carried at cost, less any impairment, adjusted for changes resulting from observable price changes in transactions for an identical or similar investment of the same issuer. The investment would be impaired in accordance with the provisions of ASC 820 "Fair Value Measurement" if, based on a qualitative assessment of impairment indicators, the fair value of the investment is less than its carrying amount. If considered impaired, the difference between the carrying amount and fair value would be recorded in the consolidated statement of income (loss). For further details, see note 5.

k. Investments, at fair value

The Company invested in the Tranche A Note (as defined in note 4), Tranche B Note (as defined in note 4) (collectively the "Notes"), Penny Warrants and Royalty Purchase Agreement issued by Scilex, for which it has elected the fair value option. Under the Fair Value Option Subsections of ASC Subtopic 825-10, Financial Instruments — Overall, the Company has the irrevocable option to report financial assets at fair value on an instrument-by-instrument basis.

Scilex also issued to the Company the Note A Transferred Warrants and Note B Warrants (as defined in note 4) that meet the definition of a derivative under ASC 815 "Derivatives and Hedging". Therefore, the Warrants will be measured at fair value initially and on every reporting period.

The Company entered into a loan agreement to finance a real estate project. The Company decided to designate the Profit Sharing Loan Agreement (as define in note 4) as a whole under the Fair-Value option in accordance with ASC Topic 825 "Financial Instruments".

Changes in the fair value are recorded under financial income (expenses), net.

l. Concentration of credit risks

Financial instruments that subject the Company to credit risk consist primarily of cash and cash equivalents, short and long-term deposits, which are deposited in major financial institutions, Profit Sharing Loan Agreement, Royalty Purchase Agreement and the Notes. The Company is of the opinion that the credit risk in respect of these balances is remote, except for the Profit Sharing Loan Agreement, Royalty Purchase Agreement and the Notes for which the Company is of the opinion there is a credit risk, which is reflected in its fair value measurement (for further details, see note 4).

m. Income taxes

1. Deferred taxes

Deferred taxes are determined utilizing the asset and liability method based on the estimated future tax effects of differences between the financial accounting and tax bases of assets and liabilities under the applicable tax laws. Deferred tax balances are computed using the tax rates expected to be in effect when those differences reverse. A valuation allowance in respect of deferred tax assets is provided if, based upon the weight of available evidence, it is more likely than not that some or all of the deferred tax assets will not be realized. The Company has provided a full valuation allowance with respect to its deferred tax assets. See note 12.

Taxes that would apply in the event of disposal of investments in the Israeli subsidiary have not been taken into account in computing deferred taxes, as it is the Company's intention to hold this investment, not to realize it.

NOTE 1 — SIGNIFICANT ACCOUNTING POLICIES: (cont.)

2. Uncertainty in income tax

The Company follows a two-step approach to recognizing and measuring uncertain tax positions. The first step is to evaluate the tax position for recognition by determining if the weight of available evidence indicates that it is more likely than not that the position will be sustained on audit. The second step is to measure the tax benefit as the largest amount that is more than 50% likely of being realized upon ultimate settlement. Such liabilities are classified as long-term, unless the liability is expected to be resolved within 12 months from the balance sheet date. The Company's policy is to include interest and penalties related to unrecognized tax benefits within income tax expenses.

n. Revenue recognition

HTIT

On November 30, 2015, the Company entered into a Technology License Agreement, with HTIT and on December 21, 2015, the parties entered into an Amended and Restated Technology License Agreement that was further amended by the parties on June 3, 2016 and July 24, 2016 (the "HTIT License Agreement").

As of December 31, 2024, an aggregate amount of $22,382 was allocated to the HTIT License Agreement, all of which were received through December 31, 2024. Through December 31, 2023, the Company recognized revenue associated with this agreement in the aggregate amount of $20,382, of which $1,340 was recognized in the year ended December 31, 2023, and deferred the remaining amount of $2,000, which is presented as long-term deferred revenues on the consolidated balance sheet. The Company did not recognize revenue related to the HTIT License Agreement in the year ended December 31, 2024. See note 15 regarding the JV Supplemental Agreement.

Medicox

On November 13, 2022, the Company entered into a distribution license agreement ("Medicox License Agreement") with Medicox Co., Ltd. ("Medicox"). The Medicox License Agreement grants Medicox an exclusive license to apply for regulatory approval and distribute ORMD-0801 in the Republic of Korea. For further details, see note 8b.

Under ASC 606 "Revenue from Contracts with Customers," the Company identified Medicox as a customer and the Medicox License Agreement as a contract with a customer.

The Company identified a performance obligation in the Medicox License Agreement to stand-ready and provide Medicox with support in its commercialization efforts in the Republic of Korea. This performance obligation includes a non-distinct distribution license for ORMD-0801, which the Company views a predominant item in the combined performance obligation. The Company concluded that the license is not distinct, as no party other than the Company is capable of providing related services to Medicox, and both the license and related services are necessary for the customer to obtain a regulatory approval in the Republic of Korea. In addition, the agreement covers the terms of future manufacturing services, that are contingent on the completion and success of the commercialization efforts.

The Medicox License Agreement contains a fixed consideration of $2,000, which was received by the Company during the year ended December 31, 2022 and is currently presented under long-term deferred revenues. It also contains variable consideration of contractual milestone payments and sales-based royalties.

The Company's obligation to stand-ready and support Medicox will be recognized on a straight-line basis over the period the Company expects to provide support to Medicox. As of December 31, 2024, this support has not commenced, and no revenue was recognized from the Medicox License Agreement.

NOTE 1 — SIGNIFICANT ACCOUNTING POLICIES: (cont.)

If Medicox proceeds with the regulatory approval process in the Republic of Korea, the Company expects most of the revenue to be recognized at a later stage, going forward. The Company notes that its Phase 3 trial did not meet its primary or secondary endpoints (see note 1a.1).

If Medicox chooses to terminate the agreement as a result of the outcome of the Phase 3 trials, the Company will accelerate revenue recognition and recognize it at such time.

o. Research and development

Research and development expenses include costs directly attributable to the conduct of research and development programs, including the cost of salaries, stock-based compensation, employee benefits, the cost of supplies, the cost of services provided by outside contractors, including services related to the Company's clinical trials, clinical trial expenses and the full cost of manufacturing drug for use in research and preclinical development. All costs associated with research and development are expensed as incurred.

Clinical trial costs are a significant component of research and development expenses and include costs associated with third-party contractors. The Company outsources a substantial portion of its clinical trial activities, utilizing external entities such as Clinical Research Organizations ("CROs"), independent clinical investigators, and other third-party service providers to assist the Company with the execution of its clinical trials. For each clinical trial that the Company conducts, clinical trial costs are expensed immediately.

p. Stock-based compensation

Equity awards granted to employees are accounted for using the grant date fair value method. The grant date fair value is determined as follows: for stock options with an exercise price and only service conditions using the Black Scholes pricing model, for stock options and restricted stock units ("RSUs") with market conditions using a Monte Carlo model and for RSUs with service conditions based on the grant date share price. The fair value of share based payment awards is recognized as an expense over the requisite service period. The expected term is the length of time until the expected dates of exercising the award and is estimated using the simplified method due to insufficient specific historical information of employees' exercise behavior, unless the award includes a market condition, in which case the contractual term is used. The volatility is based on a historical volatility, by statistical analysis of the weekly share price for past periods. The Company elected to recognize compensation cost for awards granted to employees that have a graded vesting schedule using the accelerated method based on the multiple-option award approach. For awards with market conditions, compensation expense is not reversed if the market conditions are not satisfied.

The Company elects to account for forfeitures as they occur.

q. Income (loss) per share of common stock

Basic net earnings (loss) per common share are computed by dividing the net earnings (loss) attributable to stockholders for the period by the weighted average number of shares of common stock outstanding for each period, including vested RSUs. Outstanding stock options, warrants and unvested RSUs have been excluded from the calculation of the diluted loss per share for the year ended December 31, 2024 because all such securities are anti-dilutive for the year ended December 31, 2024.

For the diluted earnings per share calculation for the year ended December 31, 2023, the weighted average number of shares outstanding during the year is adjusted for the potential dilution that could occur in connection with employee share-based payment, using the treasury stock method. The difference in the denominator results from the dilutive impact of 251,833 RSUs.

NOTE 1 — SIGNIFICANT ACCOUNTING POLICIES: (cont.)

The weighted average number of stock options, warrants and RSUs excluded from the calculation of diluted income (loss) per share was 4,582,421 and 1,227,506 for the years ended December 31, 2024 and December 31, 2023, respectively.

r. Leases

The Company leases real estate and cars for use in its operations, which are classified as operating leases. In addition to rent, the leases may require the Company to pay directly for fees, insurance, maintenance and other operating expenses.

The Company determines if an arrangement is a lease at inception. Operating leases are included in operating lease right of use assets and operating lease liabilities in the consolidated balance sheets. Right of use ("ROU") assets represent the Company's right to use an underlying asset for the lease term and lease liabilities represent the Company's obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at the commencement date based on the present value of lease payments over the lease term. The Company uses its incremental borrowing rate based on the information available at the commencement date to determine the present value of the lease payments. Lease expenses are recognized on a straight-line basis over the lease term.

The Company elected the practical expedient to not separate lease and non-lease components for all of its leases.

Lease terms will include options to extend or terminate the lease when it is reasonably certain that the Company will either exercise or not exercise the option to renew or terminate the lease.

The Company's lease agreements have remaining lease terms ranging from 4 months to 2.5 years. Some of these agreements include options to extend the leases for up to an additional 5 years and some include options to terminate the leases immediately. See Note 8d.

s. New accounting pronouncements

Recently adopted accounting pronouncements

In November 2023, the Financial Accounting Standard Board (the "FASB") issued Accounting Standards Update ("ASU") 2023-07 "Segment Reporting: Improvements to Reportable Segment Disclosures." This guidance expands public entities' segment disclosures primarily by requiring disclosure of significant segment expenses that are regularly provided to the chief operating decision maker and included within each reported measure of segment profit or loss, an amount and description of its composition for other segment items, and interim disclosures of a reportable segment's profit or loss and assets. Public entities with a single reportable segment are required to provide the new disclosures and all the disclosures required under ASC 280 "Segment Reporting". The Company adopted this standard in the current period retrospectively to all prior periods presented in its financial statements, see note 13.

Recently issued accounting pronouncements, not yet adopted

In December 2023, the FASB issued ASU 2023-09 "Income Taxes (Topic 740): Improvements to Income Tax Disclosures." This guidance is intended to enhance the transparency and decision-usefulness of income tax disclosures. The amendments in ASU 2023-09 address investor requests for enhanced income tax information primarily through changes to disclosure regarding rate reconciliation and income taxes paid both in the U.S. and in foreign jurisdictions. ASU 2023-09 is effective for years beginning after December 15, 2024 on a prospective basis, with the option to apply the standard retrospectively. Early adoption is permitted. The Company is currently evaluating this guidance to determine the impact it may have on its consolidated financial statements disclosures.

In thousands (except share and per share data)

NOTE 1 — SIGNIFICANT ACCOUNTING POLICIES: (cont.)

In November 2024, the FASB issued ASU 2024-03 "Income Statement — Reporting Comprehensive Income — Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses", which requires disclosure about the types of costs and expenses included in certain expense captions presented on the income statement as well as disclosures about selling expenses. ASU 2024-03 is effective for years beginning after December 15, 2026, and interim periods within years beginning after December 15, 2027, with early adoption permitted, and may be applied either prospectively or retrospectively. The Company is currently evaluating this guidance to determine the impact it may have on its consolidated financial statements disclosures.

NOTE 2 — SHORT-TERM DEPOSITS:

Composition:

	December 31,			
	2024		2023	
	Annual interest rate	Amount	Annual interest rate	Amount
Dollar deposits	5.65 – 5.75%	55,281	6.35 – 6.81%	$ 95,279

NOTE 3 — MARKETABLE SECURITIES:

a. Composition:

The Company's marketable securities include investments in equity securities of DNA, Entera and Scilex.

	December 31,	
	2024	2023
Short-term:		
DNA (see b below)	$ 424	$ —
Entera (see c below)	248	—
Scilex (see d below)	2,769	—
	$ 3,441	—
Long-term:		
DNA (see b below)	$ —	$ 297
Entera (see c below)	—	70
Transferred Warrants (see note 4)	—	1,440
	$ —	$ 1,807

b. DNA

DNA's ordinary shares are traded on the Tel Aviv Stock Exchange. The fair value of those securities is measured at the quoted prices of the securities on the measurement date.

During the years ended December 31, 2024 and 2023, the Company did not sell any of DNA's ordinary shares. As of December 31, 2024, the Company owns approximately 1.4% of DNA's outstanding ordinary shares.

The cost of the securities as of both December 31, 2024 and 2023 was $595.

c. Entera

Entera ordinary shares have been traded on the Nasdaq Capital Market since June 28, 2018. The Company measures the investment at fair value from such date, since it has a readily determinable fair value.

NOTE 3 — MARKETABLE SECURITIES: (cont.)

d. Scilex

Scilex ordinary shares are traded on the Nasdaq Capital Market. The fair value of those securities is measured at the quoted prices of the securities on the measurement date.

On November 4, 2024 the Company exercised 6,500,000 of the Penny Warrant to shares. (for more details, see note 4).

NOTE 4 — INVESTMENTS, AT FAIR VALUE:

2023 Scilex Transaction and 2024 Refinancing

2023 Scilex Transaction

On September 21, 2023, the Company entered into and consummated the transactions (collectively, the "2023 Scilex Transaction") contemplated by a securities purchase agreement with Scilex, pursuant to which Scilex issued to the Company:

a. A senior secured promissory note (the "Tranche A Note"), with a principal amount of $101,875, maturing on March 21, 2025 and bearing interest of SOFR plus 8.5%, payable in-kind. Scheduled principal payments are due on December 21, 2023, March 21, 2024, June 21, 2024, September 21, 2024, and December 21, 2024, with the balance due on March 21, 2025. In January 2025, the Company extended Tranche A Note maturity from March 21, 2025 to December 31, 2025. As per the Tranche A Note terms, if the Tranche A Note is not repaid in full on or prior to March 21, 2024, an exit fee of $3,056 is due. Since the Tranche A Note was not repaid by that date, the Company is entitled to the above-mentioned exit fee at the maturity date of the Tranche A Note. As of December 31, 2024, Scilex has repaid $69,200 of the amount due under the Tranche A Note. See the description of the Extension Agreement (as defined below).

   The Tranche A Note constitutes senior secured indebtedness of Scilex and is guaranteed by all existing or future formed, direct and indirect, domestic subsidiaries of Scilex and is secured by a first priority security interest in and liens on all of the assets of Scilex, subject to customary and mutually agreed permitted liens and except for certain specified exemptions.

b. Warrants to purchase up to 4,500,000 shares of Scilex common stock with an exercise price of $0.01 per share (the "Closing Penny Warrants") and four additional warrants (the "Subsequent Penny Warrants") each for 2,125,000 shares of Scilex common stock with an exercise price of $0.01 per share. The Closing Penny Warrants were vested on September 21, 2023, and each of the Subsequent Penny Warrants vested quarterly during 2024. The Closing Penny Warrants and the Subsequent Penny Warrants shall become exercisable on the earliest of (i) March 14, 2025 and (ii) the date on which the Tranche A Note has been repaid in full.

   As of December 31, 2024, 4,500,000 Closing Penny Warrants were vested according to the terms of Tranche A Note, 8,500,000 Subsequent Penny Warrants were vested according to the terms of the Tranche A Note and as per the Extension Agreement (as defined below).

   According to the Extension Agreement (as defined below), 4,500,000 Closing Penny Warrants and 2,000,000 Subsequent Penny Warrants have become exercisable.

In thousands (except share and per share data)

NOTE 4 — INVESTMENTS, AT FAIR VALUE: (cont.)

On October 30, 2024, the Company exercised 4,500,000 Closing Penny Warrants and 2,000,000 Subsequent Penny Warrants that were exercisable at such time. As a result the Company holds 6,500,000 shares of common stock of Scilex.

c. Transferred warrants (the "Transferred Warrants") to purchase 4,000,000 shares of Scilex common stock with an exercise price of $11.50 per share, fully exercisable and expiring on November 10, 2027. On September 20, 2024, the Company sold the Transferred Warrants for consideration of $300 (see below). As a result, as of December 31, 2024 the Company does not hold any Transferred Warrants.

The Company accounted for the Transferred Warrants as derivatives measured at fair value.

The Company elected the fair value option for the Tranche A Note and the Penny Warrants in order to reduce operational complexity of bifurcating embedded derivatives. Changes in value are recorded under financial income (expense), net and include interest income on the Tranche A Note.

The valuation was performed based on several scenarios. Each scenario took into consideration the present value of the Tranche A Note's cash flows (including the exit fee and the prepayment premium) and the Warrants' value. The total value of the 2023 Scilex Transaction (and of each of its components) was valued on a weighted average of the different scenarios.

The discount rate of the Tranche A Note was based on the B- rating zero curve in addition to a risk premium which takes into account the credit risk of Scilex and ranged between 112% to 113%.

The fair value of the Transferred Warrants was based on their closing price on the Nasdaq Capital Market. The fair value of the Penny Warrants was calculated based on the closing price of the Scilex common stock on the Nasdaq Capital Market.

On September 20, 2024, the Company and Scilex entered into an extension agreement (the "Extension Agreement") to extend the due date of the September 21, 2024 payment. Pursuant to the Extension Agreement, Scilex paid to the Company $2,000 on September 23, 2024, which payment is to be applied as follows: (i) $1,700 to the payment due under the Tranche A Note on March 21, 2025 and (ii) $300 to purchase the Transferred Warrants.

The table below represents the fair value composition of the Tranche Note A:

	December 31, 2024			December 31, 2023		
	Short term	Long term	Total	Short term	Long term	Total
Tranche Note A	$ 13,714	—	$ 13,714	$ 57,713	$ 35,353	$ 93,066
Closing Penny Warrant	—	—	—	—	$ 9,180	$ 9,180
Subsequent Penny Warrants	$ 2,772	—	$ 2,772	—	$ 6,502	$ 6,502
Transferred Warrants	—	—	—	—	$ 1,440	$ 1,440
Total	$ 16,486	—	$ 16,486	$ 57,713	$ 52,475	$ 110,188

As of December 31, 2023, the fair value of the Tranche A Note was less than the aggregate unpaid principal balance (which includes interest payable on maturity) by $7,801.

As of December 31, 2024, the fair value of the Tranche A Note was less than the aggregate unpaid principal balance (which includes interest payable on maturity) by $8,114.

NOTE 4 — INVESTMENTS, AT FAIR VALUE: (cont.)

2024 Refinancing

In October 2024, the Company entered into the transactions (collectively, the "2024 Refinancing") pursuant to which Scilex issued to the Company:

a. Convertible Notes SPA

The Company entered into a securities purchase agreement (the "Convertible Notes SPA") with certain institutional investors (together with the Company, the "Buyers") and Scilex to refinance a portion of the Tranche A Note and pay off certain other indebtedness of Scilex. Pursuant to the Convertible Notes SPA, the Buyers purchased in a registered offering by Scilex (i) a new tranche B of senior secured convertible notes of Scilex in the aggregate principal amount of $50,000 (the "Tranche B Notes") repayable on a quarterly basis for 2 years, which Tranche B Notes are convertible into shares of Scilex common stock and (ii) warrants to purchase up to 7,500,000 shares of Scilex common stock (the "Tranche B warrants"). The Company purchased 50% of Tranche B Notes and Tranche B Warrants and therefore holds an aggregate principal amount of $25,000 of the Tranche B Notes and 3,750,000 Tranche B Warrants.

Scilex received from the Company, in consideration for the Tranche B Notes and the Tranche B Warrants issued to the Company, an exchange and reduction of the principal outstanding balance under the Tranche A Note of $22,500.

b. Royalty Purchase Agreement

The Company and certain institutional investors (together with the Company, the "RPA Purchasers") entered into a Purchase and Sale Agreement (the "Royalty Purchase Agreement") with Scilex and Scilex Pharmaceuticals Inc. ("Scilex Pharma"). Pursuant to the Royalty Purchase Agreement, the RPA Purchasers acquired the right to receive, in the aggregate, 8% of net sales worldwide for 10 years (the "Purchased Receivables") with respect to ZTlido (lidocaine topical system) 1.8%, SP-103 (lidocaine topical system) 5.4%, and any related, improved, successor, replacement or varying dosage forms of the foregoing. The Company acquired the right to receive 50% of the Purchased Receivables and therefore holds the right to receive 4% royalties.

In consideration for its interest in the Purchased Receivables, the Company exchanged and reduced $2,500 of the principal balance under the Tranche A Note.

c. ZTlido Rest of the World Binding Agreement

The Company and certain other institutional investors and Scilex entered into a binding term sheet (the "ROW License Term Sheet"), regarding a license and development agreement (the: "Lido License Agreement"), with respect to services, compositions, products, dosages and formulations comprising lidocaine, including without limitation, the product and any future product defined as a "Product" under Scilex Pharma's existing (i) Product Development Agreement, dated as of May 11, 2011, with Oishi Koseido Co., Ltd. ("Oishi"), and Itochu Chemical Frontier Corporation ("Itochu"), as amended, and (ii) the associated Commercial Supply Agreement, dated February 16, 2017, between Scilex, Oishi and Itochu, as amended.

Subject to determination of a final structure for the transactions contemplated by the ROW License Term Sheet, it is anticipated that the Company and such institutional investors will hold the Lido License Agreement through a joint venture, RoyaltyVest, Inc. ("RoyaltyVest").

In thousands (except share and per share data)

NOTE 4 — INVESTMENTS, AT FAIR VALUE: (cont.)

In consideration for the rights to be provided under the proposed Lido License Agreement, as more fully described in the ROW License Term Sheet, (a) RoyaltyVest will invest (whether through cash consideration or in-kind payment through the provision of services) $200 per year toward expanding the Product, (b) Scilex will grant RoyaltyVest a worldwide, exclusive right, license and interest to all products rights for the development, out-licensing, commercialization of any Product outside of the United States and other territories, other than certain excluded designated territories (the "ROW Territory"), and (c) each of RoyaltyVest and Scilex will receive 50% percent of the net revenue (less expenses) generated from any Product in the ROW Territory.

The term sheet is subject to entering into a definitive agreement (see note 15) and subject to the consent of Oishi and Itochu to the Lido License Agreement.

As of December 31, 2024, the fair value of the ROW License was immaterial, inter alia, as it remains contingent upon third-party approvals and the future execution of agreements.

The institutional investors who are parties to the Convertible Notes SPA, Royalty Purchase Agreement and ROW License Term Sheet are all inter-related.

Following the refinancing as described above, on October 8, 2024, Scilex used $12,500 of the net proceeds from the proceeds of the Tranche B Note for the partial repayment of the outstanding balance under the Tranche A Note.

The Company elected the fair value option for the Tranche B Note and the Royalty Purchase Agreement, The Note B Warrants meet the definition of a derivative, and therefore will be measured at fair value. Changes in value are recorded under financial income (expense), net and include interest income on the Tranche B Note.

The valuation of the Tranche B Note's was performed based on the binomial model, using a discount rate of 110.33%. Presented below is the summary of the assumptions and estimates that were used for the valuation:

Parameters and Assumptions	
Share Price	$ 0.43
Conversion Rate	1.04
Floor Rate	1.04
Expected Term	1.77 Years
Volatility	61.99%
Risk Free Rate	4.16%

The fair value of the Note B Warrants was calculated based on Black and Scholes model.

Presented below is the summary of the assumptions and estimates that were used for the valuation of the Warrants:

Parameters and Assumptions	
Share Price	$ 0.43
Exercise Price	$ 1.04
Expected Term	4.77 Years
Volatility	63.14%
Risk Free Rate	4.33%
Dividend Rate	0%

In thousands (except share and per share data)

NOTE 4 — INVESTMENTS, AT FAIR VALUE: (cont.)

The value of the Royalty Purchase Agreement was calculated according to the royalty payment schedule and the aggregation of discounted cash flows derived from the royalty payments, using a discount rate of 110.33%.

As of December 31, 2024, the fair value of the Tranche B Note was less than the aggregate unpaid principal balance (which includes interest payable on maturity) is $9,833.

The table below represents the fair value composition of the Tranche B Note:

	December 31, 2024		
	Short term	Long term	Total
Tranche B Note	$ 11,263	$ 4,535	$ 15,798
Warrant	—	$ 548	$ 548
Royalty Purchase Agreement	$ 1,039	$ 937	$ 1,976
Total	$ 12,302	$ 6,020	$ 18,322

The table below represents the fair value cycle of 2023 Scilex Transaction and 2024 Refinancing Transaction throughout December 31, 2023 and December 31, 2024:

	Tranche A	Tranche B	Total
Balance as of December 31, 2022	**—**	**—**	**—**
2023 Scilex Transaction	101,875	—	101,875
Cash received from note repayment	(5,000)	—	(5,000)
Change in fair value	13,313	—	13,313
Balance as of December 31, 2023	**110,188**	**—**	**110,188**
2024 Refinancing (*)	(21,575)	25,000	3,425
Proceeds from the sale of Transferred Warrants	(300)	—	(300)
Cash received from Tranche A Note repayment	(64,200)	—	(64,200)
Exercised warrants (**)	(6,123)	—	(6,123)
Amounts receivable from the royalty agreement (***)	—	(398)	(398)
Change in fair value	(1,504)	(6,280)	(7,784)
Balance as of December 31, 2024	**16,486**	**18,322**	**34,808**

(*) The amount was recorded as part of the financial income (expenses), net.

(**) On October 30, 2024 the Company exercised 4,500,000 Closing Penny Warrants, and 2,000,000 Subsequent Penny Warrants into 6,500,000 shares of common stock of Scilex and as a result, these shares are not part of the Tranche A Note and presented under fair value investment.

(***) The amount is included under prepaid expenses and other current assets.

Financial income (expenses) recognized in respect of 2023 Scilex Transaction and 2024 Refinancing, for the years ended December 31, 2024 and 2023, were ($4,359) and $13,313, respectively.

The table below represents the fair value breakdown as of December 31, 2024:

	Tranche A Note		Tranche B Note		Total
	Amount	Fair Value	Amount	Fair Value	Fair Value
The Notes	7,675	13,714	25,000	15,798	29,512
Warrants	6,500	2,772	3,750	548	3,320
Royalty Purchase Agreement payment	—	—	—	1,976	1,976
December 31, 2024	**—**	**16,486**	**—**	**18,322**	**34,808**

In thousands (except share and per share data)

NOTE 4 — INVESTMENTS, AT FAIR VALUE: (cont.)

For more details see note 15, subsequent events.

e. Profit Sharing Loan Agreement

On September 4, 2024, the Company entered into a loan agreement (the "Profit Sharing Loan Agreement") with Rabi Binyamin 4 Tama 38 Ltd. (the "Borrower") to finance a real estate project (the "Project"). According to the terms of the Profit Sharing Loan Agreement, Oramed agreed to loan NIS 5.5 million ($1,523) (the "Loan Principal") to the Borrower. NIS 4.7 million ($1,307) was loaned upon signing the Profit Sharing Loan Agreement and an additional NIS 0.8 million ($216) will be loaned upon certain milestones which are expected to occur in the first half of 2025. Upon completion of the Project, the Company is entitled to receive the Loan Principal and the greater of: (i) 20% annual interest of the Loan Principal and (ii) 40% of the Project profits.

The Company decided to designate the Profit Sharing Loan Agreement as a whole under the Fair-Value option in accordance with ASC Topic 825 "Financial Instruments". The valuation of the Profit Sharing Loan Agreement was based on various project profit scenarios derived from the appraiser's report. The Company used the Wang Transform model, a risk-neutral probabilities method, with an expected term of 4.01 years, a curve rate of 13.9% and a risk spread of 0.43%.

NOTE 5 — OTHER NON-MARKETABLE EQUITY SECURITIES:

On August 26, 2022, the Company entered into a stock purchase agreement with Diasome Pharmaceuticals, Inc. ("Diasome"), a privately-held company, pursuant to which the Company purchased shares of Series B preferred stock of Diasome for an aggregate purchase price of approximately $2,700. Following the purchase, the Company holds less than 5% of the issued and outstanding stock of Diasome. The stock purchase agreement provides the Company with the option to purchase additional preferred shares of stock on a pro rata basis at similar terms to the terms and conditions of the current round contingent upon Diasome achieving certain milestones.

The Company's non-marketable equity securities are an investment in a company without a readily determinable fair value. The Company accounts for this investment under the measurement alternative in ASC 321, whereby the equity investment is recorded at cost, less impairment. The carrying amount is subsequently remeasured to its fair value in accordance with the provisions of ASC 820 when observable price changes occur as of the date the transaction occurred, or it is impaired. Any adjustments to the carrying amount are recorded in the consolidated statements of comprehensive income (loss).

During the year ended December 31, 2023, the Company recorded an $824 increase in value due to the closing in June 2023 of a Series C preferred investment round in Diasome. The change was recorded using the transaction price of similar securities issued by Diasome, adjusted for contractual rights and obligations of the securities held by the Company. During the year ended December 31, 2024, there was no change in the value of the Diasome investment.

NOTE 6 — ACCOUNTS PAYABLE AND ACCRUED EXPENSES:

Composition:

	December 31,	
	2024	2023
Accounts payable	$ 789	$ 551
Payroll and related accruals	407	453
Income tax	3,204	—
Accrued liabilities	740	605
	$ 5,140	$ 1,609

NOTE 7 — SHORT-TERM BORROWINGS:

On August 8, 2023, the Company borrowed an aggregate of $99,550 pursuant to loan agreements from Israel Discount Bank Ltd. (the "Short-Term Borrowings"). The Short-Term Borrowings mature on dates ranging from August 11, 2023 to May 24, 2024, bear interest ranging from 6.66% to 7.38%, and are secured by certificates of deposits issued by Israel Discount Bank Ltd. having an aggregate face amount of $99,550. The net proceeds of the Short-Term Borrowings were used to fund the Tranche A Note (for further details, see note 4). The Short-Term Borrowings are paid in one payment of principal and interest at each respective maturity. As of December 31, 2024, the Company repaid the entire Short-Term Borrowings amount.

NOTE 8 — COMMITMENTS:

a. On August 21, 2020, the Company received a letter from HTIT, disputing certain pending payment obligations of HTIT under the Technology License Agreement ("TLA"). The payment obligation being disputed is $6,000, out of which only an amount of $2,000 has been received and has been included in deferred revenue in each of the consolidated balance sheets as of the years ended December 31, 2024, and December 31, 2023.

On February 7, 2025, the Company and HTIT entered into a JV Agreement (as defined in note 15). Pursuant to the terms of the JV Agreement, each of the Company, the Subsidiary and HTIT irrevocably released and waived (i) any claims and demands against each other party in connection with the TLA; and (ii) all rights, obligations and liabilities set out and arising with respect to the performance of the TLA. For more details see note 15.

b. On November 13, 2022, the Company entered the Medicox License Agreement with Medicox.

The Medicox License Agreement grants Medicox an exclusive license to apply for regulatory approval and distribute ORMD-0801 in the Republic of Korea. The Medicox License Agreement is for ten years, but the parties have the right to terminate it with a 180 days-notice.

Medicox will comply with agreed distribution targets and will purchase ORMD-0801 at an agreed upon transfer price per capsule. In addition, Medicox will pay the Company up to $15,000 in developmental milestones, $2,000 of which were received by the Company in 2022, and up to 15% royalties on gross sales. Medicox will also be responsible for obtaining a regulatory approval in the Republic of Korea.

For the Company's revenue recognition policy, see note 1m.

c. Grants from the Israel Innovation Authority ("IIA")

Under the terms of the Company's funding from the IIA, royalties of 3% are payable on sales of products developed from a project so funded, up to a maximum amount equaling 100%-150% of the grants received (dollar linked) with the addition of interest at an annual rate based on SOFR.

At the time the grants were received, successful development of the related projects was not assured. The total amount that was received through December 31, 2024 was $2,214 ($2,587 including interest). All grants were received before the year ended August 31, 2020 and recorded as a reduction of research and development expenses at that time.

In thousands (except share and per share data)

NOTE 8 — COMMITMENTS: (cont.)

As of December 31, 2024, the liability to the IIA was $59. The royalty expenses which are related to the funded project were recognized in cost of revenues in the relevant periods.

As of December 31, 2024, the Company has paid a total amount of $556 to the IIA.

For additional details see note 15.

d. Leases

On August 2, 2020, the Subsidiary entered into a lease agreement for its facilities in Israel. The lease agreement is for a period of 60 months commencing September 1, 2020. The Subsidiary has the option to extend the period for another 60 months. The annual lease payment, including management fees, as of December 31, 2024 is approximately NIS 435 ($119). As security for its obligation under this lease agreement, the Company provided a bank guarantee in an amount equal to three monthly lease payments. For accounting purposes, the lease period is 60 months.

On December 2, 2021, the Subsidiary entered into an addendum (the "Addendum") to the current lease agreement for its facilities in Israel. The Addendum refers to the lease of an additional space of 264 square meters for a period of 60 months commencing February 1, 2022. The Subsidiary has the option to extend the period for another 60 months. The annual lease payment, including management fees, is approximately NIS 435 ($119). As security for its obligation under the Addendum, the Company provided a bank guarantee in an amount equal to three monthly lease payments. For accounting purposes, the lease commenced on February 1, 2022 as the Subsidiary did not have access to the space until that date. For accounting purposes, the lease period is 60 months.

The total expenses related to leases were $265 for the year ended December 31, 2024, and $236 for the year ended December 31, 2023.

The Company has various operating leases for office space and vehicles that expire through 2027. Below is a summary of the Company's operating right-of-use assets and operating lease liabilities as of December 31, 2024 and 2023:

	December 31, 2024	December 31, 2023
Operating right-of-use assets	$ 414	$ 694
Operating lease liabilities, current	216	267
Operating lease liabilities long-term	156	342
Total operating lease liabilities	$ 372	$ 609
Weighted Average of Remaining Lease Term		
Operating leases	1.8	2.5
Weighted Average Discount Rate		
Operating leases	3.52%	3.15%

Operating cash flows from operating lease for the years Ended December 31, 2024 and 2023 were $264 and $267, respectively.

In thousands (except share and per share data)

NOTE 8 — COMMITMENTS: (cont.)

Lease payments for the Company's right-of-use assets over the remaining lease periods as of December 31, 2024 are as follows:

	December 31, 2024
2025	$ 225
2026	141
2027	18
Total undiscounted lease payments	**384**
Less: Interest*	(12)
Present value of lease liabilities	**$ 372**

* Future lease payments were discounted by 3%-7% interest rate.

e. Clinical Research Organization Services Agreement

On September 23, 2024, the Subsidiary entered into a Clinical Research Organization Services Agreement with a third party, to retain it as a clinical research organization ("CRO"). The services covered by the agreement include strategic planning, expert consultation, data processing, regulatory, clerical, project management and other research and development services requested by the Company for the Phase 3 clinical trial. As consideration for its services, the Company will pay the CRO a total amount of $11,577 during the term of the engagement and based on achievement of certain milestones, of which $775 recognized in research and development expenses through December 31, 2024.

NOTE 9 — STOCKHOLDERS' EQUITY:

The following are the significant capital stock transactions that took place during the years ended December 31, 2024 and 2023:

a. On September 1, 2021, the Company entered into a controlled equity offering agreement (the "Cantor Equity Distribution Agreement") with Cantor Fitzgerald & Co., as agent, pursuant to which the Company may issue and sell shares of its common stock having an aggregate offering price of up to $100,000, through a sales agent, subject to certain terms and conditions. Any shares sold will be sold pursuant to the Company's effective shelf registration statement on Form S-3 including a prospectus dated July 26, 2021 and prospectus supplement dated September 1, 2021. The Company paid the sales agent a cash commission of 3.0% of the gross proceeds of the sale of any shares sold through the sales agent under the Cantor Equity Distribution Agreement. As of December 31, 2023 1,971,447 shares were issued under the Cantor Equity Distribution Agreement for aggregate net proceeds of $26,253, no shares were issued in 2024. The agreement terminated on March 17, 2024.

b. On March 18, 2024, the Company entered into an at the market offering (the "StockBlock ATM Agreement") with Rodman & Renshaw LLC and StockBlock Securities LLC, as agent, pursuant to which the Company may issue and sell shares of its common stock having an aggregate offering price of up to $75,000, through a sales agent, subject to certain terms and conditions. Any shares sold will be sold pursuant to the Company's effective shelf registration statement on Form S-3 including a prospectus dated March 18, 2024 and prospectus supplement dated September 1, 2021. The Company will pay the sales agent a cash commission of 3.0% of the gross proceeds of the sale of any shares sold through the sales agent under the StockBlock ATM Agreement. As of December 31, 2024 no shares had been issued under the StockBlock ATM Agreement.

c. As of December 31, 2024, the Company had outstanding warrants exercisable starting February 25, 2020 for 20,000 shares of common stock at an exercise price of $4.13 per share and expiring on April 15, 2029.

In thousands (except share and per share data)

NOTE 9 — STOCKHOLDERS' EQUITY: (cont.)

The following table presents the warrant activity for the years ended December 31, 2024 and 2023:

	Year ended December 31,			
	2024		2023	
	Warrants	Weighted-Average Exercise Price	Warrants	Weighted-Average Exercise Price
Warrants outstanding at beginning of year	20,000	$ 4.13	150,705	$ 4.71
Issued	—	$ —	—	$ —
Exercised	—	$ —	—	$ —
Expired	—	$ —	(130,705)	$ 4.80
Warrants outstanding at end of year	20,000	$ 4.13	20,000	$ 4.13
Warrants exercisable at end of year	20,000	$ 4.13	20,000	$ 4.13

d. Buyback program

In June 2024, the Company's board of directors authorized a stock buyback program pursuant to which the Company may, from time to time, repurchase and retire up to $20,000 in maximum value of its common stock. The stock buyback program does not obligate the Company to purchase any shares and expires in 12 months. The authorization for the stock buyback program may be terminated, increased or decreased by the Company's board of directors in its discretion at any time.

During 2024, the Company repurchased and retired 1,036,976 shares of its common stock under this program for approximately $2,494, including $10 excise tax, at an average price of $2.36 per share. All repurchases were funded with cash on hand.

NOTE 10 — STOCK-BASED COMPENSATION:

The Company makes awards only under the 2019 Plan, under which, the Company had reserved a pool of 7,500,000 shares of the Company's common stock which may be issued at the discretion of the board of directors from time to time. Under this 2019 Plan, each option or RSU is exercisable into one share of common stock of the Company. The options may be exercised after vesting and in accordance with vesting schedules which will be determined by the board of directors for each grant. The maximum term of the options and RSUs is 10 years.

The following are the significant stock options, RSUs transactions with employees and board members made during the years ended December 31, 2024 and 2023:

a. On April 17, 2023, the Company granted an aggregate of 868,500 RSUs representing a right to receive shares of the Company's common stock to executive officers and board members of the Company. The RSUs will vest in twelve equal quarterly installments starting May 1, 2023. The total fair value of these RSUs on the date of grant was $1,980, using the quoted closing market share price of $2.28 on the Nasdaq Capital Market on the date of grant.

b. On April 17, 2023, the Company granted an aggregate of 245,500 performance based RSUs ("PSUs") representing a right to receive shares of the Company's common stock to executive officers of the Company. The PSUs vested on May 26, 2023, upon the Company's common stock achieving and maintaining a specified price per share. The total fair value of these PSUs on the date of grant was $550, using the Monte-Carlo model.

c. On May 1, 2023, the Company granted an aggregate of 20,000 RSUs representing a right to receive shares of the Company's common stock to a new board member. The RSUs will vest in twelve quarterly installments starting May 1, 2023. The total fair value of these RSUs on the date of grant was $49, using the quoted closing market share price of $2.45 on the Nasdaq Capital Market on the date of grant.

NOTE 10 — STOCK-BASED COMPENSATION: (cont.)

d. On January 4, 2024, the Company granted an aggregate of 941,500 RSUs representing a right to receive shares of the Company's common stock to executive officers of the Company. The RSUs will vest in twelve equal quarterly installments starting January 8, 2024. The total fair value of these RSUs on the date of grant was $2,250 using the quoted closing market share price of $2.39 on the Nasdaq Capital Market on the date of grant.

e. On January 4, 2024, the Company granted 294,000 PSUs representing a right to receive shares of the Company's common stock to executive officers of the Company. The total amount of the PSUs shall vest when the closing price per share of Common Stock of the Company on the Nasdaq Capital Market reaches an average of $4.00 over any 10-trading day period. The total fair value of these PSUs on the date of grant was $691, using the Monte-Carlo model, based on the quoted closing market share price of $2.39 on the Nasdaq Capital Market on the date of grant.

f. On January 4, 2024, the Company granted an aggregate of 187,610 RSUs representing a right to receive shares of the Company's common stock to board members of the Company. 37,610 RSUs will vest in three equal quarterly installments starting April 1, 2024. 150,000 RSUs will vest in three equal annual installments starting January 1, 2025. The total fair value of these RSUs on the date of grant was $448, using the quoted closing market share price of $2.39 on the Nasdaq Capital Market on the date of grant.

g. On January 30, 2024, the Company granted an aggregate of 3,750 RSUs representing a right to receive shares of the Company's common stock to board member of the Company. The RSUs will vest in four equal quarterly installments starting April 1, 2024. The total fair value of these RSUs on the date of grant was $11, using the quoted closing market share price of $2.98 on the Nasdaq Capital Market on the date of grant.

h. On April 17, 2024, the Company granted an aggregate of 29,800 RSUs representing a right to receive shares of the Company's common stock to board member of the Company. 7,300 RSUs will vest in three equal quarterly installments starting July 1, 2024. 22,500 RSUs will vest in three equal annual installments starting January 1, 2025. The total fair value of these RSUs on the date of grant was $69, using the quoted closing market share price of $2.33 on the Nasdaq Capital Market on the date of grant.

i. On June 20, 2024, the Company granted 34,000 PSUs representing a right to receive shares of the Company's common stock to the Company's Chief Financial Officer. The total amount of the PSUs shall vest upon the later of (i) June 18, 2026 and (ii) when the closing price per share of Common Stock of the Company on the Nasdaq Capital Market reaches an average of $4.00 over any 10-trading day period. The total fair value of these PSUs on the date of grant was $73, using the Monte-Carlo model, based on the quoted closing market share price of $2.21 on the Nasdaq Capital Market on the date of grant.

j. On June 21, 2024, 140,040 RSUs representing a right to receive shares of the Company's common stock were granted to executive officer. 93,360 shall vest in one installment on June, 18 2026 and 46,680 shall vest in four equal quarterly installments starting September 9, 2026. The total fair value of these RSUs on the date of grant was $305, using the quoted closing market share price of $2.18 on the Nasdaq Capital Market on the date of grant.

k. On November 11, 2024, the Company granted an aggregate of 135,000 RSUs representing a right to receive shares of the Company's common stock to executive officers of the Company. The RSUs vested on the date of grant. The total fair value of these RSUs on the date of grant was $321, using the quoted closing market share price of $2.38 on the Nasdaq Capital Market on the date of grant.

In thousands (except share and per share data)

NOTE 10 — STOCK-BASED COMPENSATION: (cont.)

l. Options to employees, directors and non-employees

A summary of the status of the stock options granted to employees and directors as of December 31, 2024 and 2023 and changes during the years ended on those dates, is presented below:

	Year ended December 31,			
	2024		2023	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
		$		$
Options outstanding at beginning of year	1,909,676	8.03	2,041,676	8.47
Changes during the year:				
Granted	—	—	—	—
Forfeited	(49,125)	13.92	(132,000)	14.81
Expired	(199,543)	13.40	—	—
Exercised	—	—	—	—
Options outstanding at end of year	1,661,008	7.21	1,909,676	8.03
Options exercisable at end of year	1,442,258	6.91	1,479,426	7.15

Expenses recognized in respect of stock options granted to employees and directors, for the years Ended December 31, 2024 and 2023, were $213 and $811, respectively.

m. Options to employees, directors and non-employees

The following table presents summary information concerning the options granted to employees and directors outstanding as of December 31, 2024:

Exercise prices $	Number outstanding	Weighted Average Remaining Contractual Life Years	Weighted average exercise price $
1 – 6	840,500	4.83	3.94
6.23 – 9.12	283,008	2.80	7.96
10.40 – 20.19	537,500	6.50	11.94
	1,661,008	5.02	7.21

As of December 31, 2024, there were $122 of unrecognized compensation costs related to non-vested options previously granted to employees and directors. The unrecognized compensation costs are expected to be recognized over a weighted average period of 0.6 years.

47,000 options granted to non-employees were outstanding and exercisable as of December 31, 2024 and 2023. The Company recorded no stock-based compensation related to non-employees' awards during the years ended December 31, 2024 and 2023. During the years ended December 31, 2024 and 2023, no options were exercised.

As of December 31, 2024, there were no unrecognized compensation costs related to non-vested options previously granted to non-employees.

In thousands (except share and per share data)

NOTE 10 — STOCK-BASED COMPENSATION: (cont.)

The following table presents summary information concerning the options granted to non-employees outstanding as of December 31, 2024:

Range of exercise prices $	Number outstanding	Weighted Average Remaining Contractual Life Years	Weighted Average Exercise Price $
3.74 – 5.08	47,000	4.98	4.31

n. Restricted stock units

The following table summarizes the activities for unvested RSUs and PSUs granted to employees and directors for the years ended December 31, 2024 and 2023:

	Year ended December 31,	
	2024	2023
	Number of RSUs	
Outstanding at the beginning of year	1,834,362	1,561,570
Changes during the year:		
Granted	1,792,460	1,134,000
Issued	(617,542)	(574,791)
Forfeited	(405,945)	(286,417)
Expired	(50,770)	—
Outstanding at the end of the year	2,552,565	1,834,362
Vested during the year	925,937	521,625
Vested and unissued at year end	520,531	212,136

The Company recorded compensation expenses related to RSUs of $3,787 for the year ended December 31, 2024 and $3,210 for the year ended December 31, 2023.

As of December 31, 2024, there were unrecognized compensation costs of $1,630 related to RSUs. The unrecognized compensation costs are expected to be recognized over a weighted average period of 0.68 year.

The Company recorded compensation expenses related to RSUs granted to non-employees of $26 for the year ended December 31, 2023. No compensation expenses recorded for the year ended December 31, 2024.

As of December 31, 2024, there were no unrecognized compensation costs related to RSUs.

The Company recorded total compensation expenses of $4,053 and $4,212 for the years ended December 31, 2024 and 2023, respectively. $1,998 and $1,718 were included in Research and Development expenses, $2,055 and $2,933 were included in General and Administrative expenses and $0 and $(440) were included in Sales and Marketing for the years ended December 31, 2024 and 2023, respectively.

For additional information regarding RSUs and PSUs granted in 2025, see note 15.

In thousands (except share and per share data)

NOTE 11 — FINANCIAL INCOME AND EXPENSES:

a. Financial income

	Year ended December 31,	
	2024	2023
Income from interest on deposits	$ 4,128	$ 8,016
Exchange rate differences, net	174	—
Income from interest on corporate bonds	—	10
Revaluation of investments, net	—	16,461
Money Market Interest Income	870	143
Other	67	—
	$ 5,239	$ 24,630

b. Financial expenses

	Year ended December 31,	
	2024	2023
Exchange rate differences, net	$ —	$ 124
Bank and broker commissions	15	29
Revaluation of securities, net	3,114	69
Revaluation of investments, net (see note 4)	4,302	—
Fees regarding Scilex transaction	94	1,514
Interest expenses	853	2,037
	$ 8,378	$ 3,773

NOTE 12 — TAXES ON INCOME:

Taxes on income included in the consolidated statements of comprehensive income (loss) represent current taxes due to taxable income of the Company.

a. Corporate taxation in the U.S.

The applicable corporate tax rate for the Company is 21%.

As of December 31, 2024, the Company has utilized all of its outstanding net operating loss ("NOL"). Oravax had an accumulated tax loss carryforward of approximately $3,386 (as of December 31, 2023, $3,374). Under U.S. tax laws, subject to certain limitations, carryforward tax losses originating in tax years beginning after January 1, 2018, have no expiration date, but they are limited to 80% of the company's taxable income in any given tax year. Carryforward tax losses originating in tax years beginning prior to January 1, 2018, expire 20 years after the year in which incurred.

b. Corporate taxation in Israel

The Subsidiary is taxed in accordance with Israeli tax laws. The corporate tax rate applicable to 2024 and 2023 is 23%.

As of December 31, 2024, the Subsidiary and Oravax Medical Ltd. had an accumulated tax loss carryforward of approximately $114,000 (as of December 31, 2023, approximately $102,000). Under the Israeli tax laws, carryforward tax losses have no expiration date.

In thousands (except share and per share data)

NOTE 12 — TAXES ON INCOME: (cont.)

c. Deferred income taxes

	December 31,	
	2024	2023
In respect of:		
Net operating loss carryforward	$ 26,797	$ 27,757
Research and development expenses	1,220	2,731
Revaluation of investments	5,608	(2,611)
Other temporary differences	2,495	596
Less – valuation allowance	(36,120)	(28,473)
Net deferred tax assets	$ —	$ —

Deferred taxes are determined based on temporary differences between financial reporting and tax bases of assets and liabilities and are measured using the enacted tax rates and laws that will be in effect when the differences are expected to reverse.

Realization of deferred tax assets is dependent upon sufficient future taxable income during the period that deductible temporary differences and carryforwards are expected to be available to reduce taxable income. As the achievement of required future taxable income is uncertain, the Company recorded a full valuation allowance.

d. Income (Loss) before taxes on income and income taxes included in the consolidated statements of comprehensive income (loss)

	Year ended December 31,	
	2024	2023
Income (loss) before taxes on income:		
U.S.	$ (8,853)	$ 11,604
Outside U.S.	(7,067)	(6,516)
	$ (15,920)	$ 5,088
Taxes on income (tax benefit):		
Current:		
U.S. (*)	3,183	—
Outside U.S.	—	—
	$ 3,183	$ —

(*) Based on anticipated gains from the 2023 Scilex Transaction and 2024 Refinancing, the Company anticipates taxable income for the year ending December 31, 2024. As a result, the Company fully utilized its tax loss carryforward and incurred associated tax expenses. During the year ended December 31, 2024, the Company recognized tax expenses of $3,194. Tax provision of $3,194 has been classified to Accounts payable and accrued expenses.

In thousands (except share and per share data)

NOTE 12 — TAXES ON INCOME: (cont.)

e. Reconciliation of the statutory tax benefit to effective tax expense

Following is a reconciliation of the theoretical tax expense, assuming all income is taxed at the regular tax rates applicable to companies in the United States, and the actual tax expense:

	Year ended December 31,	
	2024	2023
Income (loss) before income taxes as reported in the consolidated statement of comprehensive income (loss)	$ (15,920)	$ 5,088
Statutory tax (benefit) expense – 21%	(3,343)	1,068
Increase (decrease) in income taxes resulting from:		
Change in the balance of the valuation allowance for deferred tax	7,647	(4,332)
Disallowable deductions	(878)	731
Influence of different tax rate applicable to the Subsidiary and Oravax Medical Ltd.	(219)	(305)
Prior year adjustments	(13)	2,838
Uncertain tax position	(11)	—
Taxes on income for the reported year	$ 3,183	$ —

f. Uncertainty in Income Taxes

ASC 740, "Income Taxes" requires significant judgment in determining what constitutes an individual tax position as well as assessing the outcome of each tax position. Changes in judgment as to recognition or measurement of tax positions can materially affect the estimate of the effective tax rate and consequently, affect the operating results of the Company. The Company recognizes interest and penalties related to its tax contingencies as income tax expense.

The following table summarizes the activity of the Company unrecognized tax benefits:

	Year ended December 31,	
	2024	2023
Balance at Beginning of Year	$ 11	$ 11
Decrease in uncertain tax positions for the current year	(11)	—
Balance at End of Year	$ —	$ 11

The Company does not expect unrecognized tax expenses to change significantly over the next 12 months.

The Company is subject to U.S. Federal income tax examinations for the tax years of 2020 through 2023.

The Subsidiary is subject to Israeli income tax examinations for the tax years of 2019 through 2023.

g. Valuation Allowance Rollforward

	Year ended		
	Balance at beginning of year	Additions (deductions)	Balance at end of year
Allowance in respect of carryforward tax losses:			
Year ended December 31, 2024	$ 28,473	$ 7,647	$ 36,120
Year ended December 31, 2023	32,805	(4,332)	28,473

NOTE 13 — SEGMENT REPORTING:

The Company's Chief Executive Officer, serving as the Chief Operating Decision Maker (CODM), evaluates operational performance and makes resource allocation decisions based on net income (loss), which is reported in the consolidated statements of comprehensive income (loss). The Company has determined that it operates in a single reportable segment, focused on research and development activities related to its proprietary products and technologies.

The CODM monitors budgeted versus actual net income (loss), using this measure to assess segment performance and guide financial planning, which is consistent with the financial statements. In addition to its research and development activities, the Company holds financial investments, including a material investment in Scilex, see note 4. The CODM monitors these investments separately from operational performance. Income and expenses related to financial instruments are reported as finance income (expenses) in the consolidated statements of comprehensive income (loss), reflecting their distinct nature from core business operations.

NOTE 14 — RELATED PARTY TRANSACTIONS:

a. On July 1, 2008, the Subsidiary entered into two consulting agreements with KNRY Ltd. ("KNRY"), an Israeli company owned by the Chief Scientific Officer, whereby the President and Chief Executive Officer and the Chief Scientific Officer, through KNRY, provide services to the Company (the "Consulting Agreements"). The Consulting Agreements are both terminable by either party upon 140 days, prior written notice. The Consulting Agreements, as amended, provide that KNRY will be reimbursed for reasonable expenses incurred in connection with performance of the Consulting Agreements and that the monthly consulting fee paid to the President and Chief Executive Officer and the Chief Scientific Officer is NIS 146,705 ($40) and NIS 106,400 ($29), respectively.

Following the relocation of the President and Chief Executive Officer to the State of Israel, the Company entered into two agreements with the President and Chief Executive Officer, replacing his above-mentioned consulting agreement through KNRY, substantially on the same terms, in order to allocate his time and services between the Company and the Subsidiary.

Effective as of January 1, 2024, the monthly consulting fee of the Chief Scientific Officer is NIS 117,040 ($32). Effective as of July 1, 2024, the monthly consulting fee of the Chief Scientific Officer is NIS 134,550 ($37).

Effective November 1, 2022, the Company entered into a consulting agreement with Shnida Ltd. ("Shnida"), whereby the President and Chief Executive Officer, through Shnida, provides services as President and Chief Executive Officer of the Company. The agreement is terminable by either party upon 140 days prior written notice. The agreement provides that Shnida will be reimbursed for reasonable expenses incurred in connection with performance of the agreement. Effective as of January 1, 2024, the President and Chief Executive Officer receives a monthly consulting fee of NIS 96,825 ($26). Effective as of July 1, 2024, the monthly consulting fee of the President and Chief Executive Officer is NIS 111,349 ($31). Pursuant to the agreement, Shnida and the President and Chief Executive Officer each agree that during the term of the agreement and for a 12-month period thereafter, none of them will compete with the Company nor solicit employees of the Company.

In addition, the Company, through the Subsidiary, has entered into an employment agreement with the President and Chief Executive Officer, effective as of November 1, 2022, pursuant to which, effective as of January 1, 2024, the President and Chief Executive Officer receives gross monthly salary of NIS 51,591 ($14) in consideration for his services as President and Chief Executive Officer of the Subsidiary. Effective as of July 1, 2024, the President and Chief Executive Officer receives gross monthly salary of NIS 59,330 ($16) in consideration for his services as President and Chief Executive Officer of the Subsidiary. In addition, the President and Chief Executive Officer is provided with a phone and a company car pursuant to the terms of his agreement.

In thousands (except share and per share data)

NOTE 14 — RELATED PARTY TRANSACTIONS: (cont.)

b. Balances with related parties:

	December 31,	
	2024	2023
Accounts payable and accrued expenses – Shnida	$ 175	$ 160
Accounts payable and accrued expenses – KNRY	154	165
Total payable to related parties	$ 329	$ 325

c. Expenses to related parties:

	Year ended December 31,	
	2024	2023
KNRY	$ 563	$ 486
Shnida	514	445
Nadav Kidron (President and Chief Executive Officer)	$ 297	$ 296

NOTE 15 — SUBSEQUENT EVENTS:

A. RSUs granted

On January 2, 2025, the Company granted 1,023,000 RSUs representing a right to receive shares of the Company's common stock to the Company's executive officers. The total amount of the RSUs shall vest in equal quarterly installments of approximately 85,249 over a three year period starting with the first quarterly vesting on January 1, 2025. The total fair value of these RSUs on the date of grant was $2,465 based on the quoted closing market share price of $2.41 on the Nasdaq Capital Market on the date of grant.

B. PSUs granted

On January 2, 2025, the Company granted 328,500 PSUs representing a right to receive shares of the Company's common stock to the Company's executive officers. The total amount of the PSUs shall vest upon at the earliest of (1) the closing of a joint venture ("JV") transaction with HTIT; or (2) the repayment to the Company of the value of its principal investment in Scilex plus 10%. The total fair value of these PSUs on the date of grant was $792 based on the quoted closing market share price of $2.41 on the Nasdaq Capital Market on the date of grant.

The Company modified 294,000 outstanding PSUs that were granted to the Company's Executive Officers, adjusting the vesting criteria and performance targets. The Company will recognize stock-based compensation expense equal to the unrecognized grant-date fair value of the original award plus any incremental fair value arising from the modification over the remaining requisite service period.

As of March 27, 2025, all PSUs that granted to the Company's Executive Officers achieved the first updated performance target.

C. Scilex investment

Tranche B Note Consent

On January 2, 2025, the Company and other Tranche B Noteholders entered into deferral and consent agreements with Scilex (the "Tranche B Consent"), deferring Scilex's first amortization payment under the Tranche B Note to October 8, 2026. In consideration, the Company received $877 ($555 of the principal amount and $322 accrued interest), and 2,500,000 Scilex Common Stock shares.

NOTE 15 — SUBSEQUENT EVENTS: (cont.)

In addition, as part of the Tranche B Consent and contingent upon certain conditions that were met:

- Scilex and the Tranche B Noteholders agreed to a 10-year, assignable 4% royalty on global net sales of Gloperba and Elyxyb, excluding Elyxyb sales in Canada, with the Company entitled to 2%. Gloperba, an oral liquid colchicine formulation for gout, and Elyxyb, an oral solution for acute migraine treatment, represent key assets in Scilex's portfolio. The agreement was signed on February 28, 2025.
- The Tranche B Noteholders have the option to fund up to 50% of the cash purchase price for Ex-US Product Rights to Gloperba and Elyxyb (excluding Elyxyb in Canada) and will receive proportional revenues from commercialization and licensing.
- Scilex granted the Tranche B Noteholders exclusive rights to develop and commercialize Elyxyb in Canada, entitling them to 50% of net revenue.

Tranche A Note Maturity Date Extension Amendment

On January 21, 2025, the Company entered into an amendment to the Tranche A Note (the "Tranche A Extension Amendment"), extending the maturity date from March 21, 2025, to December 31, 2025 (the "Extended Maturity Date"). Interest will continue to accrue and be payable on the Extended Maturity Date. In consideration of the extension, the Company received 3,250,000 shares of Scilex Common Stock.

Lidocaine License Agreement

As part of the binding term sheet signed with Scilex under the Tranche B Note, on February 22, 2025, the Company, through its 50% ownership in RoyaltyVest, entered into an additional License Agreement with Scilex. Under this agreement, RoyaltyVest acquired exclusive rights to develop, manufacture, and commercialize lidocaine-based products, including ZTlido (lidocaine topical system 1.8%) and SP-103, outside the United States. As part of the arrangement, RoyaltyVest and Scilex will each receive 50% of the net profits from the commercialization of these products. Given the Company's 50% ownership in RoyaltyVest, Oramed effectively holds a 25% share in the profits generated under this agreement.

D. Real Estate — Castel

In January 2025, the Company entered into an agreement to acquire a parcel of land in Mevaseret Zion, Israel for a total purchase price of NIS 5,800 ($1,586). The transaction is structured in installments, and as of March 27, 2025, the Company has paid $1,210 toward the acquisition price. Under the agreement, the developer is responsible for executing all development-related activities, and the company and the developer will share the profits upon the future sale of the property. The Company is currently evaluating the appropriate accounting treatment.

E. JV Supplemental Agreement

On February 7, 2025, the Company and HTIT entered into a Joint Venture Agreement (the "JV Agreement"), amending the original agreement signed on January 22, 2024. The JV was formed to advance the development and commercialization of oral insulin, combining the Company's proprietary technology and funding with HTIT's manufacturing capabilities. Through this partnership, the JV will have the technology, resources, and production capacity to bring oral insulin to market.

The initial closing, set for April 30, 2025, includes an investment of $40,000 by HTIT and $7,500 by the Company into OraTech. Additionally, the Company will transfer all its intellectual property rights to OraTech. Upon completion, both HTIT and the Company will receive OraTech shares.

NOTE 15 — SUBSEQUENT EVENTS: (cont.)

The second closing, contingent on Nasdaq listing approval, involves a $20,000 investment by HTIT and an additional $7,500 investment by the Company. It is expected to close by May 31, 2025, but no later than September 1, 2025.

The agreement also outlines the spin-off of OraTech, requiring regulatory filings and the distribution of at least 60% of the Company's stake in OraTech to its shareholders. Both the Company and HTIT agreed to a 120-day lock-up period post-listing, restricting share sales.

As part of the JV Agreement, HTIT will receive $20,000 at the initial closing and $10,000 at the second closing under a Supply Agreement with OraTech.

F. IIA Payment

on February 18, 2025, the Company received approval from the Israel Innovation Authority (IIA) to transfer all of its IIA-funded technology to OraTech in accordance with the terms of the JV agreement. This approval was granted upon the condition that the Company pays the aggregate IIA grant amount, plus accrued interest, less all royalties paid to date.

On February 27, 2025, the Company fulfilled its payment obligation by remitting $2,031 to the IIA, and as result the Company has no further obligations to the IIA.

G. BioXcel

On March 4, 2025, the Company, through RoyaltyVest, participated in a registered direct offering by BioXcel Therapeutics, Inc. (Nasdaq: BTAI) ("BioXcel"), acquiring 2,000,000 shares of BioXcel's common stock and accompanying warrants to purchase up to an additional 2,000,000 shares. The shares and warrants were purchased at a combined offering price of $3.50 per share and warrant, representing 50% of the total 4,000,000 shares issued in the offering. The warrants have an exercise price of $4.20 per share, are immediately exercisable, and will expire five years from the date of issuance.

BioXcel is a biopharmaceutical company leveraging artificial intelligence to develop innovative medicines in neuroscience and immuno-oncology. Its lead programs focus on treatments for agitation in neuropsychiatric disorders and other central nervous system conditions.

As of March 27, 2025, the Company, through RoyaltyVest, has sold 869,992 shares and continues to hold 1,130,008 shares of BioXcel common stock.

H. Real Estate Transactions

On March 24, 2025, the Company entered into a loan agreement to finance a purchase of a real estate asset in Jerusalem Israel in the amount of $22,650. The loan has a one-year maturity and is secured by a first-ranking mortgage on a property valued at approximately $800,000, providing significant collateral coverage. The loan bears an annual interest rate of 12%.

(b) Exhibits

3.1	Composite Copy of Certificate of Incorporation, as amended as of January 22, 2013, corrected February 8, 2013, as amended as of July 25, 2014, corrected September 5, 2017 and as further amended as of August 3, 2020 (incorporated by reference from our annual report on Form 10-K filed November 24, 2020)
3.2*	Fifth Amended and Restated By-laws, adopted effective March 27, 2025.
3.3*	Fifth Amended and Restated By-laws, adopted effective March 27, 2025 (marked copy).
4.1	Specimen Common Stock Certificate (incorporated by reference from our registration statement on Form S-1 filed February 1, 2013).
4.2*	Description of Securities.
10.1+	Consulting Agreement by and between Oramed Pharmaceuticals Inc. and Shnida Ltd., entered into as of November 1, 2022, for the services of Nadav Kidron (incorporated by reference from our annual report on Form 10-K filed March 6, 2023).
10.2+	Amendment, dated April 27, 2023, to Consulting Agreement by and between Oramed Pharmaceuticals Inc. and Shnida Ltd., entered into as of November 1, 2022, for the services of Nadav Kidron (incorporated by reference from our annual report on Form 10-K filed March 6, 2024).
10.3+	Amendment, dated January 8, 2024, to Consulting Agreement by and between Oramed Pharmaceuticals Inc. and Shnida Ltd., entered into as of November 1, 2022, for the services of Nadav Kidron (incorporated by reference from our annual report on Form 10-K filed March 6, 2024).
10.4+	Employment Agreement by and between Oramed Ltd. and Nadav Kidron, entered into as of November 1, 2022 (incorporated by reference from our annual report on Form 10-K filed March 6, 2023).
10.5+	Amendment, dated April 27, 2023, to Employment Agreement by and between Oramed Ltd. and Nadav Kidron, entered into as of November 1, 2022 (incorporated by reference from our annual report on Form 10-K filed March 6, 2024).
10.6+	Amendment, dated January 8, 2024, to Employment Agreement by and between Oramed Ltd. and Nadav Kidron, entered into as of November 1, 2022 (incorporated by reference from our annual report on Form 10-K filed March 6, 2024).
10.7+	Consulting Agreement by and between Oramed Ltd. and KNRY, Ltd., entered into as of July 1, 2008, for the services of Miriam Kidron (incorporated by reference from our current report on Form 8-K filed July 2, 2008).
10.8+	Amendment, dated November 13, 2014, to Consulting Agreement by and between Oramed Ltd. and KNRY, Ltd., entered into as of July 1, 2008, for the services of Miriam Kidron (incorporated by reference from our annual report on Form 10-K filed November 14, 2014).
10.9+	Amendment, dated July 13, 2013, to Consulting Agreement by and between Oramed Ltd. and KNRY, Ltd., entered into as of July 1, 2008 for the services of Miriam Kidron (incorporated by reference from our annual report on Form 10-K filed November 14, 2014).
10.10+	Amendment, dated July 21, 2015, to Consulting Agreements by and between Oramed Ltd. and KNRY, Ltd., entered into as of July 1, 2008, for the services of Miriam Kidron (incorporated by reference from our annual report on Form 10-K filed November 25, 2015).
10.11+	Amendment, dated June 27, 2016, to Consulting Agreements by and between Oramed Ltd. and KNRY, Ltd., entered into as of July 1, 2008, for the services of Miriam Kidron (incorporated by reference from our annual report on Form 10-K filed November 25, 2016).
10.12+	Amendment, dated June 30, 2017, to Consulting Agreements by and between Oramed Ltd. and KNRY, Ltd., entered into as of July 1, 2008, for the services of Miriam Kidron (incorporated by reference from our annual report on Form 10-K filed November 29, 2017).
10.13+	Amendment, dated January 10, 2020, to Consulting Agreements by and between Oramed Ltd. and KNRY, Ltd., entered into as of July 1, 2008, for the services of Miriam Kidron (incorporated by reference from our quarterly report on Form 10-Q filed April 6, 2020).
10.14+	Amendment, dated September 19, 2021, to Consulting Agreements by and between Oramed Ltd. and KNRY, Ltd., entered into as of July 1, 2008, for the services of Miriam Kidron (incorporated by reference from our annual report on Form 10-K filed November 24, 2021).
10.15+	Amendment, dated April 27, 2023, to Consulting Agreements by and between Oramed Ltd. and KNRY, Ltd., entered into as of July 1, 2008, for the services of Miriam Kidron (incorporated by reference from our annual report on Form 10-K filed March 6, 2024).
10.16+	Amendment, dated January 8, 2024, to Consulting Agreements by and between Oramed Ltd. and KNRY, Ltd., entered into as of July 1, 2008, for the services of Miriam Kidron (incorporated by reference from our annual report on Form 10-K filed March 6, 2024).

10.17*	Employment Agreement, dated June 6, 2024, between Oramed Ltd. and Avraham Gabay (incorporated by reference from our quarterly report on Form 10-Q filed August 4, 2024).
10.18+	Representative Form of Indemnification Agreements between Oramed Pharmaceuticals Inc. and each of our directors and officers (incorporated by reference from our quarterly report on Form 10-Q filed August 14, 2024).
10.19+	Oramed Pharmaceuticals Inc. Second Amended and Restated 2008 Stock Incentive Plan (incorporated by reference from our definitive proxy statement on Schedule 14A filed August 4, 2016).
10.20+	Form of Restricted Stock Unit Notice and Restricted Stock Unit Agreement (incorporated by reference from our annual report on Form 10-K filed November 14, 2014).
10.21+	Form of Restricted Stock Unit Notice and Restricted Stock Unit Agreement between the Company and the Chief Scientific Officer or Chief Executive Officer (incorporated by reference from our annual report on Form 10-K filed November 29, 2017).
10.22+	Form of Notice of Stock Option Award and Stock Option Award Agreement (incorporated by reference from our current report on Form 8-K filed July 2, 2008).
10.23+	Oramed Pharmaceuticals Inc. 2019 Stock Incentive Plan (incorporated by reference from our definitive proxy statement on Schedule 14A filed August 6, 2019).
10.24+	Oramed Pharmaceuticals Inc. Amended and Restated 2019 Stock Incentive Plan (incorporated by reference from our definitive proxy statement on Schedule 14A filed June 30, 2020).
10.25+	Amendment to Oramed Pharmaceuticals Inc. Amended and Restated 2019 Stock Incentive Plan (incorporated by reference from our definitive proxy statement on Schedule 14A filed June 2, 2022).
10.26+	Form of Notice of Stock Option Award and Stock Option Award Agreement (incorporated by reference from our annual report on Form 10-K filed November 27, 2019).
10.27+	Form of Restricted Stock Unit Notice and Restricted Stock Unit Agreement (incorporated by reference from our annual report on Form 10-K filed March 6, 2023).
10.28	Patent Transfer Agreement, dated February 22, 2011, between Oramed Ltd. and Entera Bio Ltd. (incorporated by reference from our registration statement on Form S-1 filed March 25, 2011).
10.29	Amended and Restated Technology License Agreement, dated December 21, 2015, between Hefei Tianhui Incubator of Technologies Co., Ltd., Oramed Pharmaceuticals, Inc. and Oramed Ltd. (Confidential treatment has been granted for portions of this document) (incorporated by reference from our quarterly report on Form 10-Q filed January 13, 2016).
10.30	Amendment to the Amended and Restated Technology License Agreement, dated June 3, 2016, between Hefei Tianhui Incubator of Technologies Co., Ltd., Oramed Pharmaceuticals, Inc. and Oramed Ltd. (Confidential treatment has been requested for portions of this document. The confidential portions will be omitted and filed separately, on a confidential basis, with the Securities and Exchange Commission) (incorporated by reference from our annual report on Form 10-K filed November 25, 2016).
10.31	Amendment to the Amended and Restated Technology License Agreement, dated July 24, 2016, between Hefei Tianhui Incubator of Technologies Co., Ltd., Oramed Pharmaceuticals, Inc. and Oramed Ltd. (Confidential treatment has been requested for portions of this document. The confidential portions will be omitted and filed separately, on a confidential basis, with the Securities and Exchange Commission) (incorporated by reference from our annual report on Form 10-K filed November 25, 2016).
10.32	Joint Venture Agreement, dated January 22, 2024, among Oramed Pharmaceuticals Inc., Oramed Ltd., Hefei Tianhui Biotech Co., Ltd. and Technowl Limited (incorporated by reference from our current report on Form 8-K filed January 23, 2024).
10.33	At the Market Offering Agreement, dated March 18, 2024, by and among the Company, Rodman & Renshaw LLC and StockBlock Securities LLC. (incorporated by reference from our current report on Form 8-K filed March 18, 2024).
10.34	License Agreement, dated as of March 18, 2021, between the Company, Oramed Ltd. and Oravax Medical Inc. (incorporated by reference from our current report on Form 8-K filed March 19, 2021).
10.35	Stockholders Agreement, dated as of March 18, 2021, between Oramed Pharmaceuticals Inc., Akers Biosciences Inc., Premas Biotech PVT Ltd., Cutter Mill Capital LLC, and Run Ridge LLC. (incorporated by reference from our Form 8-K filed March 19, 2021).
10.36§	Securities Purchase Agreement, dated September 21, 2023 by and between Scilex Holding Company and Oramed Pharmaceuticals Inc. (incorporated by reference from our current report on Form 8-K filed September 26, 2023).

10.37	Senior Secured Promissory Note, dated September 21, 2023 issued to Oramed Pharmaceuticals Inc. by Scilex Holding Company (incorporated by reference from our current report on Form 8-K filed September 26, 2023).
10.38	Warrant No. ORMP CS-1 to Purchase Common Stock of Scilex Holding Company (incorporated by reference from our current report on Form 8-K filed September 26, 2023).
10.39	Warrant No. ORMP CS-2 to Purchase Common Stock of Scilex Holding Company (incorporated by reference from our current report on Form 8-K filed September 26, 2023).
10.40	Warrant No. ORMP CS-3 to Purchase Common Stock of Scilex Holding Company (incorporated by reference from our current report on Form 8-K filed September 26, 2023).
10.41	Warrant No. ORMP CS-4 to Purchase Common Stock of Scilex Holding Company (incorporated by reference from our current report on Form 8-K filed September 26, 2023).
10.42	Warrant No. ORMP CS-5 to Purchase Common Stock of Scilex Holding Company (incorporated by reference from our current report on Form 8-K filed September 26, 2023).
10.43	Scilex Holding Company Specimen Warrant Certificate (incorporated by reference from our current report on Form 8-K filed September 26, 2023).
10.44	Registration Rights Agreement, dated September 21, 2023, by and between Oramed Pharmaceuticals Inc. and Scilex Holding Company (incorporated by reference from our current report on Form 8-K filed September 26, 2023).
10.45§	Subsidiary Guarantee, dated September 21, 2023, by and among Oramed Pharmaceuticals, Acquiom Agency Services LLC, Scilex Holding Company, and certain subsidiaries of Scilex Holding Company party thereto (incorporated by reference from our current report on Form 8-K filed September 26, 2023).
10.46	Security Agreement, dated September 21, 2023, by and among Oramed Pharmaceuticals, Acquiom Agency Services LLC, Scilex Holding Company, and certain subsidiaries of Scilex Holding Company party thereto (incorporated by reference from our current report on Form 8-K filed September 26, 2023).
10.47	Mutual Termination and Release Agreement, dated September 21, 2023, by and between Sorrento Therapeutics, Inc. and Oramed Pharmaceuticals, Inc. (incorporated by reference from our current report on Form 8-K filed September 26, 2023).
10.48+	Oravax Medical, Inc. 2021 Long-Term Incentive Plan (incorporated by reference from our annual report on Form 10-K filed March 6, 2023).
10.49+	Oravax Stock Option Agreement (incorporated by reference from our annual report on Form 10-K filed March 6, 2023).
10.50	Letter Agreement, dated as of September 20, 2024, by and between Oramed Pharmaceuticals Inc. and Scilex Holding Company (incorporated by reference from our current report on Form 8-K filed September 23, 2024).
10.51	Master Services Agreement dated September 23, 2024, between Oramed Ltd. and InClin, Inc. (incorporated by reference from our current report on Form 8-K filed September 26, 2024).
10.52	Securities Purchase Agreement, dated October 7, 2024, by and between Scilex Holding Company and the investors signatory thereto (incorporated by reference from our current report on Form 8-K filed October 8, 2024).
10.53	Amendment No. 1 to Scilex-Oramed SPA, dated October 8, 2024, by and between Scilex Holding Company and Oramed Pharmaceuticals Inc (incorporated by reference from our current report on Form 8-K filed October 8, 2024).
10.54	Tranche B Senior Secured Convertible Note, dated October 8, 2024, issued by Scilex Holding Company to the Company (incorporated by reference from our current report on Form 8-K filed October 8, 2024).
10.55	Warrant to Purchase Common Stock, dated October 8, 2024, issued by Scilex Holding Company to the Company (incorporated by reference from our current report on Form 8-K filed October 8, 2024).
10.56	Purchase and Sale Agreement, dated October 8, 2024, by and among Scilex Holding Company, Silex Pharmaceuticals Inc. and the purchasers signatory thereto (incorporated by reference from our current report on Form 8-K filed October 8, 2024).
10.57	Security Agreement, dated October 8, 2024, by and among Scilex Pharmaceuticals Inc., and the purchasers signatory thereto (incorporated by reference from our current report on Form 8-K filed October 8, 2024).
10.58	Subordination Agreement, dated October 8, 2024, by and among Scilex Pharmaceuticals Inc., Acquiom Agency Services LLC and other signatories thereto (incorporated by reference from our current report on Form 8-K filed October 8, 2024).

10.59	Consent and Amendment, dated as of October 8, 2024, by and between Scilex Holding Company and Oramed Pharmaceuticals Inc. (incorporated by reference from our current report on Form 8-K filed October 8, 2024).
10.60	Subsidiary Guarantee Amendment, dated October 8, 2024, made by certain of Scilex Holding Company subsidiaries in favor of the holders of that certain Tranche A Note (incorporated by reference from our current report on Form 8-K filed October 8, 2024).
10.61	Amended and Restated Security Agreement, dated October 8, 2024, by and among Scilex Holding Company, the Subsidiaries of Scilex Holding Company party thereto, Oramed Pharmaceuticals Inc. and Acquiom Agency Services LLC (incorporated by reference from our current report on Form 8-K filed October 8, 2024).
10.62	Rest of World License Term Sheet, dated October 8, 2024, between Oramed Pharmaceuticals Inc., Scilex Holding Company and the other parties signatories thereto (incorporated by reference from our current report on Form 8-K filed October 8, 2024).
10.63	Agreement Among Holders, dated October 8, 2024, by and between Oramed Pharmaceuticals Inc., Acquiom Agency Services LLC and the other signatories thereto (incorporated by reference from our current report on Form 8-K filed October 8, 2024).
10.64	Deferral and Consent under Tranche B Senior Secured Convertible Note, dated January 2, 2025, by and among Scilex Holding Company, Oramed Pharmaceuticals Inc., SCLX Stock Acquisition JV LLC and Acquiom Agency Services LLC (incorporated by reference from our current report on Form 8-K filed January 3, 2025).
10.65	Amendment to Senior Secured Promissory Note, dated January 21, 2025, by and among Scilex Holding Company, Oramed Pharmaceuticals Inc., and SCLX Stock Acquisition JV LLC (incorporated by reference from our current report on Form 8-K filed January 22, 2025).
10.66	Ancillary Agreement Completion Protocol and Supplemental Agreement, dated as of February 7, 2025, by and among Oramed Pharmaceuticals Inc., Oramed NewCo, Inc., Oramed Ltd., Hefei Tianhui Biotech Co., Ltd. and Technowl Limited (incorporated by reference from our current report on Form 8-K filed February 11, 2025).
10.67	Form of Registration Rights Agreement, to be executed by and among Oramed Pharmaceuticals Inc., Oramed NewCo, Inc. and Technowl Limited (incorporated by reference from our current report on Form 8-K filed February 11, 2025).
10.68	Asset Transfer Agreement, dated as of February 7, 2025, by and among Oramed Pharmaceuticals Inc., Oramed NewCo, Inc. and Oramed Ltd (incorporated by reference from our current report on Form 8-K filed February 11, 2025).
10.69	Supply Agreement, dated as of February 7, 2025, by and among Oramed NewCo, Inc., Hefei Tianhui Biotech Co., Ltd. and Technowl Limited (incorporated by reference from our current report on Form 8-K filed February 11, 2025).
10.70	License Agreement, dated as of February 7, 2025, by and among Oramed NewCo, Inc., Hefei Tianhui Biotech Co., Ltd. and Technowl Limited (incorporated by reference from our current report on Form 8-K filed February 11, 2025).
10.71	Novation Agreement and Release, effective as of February 7, 2025, by and among Oramed Pharmaceuticals Inc., Oramed Ltd. Oramed NewCo Inc., and Hefei Tianhui Biotech Co., Ltd (incorporated by reference from our current report on Form 8-K filed February 11, 2025).
10.72+*	Amendment, dated November 7, 2024, to Consulting Agreement by and between Oramed Pharmaceuticals Inc. and Shnida Ltd., entered into as of November 1, 2022, for the services of Nadav Kidron.
10.73+*	Amendment, dated November 7, 2024, to Employment Agreement by and between Oramed Ltd. and Nadav Kidron, entered into as of November 1, 2022.
10.74+*	Amendment, dated November 7, 2024, to Consulting Agreements by and between Oramed Ltd. and KNRY, Ltd., entered into as of July 1, 2008, for the services of Miriam Kidron.
19.1*	Oramed Pharmaceuticals Inc. Insider Trading Policy.
21.1*	Subsidiaries.
23.1*	Consent of Kesselman & Kesselman, Certified Public Accountants (Isr.), a member firm of PricewaterhouseCoopers International Limited, an independent registered public accounting firm.
31.1*	Certification Statement of the Chief Executive Officer pursuant to Rule 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as amended.
31.2*	Certification Statement of the Chief Financial Officer pursuant to Rule 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as amended.

32.1**	Certification Statement of the Principal Executive Officer pursuant to 18 U.S.C. Section 1350.
32.2**	Certification Statement of the Principal Financial Officer pursuant to 18 U.S.C. Section 1350.
97.1	Oramed Pharmaceuticals Inc. Clawback Policy, adopted November 9, 2023 (incorporated by reference from our annual report on Form 10-K filed March 6, 2024).
101.1*	The following financial statements from the Company's annual report on Form 10-K for the year ended December 31, 2024, formatted in XBRL (eXtensible Business Reporting Language): (i) Consolidated Balance Sheets, (ii) Consolidated Statements of Loss, (iii) Consolidated Statements of Changes in Stockholders' Equity, (iv) Consolidated Statements of Cash Flows and (v) the Notes to Consolidated Financial Statements, tagged as blocks of text and in detail.
104.1*	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

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* Filed herewith.

** Furnished herewith.

\+ Management contract or compensation plan.

§ Certain exhibits and similar attachments to this agreement have been omitted in accordance with Item 601(a)(5) of Regulation S-K. A copy of any omitted exhibit or other attachment will be furnished supplementary to the SEC upon request.

ITEM 16. FORM 10-K SUMMARY.

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15 (d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

ORAMED PHARMACEUTICALS INC.

/s/ Nadav Kidron
Nadav Kidron,
President and Chief Executive Officer

Date: March 27, 2025

Pursuant to the requirements of the Securities and Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

/s/ Nadav Kidron Nadav Kidron, President and Chief Executive Officer and Director (principal executive officer)	March 27, 2025
/s/ Avraham Gabay Avraham Gabay, Chief Financial Officer (principal financial and accounting officer)	March 27, 2025
/s/ Daniel Aghion Daniel Aghion, Director	March 27, 2025
/s/ Miriam Kidron Miriam Kidron, Director	March 27, 2025
/s/ Arie Mayer Arie Mayer, Director	March 27, 2025
/s/ Yehuda Reznick Yehuda Reznick, Director	March 27, 2025
/s/ Leonard Sank Leonard Sank, Director	March 27, 2025
/s/ Benjamin Shapiro Benjamin Shapiro, Director	March 27, 2025

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-K/A
(Amendment No. 1)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the Fiscal Year Ended December 31, 2024

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission file number 001-35813

ORAMED PHARMACEUTICALS INC.

(Exact Name of Registrant as Specified in its Charter)

Delaware	**98-0376008**
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification No.)
1185 Avenue of the Americas, Third Floor, New York, NY	**10036**
(Address of Principal Executive Offices)	(Zip Code)

844-967-2633
(Registrant's Telephone Number, Including Area Code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	**Trading symbol**	**Name of each exchange on which registered**
Common Stock, par value $0.012	ORMP	Nasdaq Capital Market, Tel Aviv Stock Exchange

Securities registered pursuant to Section 12(g) of the Act:

None.
(Title of class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.

Yes ☐ No ☒

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Date File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☒
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☐

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act).

Yes ☐ No ☒

The aggregate market value of the voting and non-voting common equity held by non-affiliates as of the last business day of the registrant's most recently completed second fiscal quarter was $131,190,607 based on a price of $3.58, being the last price at which the shares of the registrant's common stock were sold on the Nasdaq Capital Market prior to the end of the most recently completed second fiscal quarter.

As of March 27, 2025, the registrant had 40,850,455 shares of common stock issued and outstanding.

Explanatory Note

Oramed Pharmaceuticals, Inc. (the "Company", "we" or "us") is filing this Amendment No. 1 (this "Amendment") to amend the Annual Report on Form 10-K for the fiscal year ended December 31, 2024, originally filed with the U.S. Securities and Exchange Commission (the "Commission") on March 27, 2025 (the "Original Form 10-K"). The purpose of this Amendment is solely to correct certain disclosures to Item 11. Executive Compensation specifically with respect to the compensation information of our Named Executive Officers ("NEOs") as result of revising who qualified as NEOs for the year ended December 31, 2024, and Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters as a result of the change of NEOs.

In addition, pursuant to Rule 12b-15 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), Part IV, Item 15 has also been amended and restated to include the currently dated certifications from the Company's principal executive officer and principal financial officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. Because no financial statements have been amended by or included in this Amendment and this Amendment does not contain or amend any disclosure with respect to Items 307 and 308 of Regulation S-K, paragraphs 3, 4, and 5 of the certifications have been omitted. We are not including certifications pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, as no financial statements are being filed with this Amendment.

No changes are hereby made to the Company's financial statements. Other than the changes discussed above and the filing of the currently dated certifications to this Amendment, no changes have been made to the Original Form 10-K or the exhibits filed therewith. This Amendment has not been updated to reflect events that occurred after March 27, 2025, the filing date of the Original Form 10-K. As such, this Amendment should be read in conjunction with the Original Form 10-K.

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PART III

ITEM 11. EXECUTIVE COMPENSATION.

Compensation Discussion and Analysis

This section explains the policies and decisions that shape our executive compensation program, including its specific objectives and elements, as it relates to our "named executive officers," or NEOs.

Our NEOs for the year ended December 31, 2024 are those three individuals listed in the "Summary Compensation Table" below. The Compensation Committee believes that our executive compensation is appropriately designed to incentivize our NEOs to work for our long-term prosperity, is reasonable in comparison with the levels of compensation provided by comparable companies and reflects a reasonable cost. We believe our NEOs are critical to the achievement of our corporate goals, through which we can drive stockholder value.

The Compensation Committee of our Board is comprised solely of independent directors as defined by Nasdaq and non-employee directors as defined by Rule 16b-3 under the Exchange Act. The Compensation Committee has the authority and responsibility to review and approve the compensation of our President and Chief Executive Officer and other executive officers. Other information concerning the structure, roles and responsibilities of our Compensation Committee is set forth in "Board Meetings and Committees-Compensation Committee" section.

Our executive compensation program and our NEOs' compensation packages are designed around the following objectives:

- attract, hire, and retain talented and experienced executives;
- motivate, reward and retain executives whose knowledge, skills and performance are critical to our success;
- ensure fairness among the executive management team via recognizing the contributions of each executive to our success;
- focus executive behavior on achievement of our corporate objectives and strategy; and
- align the interests of management and stockholders by providing management with longer-term incentives through equity ownership.

The Compensation Committee reviews the allocation of compensation components regularly to ensure alignment with strategic and operating goals, competitive market practices and legislative changes. The Compensation Committee does not apply a specific formula to determine the allocation between cash and non-cash forms of compensation. Certain compensation components, such as base salaries, benefits and perquisites, are intended primarily to attract, hire, and retain well-qualified executives. Other compensation elements, such as long-term incentive opportunities, are designed to motivate and reward performance. Long-term incentives are intended to reward NEOs for our long-term performance and executing our business strategy, and to strongly align NEOs' interests with those of stockholders.

With respect to equity compensation, the Compensation Committee makes awards to executives under our Amended and Restated 2019 Incentive Plan, or the 2019 Plan. Executive compensation is paid or granted based on such matters as the Compensation Committee deems appropriate, including our financial and operating performance and the alignment of the interests of the executive officers and our stockholders.

Elements of Compensation

Our executive officer compensation program is comprised of: (i) base salary or monthly compensation; (ii) discretionary bonus; (iii) long-term equity incentive compensation in the form of stock option and RSU grants; and (iv) benefits and perquisites.

In establishing overall executive compensation levels and making specific compensation decisions for our NEOs in the year ended December 31, 2024, the Compensation Committee considered a number of criteria, including the executive's position, scope of responsibilities, prior base salary and annual incentive awards and expected contribution.

Generally, our Compensation Committee reviews and, as appropriate, approves compensation arrangements for the NEOs from time to time but not less than once each year. The Compensation Committee also takes into consideration the President and Chief Executive Officer's recommendations for executive compensation of the other NEOs. The President and Chief Executive Officer generally presents these recommendations at the time of our Compensation Committee's review of executive compensation arrangements.

During the year ended December 31, 2024, the Compensation Committee received consulting services from Aon Solutions UK Limited., or Aon, with regard to management compensation. The Compensation Committee engaged the consultant to review the Company's current compensation plans for its management and collect and analyze data regarding management compensation at other companies comparable to the Company, in order to provide a competitive compensation benchmark. Aon collected SEC filings data regarding U.S. and Israeli compensation practices and developed a peer group of the following U.S. and Israeli companies: ALX Oncology Holdings Inc., AN2 Therapeutics, Inc., Anavex Life Sciences Corp., Atossa Therapeutics Inc., aTyr Pharma, Inc., Chimerix, Inc., Compugen Ltd., Fulcrum Therapeutics, Inc., Immunic, Inc., Marinus Pharmaceuticals, Inc., MediciNova, Inc., Pluri Biotech Ltd., Rani Therapeutics, Inc., Relmada Therapeutics, Inc., Rezolute, Inc., Vistagen Therapeutics, Inc., vTv Therapeutics Inc. and Zevra Therapeutics, Inc.. Following its review, Aon provided recommendations for cash and equity compensation at various percentiles for the Compensation Committee's consideration.

Base Salary

The Compensation Committee performs a review of base salaries and monthly compensation for our NEOs from time to time as appropriate. In determining salaries, the Compensation Committee members also take into consideration the scope of the NEOs' responsibilities and independent third-party market data, such as compensation surveys to industry, individual experience and performance and contribution to our clinical, regulatory, commercial and operational performance. None of the factors above has a dominant weight in determining the compensation of our NEOs, and our Compensation Committee considers the factors as a whole when considering such compensation. In addition, our Compensation Committee uses comparative data regarding compensation paid by peer companies in order to obtain a general understanding of current trends in compensation practices and ranges of amounts being awarded by other public companies, and not as part of an analysis or a formula.

We believe that a competitive base salary and monthly compensation is a necessary element of any compensation program that is designed to attract and retain talented and experienced executives. We also believe that attractive base salaries can motivate and reward executives for their overall performance. Base salary and monthly compensation are established in part based on the individual experience, skills and expected contributions to our performance, as well as such executive's performance during the prior year. Generally, we believe that executives' base salaries should be targeted near the median of the range of salaries for executives in similar positions with similar responsibilities, experience and performance at comparable companies. Compensation adjustments are made occasionally based on changes in an executive's level of responsibility, company progress or on changed local and specific executive employment market conditions.

In November 2024, our Compensation Committee increased the base salary of our NEOs by 15% (effective July 1, 2024 as it deemed this to be a reasonable rate based on, among other factors, such NEO's responsibilities and the report from Aon, as it determined the salaries were not in line with market compensation.

Performance Based Bonus

Our NEOs are eligible to receive discretionary annual bonuses based upon performance. The amount of annual bonus to our NEOs is based on various factors, including, among others, the achievement of scientific and business goals and our financial and operational performance. The Compensation Committee takes into account the overall performance of the individuals, as well as the overall performance of the Company over the period being reviewed and the recommendation of management. For any given year, the compensation objectives vary, but relate generally to strategic factors such as developments in our clinical path, the execution of a license agreement for the commercialization of product candidates, the establishment of key strategic collaborations, the build-up of our pipeline and financial factors such as capital raising. Bonuses are awarded generally based on corporate performance, with adjustments made within a range for individual performance, at the discretion of the Compensation Committee. The Compensation Committee determines, on a discretionary basis, the size of the entire bonus pool and the amount of the actual award to each NEO. The overall payment is also based on historic compensation of the NEOs.

We believe that annual bonuses payable based on the achievement of short-term corporate goals incentivize our NEOs to create stockholder value and attain short-term performance objectives.

Long-Term Equity Incentive Compensation

Long-term incentive compensation allows the NEOs to share in any appreciation in the value of our common stock. The Compensation Committee believes that stock participation aligns executive officers' interests with those of our stockholders. Equity incentive awards are generally made at the commencement of employment and following a significant change in job responsibilities, or to meet other special retention or performance objectives. The amounts of the awards are designed to reward past performance and create incentives to meet long-term objectives. Awards are made at a level expected to be competitive within the biotechnology industry, as well as with Israeli-based companies. Awards are made on a discretionary basis and not pursuant to specific criteria set out in advance. In determining the amount of each grant, the Compensation Committee also takes into account the number of shares held by the executive prior to the grant. The vesting schedule for NEOs generally provides for annual installments for new grants, though the Compensation Committee also utilizes quarterly vesting from time to time, as well as performance-based vesting. The Compensation Committee believes that time-based vesting encourages recipients to build stockholder value over a long period of time and that performance-based vesting encourages recipients to achieve goals that benefit the Company.

As part of its engagement in the year ended December 31, 2024 described above, Aon also provided consulting services in connection with grants of equity awards to our executive officers. Aon reviewed annual long-term incentive grants at peer companies, as well as such grants made by companies in the broader market, based on a blend of Black-Scholes valuations and grants as a percentage of the applicable company's capitalization. Following such consultation, the Compensation Committee is considering alternative models and equity vehicles for future equity-based grants.

Benefits and Perquisites

Generally, benefits available to NEOs are available to all employees on similar terms and include welfare benefits, paid time-off, life and disability insurance and other customary or mandatory social benefits in Israel. We provide some of our NEOs with a phone and a company car, which are customary benefits in Israel to managers and officers.

We do not believe that the benefits and perquisites described above deviate materially from the customary practice for compensation of executive officers by other companies similar in size and stage of development in Israel. These benefits represent a relatively small portion of the executive officers' total compensation.

Say-on-Pay Vote

Our stockholders approved, on an advisory basis, our executive compensation program at our annual meeting of stockholders held on August 1, 2024. Over 90% of votes cast were voted "for" the compensation of our named executive officers as described in the proxy statement for last year's annual meeting of stockholders. The Compensation Committee did not specifically rely on the results of the prior vote in making any compensation-related decisions during the year ended December 31, 2024.

SUMMARY COMPENSATION TABLE

The following table sets forth the compensation earned by our NEOs for the years ended December 31, 2024 and 2023.

Name and Principal Position	Year	Salary ($)[1]	Bonus ($)[1][2]	RSUs and PSUs Awards ($)[3]	All Other Compensation ($)[1][4]	Total ($)
Nadav Kidron	2024	540,145	270,767	1,224,760	62,017	2,097,689
President, Chief Executive Officer and Chairman	2023	462,988	242,576	904,920	48,738	1,659,222
Dr. Miriam Kidron	2024	408,104	155,291	951,545	19,607	1,534,547
Chief Scientific Officer and director[5]	2023	347,405	139,123	605,480	17,423	1,109,431
Joshua Hexter	2024	259,038	93,992	608,545	69,875	1,031,450
Chief Operating & Business Officer	2023	272,139	84,583	306,720	64,998	728,440

(1) Amounts paid for Salary, Bonus and All Other Compensation that were originally denominated in NIS were translated into U.S. Dollars at the then average exchange rate for the period.

(2) Bonuses were granted at the discretion of the Compensation Committee.

(3) For RSU and performance stock unit, or PSU, awards, the amounts reflect the grant date fair value, as calculated pursuant to ASC Topic 718 "Compensation-Stock Compensation." The assumptions used to determine the fair value of the RSU awards are set forth in note 10 to our audited consolidated financial statements. Our NEOs will not realize the value of these awards in cash unless and until the awards vest and the underlying shares are issued and subsequently sold.
On January 2, 2025, we granted 328,500 PSUs that shall vest upon at the earliest of (1) the closing of a JV transaction with HTIT; or (2) the repayment to us of the value of our principal investment in Scilex plus 10%. We modified 294,000 outstanding PSUs that were granted, adjusting the vesting criteria and performance targets. As of March 27, 2025, all PSUs that granted achieved the first updated performance target.

(4) See "All Other Compensation Table" below.

(5) Dr. Kidron receives compensation from Oramed Ltd. through KNRY, Ltd., or KNRY. See "— Employment and Consulting Agreements" below.

All Other Compensation Table

The "All Other Compensation" amounts set forth in the Summary Compensation Table above consist of the following:

Name	Year	Automobile-Related Expenses ($)	Manager's Insurance[1] ($)	Education Fund ($)	Total ($)
Nadav Kidron	2024	30,505	25,158	6,354	62,017
	2023	21,191	21,711	5,836	48,738
Dr. Miriam Kidron	2024	19,607	—	—	19,607
	2023	17,423	—	—	17,423
Joshua Hexter	2024	16,217	34,219	19,439	69,875
	2023	16,418	29,317	19,263	64,998

(1) Manager's insurance and education funds are customary benefits provided to employees based in Israel. Manager's insurance is a combination of severance savings (in accordance with Israeli law), defined contribution tax-qualified pension savings and disability insurance premiums. An education fund is a savings fund of pre-tax contributions to be used after a specified period of time for educational or other permitted purposes.

Employment and Consulting Agreements

On July 1, 2008, Oramed Ltd. entered into a consulting agreement with KNRY whereby Dr. Miriam Kidron, through KNRY, provides services as Chief Scientific Officer of both the Company and Oramed Ltd., or the Miriam Kidron Consulting Agreement.

The Miriam Kidron Consulting Agreement is terminable by either party upon 140 days prior written notice. The agreement, as amended, provides that KNRY will be reimbursed for reasonable expenses incurred in connection with performance of the agreement. Pursuant to the agreement, each of KNRY and Dr. Miriam Kidron agreed that during the term of the agreement and for a 12-month period thereafter, none of them will compete with Oramed Ltd. nor solicit employees of Oramed Ltd. Starting January 1, 2024, Dr. Miriam Kidron receives a monthly consulting fee of NIS 117,040. Effective as of July 1, 2024, the monthly consulting fee is NIS 134,550.

Effective November 1, 2022, the Company entered into a consulting agreement with Shnida Ltd., whereby Nadav Kidron, through Shnida Ltd., provides services as President and Chief Executive Officer of the Company. The agreement is terminable by either party upon 140 days prior written notice. The agreement provides that Shnida Ltd. will be reimbursed for reasonable expenses incurred in connection with performance of the agreement. Effective as of January 1, 2024, Nadav Kidron receives a monthly consulting fee of NIS 96,825. Effective as of July 1, 2024, the monthly consulting fee is NIS 111,349. Pursuant to the agreement, Shnida Ltd. and Nadav Kidron each agree that during the term of the agreement and for a 12-month period thereafter, none of them will compete with the Company nor solicit employees of the Company.

In addition, we, through Oramed Ltd., have entered into an employment agreement with Nadav Kidron, effective as of November 1, 2022, pursuant to which, effective as of January 1, 2024, Mr. Kidron receives gross monthly salary of NIS 51,591 in consideration for his services as President and Chief Executive Officer of Oramed Ltd. Effective as of July 1, 2024, Mr. Kidron receives gross monthly salary of NIS 59,330 in consideration for his services as President and Chief Executive Officer of Oramed Ltd. In addition, Mr. Kidron is provided with a phone and a company car pursuant to the terms of his agreement.

We, through Oramed Ltd., have entered into an employment agreement with Joshua Hexter as of August 18, 2019, pursuant to which Mr. Hexter was appointed as Chief Operating & Business Officer of the Company and Oramed Ltd., effective September 19, 2019. In accordance with the employment agreement, as amended, Mr. Hexter's current gross monthly salary is NIS 81,466, effective as of July 1, 2024, and he will be provided with a company car allowance pursuant to the terms of his agreement.

We have entered into indemnification agreements with our directors and officers pursuant to which we agreed to indemnify each director and officer for any liability he or she may incur by reason of the fact that he or she serves as our director or officer, to the maximum extent permitted by law.

Potential Payments upon Termination or Change-in-Control

We have no plans or arrangements in respect of remuneration received or that may be received by our NEOs to compensate such officers in the event of termination of employment (as a result of resignation or retirement).

According to our NEOs' employment agreements, upon a termination in connection with a change-in-control that occurs during the period that is three months prior and 12 months after the event, the following "double trigger" change-in-control provisions shall apply:

- The President and Chief Executive Officer will be entitled to receive 18 months severance.
- All other NEOS will be entitled to receive 12 months severance.
- Severance shall be defined as base salary plus bonuses over the severance period. For U.S.-based persons, COBRA payments equivalent to healthcare benefits values will be provided over the severance period.
- Full vesting acceleration of all outstanding unvested equity incentives.

Pension, Retirement or Similar Benefit Plans

We have no arrangements or plans under which we provide pension, retirement or similar benefits for directors or executive officers. Our directors and executive officers may receive stock options, RSUs or restricted shares at the discretion of our Compensation Committee in the future.

Policy Relating to Recovery of Erroneously Awarded Compensation

Our Board has adopted an executive compensation clawback policy, administered by our Compensation Committee, which provides for the recoupment (or clawback) from current and former executive officers of certain compensation in the event of an accounting restatement resulting from material noncompliance with financial reporting requirements under the federal securities laws of the United States. In the event the Company is required to prepare an accounting restatement of its financial statements due to the Company's material non-compliance with any financial reporting requirement under the securities laws, the Compensation Committee will require prompt reimbursement or forfeiture of any excess incentive compensation (as defined in the clawback policy) received by any covered executive officer during the three completed years immediately preceding the date on which the Company is required to prepare an accounting restatement.

OUTSTANDING EQUITY AWARDS AT DECEMBER 31, 2024

The following table sets forth information concerning stock options and stock awards held by the NEOs as of December 31, 2024.

	Option Awards				Stock Awards	
Name	**Number of Securities Underlying Unexercised Options (#) Exercisable**	**Number of Securities Underlying Unexercised Options (#) Unexercisable**	**Option Exercise Price ($)**	**Option Expiration Date**	**Number of shares that have not vested (#)**	**Market value of shares that have not vested ($)**
Nadav Kidron	49,000[1]	—	7.77	6/30/27		
	97,000[2]	—	8.14	1/31/28		
	196,500[3][4]	—	3.16	2/26/29		
	190,000[5]	—	4.80	1/8/30		
	150,000[6]		10.40	2/3/31		
	53,500[7]	53,500[7]	13.89	1/3/32		
	116,127[8]		3.91	9/17/32		
					792,082[11][12][13][14][15][16]	1,916,838
Dr. Miriam Kidron	69,999[17]	—	7.77	6/30/27		
	47,000[18]	—	8.14	1/31/28		
	104,000[19][4]	—	3.16	2/26/29		
	100,000[20]		4.80	1/8/30		
	100,000[21]		10.40	2/3/31		
	36,000[22]	36,000[22]	13.89	1/3/32		
	32,079[23]		3.91	9/17/32		
					570,085[24][25][26][27][29][30]	1,379,606
Joshua Hexter	100,000[31]	—	3.69	9/11/29		
	—	100,000[32]	3.69	9/11/29		
	50,000[33]	—	10.4	2/3/31		
	18,000[34]	18,000[34]	13.89	1/3/32		
					315,500[35][36][37][38][39][40]	763,510

(1) On June 30, 2017, 147,000 options were granted to Nadav Kidron under the 2008 Plan at an exercise price of $7.77 per share; 49,000 of such options vested on December 31, 2017 and the remainder vested in two equal installments of 49,000 on each of December 31, 2018 and December 31, 2019, subject to the Company share price reaching the target of $9.50 and $12.50 per share, respectively. The options expire on June 30, 2027. As of December 31, 2021, 98,000 of these options were forfeited.

(2) On January 31, 2018, 97,000 options were granted to Nadav Kidron under the 2008 Plan at an exercise price of $8.14 per share; 97,000 of such options vested in four equal installments of 24,250 on each of January 1, 2019, January 1, 2020, January 1, 2021 and January 1, 2022. The options expire on January 31, 2028.

(3) On February 26, 2019, 196,500 options were granted to Nadav Kidron under the 2008 Plan at an exercise price of $3.16 per share; 196,500 of such options vested in four equal installments of 49,125 on each of December 31, 2019, December 31, 2020, December 31, 2021 and December 31, 2022. The options expire on February 26, 2029. For additional information, see footnote 4 below.

(4) On September 11, 2019, these options were canceled and re-granted under the 2019 Plan in the same amounts and under the same terms as the original grants.

(5) On January 8, 2020, 190,000 options were granted to Nadav Kidron under the 2019 Plan at an exercise price of $4.80 per share. 190,000 of the options vested in four equal installments of 47,500 on each of December 31, 2020, December 31, 2021, December 31, 2022 and December 31, 2023. The options expire on January 8, 2030.

(6) On February 3, 2021, 150,000 options were granted to Nadav Kidron under the 2019 Plan at an exercise price of $10.40 per share. 112,500 of the options vested in four equal installments of 37,500 on each of December 31, 2021, December 31, 2022 and December 31, 2023, and December 31, 2024. The options expire on February 3, 2031.

(7) On January 3, 2022, 107,000 options were granted to Nadav Kidron under the 2019 Plan at an exercise price of $13.89 per share. 53,500 options vested in two equal installments of 26,750 on each of January 1, 2023, January 1, 2024, and the remainder shall vest in two equal installments of 26,750 on January 1, 2025 and January 1, 2026. The options expire on January 3, 2032.

(8) On September 18, 2022, 116,127 options were granted to Nadav Kidron under the Oravax Medical Inc. 2021 Long-Term Incentive Plan at an exercise price of $3.91 per share. 116,127 of the options vested in four installments on each of September 18, 2022, December 31, 2022, December 31, 2023 and December 31, 2024. The options expire on September 17, 2032.

(9) On November 13, 2014, 9,788 RSUs, representing a right to receive shares of the Company's common stock, were granted to Nadav Kidron. The RSUs vested in two equal installments, each of 4,894 shares, on November 30 and December 31, 2014. The shares of common stock underlying the RSUs will be issued upon request of the grantee.

(10) On February 23, 2015, 79,848 RSUs, representing a right to receive shares of the Company's common stock, were granted to Nadav Kidron. The RSUs vested in 23 installments consisting of one installment of 6,654 shares on February 28, 2015 and 22 equal monthly installments of 3,327 shares each, commencing March 31, 2015. The shares of common stock underlying the RSUs will be issued upon request of the grantee.

(11) On February 3, 2021, 300,000 RSUs, representing a right to receive shares of the Company's common stock, were granted to Nadav Kidron. 100,000 RSUs vested on August 31, 2021 and the remainder shall vest per the following: 100,000 shares shall vest upon our common stock achieving a specified price per share, and 100,000 shall vest upon our achievement of certain business objectives.

(12) On January 3, 2022, 63,000 RSUs representing a right to receive shares of the Company's common stock were granted to Nadav Kidron. The RSUs vested in two equal installments, each of 15,750 shares on January 1, 2023 and on January 1, 2024. The shares of common stock underlying the RSUs will be issued upon request of the grantee. The remainder shall vest in two equal installments of 15,750 on each of January 1, 2025 and January 1, 2026.

(13) On July 28, 2022, 126,000 RSUs representing a right to receive shares of the Company's common stock were granted to Nadav Kidron. 42,000 RSUs vested on January 1, 2024. The shares of common stock underlying the RSUs will be issued upon request of the grantee. The remainder shall vest in two equal installments of 42,000 on each of January 1, 2025 and January 1, 2026.

(14) On April 17, 2023, 279,000 RSUs representing a right to receive shares of the Company's common stock were granted to Nadav Kidron. 162,750 RSUs vested in seven equal quarterly installments of 23,250 starting May 1, 2023 and the remainder of 116,250 shall vest in five equal quarterly installments of 23,250 starting February 1, 2025.

(15) On January 4, 2024, 329,000 RSUs representing a right to receive shares of the Company's common stock were granted to Nadav Kidron. 109,668 RSUs vested in twelve equal quarterly installments of 27,417 starting January 8, 2024.

(16) On January 4, 2024, 141,000 PSUs representing a right to receive shares of the Company's common stock were granted to Nadav Kidron. The total amount of the PSUs shall vest when the closing price per share of Common Stock of the Company on the Nasdaq Capital Market reaches an average of $4.00 over any 10-trading day period. The total fair value of these PSUs on the date of grant was $691, using the Monte-Carlo model, based on the quoted closing market share price of $2.39 on the Nasdaq Capital Market on the date of grant.

(17) On June 30, 2017, 69,999 options were granted to Dr. Miriam Kidron under the 2008 Plan at an exercise price of $7.77 per share; Such options vested in three equal installments of 23,333 on each of December 31, 2017, December 31, 2018 and December 31, 2019. The options have an expiration date of June 30, 2027.

(18) On January 31, 2018, 47,000 options were granted to Dr. Miriam Kidron under the 2008 Plan at an exercise price of $8.14 per share; 47,000 of such options vested in four equal installments of 11,750 on each of January 1, 2019, January 1, 2020, January 1, 2021 and January 1, 2022. The options expire on January 31, 2028.

(19) On February 26, 2019, 104,000 options were granted to Dr. Miriam Kidron under the 2008 Plan at an exercise price of $3.16 per share; 104,000 of such options vested in four equal installments of 26,000 on each of December 31, 2019, December 31, 2020, December 31, 2021 and December 31, 2022. The options expire on February 26, 2029. For additional information, see footnote 4 above.

(20) On January 8, 2020, 100,000 options were granted to Dr. Miriam Kidron under the 2019 Plan at an exercise price of $4.80 per share. 100,000 of the options vested in four equal installments of 25,000 on each of December 31, 2020, December 31, 2021, December 31, 2022 and December 31, 2023. The options expire on January 8, 2030.

(21) On February 3, 2021, 100,000 options were granted to Dr. Miriam Kidron under the 2019 Plan at an exercise price of $10.40 per share. 100,000 of such options vested in four equal installments of 25,000 on each of December 31, 2021, December 31, 2022 and December 31, 2023 and December 31, 2024. The options expire on February 3, 2031.

(22) On January 3, 2022, 72,000 options were granted to Dr. Miriam Kidron under the 2019 Plan at an exercise price of $13.89 per share. 36,000 of such options vested in two equal installments of 25,000 on each of January 1, 2023 and January 1, 2024. The remaining 36,000 of the options shall vest in two equal installments of 25,000 on each of January 1, 2025 and January 1, 2026. The options expire on January 3, 2032.

(23) On September 18, 2022, 32,079 options were granted to Dr. Miriam Kidron under the Oravax Medical Inc. 2021 Long-Term Incentive Plan at an exercise price of $3.91 per share. 32,079 of the options vested in four installments on each of September 18, 2022, December 31, 2022, December 31, 2023 and December 31, 2024. The options expire on September 17, 2032.

(24) On February 3, 2021, 200,000 RSUs, representing a right to receive shares of the Company's common stock, were granted to Dr. Miriam Kidron. 66,666 RSUs vested in one installment on August 31, 2021 and the remainder shall vest per the following: 66,667 shares shall vest upon our common stock achieving a specified price per share, and 66,667 shall vest upon our achievement of certain business objectives.

(25) On January 3, 2022, 42,000 RSUs representing a right to receive shares of the Company's common stock were granted to Dr. Miriam Kidron. 21,000 vested on two equal installments of 10,500 on each of January 1, 2023 and January 1, 2024. The remaining 21,500 shall vest in two equal installments of 10,500 on each of January 1, 2025 and January 1, 2026.

(26) On July 28, 2022, 84,000 RSUs representing a right to receive shares of the Company's common stock were granted to Dr. Miriam Kidron. 28,000 vested on one installment on January 1, 2024. The remaining 56,000 shall vest in two equal installments of 28,000 on each of January 1, 2025 and January 1, 2026.

(27) On April 17, 2023, 213,000 RSUs representing a right to receive shares of the Company's common stock were granted to Dr. Miriam Kidron. 124,249 RSUs vested in seven equal quarterly installments of 17,750 starting May 1, 2023 and the remainder of 88,751 shall vest in five equal quarterly installments of 17,750 starting February 1, 2025. The shares of common stock underlying the RSUs will be issued upon request of the grantee.

(28) On April 17, 2023, 53,500 performance-based RSUs representing a right to receive shares of the Company's common stock were granted to Dr. Miriam Kidron. 120,000 RSUs vested in one installment on May 26, 2023, upon our common stock achieving a specified price per share. The shares of common stock underlying the RSUs will be issued upon request of the grantee.

(29) On January 4, 2024, 295,500 RSUs representing a right to receive shares of the Company's common stock were granted to Dr. Miriam Kidron. The RSUs vested in twelve equal quarterly installments of 24,625 starting January 8, 2024. The shares of common stock underlying the RSUs will be issued upon request of the grantee.

(30) On January 4, 2024, 74,000 PSUs representing a right to receive shares of the Company's common stock were granted to Dr. Miriam Kidron. The total amount of the PSUs shall vest when the closing price per share of Common Stock of the Company on the Nasdaq Capital Market reaches an average of $4.00 over any 10-trading day period. The total fair value of these PSUs on the date of grant was $691, using the Monte-Carlo model, based on the quoted closing market share price of $2.39 on the Nasdaq Capital Market on the date of grant.

(31) On November 9, 2019, 100,000 options were granted to Joshua Hexter under the 2019 Plan at an exercise price of $3.69 per share; 100,000 of the options vested in sixteen equal quarterly installments of 6,250 starting November 1, 2019.

(32) On November 9, 2019, 100,000 options were granted to Joshua Hexter under the 2019 Plan at an exercise price of $3.69 per share; 100,000 of the options shall vest in four quarterly installments upon our achievement of certain business objectives.

(33) On February 3, 2021, 50,000 options were granted to Joshua Hexter under the 2019 Plan at an exercise price of $10.40 per share. 50,000 of the options vested in four equal installments of 12,500 on each of December 31, 2021, December 31, 2022, December 31, 2023, and December 31, 2024. The options expire on February 3, 2031.

(34) On January 3, 2022, 36,000 options were granted to Joshua Hexter under the 2019 Plan at an exercise price of $13.89 per share. 18,000 options vested in two equal installments of 9,000 on each of January 1, 2023, January 1, 2024, and the remainder shall vest in two equal installments of 9,000 on January 1, 2025 and January 1, 2026. The options expire on January 3, 2032.

(35) On February 3, 2021, 100,000 RSUs, representing a right to receive shares of the Company's common stock, were granted to Joshua Hexter. 33,333 RSUs vested on August 31, 2021 and the remainder shall vest per the following: 33,333 shares shall vest upon our common stock achieving a specified price per share, and 33,334 shall vest upon our achievement of certain business objectives.

(36) On January 3, 2022, 21,000 RSUs representing a right to receive shares of the Company's common stock were granted to Joshua Hexter. The RSUs vested in two equal installments, each of 5,250 shares on January 1, 2023 and on January 1, 2024. The shares of common stock underlying the RSUs will be issued upon request of the grantee. The remainder shall vest in two equal installments of 5,250 on each of January 1, 2025 and January 1, 2026.

(37) On July 28, 2022, 42,000 RSUs representing a right to receive shares of the Company's common stock were granted to Joshua Hexter. 14,000 RSUs vested on January 1, 2024. The remainder shall vest in two equal installments of 14,000 on each of January 1, 2025 and January 1, 2026.

(38) On April 17, 2023, 108,000 RSUs representing a right to receive shares of the Company's common stock were granted to Joshua Hexter. 63,000 RSUs vested in seven equal quarterly installments of 9,000 starting May 1, 2023 and the remainder of 45,000 shall vest in five equal quarterly installments of 9,000 starting February 1, 2025.

(39) On January 4, 2024, 45,000 PSUs representing a right to receive shares of the Company's common stock were granted to Joshua Hexter. The total amount of the PSUs shall vest when the closing price per share of common stock of the Company on the Nasdaq Capital Market reaches an average of $4.00 over any 10-trading day period. The total fair value of these PSUs on the date of grant was $106, using the Monte-Carlo model, based on the quoted closing market share price of $2.39 on the Nasdaq Capital Market on the date of grant.

(40) On January 4, 2024, 180,500 RSUs representing a right to receive shares of the Company's common stock were granted to Joshua Hexter. 60,167 RSUs vested in four equal quarterly installments of 15,042 starting January 8, 2024 and the remainder of 120,333 shall vest in eight equal quarterly installments of 15,042 starting January 1, 2025.

On January 2, 2025, we granted 1,023,000 RSUs representing a right to receive shares of the Company's common stock to the Company's executive officers. The total amount of the RSUs shall vest in equal quarterly installments of approximately 85,249 over a three year period starting with the first quarterly vesting on January 1, 2025. Also on January 2, 2025, we granted 328,500 PSUs representing a right to receive shares of the Company's common stock to our executive officers. The total amount of the PSUs shall vest upon at the earliest of (1) the closing of OraTech transaction with HTIT; or (2) the repayment to the Company of the value of its principal investment in Scilex plus 10%. The total fair value of these PSUs on the date of grant was $792 based on the quoted closing market share price of $2.41 on the Nasdaq Capital Market on the date of grant. As of March 27, 2025, all PSUs that were granted to the Company's executive officers achieved the first updated performance target.

DIRECTOR COMPENSATION

The following table provides information regarding compensation earned by, awarded or paid to each person for serving as a director who is not an executive officer during the year ended December 31, 2024:

Name of Director	Fees Earned or Paid in Cash ($)	Stock Awards[1][2] ($)	Option Awards[1][2] ($)	All Other Compensation ($)	Total ($)
Daniel Aghion[6]	39,645	94,992	—	—	134,637
Dr. Arie Mayer	41,963	93,987	—	—	135,950
Yehuda Reznik[3]	29,537	71,091	—	—	100,628
Yadin Rozov[5]	1,913	92,780	—	—	94,693
Leonard Sank	41,117	93,987	—	—	135,104
Benjamin Shapiro	30,000	83,817	—	—	113,817

(1) As of December 31, 2024, our non-employee directors then in office held options to purchase shares of our common stock and RSUs as follows:

Name of Director	Aggregate Number of Shares Underlying Stock Awards	Aggregate Number of Shares Underlying Option Awards
Daniel Aghion[6]	32,204	—
Dr. Arie Mayer[4]	55,831	45,398
Yehuda Reznik[3]	25,314	15,398
Yadin Rozov[5]	—	—
Leonard Sank	55,831	46,773
Benjamin Shapiro	39,600	—

(2) The amounts reflect the grant date fair value, as calculated pursuant to ASC 718, of these option awards. The assumptions used to determine the fair value of the option awards are set forth in note 10 to our audited consolidated financial statements included in the Annual Report. Our directors will not realize the value of these awards in cash unless and until these awards are exercised and the underlying shares subsequently sold.

(3) Mr. Reznik joined the Board effective on April 1, 2024.

(4) Includes 15,398 option awards granted by Oravax for Dr. Mayer's service as a member of the Board of Directors of Oravax.

(5) Mr. Rozov resigned from the Board on January 17, 2024 and forfeited his unvested RSUs and Options.

(6) Mr. Aghion joined the Board on January 1, 2024.

Our directors are entitled to reimbursement for reasonable travel and other out-of-pocket expenses incurred in connection with attendance at meetings of our Board. Based on a report provided to the Compensation Committee by Aon in 2023, effective as of January 1, 2024, each independent director is entitled to receive as remuneration for his or her service as a member of the Board a sum equal to $30,000 and a grant of 5,070 RSUs per annum. The Chairman of our Board is entitled to receive an additional sum equal to $25,500, other than if the Chairman is an executive officer. The members of our Audit Committee are each entitled to receive an additional sum equal to $6,000 and a grant of 2,230 RSUs. The members of our Compensation Committee are each entitled to receive an additional sum equal to $4,500 and a grant of 1,520 RSUs. The members of our Nominating Committee are each entitled to receive an additional sum equal to $4,000 and a grant of 505 RSUs. All cash remuneration is to be paid quarterly after the close of each quarter. The RSUs vest on April 1, July 1, October 1 and January 1 of each year, subject to Compensation Committee approval each year. Our executive officers did not receive additional compensation for service as directors. The Board may award special remuneration to any director undertaking any special services on behalf of us other than services ordinarily required of a director.

On January 2, 2025 the Compensation Committee, approved that in addition to the current annual compensation for the board members, a flat cash fee of $500 per meeting will be paid to each director for attendance at every meeting beyond six meetings per year, and an additional $2,000 in cash will be paid to each director per meeting of over three hours which he or she attends, regardless of the number of meetings.

Other than as described above, we have no present formal plan for compensating our directors for their service in their capacity as directors. Other than indicated above, no director received and/or accrued any compensation for his services as a director, including committee participation and/or special assignments during the year ended December 31, 2024. In addition, during 2024 the directors granted an aggregate of 142,500 RSUs that will vest in three equal annual installments starting January 1, 2025.

The Company's Policies and Practices Related to the Grant of Certain Equity Awards Close in Time to the Release of Material Nonpublic Information

We do not have any formal policy that requires the Company to grant, or avoid granting, equity-based compensation at certain times. We do not grant equity awards in anticipation of the release of material nonpublic information that is likely to result in changes to the price of our common stock, and do not time the public release of such information based on award grant dates. The timing of any equity grants to executive officers or directors in connection with new hires, promotions, or other non-routine grants is tied to the event giving rise to the award (such as an executive officer's commencement of employment or promotion effective date).

During the year ended December 31, 2024, there were no equity grants made to our executive officers during any period beginning four business days before the filing of a periodic report or current report disclosing material non-public information and ending one business day after the filing or furnishing of such report with the SEC.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS.

Stock Option Plans

Our Board adopted the 2008 Plan and the 2019 Plan in order to attract and retain quality personnel.

The 2008 Plan, which is no longer utilized for new grants, provided for the grant of stock options, restricted stock, RSUs, and stock appreciation rights, collectively referred to as "awards." Under the 2008 Plan, as amended, 2,400,000 shares were reserved for the grant of awards. As of December 31, 2024, options with respect to 2,287,989 shares had been granted, of which 275,673 had been forfeited, 308,804 had been exercised and 1,420,504 have expired. As of December 31, 2024, 525,824 RSUs had been granted, none of them have vested and the shares of common stock underlying those RSUs have not been issued and 34,118 have been forfeited.

The 2019 Plan provides for the grant of stock options, restricted stock, RSUs, and stock appreciation rights, collectively referred to as "awards." Under the 2019 Plan, 1,000,000 shares were initially reserved for the grant of awards. On June 29, 2020, and August 3, 2020, respectively, our Board and stockholders approved to amend and restate the 2019 Plan, the principal change being an increase in the number of shares of common stock available under the 2019 Plan from 1,000,000 shares to 3,000,000 shares. On June 30, 2022, our Board and stockholders approved to amend and restate the 2019 Plan, the principal change being an increase in the number of shares of common stock available under the 2019 Plan from 3,000,000 shares to 7,500,000 shares. Stock options granted under the 2019 Plan may be either incentive stock options under the provisions of Section 422 of the Code, or non-qualified stock options. Under the amended 2019 Plan, 7,500,000 shares are reserved for the grant of awards, which may be issued at the discretion of our Board from time to time. As of December 31, 2024, options with respect to 1,863,646 shares have been granted, of which 282,043 had been forfeited, 66,978 had been exercised and none of them were expired. As of December 31, 2024, 4,808,060 RSUs had been granted, of which 290,125 have vested and the shares of common stock underlying those RSUs have not been issued and 808,196 have been forfeited. Since the Company had granted options during the time after the 2008 Plan allegedly terminated, and out of an abundance of caution, the Company canceled these grants and re-granted certain of the options under 2019 Plan in the same amounts and under the same terms as the original grants.

The following table sets forth additional information with respect to our equity compensation plans as of December 31, 2024:

Plan category	Number of securities to be issued upon exercise of outstanding options, RSUs and rights (a)	Weight-average exercise price of outstanding options, RSUs and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders	3,947,562	$ 2.80	2,148,993
Equity compensation plans not approved by security holders	—	—	—
Total	3,947,562	$ 2.80	2,148,993

Security Ownership of Certain Beneficial Owners and Management

The following table sets forth certain information regarding the beneficial ownership of our common stock as of March 27, 2025 by: (1) each person who is known by us to own beneficially more than 5% of our common stock; (2) each of our current directors; (3) each of our NEOs; and (4) all of our directors and executive officers as a group. On such date, we had 40,850,455 shares of common stock outstanding.

As used in the table below and elsewhere in this form, the term "beneficial ownership" with respect to a security consists of sole or shared voting power, including the power to vote or direct the vote, and/or sole or shared investment power, including the power to dispose or direct the disposition, with respect to the security through any contract, arrangement, understanding, relationship or otherwise, including a right to acquire such power(s) during the 60 days following March 27, 2025. Inclusion of shares in the table does not, however, constitute an admission that the named stockholder is a direct or indirect beneficial owner of those shares. Unless otherwise indicated, (1) each person or entity named in the table has sole voting power and investment power (or shares that power with that person's spouse) with respect to all shares of common stock listed as owned by that person or entity and (2) the address of each of the individuals named below is: c/o Oramed Pharmaceuticals Inc., 1185 Avenue of the Americas, Third Floor, New York, New York 10036.

Name and Address of Beneficial Owner	Number of Shares	Percentage of Shares Beneficially Owned
Nadav Kidron#+	3,193,699(1)	7.6%
Dr. Miriam Kidron#+	1,256,332(2)	3.0%
Joshua Hexter+	781,587(3)	1.9%
Dr. Daniel Aghion#	18,820	*
Dr. Arie Mayer#	90,634(4)	*
Yehuda Reznik#	15,560	*
Leonard Sank#	109,294(5)	*
Benjamin Shapiro#	1,930,070(6)	4.7%
All current executive officers and directors, as a group (nine persons)	7,533,336(7)	18.2%
Greater than 5% holders		
BML Investment Partners, L.P.	2,643,907(8)	6.6%

* Less than 1%

\# Director

+ NEO

(1) Includes 953,884 shares of common stock issuable upon the exercise of outstanding stock options, 86,791 shares of common stock issuable upon the vesting of RSUs. Mr. Nadav's beneficial ownership includes the 218,603 shares of common stock held by Xiaopeng Li, a former director of the Company, over which he holds a proxy.

(2) Includes 474,999 shares of common stock issuable upon the exercise of outstanding stock options, 59,625 shares of common stock issuable upon the vesting of RSUs, and 610,917 shares of common stock underlying vested RSUs that are issuable upon request.

(3) Includes 177,000 shares of common stock issuable upon the exercise of outstanding stock options and 40,249 shares of common stock issuable upon the vesting of RSUs.

(4) Includes 27,500 shares of common stock issuable upon the exercise of outstanding stock options and 2,500 shares of common stock issuable upon the vesting of RSUs.

(5) Includes 44,273 shares of common stock issuable upon the exercise of outstanding stock options and 2,500 shares of common stock issuable upon the vesting of RSUs.

(6) Includes 1,666 shares of common stock issuable upon the vesting of RSUs.

(7) Includes 1,677,656 shares of common stock issuable upon the exercise of options beneficially owned by the referenced persons, 208,997 shares of common stock issuable upon the vesting of RSUs and 610,917 shares of common stock underlying vested RSUs that are issuable upon request.

(8) Based on Schedule 13G/A, filed on February 13, 2025. BML Investment Partners, L.P. is a Delaware limited partnership whose sole general partner is BML Capital Management, LLC. The managing member of BML Capital Management, LLC is Braden M. Leonard. As a result, Braden M. Leonard is deemed to be the indirect owner of the shares held directly by BML Investment Partners, L.P. Despite such shared beneficial ownership, the reporting persons disclaim that they constitute a statutory group within the meaning of Rule 13d-5(b)(1) of the Exchange Act. The address of BML Investment Partners, L.P. is 65 E Cedar, Suite 2 Zionsville, IN 46077.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES.

31.1	Certification Statement of the Chief Executive Officer pursuant to Rule 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as amended.
31.2	Certification Statement of the Chief Financial Officer pursuant to Rule 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as amended.
101.1*	The following financial statements from the Company's annual report on Form 10-K for the year ended December 31, 2024, formatted in XBRL (eXtensible Business Reporting Language): (i) Consolidated Balance Sheets, (ii) Consolidated Statements of Loss, (iii) Consolidated Statements of Changes in Stockholders' Equity, (iv) Consolidated Statements of Cash Flows and (v) the Notes to Consolidated Financial Statements, tagged as blocks of text and in detail.
104.1*	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

SIGNATURES

Pursuant to the requirements of Section 13 or 15 (d) of the Securities Exchange Act of 1934, the registrant has duly caused this Amendment No. 1 to this report to be signed on its behalf by the undersigned, thereunto duly authorized.

ORAMED PHARMACEUTICALS INC.

/s/ Nadav Kidron
Nadav Kidron,
President and Chief Executive Officer

Date: July 16, 2025

Exhibit 31.1

CERTIFICATION PURSUANT TO RULE 13a-14(a) AND 15d-14(a)

UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED

I, Nadav Kidron, certify that:

1. I have reviewed this Amendment No. 1 on Form 10-K/A of Oramed Pharmaceuticals Inc.; and

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.

Date: July 16, 2025

By: /s/ Nadav Kidron
Nadav Kidron
President and Chief Executive Officer

Exhibit 31.2

CERTIFICATION PURSUANT TO RULE 13a-14(a) AND 15d-14(a)

UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED

I, Avraham Gabay, certify that:

1. I have reviewed this Amendment No. 1 on Form 10-K/A of Oramed Pharmaceuticals Inc.; and

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.

Date: July 16, 2025

By: /s/ Avraham Gabay
Avraham Gabay
Chief Financial Officer

ORAMED PHARMACEUTICALS INC.
("ORAMED")

CORPORATE INFORMATION

Executive Officers

Nadav Kidron
President and Chief Executive Officer

Miriam Kidron
Chief Scientific Officer

Avraham Gabay
Chief Financial Officer, Treasurer and Secretary

Joshua Hexter
Chief Operating and Business Officer

Directors

Daniel Aghion
Nadav Kidron
Miriam Kidron
Arie Mayer
Yehuda Reznick
Leonard Sank
Benjamin Shapiro

Corporate Address

1185 Avenue of the Americas, Third Floor, New York, New York 10036

Independent Auditors

Kesselman & Kesselman, independent registered public accounting firm, and member firm of PricewaterhouseCoopers International Limited

Counsel

Sullivan & Worcester LLP

Transfer Agent

Continental Stock Transfer & Trust Company
1 State Street, New York, NY 10004
800-509-5586 (Intern'l 212-509-4000)
cstmail@continentalstock.com

Stock Market Information

Oramed's shares of common stock are listed on the Nasdaq Capital Market and on the Tel Aviv Stock Exchange, in each case under the symbol "ORMP"

Annual Meeting

The Annual Meeting of Stockholders will be held at 10:00 a.m., Eastern time, on August 19, 2025, at Proskauer Rose LLP, One Boca Place, 2255 Glades Road, Suite 421 Atrium, Boca Raton, FL 33431-7360, United States

Annual Report on Form 10-K

Oramed's Annual Report on Form 10-K for the fiscal year ended December 31, 2024, as amended (without exhibits) is available free of charge by writing to Oramed at the 1185 Avenue of the Americas, Third Floor, New York, New York 10036. You can also obtain a copy of the filings by going to the following website: https://www.sec.gov

Website

www.oramed.com