

# Zacks Small-Cap Research

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Brian Lantier  
312-265-9153  
blantier@zacks.com

scr.zacks.com

10 S. Riverside Plaza, Chicago, IL 60606

## Saverone 2014 Ltd (SVRE-NASDAQ)

**SVRE: Initiating coverage of SaverOne. Striving to protect all road users from the distracting technology in vehicles.**

Based on our initial DCF model we think SVRE could trade at \$1.80 based on the current number of ADSs outstanding. We note that additional financing could materially boost the share count and impact our valuation calculation.

Current Price (02/14/24) \$0.96  
Valuation **\$1.80**

### OUTLOOK

We are initiating coverage of SaverOne, a company seeking to address the issue of distracting technology in vehicles with a proprietary hardware and software solution to prevent distracting cellphone use while driving.

The company principally operates in Israel today and with limited operations in the EU but has plans to expand to the US market and introduce additional tools that will aim to improve safety for distracted road users outside of the vehicle.

The company has entered into a standby equity purchase agreement to ensure access to capital necessary to fund its expansion efforts but investors will have to consider the potential dilution that could result from this equity infusion.

### SUMMARY DATA

52-Week High \$1.68  
52-Week Low \$0.29  
One-Year Return (%) -47.21  
Beta 2.09  
Average Daily Volume (sh) 1,196,300

ADSs Outstanding (mil) 10.6  
Market Capitalization (\$mil) \$10.15  
Short Interest Ratio (days) N/A  
Institutional Ownership (%) 2  
Insider Ownership (%) N/A

Annual Cash Dividend \$0.00  
Dividend Yield (%) 0.00

5-Yr. Historical Growth Rates  
Sales (%) N/A  
Earnings Per Share (%) N/A  
Dividend (%) N/A

P/E using TTM EPS N/A  
P/E using 2024 Estimate N/A  
P/E using 2025 Estimate N/A

Zacks Rank N/A

Risk Level High, Speculative  
Type of Stock Growth  
Industry Automotive Safety

### ZACKS ESTIMATES

Revenue  
(in millions of \$)

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2022		0.1 A		0.2 A	0.3 A
2023		0.4 A		0.5 E	0.9 E
2024		0.6 E		2.4 E	3.0 E
2025		3.2 E		4.3 E	7.5 E

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2022		-1.55 A		-0.73 A	-\$2.15 A
2023		-0.86 A		-0.46 E	-\$1.20 E
2024		-0.38 E		-0.31 E	-\$0.70 E
2025		-0.20 E		-0.15 E	-\$0.36 E

\*earnings presented as earnings per ADS

\*\* half year earnings per ADS may not sum due to rounding and share issuance

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## KEY POINTS

- We are initiating coverage of SaverOne (SVRE on NASDAQ) with a valuation of \$1.80
- SaverOne is working to help close the Pandora's box of problems that have emerged since mobile devices transitioned from simple phones to entertainment and media devices. The draw of these devices (and the social media apps on them) has been a key contributor to a sharp rise in distracted driving accidents and deaths (particularly in the United States).
- Despite being in business for nearly a decade, SaverOne is still a fairly early-stage company commercializing its first products. The company offers an in-cabin distracted driver prevention system that effectively locks down the most distracting apps on an enabled mobile device when it is near the driver in a SaverOne-equipped vehicle. The automated engagement of the blocking technology is a key point of differentiation for companies and fleet managers looking to mitigate liability risk associated with distracted driving by their employees.
- SaverOne's initial product requires an extensive installation process and is targeted toward the aftermarket commercial vehicle market. This installation process has likely limited the initial applications of the technology to commercial fleets but we do believe that an integrated solution built-in by commercial vehicle OEMs could be on the near horizon which would drastically expand the market opportunity for SaverOne. Eventually, we believe the company would like to work with passenger vehicle OEMs to include the SaverOne Phone Location Unit as well.
- The initial customers for the SaverOne Driver Distraction Prevention System (often referred to as the SaverOne DDPS) have included private and public bus fleets, industrial customers, and transportation companies. The company's OEM solution has been designed to be sold to large commercial vehicle manufacturers and auto manufacturers.
- To date, the bulk of the company's operations and sales have been based in Israel (and we do expect some impact on operations in 2023 sales as a result of the current hostilities) but the company has an aggressive international expansion plan to bring its solutions to the EU and the US in 2024.
- The company is in the early stages of developing another product to supplement Advanced Driver Assistance Systems (ADAS) which will utilize its core RF signal detection technology to warn drivers of Vulnerable Road Users (VRU) in the vicinity. Other technologies currently used in vehicles (radar, cameras, lidar) can be impacted when the line of sight is interrupted and the SaverOne solution seeks to address this issue by utilizing RF signals. We think there will be some significant hurdles to bringing this product to the broader market, but we think there could be use cases that make a great deal of sense.
- The company has significant opportunities to expand its installed base through OEM relationships and international growth. Challenges for the company include perceptions that the free alternatives in the market (Carplay, Android Auto, etc.) are sufficient and a complex standby equity agreement that is likely to increase the number of freely trading ADSs in 2024 which does not appear to be fully appreciated by investors today.
- Based in Petah Tikva, Israel, the company has roughly 50 employees and completed its IPO in June 2022 at \$4.13 per unit on the NASDAQ. Each ADS represents 5 ordinary shares which are listed on the Tel Aviv Stock Exchange.

## OVERVIEW

Business:

SaverOne has built its first commercial product to address the growing issue of distracted driving caused by mobile phone use. The company's solution detects and locates a driver's cell phone radio frequency (RF) signal when the SaverOne app is installed and the accompanying "phone location unit" is installed in a vehicle. SaverOne's in-cabin Driver Distraction Prevention Solution (DDPS) will identify if the driver's cell phone is within the area of the driver's seat when the SaverOne App is installed and limit the phone's use to handsfree calling, navigation, music streaming, and any critical apps selected by the client.

Figure 1: SaverOne Solutions



Source: Company Presentation

While most drivers are familiar with Apple Carplay and Android Auto's tools which aim to reduce distracted driving, if you've used these tools, you will be aware that bypassing the system simply requires clicking the "I'm not driving" button. Those tools effectively work on the honor system which is not adequate for corporations, fleet managers, or bus companies looking to ensure their drivers are completely focused on the task at hand – driving safely. Also, Carplay and Android Auto are principally solutions for passenger vehicles with center console entertainment systems that are often missing from commercial vehicles.

The SaverOne system will block access to the most distracting apps on the driver's phone (i.e., social media and texting) while still allowing access to necessary apps like navigation and the ability to make hands-free phone calls. SaverOne developed this technology in Israel and is initially deploying this solution for the commercial vehicle market in Israel and Europe with plans to expand to the United States market. The principal driver of adoption thus far has been the need for commercial operators and fleet managers to mitigate the risk associated with distracted driving when employees are operating their vehicles or buses. While this technology has existed for years (we've identified at least three versions of

RF-blocking technologies that came to market well over a decade ago) the market has been demanding a solution that is not based on completely blocking access to a phone. A solution like SaverOne's which is not reliant on driver cooperation yet still allows drivers to access navigation tools, music services or proprietary apps can help mitigate risk for corporate fleets while allowing a phone to still be a useful tool. The company launched its initial product in 2019 in Israel (before the Covid-19 pandemic) with several pilot installations. As of August 2023, the company has reported that about 4,300 systems have been ordered and roughly 3,000 of these systems have been installed. Installation of the company's solution (discussed below) is not simply "plug and play" and likely has limited broader adoption of the SaverOne System to date.

Broadly, the company's Driver Distraction Prevention System from SaverOne differentiates itself from the built-in options in most phones because it:

- Does not rely on the driver's agreement or cooperation. When a driver starts a vehicle with the phone location unit installed, a driver's cell phone instantly shifts to a mode that does not allow access to distracting apps.
- While in this mode the system does not block access to the entire phone so the driver can still access apps like navigation, music streaming services, or apps whitelisted by the program manager (for example, a delivery management system).
- Finally, the system only impacts the cell phones in the range of the driver and it does not impact passenger cell phone use. While this isn't an issue for many commercial vehicles as there is often only one person in the vehicle for applications like commercial buses or potentially passenger vehicles (for example, rideshare drivers) the ability to limit access of the mobile devices near the driver is a key point of differentiation.

The SaverOne System consists of a base unit, four antennas and a buzzer designed to go off when a phone without the SaverOne app installed is located within range of the driver.

**Figure 2: Phone Location Unit**

Control Unit  
(PLU)



MPLU309

Source: Company Installation Guide

The installation of the unit today is a fairly involved process as it requires removing a substantial amount of trim material and dashboard paneling because the units are only being installed in aftermarket vehicles at this time. The installation process would obviously be simplified when an OEM solution can be installed as a vehicle is being manufactured.

Once the panels and dashboard trim has been removed, the unit is hardwired into the vehicles electrical system for power and four antennas are placed around the vehicle cab to provide full coverage of RF signals coming from the driver's seat.

We believe that the “buzzer” is secured near the center of the vehicle’s dashboard and then all of the connections between the antennas and the location unit are made and the dashboard is reassembled.

While we’ve not seen a complete installation process from start to finish, the company has indicated that it takes around 45 minutes for an experienced installer to complete the installation of a SaverOne Phone Location Unit. Looking at the number of steps involved from start to finish and the fact that most passenger cars often take hours to disassemble and reassemble a dashboard this seems like a low estimate of the time required.

We believe that the installation partners charge separately for their services, so that increases the total cost of the solution to the end user above the cost of the unit itself.

**Figure 3: SaverOne Driver Distraction Prevention Solution (DDPS)**



Source: Company presentation

### **SaverOne DDPS:**

The three key product features that SaverOne sought to include in their initial product were based on a National Highway Transportation Safety Administration (NHTSA) published study that indicated any tool to address distracted driving should have:

- The ability to distinguish between the driver’s area of the vehicle and the rest of the vehicle (i.e., passenger use of cell phones should not be impacted)
- A driver distraction tool should not rely upon the driver opting in or cooperating with the system and;
- The driver distraction system should selectively block apps while allowing system administrators to permit the use of company-related apps or navigation.

As we’ve noted the SaverOne DDPS automatically engages when a phone with the app installed is in the vicinity of the driver in a car with the SaverOne phone location unit. The SaverOne solution has preset limitations to distinguish between dangerous applications like texting/social media use and

critical applications like navigation. The DDPS keeps the driver's phone blocked while the vehicle is in motion and it allows fleet managers to determine which apps a driver can access (for example, a delivery company might allow access to its proprietary fulfillment app or a bus company might allow a driver to access a route management app).

In the commercial market (where the driver is often the only one in the vehicle) the fact that the SaverOne solution only impacts phones around the driver may not be a critical factor for buyers, but we think as the company begins to market its solution to passenger vehicles (consider, for example, applications for rental car fleets) or for commercial vehicles carrying passengers like buses, it could be an important point of differentiation. The company's early success with a number of bus fleets seems to support this thesis.

The company's solution uses sensors, antennas, and AI algorithms to identify and detect the position of a mobile phone in a vehicle. The sensors determine a phone's location based on the relative strength of the phone's RF signal. While the location of the device prevents drivers from attempting to bypass the system, the fact that the device is not built into vehicles today or does not have a simple "plug and play" installation has likely limited broader adoption.

If the app is not enabled on a phone that is within range of the driver, once the vehicle starts moving, an alarm will be triggered that can only be silenced by removing the phone from the driver's area or downloading and activating the mobile app if the phone is to remain in the vicinity of the driver.

**Pricing:** We estimate that the initial orders were priced at roughly \$400 per unit with discounts ranging from 25-40% for some large volume orders. As we noted earlier this price does not include the installation partner's fee which is paid directly to the installer.

The initial market that SaverOne has targeted is aftermarket installations (vehicles already in service) and the company is charging for the unit, and in some cases a monthly subscription fee for the safety service. Additional services like driver performance analysis could be offered with an additional subscription fee in the future.

We believe the company's OEM product line will include a one-time hardware fee and a monthly subscription fee for the safety service. We anticipate that the pricing will be substantially lower for the OEM product because of the potentially large volumes that these contracts could represent so while margins could fall with a substantial OEM relationship, the boost of revenues should improve the overall profitability of the company.

As of late August 2023, the company disclosed total orders of about 4,300 units. We believe that roughly 800 of these orders were pilot units sold to demonstrate the effectiveness of the company's solution, roughly 2,400 of the orders were for the Generation 1.0 DDPS product which was phased out in Q1 2023. The Generation 2.0 DDPS product was introduced in Q4 2022 and the company brought this to market to target the broader aftermarket automobile market. We estimate that roughly the last 1,100 orders the company has received were for the Generation 2.0 units.

The company is still working to develop its OEM solution that will be offered to vehicle manufacturers for installation in the factory as a vehicle is built. The company expects to have additional news on the OEM front in 2024 and this could be a major development for the company when any OEM agreement is finalized and announced.

### **Future Products: Protecting Vulnerable Road Users**

When one considers the entire roadway ecosystem, it is important to recognize that many people at risk are outside of the vehicles that are moving around on our streets. Pedestrians, cyclists, scooter riders, motorcyclists, etc., are all considered "Vulnerable Road Users" (VRUs) because they are unprotected by an outside shield or vehicle exterior. Collectively, they have seen their risk of being involved in a vehicular accident grow sharply over the past two decades in the US largely due to

policies that favor motor vehicles and industry decisions (for example, marketing larger vehicles that produce greater profit per unit, even if they reduce sight lines and create more risk for society at large). If you drive with any frequency, you will certainly encounter a pedestrian engaged with their cell phone at an intersection, or perhaps a pedestrian stepping out from between two parked cars or a cyclist making a quick turn without proper signaling. If a driver is not fully attentive at all times (and even if they are) there is a risk of an accident in these scenarios.

SaverOne is developing a solution to address the VRUs that a driver encounters (and by default protect drivers of the vehicles from liability) by leveraging its existing RF-detecting technology to identify and locate the direction of a phone that is on the move ahead of a vehicle. In theory, this information would give a driver enough warning to avoid potential collisions. We believe it is possible that this solution could also connect to a vehicle's decision making unit to activate the braking system, in addition to warning the driver.

To demonstrate the proof of concept the company is likely to use the existing technology in the Phone Location Unit but eventually the VRU sensor will be a stand-alone unit.

The company announced a successful proof-of-concept test in 2022 with a "major European OEM" where it indicated that its VRU solution can identify the location and direction of a cell phone based on its RF footprint. This system would complement existing advanced driver assistance tools (like radar, lidar, and cameras) and when the natural line of sight is limited by adverse weather conditions or objects in the road, it could become a primary solution to prevent collisions.

The company's RF ADAS (Advanced Driver Assistance System) sensor will offer:

- 80 degrees of coverage (relative to the vehicle's direction)
- Support up to 50 phones
- Provide localization to within 1 meter
- And have an operating range of 150 meters

The company is marketing this to auto manufacturers (OEMs) for inclusion in the vehicle safety suite but we believe that the company will have to complete some real-world pilots before any global OEM agreement will be signed.

The concept as described by the company in the figure below appears fairly straightforward, but we believe that the real-world application will be much more complex.



Figure 4: SaverOne's VRU Protection

The graphic features a dark blue background with a faint pattern of silhouettes of people walking. In the top left, there is a circular icon containing a car and a checkmark. To the right of this icon, the text "SAVERONE VRUP SOLUTION" is written in large, bold, white letters. Below this, in smaller orange text, it says "Detecting VRUs based on RF footprint using Signal Processing and AI". A list of bullet points follows, detailing the system's capabilities and outputs. To the right of the text, there are two 3D isometric illustrations: the top one shows a city street intersection with a pedestrian crossing, a yellow taxi, a blue car, and a green truck; the bottom one shows a street scene with a yellow taxi, a blue car, and a person standing near a bus stop.

**SAVERONE VRUP SOLUTION**  
Detecting VRUs based on RF footprint using Signal Processing and AI

- ADAS sensor, integrated within the vehicle
- Detects the signals of nearby cellphones, calculating their location, speed and direction of movement
- Provides input to the vehicle's sensor fusion/decision making *ECU*
- Vehicle / Driver *outputs*:
  - Visual / Audio / vibrate alert
  - Integrated braking system

**RF sensor technology main advantages:**

- Performance in Non-Line-of-Sight (NLoS)
- No degradation in severe weather conditions
- Detecting distracted pedestrian
- RF agnostic – across a wide range of wireless technologies: Cellular, BLE, Wi-Fi

Source: Company Presentation

We can only imagine a system seeking RF signals as a vehicle drives down 7<sup>th</sup> Avenue in Manhattan. On any given corner there might be nearly 500-1,000 phones all moving in different directions at different speeds. Add in another 20-40 cyclists, e-bikes, and scooter riders who may or may not be following the rules of the road (driving against traffic on one-way streets and disregarding traffic lights is becoming increasingly common). The number of alerts that would be caused in this scenario would be overwhelming and we look forward to seeing how the company's solution would handle a situation like the one described.

### Micronet

In late December, SaverOne announced an agreement to acquire "certain operations, products, and IP of Micronet Ltd (TASE: MCRNT)" for an undisclosed sum.

In late January, the company extended the term sheet to 2/1/2024 but a week later the two companies announced that they could not reach an agreement and the merger had been terminated.

### Additional opportunities:

While the company has not yet specifically targeted the rental car market, we think it would be a natural application of the company's technology to install the phone location unit in large rental car fleets. While this would require drivers to download an additional app, we believe that the benefits to the rental companies could be worth the inconvenience to drivers. There may have to be some financial incentive for drivers (perhaps a discount offered to drivers who install the complete system on the driver's phone) but the benefit of ensuring that renters are not going to be driving while texting or scrolling social media would seem large enough to warrant exploring this option.

A related market could be the rideshare market as passengers are increasingly looking for added protection from driver's being distracted by the myriad of apps on their phones. Again, the extensive

aftermarket installation required for the phone location unit today would probably limit this opportunity but if an OEM solution is built into popular rideshare vehicles in the future that would create a significant market opportunity.

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## **BUSINESS AND STRATEGY**

The company has developed its product from an initial pilot product, through the introduction of Gen 1.0 and Gen 2.0 (introduced in Q4 2022) The company's OEM solution should be the next commercial product to launch and depending on the scale of the initial launch the OEM business could significantly change the outlook for SaverOne.

The company's Driver Distraction Prevention System ("DDPS") has thus far been marketed primarily in Israel and Italy, with small pilot programs launched in the United States. As of the end of August 2023, the company has reported 4,300 systems ordered about 3,000 of which had been installed.

The company introduced the second-generation DDPS product in Q4 2022 targeting the global auto market with this solution. Fleet sales, government vehicles, and corporate vehicle fleets would all be logical first markets to target and early customers seem to fall principally in these categories.

The OEM solution is expected to launch in 2024 but it is unclear if the conflict in Israel has delayed this timeline.

After the OEM DDPS solution is launched, the focus of new products is going to shift to the company's plan for an Advanced Driver-Assistance System, or ADAS, that identifies vulnerable road users, or VRUs, and will attempt to provide an adequate warning to the driver to minimize the risk of a potential collision.

As we've noted elsewhere in the report, we think this technology holds promise but the real-world application may be more challenging than it appears in theory.

### **Strategy**

The company's strategy is to build business lines that can leverage the company's core technology to detect, analyze, and locate cellular radio frequency (RF) signals. The company's initial two product lines are the in-cabin DDPS and the still-in-development sensor to detect vulnerable road users. We believe the success of the company's DDPS solution in the aftermarket and eventually with an OEM partner will open up opportunities for the company to secure pilot programs for its VRU solution.

The company is attempting to partner with global OEMs (both for commercial/industrial vehicles and passenger vehicles) to build their DDPS into vehicles as they are assembled. We anticipate hearing more on this front in 2024 particularly given the company's MOU with IVECO which we discuss below. The aftermarket opportunity will continue to be a focus for the company as well as they target commercial fleets and transportation companies.

In the near term we expect the company to invest in its sales and marketing infrastructure, partner with component manufacturers and OEMs expand penetration of its solutions, further expansion efforts in the EU and the US, and advocate with government agencies to boost driver distraction prevention systems adoption.

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## CATALYSTS

The biggest potential catalyst for the company in the near term is a significant OEM deployment of the company's DDPS. In 2021, Italian truck manufacturer IVECO began looking at options to integrate the SaverOne DDPS system into their trucks. In Q4 2022, the companies entered a Memorandum of Understanding (2022 MOU) for integrating the SaverOne solution in IVECO vehicles.

IVECO has an annual production rate of 150,000 commercial vehicles and while we do not know how broad the agreement could be, it is clear that for SaverOne, which had 4,300 units orders as of August 2023, the potential impact of this agreement could be very significant. Conversely, if we do not hear something on this agreement in the first half of 2024, investors will likely start to question whether this MOU can be converted into a commercial agreement. If the SaverOne solution remains solely an aftermarket product that requires skilled installation, the market opportunities will remain limited and the company could struggle to achieve profitability.

We also believe that the company is working to secure an OEM partner for the passenger car market which would instantly validate the company's technology in the lucrative EU or US markets. The timing of any announcement on this front is uncertain and the hostilities in Israel have likely slowed dealmaking in the second half of 2023 but we think this remains a potential catalyst in 2024.

## PATENTS

Figure 5: SaverOne's Patent Portfolio

Asset no.	Country	Application date	Title (with embodiment where applicable)	File status	Expiration date
1	USA	22-06-2015	System and methods to facilitate safe driving (Estimated location is by machine learning)	Registered	22-06-2035
2	USA	2/8/18	System and methods to facilitate safe driving (Multiple sensors; channel fingerprinting)	Registered	22-06-2035
3	USA	25-07-2019	System and methods to facilitate safe driving (Idle mode - parking)	Registered	22-06-2035
4	USA	5/5/20	System and methods to facilitate safe driving (Idle mode - general)	Pending	N/A
5	Israel	22-06-2015	System and methods to facilitate safe driving (Estimated location is by machine learning)	Opposed	N/A
6	Israel	22-06-2015	System and methods to facilitate safe driving (Partial blocking of functionality)	Opposed	N/A
7	Israel	22-06-2015	System and methods to facilitate safe driving (Idle mode - parking)	Opposed	N/A
8	Europe	22-06-2015	System and methods to facilitate safe driving (Machine learning + channel fingerprinting)	Pending	N/A
9	China	22-06-2015	System and methods to facilitate safe driving (Estimated location is by machine learning)	Registered	22-06-2035
10	USA	28-11-2016	System and Methods of Locating Wireless Devices in a Volume (antenna Scanning)	Registered	28-11-2036
11	USA	28-11-2016	System and Methods of Locating Wireless Devices in a Volume (reference PDFs bank)	Pending	N/A
12	Europe	28-11-2016	System and Methods of Locating Wireless Devices in a Volume (antenna Scanning)	Registered	28-11-2036
13	China	28-11-2016	System and Methods of Locating Wireless Devices in a Volume (antenna Scanning)	Registered	28-11-2036
14	Israel	28-11-2016	System and Methods of Locating Wireless Devices in a Volume (antenna Scanning)	Allowed	N/A
15	PCT	23-09-2021	A system, method and unit to scan communication channels	Pending	N/A
16	USA	28-02-2022	Managing access to an application on a smartphone via a Bluetooth channel	Pending	N/A
17	PCT	27-02-2023	Managing access to software applications on a mobile communication device via a phone location unit	Pending	N/A
18	USA	24-02-2022	System and method for advanced classification of cellphone based on sensor fusion	Pending	N/A
19	USA	24-02-2022	System and method for determining user-cellphone interaction based on sensor fusion	Pending	N/A
20	USA	24-02-2022	System and method for calibration and maintenance of a cellphone localization system within enclosed volume	Pending	N/A

Source: Company filings

The company has a portfolio of over 20 patents that have various filing statuses in a variety of jurisdictions. A few of the patents appear to cover the same concepts and are simply registrations in different jurisdictions. In mid-February 2024, the company announced that it had been granted a US patent for a “system and method to facilitate safe driving” which we believe was previously reported as pending.

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## MARKET DYNAMICS

Despite vehicle safety standards that have continued to improve over the past 20 years, nearly 43,000 people died in traffic accidents in 2022 in the U.S., **up 30% from 2013.**<sup>1</sup>

The U.S. is an outlier in the world, as road fatalities continue to climb here, particularly for those people considered “vulnerable” like cyclists, pedestrians, etc., while most Western countries have seen road fatalities fall sharply in the past decade. Canadian traffic fatalities, for example, have fallen nearly 40% over the past 20 years in contrast. So, what exactly explains the higher risk profile of driving or being on the road in the United States?

The consensus opinion seems to be that the United States has been slow to adopt technologies to protect individuals “outside of vehicles” in ways that other countries have prioritized their safety. Lower speed limits, protected bike lanes and road designs have all contributed to the outperformance of other countries relative to the U.S.

There has been a notable increase in what the National Highway Traffic Safety Administration (NHTSA) calls “dangerous driving behaviors” – speeding, impaired driving, and failure to wear a seatbelt – which is a contributing factor to the growth of traffic fatalities in the U.S.

However, the other significant factor contributing to increased traffic accidents and fatalities is the widespread adoption of smartphones. In 2013, a little over half of all Americans had a smartphone (56%) but that penetration rate of ownership had grown to 85% by 2022. If we exclude the very young and the oldest generations from this calculation to estimate the “driving population” it is clear that today almost all drivers in the U.S. own a smartphone.

Distracted driving can be defined to include any activity – eating, adjusting vehicle controls, or of course, using a smartphone – that takes a driver’s attention away from the task of driving. While there has been some progress made through the advent of hands-free technology to reduce the number of phone calls made with the handset, the explosive growth of social media and texting over the past decade makes smartphones one of the most dangerous items for drivers to use while driving. While social media use has increased in the U.S. over the past decade, it’s also important to note that video-heavy content from TikTok, Instagram, and YouTube is now the most prominent form of social media for users in the U.S. While anything that takes a driver’s attention off of the road is dangerous, we believe that watching a TikTok post or Instagram Reel is meaningfully more reading a text.

### Distracted Driving

Traffic accidents, the associated costs of those accidents, injuries, and fatalities continue to rise in the U.S. and driver distraction plays a meaningful role in pushing these numbers higher. According to the National Highway Transportation Safety Administration over 3,500 lives were lost in 2021 representing 8% of all fatal crashes due to distracted drivers.<sup>2</sup> As we’ve noted there were multiple attempts more than a decade ago to address the challenges of distracted driving as smartphones became ubiquitous including:

- a company that invented an ignition lock tied to a cell phone signal and

- a company that used radio-frequency technology to detect when a car was in motion and it would send a low-range mobile jammer to prevent only the driver's phone from operating,

While several partial measures have been enacted – like banning texting while driving, implementing hands-free laws, etc. – the issue of distracted driving remains largely an issue for each individual or company to address on their own. Despite the rising risks associated with the widespread use of social media apps while driving, there has been very little movement to address distracted driving with legislation in the United States.

Two factors that could cause wider adoption of solutions to address distracted driving in the U.S. include rising rates for personal auto insurance and corporations seeking to limit their risk with employee-driven vehicles.

Personal auto insurance rates in the U.S. have jumped sharply in the last two years, with average rates climbing 13.7% in 2023.<sup>3</sup>

There are very few options for drivers to mitigate these soaring costs and while no insurer currently offers a discount for installing a Distracted Driver Prevention Solution, we think that the company will advocate for discounts down the road if their solution becomes integrated in the vehicle when built by auto manufacturers.

While the market for corporate-owned vehicles, delivery vehicles, commercial trucks, and buses is smaller in size than the market for personal vehicles the need to mitigate risk for these vehicles is great and a single fleet sale could be significant for SaverOne at this stage of the company's development.

A single settlement of a large truck accident can range from between \$75,000 - \$110,000 while the average jury award in these cases is nearly \$500,000.<sup>4</sup> A driver distraction prevention solution won't eliminate all risk or all corporate liability in the event of a crash but having a system in place demonstrates a level of risk management that should help limit the operator's liability in the event of an accident.

We recognize that as of January 2024, SaverOne's business has been almost exclusively focused on the Israeli and Italian markets but the most lucrative potential market for the company's solutions is the U.S. market and we think the company will make a significant push in this market in 2024.

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## INDUSTRY OUTLOOK

It is difficult to develop an industry outlook for SaverOne today because, for the most part, the industry is just emerging.

The market for products to address distracted driving is principally focused on personal vehicles today and consists of distraction warnings or alerts instead of limiting access to the driver's cell phone in commercial vehicles as is SaverOne's approach.

In some ways, it is similar to the way a company like Airbnb had to "create" the alternative lodging industry or Uber created the alternative transportation industry. Solutions exist today in the market to address cell phone usage while driving (detailed below in the competition discussion) but there is not a well-defined industry for tools to limit a cell phone's use in the way that SaverOne's Driver Distraction Prevention System does.

The industry today consists of three types of tools to address distracted driving – apps that limit phone functionality, hardware that limits phone functionality, or apps and devices designed to monitor driver actions.

Despite the sobering statistics that show at least 3,500 people lost their lives in 2021 due to distracted driving there is no formal industry in place to address the issue of driver distraction. Contrast this with the fire prevention industry which sees total annual expenditures of over \$250 billion in the US<sup>5</sup> for fire departments, fire safety in building products, fire maintenance, and fire grade products and the total number of annual deaths in the US is roughly the same at 3,800. We are not suggesting that the driving distraction industry is a \$250 billion industry but we do believe that over time legislation may come into effect to prompt more investment in protecting the lives of motor vehicle users and vulnerable road users.

### **Apps:**

In the market for applications (apps) that address the issue of driver distraction, they broadly fall into three categories – built-in systems, subscription apps, and free apps. The built-in systems are principally Apple Carplay, Apple DrivingFocus, and Android Auto, but other solutions like DriveMode (acquired by Honda) exist in the market. Subscription app models have become less popular over time as consumers have come to appreciate the value and utility of the built-in solutions but for some parents, the appeal of an app that cannot be bypassed still holds some value. Finally, there are a few apps that seek to reward users for staying off their phones with discounts or actual cash refunds for compliance.

### **Plug-in Devices:**

Very few of these companies appear to still be operating in 2024. One of the concerns that we have for SaverOne in the consumer market is the fact that every model that has required a device to be installed in the vehicle has failed over the past decade. We believe that the only way around this challenge in the passenger vehicle market is to offer a solution that will be integrated by the auto OEMs into the vehicle at the factory or offer a solution that is incredibly easy for drivers to self-install.

### **In-cabin monitoring:**

This is principally the domain of auto manufacturers and their technology partners but tracking eye movements and driver actions is a major focus in the effort to address driver distraction, preventing driving under the influence and alerting drowsy drivers. Given the amount of computing power needed today, this is not something that can be readily analyzed in real-time but we think over time as edge AI tools improve the ability to analyze and provide feedback to drivers in real-time may be a significant step forward for driver safety.

Overall, we would describe the industry as fragmented and not very well defined today because there has been little legislative movement in the US to address distracted driving in the consumer market in the same way that other driving risks have been legislated (like DUI laws).

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## **COMPETITIVE POSITION**

The competitive landscape is complicated in this emerging market because, as with other industries in their infancy, most of the competition is more of a substitute than a true competitor. If ultimately the goal is to ensure a safe driving environment, the simplest and most effective solution is to simply turn off the driver's cell phone or silence notifications. However, we are aware that human nature dictates many decisions and rarely do drivers actively take this approach to avoid distraction regardless of its effectiveness.

The most popular option for most individual drivers is to use Android Auto, Apple Carplay, or Apple DrivingFocus tools to limit access to apps, texting and to provide hands-free phone use. One of the biggest challenges facing SaverOne in its attempt to displace these tools is that they are free and built into virtually every cellphone on the market. Would you as a consumer go out of your way to buy a \$300-\$500 calculator if you have a free one in your phone? Probably not.

The SaverOne solution which still requires specialized equipment, custom installation, and costs \$300-\$500 is certainly at a competitive disadvantage to the free alternatives in the consumer market.

Again, in the commercial market, we think the investment in a permanent solution that cannot be bypassed by the driver is a key point of differentiation but given the current market dynamics, the consumer market will likely remain locked up by the free options available on IOS and Android phones.

**TRUCE Software** ([www.trucesoftware.com](http://www.trucesoftware.com)) offers several tools to manage employees' mobile devices including in the vehicle while driving. While there appear to be some technical differences between the SaverOne solution and that offered by TRUCE, the company has established a fairly large presence in the market and its estimated annual revenues (the company is private so confirming these numbers is difficult) are likely 15x+ the revenue of SaverOne currently.

**Samsara** (NYSE: IOT \$18 billion market cap) offers a wide variety of fleet management tools including real-time vehicle tracking and a new dual-facing AI dash cam that can analyze a driver's behavior to look for patterns that show signs of distraction. Given Samsara's large installed base with fleet operators in the US, this product is likely to be a significant competitor for SaverOne. While the driver-facing camera doesn't block certain applications as the SaverOne tool does, the opportunity to monitor driver distraction or drowsiness in real time will likely hold a great deal of appeal for many commercial customers.

**Lytx** is another provider of in-vehicle cameras that can offer real-time feedback on driver performance and driver distraction. Again, their solution does not block a phone's apps, but it does alert to possible distractions or risky behaviors in real time. Lytx has raised close to \$900 million in venture capital and is viewed as a leading provider in the industry.

**GreenRoad** is a private company with customers in over 70 countries and fleet management solutions that include driver behavior monitoring tools. In particular, the company's GreenRoad Drive Saver blocks incoming calls, notifications, texts, and certain applications (like Facebook) while allowing driving-related apps like navigation tools to function. Drive Saver enters blocking mode when a vehicle begins moving and shifts back to unblocked mode when the vehicle stops moving. A critical differentiation versus SaverOne is that the GreenRoad Drive Saver requires no hardware and can be implemented using "Mobile Device Management". The company has raised nearly \$100 million and will likely be a formidable competitor for SaverOne as it attempts to expand into markets like the U.S. Solutions like Drive Saver can theoretically be bypassed by a driver using multiple phones (which is not the case with SaverOne) but we are not sure how big of an issue this is in the market.

**SafeDrivePod** is a Dutch company that appears to offer a solution similar to SaverOne with a small device and an app that ensures drivers cannot access their smartphone when the vehicle begins moving. The pricing of the SafeDrivePod appears to be significantly lower than the SaverOne option (\$5/month) though it is unclear how much market penetration they have achieved.

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## RECENT FINANCIAL RESULTS AND NEWS

In the first half of 2023, the company reported a sharp jump in year-over-year revenues to roughly \$400k as the number of installed systems grew to 3,000 as of August 29, 2023 (up from 1,750 installed units as of 3/31/23). While this growth rate is impressive it is important to note that SaverOne is still a fairly small company and managing its growth as the company moves from initial pilot installations to full fleet installations will be a challenge. The company's first-half operating loss of \$4.8 million was due in large part to the \$3.3 million R&D expenditure. The company has indicated that as it develops its OEM solution and VRU product R&D expenditures will likely remain elevated.

Cash balances fell from \$8.3 million at the end of 2022 to \$5.0 million as of 6/30/2023 indicating a monthly burn rate of roughly \$550,000. The company has begun to raise additional funds under a complex financial arrangement to fund operations and this will significantly increase the number of ADSs/shares outstanding which we will discuss below.



#### *Other recent events:*

The company tends to file an announcement for every client win or pilot program which can make it difficult to identify which announcements are truly meaningful to potential future results. Below are some of the more significant announcements that we've noted:

- In March 2023, the company announced that Electra Afikim would install the SaverOne System in its entire bus fleet representing roughly 1,200 vehicles, SaverOne's largest order at that time.
- In July 2023, the company announced an expansion of a relationship with Cemex Israel to increase installations across their entire fleet in Israel. With this order, Cemex Israel will have over 380 vehicles using SaverOne's solutions.
- In October 2023, the company announced 6 new customer wins that led to the installation of 90 new systems on school buses. The company indicated at the time that this win represented just a fraction of the full bus fleets of these customers.
- In November 2023, the company announced an initial pilot with Tecne in Italy for 10 vehicles. While a relatively small pilot, it represents a significant opportunity for SaverOne as Tecne's fleet totals roughly 3,000 vehicles in Italy.
- In late January 2024 the company announced an order of 300 SaverOne Systems from Bon Tour, a leading tour operator with hundreds of buses in Israel. The initial order calls for 50 units to be installed and another 250 units.

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## **IPO and Yorkville Advisors Standby Equity Purchase Agreement**

In June 2022, the company closed on its initial public offering of 2.94 million units (consisting of an ADS and one warrant to purchase an ADS) for \$4.13 per unit raising roughly \$13 million in gross proceeds. Each ADS represents 5 shares of common stock.

In December 2022, the company completed a private placement of 0.8 million ADSs at \$1.854 per ADS raising roughly \$1.5 million in gross proceeds.

### **Yorkville Advisors Standby Equity Purchase Agreement**

At the end of 2022, SaverOne had roughly 5.55 million ADSs outstanding representing 27.8 million ordinary shares. By December 2023, the number of outstanding ADSs had ballooned to 10.57 million (nearly doubling) as a result of ADSs issued under an agreement with Yorkville Advisors – the standby equity purchase agreement. While this is a fairly complex transaction, it effectively allows the company to raise up to \$10 million from Yorkville via direct sales of ADSs to Yorkville. As of December 13, 2023, we believe the company has sold roughly 5 million ADSs to Yorkville. The shares sold to Yorkville are freely trading and present a significant dilution to current ADS holders. We estimate that the average price of the 5 million ADSs sold to Yorkville was roughly \$0.44/ADS.

The company filed a prospectus in late December 2023 to register an additional 20 million ADSs (again versus just 10.6 million ADSs outstanding on 12/13/23) that could be issued under the standby equity agreement. These additional ADSs would equate to a 190% increase in total share count for the company and would again substantially dilute existing shareholders. It's also worth noting that Yorkville Advisors purchases the ADSs at 95% of the lowest of the three-day volume weighted average price (VWAP) after the company notifies Yorkville of its intention to seek funds. Given the company's relatively high burn rate, we believe that it is likely that the company will continue to seek financing under this arrangement and this creates a significant risk for new investors.

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## MANAGEMENT

The company has assembled an experienced management team given its stage of development.

Ori Gilboa – CEO since 2019 – Mr. Gilboa previously served as the CEO of Negev (a home furnishings retailer) and a senior role at James Richardson (a travel retailer). Mr. Gilboa also previously held management positions with a leading Automotive Group in Israel.

Yossi Cohen – COO/Co-Founder – Prior to co-founding SaverOne in 2014, Mr. Cohen spent more than two decades at Motorola with his last role being as Senior Manager of Program Management & Business Operations.

Aviram Meidan – VP of R&D - Prior to joining SaverOne in 2018, Mr. Meidan was the VP of R&D for Micronet Ltd, as well as CTO of the automotive division in Telit Wireless Solutions and a Senior Manager at Motorola.

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## VALUATION

SaverOne is at the very beginning of its growth cycle with two product lines and we anticipate that as the company's installed base grows investors will gain further confidence in the model and assign a greater premium to the company. We believe SaverOne can more than double revenues in 2024 and 2025 and then will continue to experience high double digit revenue growth for the foreseeable future beyond 2025.

Given the company's commitment to launching an OEM version of its DDPS and its VRU offering, we anticipate significant research and development investments through 2025 which will prevent the company from generating positive cash flow at least in the near-term. While there are no pure comparables for SaverOne, we consider many of the providers of Advanced Driver Assistance Technologies to be among the best comps for SaverOne.

All of the companies we have selected as comparables are dramatically larger than SaverOne (the smallest comp that we included is projected to have 2025 revenue at least 10 times our 2025 revenue forecast for SaverOne). Given the explosive growth in the market for technical driver assistance tools like those assistance most of these companies trade at significant multiples of revenue averaging nearly 5 times 2025 revenues.

We believe that give the very early stage of development at SaverOne, the company is likely to trade at a substantial discount to the other companies in the vehicle safety space. We are assuming that the company can trade at 3x 2025 revenues of \$7.5 million giving the company an implied valuation of \$22.5 million. Based on our estimates for share growth in 2024 to fund operations we have arrived at a valuation target for SaverOne of \$1.80/ADS. If the company issues significantly more shares or ADSs than we have anticipated to meet its capital needs we may have to adjust our price target to reflect a higher ADS count.

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## RISKS

- The company has received a notification that they failed to meet the NASDAQ minimum bid requirement as of 10/24/23. The company has until April 2024 to regain a trading level of \$1 per ADS for ten consecutive days to be back in compliance. The majority of the company's ADSs are likely to be held by Yorkville Advisors as the company continues to access funds from the standby equity agreement. Sales of these shares in a thinly traded microcap could prevent the stock from reaching the minimum bid and could require the company to pursue a reverse split to maintain its NASDAQ listing. The company's ADSs have recently regained the trading level of \$1 per ADS.
- The company noted that given the large stake held by Yorkville Advisors and the relatively low volume that trades daily, the resale of shares by Yorkville could materially impact the share price.
- The company is likely to need additional financing beyond the potential \$7.8 million still available under the Yorkville Standby Equity Purchase Agreement.
- Hostilities in Israel have likely impacted results in the second half of 2023. It is unclear today what the future impact of hostilities in the region could have on the company.
- SaverOne is a development-stage company and has a limited operating history.
- The company has noted that when the driver distraction prevention system is installed it may prevent the driver from contacting emergency services in the event of an emergency.
- The company indicated that certain R&D programs of the company were supported by Israeli government grants and those activities resulted in assets that were sold or were in the process of being sold by SaverOne. The company indicated that it could have a repayment obligation related to these grants.
- The company identified a material weakness in its internal control over financial reporting, and it will have to invest in the resources necessary to improve its financial reporting.

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## INSIDER TRADING AND OWNERSHIP

As of December 31, 2023, we estimate that insiders and officers hold roughly 3.5% of the ordinary shares of the company.

Of those shares held by insiders, however, the majority (over 85%) are held by Mr. Jacob Tenenboim, the Chairman of the Board of Directors. The management team of the company holds less than 1% of the outstanding shares.

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## OTHER CONSIDERATIONS

As with most early-stage technology companies, there are some items that potential investors should take into consideration when looking at a company of this size.

1) The shares trading in the U.S. are American Depository Shares (ADSs) and the tax laws regarding the treatment of these holdings for U.S. taxpayers can be complex. Additionally, the ADSs typically trade very low volumes, often under 20,000 ADSs per day, so establishing a meaningful position in the company without impacting the price may be challenging.

2) As we've seen with many microcap stocks lately there have been some trading days with incredibly high volumes and large price swings without any fundamental explanation. In May, for example, 45 million ADSs were traded (nearly 8 times the total number of outstanding ADSs at that time) on a single day as the stock doubled when they announced a small pilot program in Abu Dhabi. Since early December, the ADSs have had multiple days where they have traded 5-10 million ADSs again on

no real news and the stock has nearly doubled during this period. It is hard to predict or anticipate this kind of volatility but potential investors should be aware that the stock has traded like this in the recent past.

3) It is worth noting that while the company's total number of ADSs outstanding has jumped substantially in 2023, most public sources have only recently adjusted their ADS outstanding to 10.7 million. Many investors are still referring to the 5.5 million number as total ADS outstanding and we think investors may begin to realize that the increase in the share price and the number of ADSs outstanding substantially changes the current valuation of the company.

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## SUMMARY

- 1) Despite operating for nearly a decade, SaverOne has only recently started accepting meaningful commercial orders for its driver distraction prevention system. The aftermarket installations are enabling the company to demonstrate the value of its technology but the much more significant opportunity for SaverOne will be if an OEM partnership can be reached to build the system into vehicles as they are assembled.
- 2) The company faces a challenging landscape with free tools built into phones (Apple CarPlay/Android Auto) and several well-financed competitive products from firms targeting the commercial vehicle space. The company has a strong presence in Israel today but the greatest opportunities for long-term growth will be in Europe and North America.
- 3) The company's shares are prone to "meme-like" spikes in volume and price on little to no news. Long-term investors should be opportunistic when building positions in SaverOne and be cautious if the shares overreact to news (like the publication of this report). The company is also still actively raising capital under its standby equity purchase agreement which makes it challenging to get a proper understanding of the total outstanding shares between SEC filings. We think long-term investors will be able to better focus on the fundamentals of the company when the share issuance under this agreement has been completed.
- 4) The opportunity to protect vulnerable road users (VRUs) is underappreciated by the market today as most investors would like to see this translate from a concept into a real-world application. This product could provide substantial upside to our long range projections if the company can successfully develop a product for this market and partner with OEMs to install it.

### Footnotes

- 1 <https://www.ghsa.org/resources/news-releases/NHTSA-2022-Traffic-Deaths23>
- 2 <https://www.nhtsa.gov/risky-driving/distracted-driving>
- 3 <https://www.bankrate.com/insurance/car/the-true-cost-of-auto-insurance-in-2023/>
- 4 <https://www.truckinginjurylawgroup.com/what-is-the-average-settlement-for-a-semi-truck-accident/>
- 5 <https://www.flameretardantfacts.com/wp-content/uploads/2020/06/RFTTotalCost.pdf>

# PROJECTED INCOME STATEMENT

SaverOne 2014 Ltd

Income statement in USD (converted from NIS at \$1 = 3.706 NIS)

	2020	2021	6 months 6/30/22	6 months 12/31/22	2022	6 months 6/30/23	6 months 12/31/23	2023	6 months 6/30/24	6 months 12/31/24	2024	6 months 6/30/25	6 months 12/31/25	2025
Net revenues	\$ 102	\$ 128	\$ 103	\$ 219	\$ 322	\$ 398	\$ 490	\$ 888	\$ 603	\$ 2,412	\$ 3,015	\$ 3,220	\$ 4,308	\$ 7,528
Cost of revenues	\$ 83	\$ 82	\$ 72	\$ 152	\$ 224	\$ 272	\$ 338	\$ 610	\$ 422	\$ 1,700	\$ 2,123	\$ 2,299	\$ 3,088	\$ 5,388
Gross profit	\$ 19	\$ 46	\$ 31	\$ 67	\$ 98	\$ 126	\$ 152	\$ 278	\$ 181	\$ 712	\$ 892	\$ 921	\$ 1,219	\$ 2,140
	18%	36%	30%	31%	31%	32%	31%	31%	30%	30%	30%	29%	28%	28%
Operating expenses:														
Research and development expenses	3,406	5,356	2,748	3,051	5,799	3,289	3,387	6,676	3,116	2,867	5,983	1,720	1,376	3,096
Selling and marketing expenses	771	691	130	300	429	391	403	794	411	427	838	436	453	889
General and administrative expenses	1,422	1,463	678	1,074	1,752	1,206	1,242	2,447	1,267	1,292	2,559	1,318	1,344	2,662
Total operating expenses	\$ 5,599	\$ 7,510	\$ 3,555	\$ 4,424	\$ 7,980	\$ 4,885	\$ 5,032	\$ 9,917	\$ 4,794	\$ 4,586	\$ 9,380	\$ 3,474	\$ 3,174	\$ 6,647
(Loss)/Income from operations	\$ (5,581)	\$ (7,464)	\$ (3,524)	\$ (4,357)	\$ (7,882)	\$ (4,759)	\$ (4,880)	\$ (9,639)	\$ (4,613)	\$ (3,875)	\$ (8,488)	\$ (2,553)	\$ (1,954)	\$ (4,507)
Other income/(loss):														
Financing expenses	(\$38)	(\$65)	(\$234)	\$5	(\$230)	(\$216)	(\$180)	(\$396)	(\$162)	(\$146)	(\$308)	(\$131)	(\$118)	(\$249)
Financing income	1,256	1	548	828	1,376	185	148	333	133	127	260	114	108	222
Total other income/(loss)	\$ 1,219	(\$64)	\$313	\$833	\$1,146	(\$31)	(\$32)	(\$63)	(\$29)	(\$19)	(\$48)	(\$17)	(\$10)	(\$27)
Loss for the period	\$ (4,362)	\$ (7,528)	\$ (3,211)	\$ (3,525)	\$ (6,736)	\$ (4,790)	\$ (4,912)	\$ (9,702)	\$ (4,642)	\$ (3,894)	\$ (8,536)	\$ (2,570)	\$ (1,964)	\$ (4,535)
(Loss)/Earnings per ordinary share	N/A	N/A	(\$0.31)	(\$0.15)	(\$0.39)	(\$0.17)	(\$0.09)	(\$0.24)	(\$0.08)	(\$0.06)	(\$0.14)	(\$0.04)	(\$0.03)	(\$0.07)
(Loss)/Earnings per ADS	N/A	N/A	(\$1.55)	(\$0.73)	(\$1.95)	(\$0.86)	(\$0.46)	(\$1.20)	(\$0.38)	(\$0.31)	(\$0.70)	(\$0.20)	(\$0.15)	(\$0.36)
Weighted average number of ordinary shares outstanding														
Average shares used to calculate EPS	N/A	N/A	10,334	24,267	17,301	27,839	52,850	40,345	60,778	61,993	61,385	62,923	64,181	63,552
Average ADSs used to calculate EPS	N/A	N/A	2,067	4,853	3,460	5,568	10,570	8,069	12,156	12,399	12,277	12,585	12,836	12,710

Source: Zacks SCR, Brian Lantier, Company Filings

## BALANCE SHEET

SaverOne 2014 Ltd

Balance Sheet in USD (converted from NIS at \$1 = 3.706 NIS)

6/30/23

### Assets

#### Current Assets

Cash and cash equivalents	3,986
Short-term bank deposits	1,027
Trade receivables	502
Inventory	931
Other current assets	<u>249</u>
<b>Total current assets</b>	<b>6,695</b>

#### Non-Current Assets

Property & Equipment (net)	68
Restricted deposits	56
Right of use assets	<u>96</u>
<b>Total non-current assets</b>	<b>219</b>

**Total Assets** 6,914

### Liabilities

#### Current Liabilities

Promissory note, net	1,915
Trade payable	781
Current maturities of leasing liabilities	116
Other current liabilities	663
Derivative warrants liability	491
Liability in respect of government grants	<u>108</u>
<b>Total current liabilities</b>	<b>4,074</b>

#### Non-Current Liabilities

Liability in respect of government grants	<u>262</u>
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**Total Liabilities** **4,336**

### Shareholder's Equity

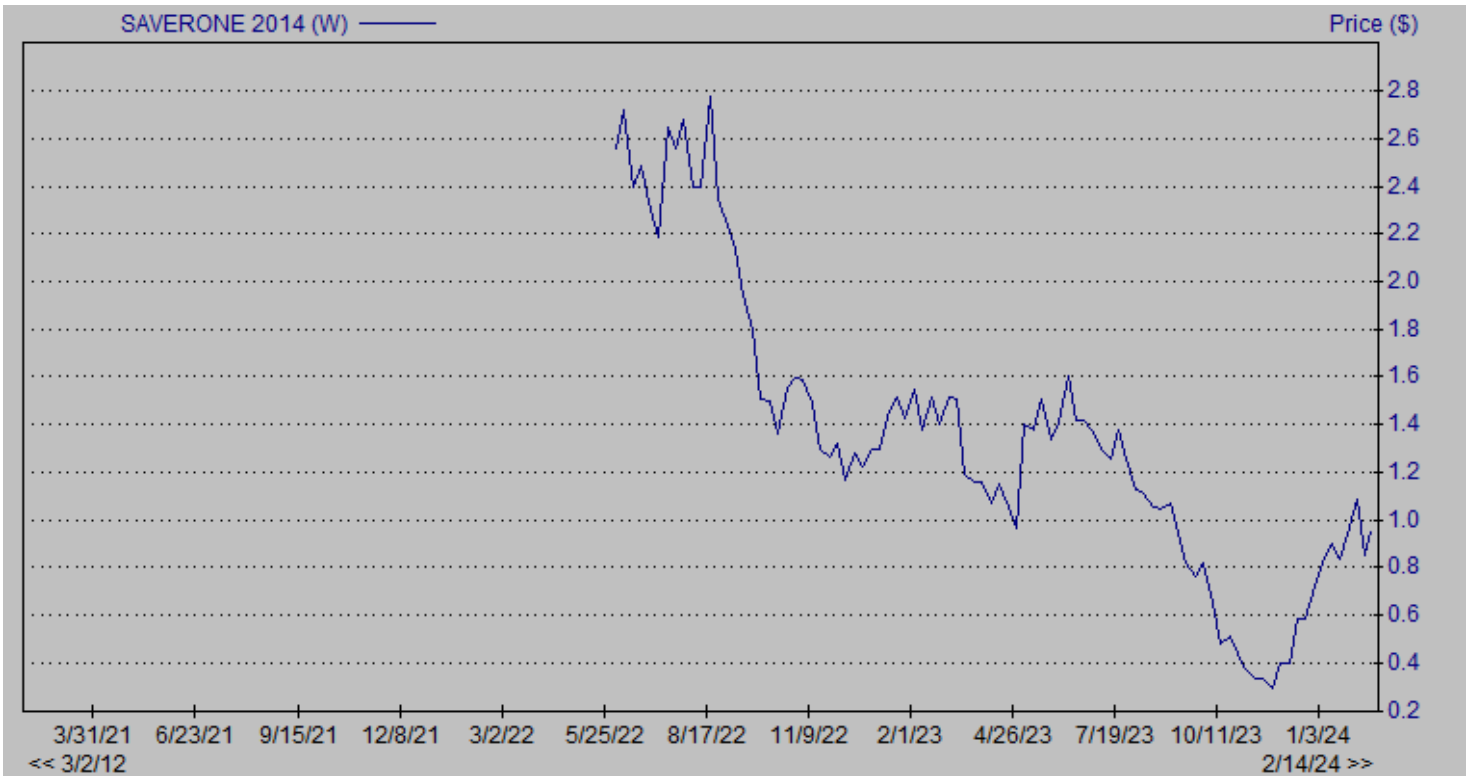
Additional Paid-in Capital	31,991
Capital reserve in respect of share-based payment	2,839
Accumulated deficit	<u>(32,253)</u>

**Shareholder's Equity (Deficiency)** **2,578**

**Total Liabilities & Shareholder's Equity** 6,914

Source: Company filing

# HISTORICAL STOCK PRICE



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