

TRANSLATED FROM HEBREW ORIGINAL

Electreon Wireless Ltd.
Interim Financial Information
(Unaudited)
As of June 30, 2023

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Auditor's Review Report to the Shareholders of Electreon Wireless Ltd.

Introduction

We have reviewed the attached consolidated financial information of Electreon Wireless Ltd. and its subsidiaries (hereinafter - the Company), which includes the Concise Consolidated Balance Sheet for June 30 2023 and the Concise Consolidated Statements of Operations, Reports on Comprehensive Loss, Reports on Changes in Equity and Cash Flow Reports for the six- and three-month periods ending that date. The Board of Directors and management are responsible for the preparation and presentation of financial information for this interim period in accordance with International Accounting Standard 34 (IAS 34) "Interim Financial Reporting", as well as for the preparation of financial information for this interim period in accordance with Chapter D of the Securities Regulations (Periodic and Immediate Reports), 1970. Our responsibility is to express our conclusion on this interim financial information based on our review.

Scope of the Review

We conducted our review in accordance with Review Standard (Israeli) 2410 of the Israeli Institute of Certified Public Accountants on "Reviewing interim monetary information prepared by the entity's auditing accountant." A review of interim monetary information is comprised of inquiries, mainly from people responsible for monetary and accounting matters, and from the implementation of analytical and other review procedures. A review is significantly more limited in scope than an audit prepared in accordance with generally accepted Israeli auditing standards, and therefore does not allow us to achieve assurance that we familiarize ourselves with all material matters that could have been identified in the audit. Accordingly, we are not expressing an audit-level opinion.

Conclusion

Based on our review, nothing came to our attention that makes us believe that the financial information in question has not been prepared, in all material respects, in accordance with International Accounting Standard IAS 34.

In addition to that stated in the previous paragraph, based on our review, nothing has come to our attention that makes us believe that the monetary information in question is not compatible, in all material respects, with the disclosure directives in accordance with Chapter D of the Securities Regulations (Periodic and Immediate Reports), 1970.

Tel Aviv,
August 29, 2023

Kesselman & Kesselman, Auditors
Certified Public Accountants
A PricewaterhouseCoopers International Limited member firm

Electreon Wireless Ltd.**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

As of June 30, 2023

	As of June 30,		As of December
	2023	2022	31,
	(Unaudited)		2022
	Thousands of NIS		(Audited)
Assets			
Currents assets:			
Cash and cash equivalents	52,612	107,220	67,600
Short-term pledged deposit	1,496	1,300	1,419
Trade receivables (customers)	-	-	1,282
Accounts receivable	26,238	14,027	22,947
Receivables for the issuance of shares	34,465	-	-
Assets for customer contracts	4,822	15,288	5,678
	<u>119,633</u>	<u>137,835</u>	<u>98,926</u>
Non-current assets:			
Long-term pledged deposit	4,000	4,080	4,000
Long-term advance expenditures	33,017	29,517	33,299
Fixed property	10,049	8,586	8,914
Right-of-use assets	840	1,825	1,337
	<u>47,906</u>	<u>44,008</u>	<u>47,550</u>
Total assets	<u>167,539</u>	<u>181,843</u>	<u>146,476</u>
Liabilities and equity			
Current liabilities:			
Trade payables to suppliers and service providers	6,131	4,278	7,594
Accounts payable and debit balances	11,524	8,955	11,927
Current maturities of lease liabilities	753	980	1,014
	<u>18,408</u>	<u>14,213</u>	<u>20,535</u>
Non-current liabilities:			
Lease liabilities	92	801	307
Total liabilities	<u>18,500</u>	<u>15,014</u>	<u>20,842</u>
Equity:			
Ordinary shares, premium on shares, options and other capital reserves	431,455	366,649	371,658
Foreign exchange differentials from translating financial reports for external operations	(417)	900	344
Loss balance	(281,999)	(200,720)	(246,368)
Total equity	<u>149,039</u>	<u>166,829</u>	<u>125,634</u>
Total liabilities and equity	<u>167,539</u>	<u>181,843</u>	<u>146,476</u>

Oren Ezer
Chairman of the Board of Directors and
CEO

Ronit Noam
External director

Barak Duani
CFO

Date of approval of the financial information for the interim period by the Company's board of directors:
August 29, 2023.

The accompanying notes are an integral part of these condensed financial statements.

Electreon Wireless Ltd.**CONSOLIDATED STATEMENT OF COMPREHENSIVE LOSS**

For the Six- and Three-Month Periods Ending June 30 2023

	6 Months Ending June 30		3 Months Ending June 30		Year Ending December 31
	2023	2022	2023	2022	2022
	(Unaudited)		(Unaudited)		(Audited)
	Thousands of NIS				
Revenues	8,154	2,942	5,102	1,673	8,650
Cost of revenues	<u>6,665</u>	<u>2,301</u>	<u>4,369</u>	<u>1,317</u>	<u>7,140</u>
Gross profit	1,489	641	733	356	1,510
Research and development expenses, net:					
Research and development expenses	24,450	23,022	13,803	11,668	58,011
Less - R&D participation expenses	(1,881)	(3,687)	(1,073)	(1,033)	(7,499)
Research and development expenses, net	22,569	19,335	12,730	10,635	50,512
Marketing and business development expenses	10,912	11,614	5,594	6,196	21,410
General and administrative expenses	5,445	6,515	2,649	3,521	12,368
Other expenses	<u>-</u>	<u>276</u>	<u>-</u>	<u>-</u>	<u>268</u>
Loss from ordinary activities	<u>37,437</u>	<u>37,099</u>	<u>20,240</u>	<u>19,996</u>	<u>83,048</u>
Financing expenses	256	343*	152	58*	503
Financing revenues	<u>(2,062)</u>	<u>(508)*</u>	<u>(1,021)</u>	<u>(484)*</u>	<u>(969)</u>
Financing expenses (revenues), net	<u>(1,806)</u>	<u>(165)</u>	<u>(869)</u>	<u>(426)</u>	<u>(466)</u>
Loss for the period	35,631	36,934	19,371	19,570	82,582
Comprehensive loss after the period:					
Line items which may be reclassified as profit or loss:					
Foreign exchange differentials from translating financial reports for external operations	<u>761</u>	<u>(72)</u>	<u>260</u>	<u>87</u>	<u>484</u>
Comprehensive loss for the period	<u>36,392</u>	<u>36,862</u>	<u>19,631</u>	<u>19,657</u>	<u>83,066</u>
Base and diluted loss per share (in ILS)	<u>3.44</u>	<u>3.75</u>	<u>1.83</u>	<u>1.98</u>	<u>8.35</u>

* Reclassified.

The accompanying notes are an integral part of these condensed financial statements.

ELECTREON WIRELESS LTD Electreon Wireless Ltd.**CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY**

For the Six- and Three-Month Periods Ending June 30 2023

	Ordinary shares, premium, options and other reserves	Capital Reserve from the Translation of Financial Statements	Accumulated Loss	Total equity
	ILS 000's			
Balance as of January 1, 2023 (audited)	371,658	344	(246,368)	125,634
Movement in the 6-month period ended as of June 30, 2023 (unaudited):				
Loss for the period	-	-	(35,631)	(35,631)
Foreign exchange differentials from translating financial reports for external operations	-	(761)	-	(761)
Issuance of shares (less issuance costs) (see Note 4A)	20,007	-	-	20,007
Issuance of shares (less issuance costs) (see Note 4D)	34,465	-	-	34,465
Benefit component in granting options	5,325	-	-	5,325
Balance as of June 30, 2023 (unaudited)	<u>431,455</u>	<u>(417)</u>	<u>(281,999)</u>	<u>149,039</u>
Balance as of January 1, 2022 (audited)	329,484	828	(163,786)	166,526
Movement in the 6-month period ended as of June 30, 2022 (unaudited):				
Loss for the period	-	-	(36,934)	(36,934)
Foreign exchange differentials from translating financial reports for external operations	-	72	-	72
Exercise of options into shares	27,759	-	-	27,759
Benefit component in granting options	9,406	-	-	9,406
Balance as of June 30, 2022 (unaudited)	<u>366,649</u>	<u>900</u>	<u>(200,720)</u>	<u>166,829</u>
Balance as of April 1, 2023 (unaudited)	387,785	(157)	(262,628)	125,000
Movement in the 3-month period ended as of June 30, 2023 (unaudited):				
Loss for the period	-	-	(19,371)	(19,371)
Foreign exchange differentials from translating financial reports for external operations	-	(260)	-	(260)
Issuance of shares (less issuance costs) (see Note 4A)	6,508	-	-	6,508
Issuance of shares (less issuance costs) (see Note 4D)	34,465	-	-	34,465
Benefit component in granting options	2,697	-	-	2,697
Balance as of June 30, 2023 (unaudited)	<u>431,455</u>	<u>(417)</u>	<u>(281,999)</u>	<u>149,039</u>
Balance as of April 1, 2022 (unaudited)	361,029	987	(181,150)	180,866
Movement in the 3-month period ended as of June 30, 2022 (unaudited):				
Loss for the period	-	-	(19,570)	(19,570)
Foreign exchange differentials from translating financial reports for external operations	-	(87)	-	(87)
Exercise of options into shares	-	-	-	-
Benefit component in granting options	5,620	-	-	5,620
Balance as of June 30, 2022 (unaudited)	<u>366,649</u>	<u>900</u>	<u>(200,720)</u>	<u>166,829</u>
Balance as of January 1, 2022 (audited)	329,484	828	(163,786)	166,526
Movement during 2022:				
Loss for the year	-	-	(82,582)	(82,582)
Foreign exchange differentials from translating financial reports for external operations	-	(484)	-	(484)
Benefit component in granting options	14,415	-	-	14,415
Exercise of options	27,759	-	-	27,759
Balance as of December 31, 2022 (audited)	<u>371,658</u>	<u>344</u>	<u>(246,368)</u>	<u>125,634</u>

The accompanying notes are an integral part of these condensed financial statements.

Electreon Wireless Ltd.**CONSOLIDATED STATEMENT OF CASH FLOWS**

For the Six- and Three-Month Periods Ending June 30, 2023

	6 Months Ending June 30		3 Months Ending June 30		Year Ending December 31
	2023	2022	2023	2022	2022
	(Unaudited)				(Audited)
	Thousands of NIS				
Cash flows from operating activities -					
Net cash used for operating activities (see Addendum A)	<u>(31,711)</u>	<u>(38,640)</u>	<u>(13,641)</u>	<u>(22,821)</u>	<u>(76,262)</u>
Cash flows from investment activities:					
Acquisition of fixed assets (property, plant and equipment)	(2,167)	(1,427)	(224)	(581)	(2,576)
Proceeds from sale of fixed assets		141		-	141
Interest received	211	-	101	-	193
Making a pledged deposit	-	(5,000)		(5,000)	(5,000)
Net cash used for investment activities	<u>(1,956)</u>	<u>(6,286)</u>	<u>(123)</u>	<u>(5,581)</u>	<u>(7,242)</u>
Cash flows from financing activities:					
Consideration from exercising options	-	28,108	-	-	28,108
Principal payments for leases	(514)	(458)	(258)	(246)	(953)
Interest payments for leases	(18)	(33)	(10)	(17)	(61)
Proceeds from the issuance of shares (less issuance costs)	20,007	-	6,508	-	-
Net cash deriving from (utilized for) financing activities	<u>19,475</u>	<u>27,617</u>	<u>6,240</u>	<u>(263)</u>	<u>27,094</u>
(Decrease) in cash and cash equivalents	<u>(14,192)</u>	<u>(17,309)</u>	<u>(7,524)</u>	<u>(28,665)</u>	<u>(56,410)</u>
Balance of cash and cash equivalents at beginning of the period	67,600	124,412	60,400	135,954	124,412
Profits (losses) from currency differentials, revaluations for cash and cash equivalents, net	<u>(796)</u>	<u>117</u>	<u>(264)</u>	<u>(69)</u>	<u>(402)</u>
Balance of cash and cash equivalents at end of the period	<u>52,612</u>	<u>107,220</u>	<u>52,612</u>	<u>107,220</u>	<u>67,600</u>

The accompanying notes are an integral part of these condensed financial statements.

Electreon Wireless Ltd.**CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)**

For the Six- and Three-Month Periods Ending June 30, 2023

	6 Months Ending June 30		3 Months Ending June 30		Year Ending December 31
	2023	2022	2023	2022	2022
	(Unaudited)				(Audited)
	Thousands of NIS				
A. Addendum to the Condensed Report on Cash-flows for Operating Activities:					
Loss for the period	(35,631)	(36,934)	(19,371)	(19,570)	(82,582)
Adjustments for:					
Depreciation and amortization	1,096	910	598	430	1,769
Capital loss from disposal of fixed assets	-	276	-	-	275
Amortization of right-of-use assets	534	494	268	263	1,017
Benefit component with granting options and restricted share units	5,325	9,406	2,697	5,620	14,415
Interest revenues	(287)	-	(157)	-	(231)
Interest expenses for lease	20	33	10	17	61
Profit from currency differentials for cash and cash equivalents	(10)	(63)	-	(53)	(63)
	<u>(28,953)</u>	<u>(25,878)</u>	<u>(15,955)</u>	<u>(13,293)</u>	<u>(65,339)</u>
Changes in line items for property and operating liabilities:					
Increase (decrease) in trade receivables (customers)	1,282	-		-	(1,282)
Decrease (increase) in accounts receivable and credit balances	(1,976)	(14,614)	2,399	(9,866)	(17,793)
Increase (decrease) in accounts receivable and other payables	<u>(2,064)</u>	<u>1,852</u>	<u>(85)</u>	<u>338</u>	<u>8,152</u>
	<u>(2,758)</u>	<u>(12,762)</u>	<u>2,314</u>	<u>(9,528)</u>	<u>(10,923)</u>
Net cash used for operating activities	<u><u>(31,711)</u></u>	<u><u>(38,640)</u></u>	<u><u>(13,641)</u></u>	<u><u>(22,821)</u></u>	<u><u>(76,262)</u></u>
B. Information about financing activities not included in cash-flows					
Issuance of shares and options, less costs of issuance	34,465	-	34,465	-	-
Recognition of an asset against a liability for commencing a lease	<u>-</u>	<u>816</u>	<u>-</u>	<u>-</u>	<u>839</u>
	<u><u>34,465</u></u>	<u><u>816</u></u>	<u><u>34,465</u></u>	<u><u>-</u></u>	<u><u>839</u></u>

The accompanying notes are an integral part of these condensed financial statements.

ElectReon Wireless Ltd.

Notes to the Financial Statements

As of June 30 2021

(Unaudited)

NOTE 1 - General:

- A. Electreon Wireless Ltd. (hereinafter - the Company) was incorporated in Israel and its registered offices are in Beit Yannai. The Company is engaged in researching and developing wireless vehicle charging technology which utilizes a coil infrastructure deployed under the road.
- B. The consolidated financial statements include the financial statements of the Company, of Electreon AB (hereinafter - Electreon AB), of Electreon Germany GMBH (hereinafter - Electreon Germany), of Electreon Wireless, Inc. (hereinafter - Electreon USA), of Electreon Wireless France (hereinafter - Electreon France) and of Spearhead Investments (Bio) Ltd. (hereinafter jointly - the Group).

C. Impact of the geopolitical crisis between Russia and Ukraine

Hostilities broke out between Russia and Ukraine at the end of February 2022 after the Russian military invaded Ukraine.

Despite the broad implications of the hostilities on the global economy, the hostilities are not having a material impact on the Company's activities.

D. Impact of inflation and interest rates

In 2022 a world-wide trend began with rising inflation which also impacted the Israeli economy as well as other markets in which the Company operates. Various measures were taken in response to the sharp increase in inflation both in Israel and around the world, which, among other things, involved significantly raising interest rates. In response to these measures a particular moderation has been seen with the sharp increases in global inflation and interest rates; central banks have been publishing cautious forecasts for upcoming years with a reduction in inflation and with interest rates as a corollary thereof.

The Company may be impacted by changes in the inflation and interest environments due to the fact that it operates in a number of markets around the world (including, Israel, USA and Europe). Among other things, the Company may be impacted by an increase in the price of raw materials due to increased inflation in countries from which it buys raw materials, and impacted by macro-economic factors on the costs of wages and energy in these countries and the countries in which the Company operates. It should be noted that as of the date of this report, the Company primarily finances its operations by utilizing equity, capital raises and receiving grants, and it has no credit facilities nor has it entered into any loan agreements. In light of the foregoing, as of the date of this report, the impact of increased interest on the Company is immaterial. However, if the Company considers obtaining credit, a loan or issuing debt, the interest rate will impact the terms of obtaining said financing.

ElectReon Wireless Ltd.

Notes to the Financial Statements

As of June 30 2021

(Unaudited)

NOTE 1 – General (Cont.):

E. The legal reform in Israel

At the beginning of 2023, the Government of Israel started to act to make changes to the legal system by promoting a bill (hereinafter - the legal reform), and in July 2023, the Knesset passed an amendment to the Basic Law - The Judiciary without broad support, which sparked public debate and resulted in widespread protesting, and also led to negative responses from the market and international figures.

As of the date of the report, the Company is unable to assess whether and how these facts will impact the Company's position and scope of activities, if any.

NOTE 2 - Basis for the Preparation of the Financial Statements:

A. Basis of presentation of the financial statements

- 1) The condensed financial information of the Group as of June 30, 2023 and the six- and three-month periods ended on such date (hereinafter - interim financial information) was prepared in accordance with International Accounting Standard 34, "Financial Reporting for Interim Periods" (hereinafter IAS 34), and includes the additional disclosure required pursuant to Chapter D of the Securities Regulations (Periodic and Immediate Reports), 1970. The interim financial information does not include all the information and disclosures required in annual financial statements.

The interim financial information is reviewed and not audited.

- 2) The Company did not attach solo financial information due to the negligible contribution of such information. The Company wholly owns its subsidiaries and as of the date of the report on financial position, most of the Group's commercial activities are performed by the Company which are reflected in the Group's consolidated report. As of the date of the report on financial position, publishing solo financial statements would not give the reasonable investor any additional material information.

B. Estimates

Preparing interim financial statements requires the Group's management to exercise discretion and also requires usage of accounting estimates and assumptions which impact the implementation of the Group's accounting policies and the amounts of the reported assets, liabilities, revenues and expenses. Actual results may differ from these estimates.

The preparation of these consolidated interim financial statements involved the same significant judgments applied by the management with the Group's accounting policies and the uncertainty entailed in the key sources of estimates in the Group's consolidated annual financial statements for the year ended December 31, 2022.

ElectReon Wireless Ltd.

Notes to the Financial Statements

As of June 30 2021

(Unaudited)

NOTE 2 - Basis for the preparation of the financial statements (Cont.)**C. Translating balances and transactions with foreign currency:**Functional currency and presentation currency

The items in the financial statements of each Group member are measured in the currency of the primary economic environment that entity operates in (hereinafter - operating currency). The consolidated financial statements are presented in Shekels (hereinafter - ILS or Shekel), which is the Company's operating and presentation currency.

Presented below are changes in the reported periods with the US Dollar exchange rate (hereinafter - USD) against the ILS, the Swedish Krona (hereinafter - SEK) against the ILS and the Euro exchange rate against the ILS:

	Rate of change with the exchange rate of the USD against the ILS	Rate of change with the exchange rate of the SEK against the ILS	Rate of change with the exchange rate of the EUR against the ILS
For the six-months ended as of June 30, 2023	5.1	1.1	7.1
For the six-months ended as of June 30, 2022	12.5	(1.4)	3.3
For the three-months ended as of June 30, 2023	2.3	(2.3)	2.2
For the three-months ended as of June 30, 2022	10.2	(0.6)	3.2
For the year ended December 31, 2022	13.2	(1.8)	6.6

Exchange rate of the USD against the ILS as of June 30, 2023 was: 1 USD = ILS 3.700.

Exchange rate of the USD against the ILS as of June 30, 2022 was: 1 USD = ILS 3.500.

Exchange rate of the USD against the ILS as of December 31, 2022 was: 1 USD = ILS 3.519.

Exchange rate of the SEK against the ILS as of June 30, 2023 was: 1 SEK = ILS 0.3409.

Exchange rate of the SEK against the ILS as of June 30, 2022 was: 1 SEK = ILS 0.3388.

Exchange rate of the SEK against the ILS as of December 31, 2022 was: 1 SEK = ILS 0.3373.

Exchange rate of the Euro against the ILS as of June 30, 2023 was: 1 EUR = ILS 4.0185.

Exchange rate of the Euro against the ILS as of June 30, 2022 was: 1 EUR = ILS 3.6364.

Exchange rate of the EUR against the ILS as of December 31, 2022 was: 1 EUR = ILS 3.7530.

NOTE 3: Significant accounting policies

The principle accounting policies and calculating methodologies applied with the preparation of the financial information for the interim period are consistent with those used in preparing the 2022 annual financial statements.

NOTE 4 - Material events during and after the reporting period

ElectReon Wireless Ltd.

Notes to the Financial Statements

As of June 30 2021

(Unaudited)

- A. On January 15, 2023, the Company's board of directors approved raising approximately ILS 20 million through a private placement of unlisted shares and options. As part of the issuance, the Company offered 666,667 units each having an ordinary share of the Company and one option. Each option can be exercised into one ordinary share of the Company by June 30, 2024, in consideration for ILS 35. The total consideration from exercising the options, if applicable, will be ILS 23.3 million. On February 28, 2023, the issuance was approved by the Company's general meeting and the Company completed the issuance on March 5, 2023. An amount totaling approximately ILS 20 million has been received as of the approval date of the financial statements.
- B. On March 28, 2023, the Company's board of directors (at the recommendation of the remuneration committee made on March 23, 2023) awarded 24,350 options to 20 of the Company's employees and 3 officers. The options will vest over a period of 4 years from their date of grant - 25% after a year, and the remaining options will vest in quarterly tranches over the following 3 years. The exercise addition for each option is ILS 76.9. The fair value of the options was calculated by using a Black & Scholes model and based on the following parameters: Risk free interest of 3.15%, a share price of ILS 76.9, 79% standard deviation of the share price and a forecasted exercise date of 7 years.
- C. On March 28, 2023, the Company's board of directors awarded 8,750 options to one of the Company's service providers. The options will vest over a period of 2 years from their date of grant - 4,375 options shall vest upon being awarded, and the remaining options will vest in quarterly tranches over the following 2 years. The exercise addition for each option is ILS 40. The fair value of the options was calculated by using a Black & Scholes model and based on the following parameters: Risk free interest of 3.15%, a share price of ILS 76.9, 79% standard deviation of the share price and a forecasted exercise date of 6 years.

ElectReon Wireless Ltd.

Notes to the Financial Statements

As of June 30 2021

(Unaudited)

NOTE 4 - Material events during and after the reporting period (Cont.)

- D. On June 4, 2023, the Company's board of directors approved raising approximately ILS 35 million through a private placement of unlisted shares and options. As part of the issuance, the Company offered 538,462 units each having an ordinary share of the Company and option. Each option can be exercised into one ordinary share of the Company by June 30, 2025, in consideration for ILS 95. The total consideration from exercising the options, if applicable, will be approximately ILS 51 million. On June 27, 2023, approval to list the securities issued through a private placement was given by the Tel Aviv stock Exchange Ltd. Issuance proceeds of approximately ILS 35 million was received in July 2023 (ILS 34.5 [million] after deducting issuance costs).
- E. On June 19, 2023, Electreon AB won the first tender in Norway to design and construct a wireless electric road in the city of Trondheim and to receive financing anticipated to total approximately ILS 2.8 million.
- F. On July 11, 2023, Electreon France won the first tender in France as part of the "Charge As you Drive" project (the "**project**"), and to receive financing anticipated to total approximately ILS 14.2 million (approximately EUR 3.5 million).
- G. On July 31, 2023, Electreon Germany won another project in Germany to construct an electric road and to utilize and validate technology for measuring and billing wireless stationary and in-motion vehicle charging. For the role played by Electreon Germany in the project, the Company assesses that its share in the project will total approximately ILS 6.2 million, including approximately ILS 2.4 million which has been approved as of the financial statement's approval date.
- H. Equipment was stolen in a robbery at the Company's warehouses in Beit Yannai on the night of August 16, 2023, before the morning of August 17, 2023 (hereinafter - the "**robbery**"). None of the Company's employees were onsite during the robbery and no-one was harmed. The Company assesses that the equipment stolen during the robbery is not anticipated to harm any future projects the Company has committed to, including the delivery dates and quality of systems to be delivered.

The Company is at the initial stages of assessing the scope of damages caused during the robbery and has started the process with an enquiry opposite the insurance company and to receive compensation based on the type and cap of insurance held by the Company. The Company is also formulating a plan to strengthen the security at its facility in order to prevent similar events occurring in the future.