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, 2025**

or

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

For the transition period from _____ to _____

Commission file number: **001-38762**

BIOMX INC.
(Exact name of registrant as specified in its charter)

Delaware	**82-3364020**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
850 New Burton Road, Suite 201, Dover, DE	**19904**
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: **+972 545610935**

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

Title of each class	**Trading Symbol(s)**	**Name of each exchange on which registered**
Common stock, $0.0001 par value	PHGE	NYSE American

Securities registered pursuant to Section 12(g) of the Act: **None**

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 Exchange Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required 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 Data 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 Exchange Act). Yes ☐ No ☒

On June 30, 2025, the last day of the Registrant's most recently completed second fiscal quarter, the aggregate market value of the Registrant's shares of Common Stock held by non-affiliates of the Registrant was $11,899,466 based on the closing sale price of the Registrant's shares of Common Stock on

June 30, 2025 (the last trading day of the fiscal quarter) of $8.55 per share. The price of the Registrant's shares of Common Stock was retroactively adjusted to reflect a 1-for-19 reverse stock split, which took effect on November 25, 2025.

The number of shares outstanding of the Registrant's shares of Common Stock as of February 16, 2026 was 1,593,703.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's definitive proxy statement to be filed with the Securities and Exchange Commission pursuant to Regulation 14A under the Securities Exchange Act of 1934, as amended, relating to the registrant's 2025 Annual Meeting of Stockholders are incorporated herein by reference into Part III of this Annual Report on Form 10-K. The definitive proxy statement will be filed with the Securities and Exchange Commission not later than 120 days after the registrant's fiscal year ended December 31, 2025.

BIOMX INC.
Annual Report on Form 10-K for the Year Ended December 31, 2025

References in this Annual Report on Form 10-K , or the Annual Report to the "Company," "BiomX," "we," "us" or "our" mean BiomX Inc. and its consolidated subsidiaries unless otherwise expressly stated or the context indicates otherwise,. References in this Annual Report to Adaptive Phage Therapeutics LLC, or APT, mean our wholly owned subsidiary, and reference to BiomX Ltd. mean BiomX Ltd., our wholly owned Israeli subsidiary that is now under dissolution proceedings in Israel as provided in more detail below.

On December 16, 2025, our Israeli subsidiary, BiomX Ltd., filed for insolvency proceedings in Israel. On January 25, 2026, the District Court of Tel-Aviv, Israel, appointed a trustee to BiomX Ltd. to handle the administration of the insolvency proceedings. The trustee is responsible for managing BiomX Ltd.'s assets, evaluating claims from creditors, and overseeing the orderly wind-down or restructuring of BiomX Ltd.'s operations in accordance with applicable Israeli insolvency law. As a result of these proceedings, we no longer control BiomX Ltd. and do not deem it as part of our assets.

On December 26, 2025, the Company entered into a Securities Purchase Agreement, or the 2025 Second SPA, with Pyu Pyu Capital, LLC, or the Investor, subject to customary closing conditions, which were satisfied on January 13, 2026. Pursuant to the 2025 Second SPA, the Company agreed to issue and sell, in a private placement transaction, an aggregate of 3,300 shares of its newly created Series Y Convertible Preferred Stock, as defined below, with an aggregate stated value of $3.3 million, and warrants to purchase up to 3,300,000 shares of the Company's common stock, for aggregate gross proceeds of $3.0 million. The Series Y Convertible Preferred Stock has a stated value of $1,000 and is convertible into Common Stock at an initial conversion price of $2.00 per share (i.e., 1,650,000 shares of Common Stock), subject to adjustments. Accordingly, subject to receipt of approval of the stockholders of the Company, the Investor will beneficially own the majority of the shares of common stock of the Company and may have control over the Company. Therefore, if the stockholders' approval is obtained, the Investor may cause the Company to change its business, strategy and objectives.

All amounts of shares of Common Stock included in this Annual Report have been retroactively adjusted to reflect a 1-for-19 reverse stock split, which took effect on November 25, 2025.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This Annual Report contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, or the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended or the Exchange Act. The statements contained in this Annual Report that are not purely historical are forward-looking statements. Forward-looking statements include statements about our expectations, beliefs, plans, objectives, intentions, assumptions and other statements that are not historical facts. Words or phrases such as "anticipate," "believe," "continue," "estimate," "expect," "intend," "may," "ongoing," "plan," "potential," "predict," "project," "will" or similar words or phrases, or the negatives of those words or phrases, may identify forward-looking statements, but the absence of these words does not necessarily mean that a statement is not forward-looking. Examples of forward-looking statements in this Annual Report include, but are not limited to, statements regarding our disclosure concerning our operations, cash flows, financial position and also regarding our preclinical and clinical development plans, the safety, tolerability and efficacy of our phage therapy and the conducting, design, aims and timing of its preclinical and clinical studies and announcing results thereof.

Forward-looking statements appear in a number of places in this Annual Report including, without limitation, in the sections entitled "Management's Discussion and Analysis of Financial Conditions and Results of Operations," and "Business." The risks and uncertainties include, but are not limited to:

- the ability to successfully pursue and explore potential strategic alternatives for our business operations;
- the ability to secure necessary financing and continue operations, which is highly dependent on obtaining stockholder approval pursuant to the 2025 Second SPA;
- the ability to generate revenues, and raise sufficient financing to meet working capital requirements;
- the unpredictable timing and cost associated with our approach to developing product candidates using phage technology and potential success thereof;
- political and economic instability, including, without limitation, due to natural disasters or other catastrophic events, such as the Russian invasion of Ukraine and instability in the Middle East, terrorist attacks, hurricanes, fire, floods, pollution and earthquakes;
- obtaining U.S. Food and Drug Administration, or FDA, acceptance of any non-U.S. clinical trials of product candidates;
- our ability to enroll patients in clinical trials and achieve anticipated development milestones when expected;
- the ability to pursue and effectively develop new product opportunities and acquisitions and to obtain value from such product opportunities and acquisitions;
- penalties and market withdrawal associated with any unanticipated problems with product candidates and failure to comply with labeling and other restrictions;
- general economic conditions, our current low stock price and other factors on our operations, the continuity of our business, including our preclinical and clinical trials, and our ability to raise additional capital;
- expenses associated with compliance with ongoing regulatory obligations and successful continuing regulatory review;
- market acceptance of our product candidates and ability to identify or discover additional product candidates;

- our ability to obtain high titers for specific phage cocktails necessary for preclinical and clinical testing;
- the ability of our product candidates to demonstrate requisite, safety and efficacy for drug products, or safety, purity and potency for biologics without causing adverse effects;
- the success of expected future advanced clinical trials of our product candidates;
- our ability to obtain required regulatory approvals;
- delays in developing manufacturing processes for our product candidates;
- competition from similar technologies, products that are more effective, safer or more affordable than our product candidates or products that obtain marketing approval before our product candidates;
- the impact of unfavorable pricing regulations, third-party reimbursement practices or healthcare reform initiatives on our ability to sell product candidates or therapies profitably;
- protection of our intellectual property rights and compliance with the terms and conditions of current and future licenses with third parties;
- infringement on the intellectual property rights of third parties and claims for remuneration or royalties for assigned service invention rights;
- our ability to acquire, in-license or use proprietary rights held by third parties necessary to our product candidates or future development candidates;
- ethical, legal and social concerns about synthetic biology and genetic engineering that may adversely affect market acceptance of our product candidates;
- reliance on third-party collaborators;
- our ability to attract and retain key employees or to enforce the terms of noncompetition agreements with employees;
- the failure to comply with applicable laws and regulations other than drug manufacturing compliance;
- potential security breaches, including cybersecurity incidents; and
- other factors discussed in the section of this report entitled “Risk Factors” beginning on page 24.

Forward-looking statements are subject to known and unknown risks and uncertainties and are based on our management’s potentially inaccurate assumptions that could cause actual results to differ materially from those expected or implied by the forward-looking statements. While these statements are based upon information available to us as of the filing date of this Annual Report, and while we believe such information forms a reasonable basis for such statements, such information may be limited or incomplete, and our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all potentially available relevant information. These statements are inherently uncertain and investors are cautioned not to unduly rely upon these statements. Actual results could differ materially from those anticipated in forward-looking statements for many reasons, including the factors discussed in the section of this Annual Report entitled “Risk Factors”. Except as may be required by applicable law, we undertake no obligation to publicly revise any forward-looking statement to reflect circumstances or events after the date of this Annual Report or to reflect the occurrence of unanticipated events. You should, however, review the factors and risks we describe in the reports we will file from time to time with the U.S. Securities and Exchange Commission, or the SEC, after the date of this Annual Report.

RISK FACTORS SUMMARY

The summary below provides an overview of many of the risks the Company faces, and a more detailed discussion of risks can be found in Item 1A. “Risk Factors” below. You should carefully consider these risks and uncertainties when investing in our securities. The principal risks and uncertainties affecting our business include, but are not limited to, the following:

- Our exploration of strategic and business alternatives could adversely affect our business and our stock price.
- Our ability to secure necessary financing and continue operations is highly dependent on obtaining stockholder approval for the 2025 Second SPA, and failure to do so could severely impact our liquidity and future viability.
- We are a clinical-stage company and have incurred losses since our inception. We anticipate that we will continue to incur significant expenses, and we will continue to incur significant losses for the foreseeable future.
- We will need to raise additional capital in the future to support our operations which may not be available at terms that are favorable to us and might cause significant dilution to our stockholders or increase our debt towards third parties.
- Our financial statements contain an explanatory paragraph regarding substantial doubt about our ability to continue as a going concern, which could prevent us from obtaining new financing on reasonable terms or at all.
- We are seeking to develop product candidates using phage technology, an approach for which it is difficult to predict the potential success and time and cost of development. To our knowledge, no bacteriophage has thus far been approved as a drug in the United States or in the European Union.
- Our product candidates must undergo clinical testing which may fail to demonstrate the requisite safety and efficacy for drug products, or safety, purity, and potency for biologics, and any of our product candidates could cause adverse effects, which would substantially delay or prevent regulatory approval and/or commercialization.
- We have not completed composition development of our product candidates.
- Our limited operating history compared to the long cycle of development phage based products may make it difficult to evaluate the success of our business to date and to assess our future viability.
- We have never generated any revenue from product sales and may never be profitable or, if achieved, may not sustain profitability.
- Results from preclinical studies of our product candidates may not be predictive of the results of clinical trials or later stage clinical development.
- Our product candidates are subject to significant regulatory approval requirements, which could delay, prevent or limit our ability to market or develop our product candidates.
- Our relationships with healthcare providers, physicians and third-party payors will be subject to applicable anti-kickback, fraud and abuse and other healthcare laws and regulations, which could expose us to criminal sanctions, civil penalties, contractual damages, reputational harm and other consequences.

- Even if we receive regulatory approval of any product candidates for therapeutic indications, we will be subject to ongoing regulatory compliance obligations and continued regulatory review which may result in significant additional expense. Additionally, any of our product candidates, if approved, could be subject to labeling and other restrictions and market withdrawal, and we may be subject to penalties if we fail to comply with regulatory requirements or experience unanticipated problems with our product candidates.

- Any products that we may develop may become subject to unfavorable pricing regulations, third-party reimbursement practices or healthcare reform initiatives, which could make it difficult for us to sell any product candidates or therapies profitably.

- Ongoing health care legislative and regulatory reform measures may have a material adverse effect on our business and results of operations.

- The license agreements we maintain are important to our business. If we or the other parties to our license agreements fail to adequately perform under the license agreements, or if we or they terminate the license agreements, the development, testing, manufacture, production and sale of our phage-based therapeutic product candidates would be delayed or terminated, and our business would be adversely affected.

- We are dependent on patents and proprietary technology. If we fail to adequately protect this intellectual property or if we otherwise do not have exclusivity for the marketing of our products, our ability to commercialize products could suffer.

- If we infringe the rights of third parties, we could be prevented from selling products, forced to pay damages and/or royalties, and forced to defend against litigation.

- We rely on trade secrets and other forms of non-patent intellectual property protection. If we are unable to protect our trade secrets, other companies may be able to compete more effectively against us.

- Changes in trade policy, including the imposition of tariffs, may adversely affect our business, results of operations and financial condition.

- If we are sued for infringing intellectual property rights of third parties or if we are forced to engage in an interference proceeding, it will be costly and time-consuming, and an unfavorable outcome in that litigation or interference would have a material adverse effect on our business.

- Third-party relationships are important to our business. If we are unable to maintain our collaborations or enter into new relationships, or if these relationships are not successful, our business could be adversely affected.

- Our product candidates rely on the availability of specialty raw materials, which may not be available to us on acceptable terms or at all.

- A significant number of shares of our Common Stock are subject to issuance upon exercise of outstanding warrants, pre-funded warrants and options or conversion of our Series X non-voting convertible preferred stock, par value $0.0001 per share, or the Series X Convertible Preferred Stock, and our Series Y convertible preferred stock, par value $0.0001 per share, or the Series Y Convertible Preferred Stock, or together the Convertible Preferred Stock, which upon exercise or conversion may result in dilution to our security holders.

- The market price of our Common Stock and other securities may be volatile and fluctuate substantially, which could result in substantial losses for purchasers of our Common Stock.

- Our success depends, in part, on our ability to retain key executives and to attract, retain and motivate qualified personnel.

PART I

ITEM 1. BUSINESS

Overview

We are a clinical stage product discovery company developing products using both natural and engineered phage technologies designed to target and kill specific harmful bacteria associated with chronic diseases, such as diabetic foot infections, or DFI. Bacteriophage or phage are bacterial, species-specific, strain-limited viruses that infect, amplify and kill the target bacteria and are considered inert to mammalian cells. By utilizing proprietary combinations of naturally occurring phage and by creating novel phage using synthetic biology, we develop phage-based therapies intended to address large-market diseases.

Based on the urgency of treating the infection (whether acute or chronic), the susceptibility of the target bacteria to phage (e.g. the ability to identify a phage cocktail that would target a broad range of bacterial strains) and other considerations, we offer two phage-based product types:

(1) Fixed cocktail therapy – in this approach a single product containing a fixed number of selected phages is developed to cover a wide range of bacterial strains, thus allowing treatment of broad patient populations with the same product. Fixed cocktails are developed using our platform, in which high throughput screening, directed evolution, and bioinformatic approaches are leveraged to produce an optimal phage cocktail.

(2) Personalized therapy – in this approach a large library of phages is developed, of which single optimal phages are personally matched to treat specific patients. Matching optimal phages with patients is carried out using a proprietary phage susceptibility testing, or patient specific targeting, where multiple considerations are analyzed simultaneously – allowing for an efficient screen of the phage library while maintaining short turnaround times.

In our therapeutic programs, we focus on using phage therapy to target specific strains of pathogenic bacteria that are associated with diseases. Our phage-based product candidates are developed utilizing our proprietary research and development platform. Our platform is unique, employing cutting edge methodologies and capabilities across disciplines including computational biology, microbiology, synthetic engineering of phage and their production bacterial hosts, bioanalytical assay development, manufacturing and formulation, to allow agile and efficient development of natural or engineered phage combinations, or cocktails. The cocktail contains phage with complementary features and is optimized for multiple characteristics such as broad target host range, ability to prevent resistance, biofilm penetration, stability and ease of manufacturing.

Our goal is to develop multiple products based on the ability of phage to precisely target harmful bacteria and on our ability to screen, identify and combine different phage, both naturally occurring and created using synthetic engineering, to develop these treatments.

In December 2025, we discontinued the development of our phage cocktail product for the treatment of Cystic Fibrosis or, BX004, following an internal analysis and feedback from the Data Monitoring Committee, or DMC, which recommended consideration of alternative dosing regimens or treatment strategies in response to adverse events experienced by certain participants; however, pursuing such alternatives was beyond the Company's available resources. Additionally, we implemented cost-cutting measures including a significant reduction in workforce while reviewing other strategic alternatives.

In December 2025, following the discontinuation of the development of BX004, our Israeli subsidiary, BiomX Ltd., commenced insolvency proceedings in Israel. Prior to the commencement of these insolvency proceedings, BiomX Ltd. served as the core operational subsidiary of the Company, employing a significant portion of our workforce. As a result of BiomX Ltd.'s insolvency, our business has been materially impacted, and without additional resources, we have limited ongoing operations and limited ability to advance our programs as previously planned. Accordingly, we are actively evaluating and pursuing strategic alternatives and other business opportunities to exploit the expertise of our management staff, based on time, available resources and market conditions.

On December 26, 2025, the Company entered into the 2025 Second SPA with the Investor. Pursuant to the 2025 Second SPA, we agreed to issue and sell, in a private placement transaction, an aggregate of 3,300 shares of its newly created Series Y Convertible Preferred Stock, as defined below, with an aggregate stated value of $3.3 million, and warrants to purchase up to 3,300,000 shares of the Company's common stock, for aggregate gross proceeds of $3.0 million. The Series Y Convertible Preferred Stock has a stated value of $1,000 and is convertible into Common Stock at an initial conversion price of $2.00 per share (i.e., 1,650,000 shares of Common Stock), subject to adjustments. Accordingly, subject to receipt of approval of the stockholders of the Company, the Investor will beneficially own the majority of the shares of common stock of the Company and may have control over the Company. Therefore, if the stockholders' approval is obtained, the Investor may cause the Company to change its business, strategy and objectives. However, our ability to fully realize the benefits of the 2025 Second SPA, including the issuance of shares in excess of the NYSE American 19.99% limitation, as described further below, is contingent upon obtaining the stockholder approval required pursuant to the 2025 Second SPA. Failure to obtain this approval would severely limit our financial flexibility, potentially requiring us to seek alternative financing on less favorable terms, or cease our operations, which would have a material adverse effect on our business and financial condition.

Our Product Pipeline

We do not have any products approved or available for sale, our product candidates are still in the clinical development stages, and we have not generated any revenue from product sales.

Ongoing Programs

BX011 - Treatment of Diabetic Foot Infections, or DFI

BX011 is a fixed multi-phage cocktail, for the treatment of DFI associated with Staphylococcus aureus, or S. aureus, a key bacterium implicated in development and exacerbation of DFI. DFI is a serious bacterial infection commonly arising from an ulcer on the foot and is a leading cause of amputation in patients with diabetes. We previously reported positive statistically significant results targeting S. aureus in diabetic foot osteomyelitis, or DFO, patients. BX011 incorporates multiple proprietary phages, among them phage previously evaluated in the BX211 study, to provide broad and potent coverage against this S. aureus in DFI patients. BX011's advancement will continue in alignment with ongoing discussions with the U.S. Defense Health Agency and subject to the availability of necessary financial resources, with plans to initiate a Phase 2a clinical trial in DFI.

BX211 – Treatment of Diabetic Foot Osteomyelitis (DFO)

BX211 is a phage therapy for the treatment of DFO associated with S. aureus. The personalized phage treatment tailors a specific phage selected from a proprietary phage-bank according to the specific strain of S. aureus biopsied and isolated from each patient. DFO is a bacterial infection of the bone that usually develops from an infected foot ulcer and is a leading cause of amputation in patients with diabetes. We believe that scientific literature demonstrating the potential benefit in treating osteomyelitis using phage in animal models as well as numerous successful compassionate cases using phage therapy to treat DFO patient support our approach of using phage therapy to treat DFO.

In March 2025, we announced positive results from the phase 2 trial evaluating BX211 for the treatment of DFO, or the DFO Trial. The DFO Trial is a randomized, double-blind, placebo-controlled, multi-center study investigating the safety, tolerability, and efficacy of BX211 to treat individuals with DFO associated with S. aureus. The DFO Trial enrolled a total of 41 patients randomized for treatment at a 2:1 ratio, 26 of whom received intravenous, or IV, and topical administration of BX211 on week 1 followed by a topical weekly dose through week 12, while 15 patients were assigned to the placebo arm. Over the 12-week treatment period, all subjects (treatment and placebo) were also treated in accordance with standard of care, including with systemic antibiotic therapy as appropriate. A readout of the DFO Trial results at week 13 evaluated healing of the wound associated with osteomyelitis. The primary efficacy endpoint was percent area reduction, or PAR, of study ulcer through week 13. Study design was guided in part by experience with numerous compassionate cases using phage therapy for the treatment of DFO and osteomyelitis.

Results from the DFO Trial findings included:

- BX211 was found to be safe and well-tolerated.
- BX211 produced sustained and statistically significant PAR of ulcer size ($p = 0.046$ at week 12; $p=0.052$ at week 13), with a separation from placebo (standard of care) starting at week 7 and a difference greater than 40% by week 10.

- BX211 produced statistically significant improvements in both ulcer depth at week 13 (in patients with ulcer depth defined as bone at baseline) (p=0.048), and in reducing the expansion of ulcer area (p=0.017), compared to placebo.

- BX211 demonstrated favorable trends compared to placebo across several additional clinical parameters, including: proportion of visits with no clinical evidence of infection; evidence of resolving DFO by MRI/X-ray at week 12; proportion of patients with abnormal C-Reactive Protein, or CRP, at baseline that achieved a reduction of CRP of at least 50% at any point in the study; and greater Wagner scale improvement. The Wagner Scale is a clinical grading system used to classify the severity of diabetic foot ulcers, ranging from 0 (intact skin) to 5 (extensive gangrene).

- Through week 13, BX211 demonstrated comparable efficacy against both Methicillin-susceptible and resistant strains, as well as against high and low biofilm producers—consistent with the orthogonal mechanism of phage therapy to antibiotics and its inherent anti-biofilm capabilities.

All p-values described in the above DFO Trial are non-adjusted.

Given the straightforward pathway for regulatory approval in DFI provided by the FDA, BiomX is prioritizing the development of BX011 for DFI before potential expansion to address DFO patient populations, which share the same S. aureus bacterial target, pending sufficiency of financial resources.

National Institutes of Health, or NIH, study in Cystic Fibrosis, or CF

We are supporting a study conducted by the NIH and The Antibacterial Resistance Leadership Group targeting Pseudomonas aeruginosa, or P. Aeruginosa, infections in CF patients under FDA emergency Investigational New Drug allowance. The Phase 1b/2, multi-centered, randomized, double-blind, placebo-controlled trial is assessing the safety and microbiological activity of a single IV dose of bacteriophage therapy in cystic fibrosis subjects colonized with P. aeruginosa.

Discontinued programs

BX004 – Treatment of Cystic Fibrosis

BX004 is our therapeutic phage product candidate under development for chronic pulmonary infections caused by P. aeruginosa, a main contributor to morbidity and mortality in patients with CF. Enhanced resistance to antibiotics develops, particularly in CF patients, due to extensive drug use consisting of prolonged and repeated broad-spectrum antibiotic courses often beginning in childhood, and leading to the appearance of multidrug-resistant strains. In preclinical *in vitro* studies, BX004 was shown to be active against antibiotic resistant strains of P. aeruginosa and demonstrated the ability to penetrate biofilm, an assemblage of surface-associated microbial cells enclosed in an extracellular polymeric substance and one of the leading causes for antibiotic resistance.

In August 2025, we announced that the FDA had placed a clinical hold on the Company's Phase 2b clinical trial of the BX004 product candidate, or the Study. As a result of the FDA's notification, patient screening and enrollment in the U.S. portion of the Study had been paused. Furthermore, in November 2025, we announced that the FDA was continuing its evaluation of the third-party nebulizer device used in the Study in connection with the clinical hold, and that an independent DMC recommended that the Study continue with an adjusted dosing regimen.

In light of the foregoing, and as detailed above, in December, 2025, we discontinued the development of BX004, following internal analysis and DMC feedback, on an alternative dosing regimen or treatment strategy which were beyond the Company's available resources.

BX005 – Treatment of Atopic Dermatitis, or AD

BX005 is our topical phage product candidate targeting S. aureus, a bacterium associated with the development and exacerbation of inflammation in AD. *S. aureus* is more abundant on the skin of AD patients than on the skin of healthy individuals and on lesional skin than non-lesional skin. It also increases in abundance, becoming the dominant bacteria, when patients experience flares. By reducing the load of S. aureus, BX005 is designed to shift the skin microbiome composition to its 'pre-flare' state and potentially provide a clinical benefit. In preclinical *in vitro* studies, BX005 was shown to eradicate over 90% of strains, including antibiotic resistant strains, from a panel of S. aureus strains (120 strains isolated from skin of subjects from the U.S. and Europe). On April 8, 2022, the FDA approved the Company's Investigational New Drug, or IND, application for BX005.In 2024, we discontinued the development of BX005.

Our Strategy

Our goal is to develop multiple products based on the ability of phage to precisely target harmful bacteria and on our ability to screen, identify and optimally combine different phage, both naturally occurring and generated using synthetic engineering, to develop these treatments. We intend to continue to investigate clinical safety and efficacy of our lead phage-based product candidates to treat DFI and DFO; however, our business, strategy, and objectives are expected to be subject to change in accordance with the plans of the Investor, should they become a majority stockholder upon stockholder approval.

Our phage discovery platform

Our approach is driven by the convergence of several factors: a rapidly increasing understanding of phage, including the links between phage behaviors and their genomes; growing evidence that the presence of specific harmful bacteria may impact chronic diseases, such as DFI, making them in principle, amenable to treatment with phage; and by a growing number of anecdotal reports from different academic centers of successful compassionate use of phage to treat seriously ill patients who were unresponsive to other therapies. We believe our phage therapeutic product candidates have the potential to treat conditions and diseases by precisely targeting pathogenic bacteria without disrupting elements of the healthy microbiota. Our phage-based product candidates, either fixed phage cocktails or personalized phage treatments, are developed utilizing our proprietary research and development platforms.

We combine multiple technologies that originate from the laboratories of our scientific founders and that were developed internally. Technologies that were developed by our scientific founders are described in leading scientific journals. One of our scientific founders, Professor Rotem Sorek, a Professor in the Department of Molecular Genetics at the Weizmann Institute of Science, or WIS, is a world leader in phage genomics and bacterial defense mechanisms. The combination of the technologies and expertise from our scientific founders in each of their respective fields is critical in enabling us to focus on treating complex human diseases and conditions by precise manipulation of the microbiome.

Additionally, we developed proprietary assays and screening technology for robust and high throughput testing and patient specific targeting. The patient specific targeting platform combines state of the art automation with advanced microbiology assays. We believe that the output is a reproducible conclusive decision for optimal phage matching, based on multiple factors, including success of phage infection, suppression of resistant mutants, and antibiofilm activity.

Intellectual Property

We strive to protect the proprietary technology that we believe is important to our business, including seeking and maintaining patent protection in the United States and internationally for our product candidates and discovery platform. We also rely on trademarks, trade secrets, know-how, copyrights, continuing technological innovation and in-licensing opportunities to develop and maintain our proprietary position. For more information regarding the risks related to our intellectual property, see "Risk Factors — Risks Related to our Licensed and Co-Owned Intellectual Property."

We plan to continue to expand our intellectual property estate by filing patent applications directed to formulations, related methods of treatment, methods of manufacture or identification from our ongoing development of our product candidates, as well as discovery based on our proprietary product platform. Our success will depend on our ability to obtain and maintain patent and other proprietary protection for commercially important technology, inventions and know-how related to our business, defend, and enforce any patents that we may obtain, preserve the confidentiality of our trade secrets and know-how and operate without infringing the valid and enforceable patents and proprietary rights of third parties.

Because patent applications in the United States and certain other jurisdictions are maintained in secrecy for 18 months or potentially even longer, and because publication of discoveries in the scientific or patent literature often lags behind actual discoveries and patent application filings, we cannot be certain of the priority of inventions covered by pending patent applications. Accordingly, we may not have been the first to invent the subject matter disclosed in some of our patent applications or the first to file patent applications covering such subject matter, and we may have to participate in interference proceedings or derivation proceedings declared by the United States Patent and Trademark Office, or USPTO, to determine priority of invention.

Patent portfolio

Our patent portfolio consists of one patent family (United States, Canada, European Patent Office, China and Japan), solely owned by APT and directed to treating implantable device infections among them staphylococcus aureus infections, common in patients with DFO. For some of the applications, prosecution has not started, and others are in the early stages of prosecution in the United States and in selected jurisdictions outside of the United States. Prosecution is a lengthy process, during which the scope of the claims initially submitted for examination by the USPTO is often significantly narrowed by the time they issue, if they issue at all.

Patent term

The term of individual patents depends upon the legal term of the patents in the countries in which they are obtained. In most countries in which we file patent applications, including the United States, the base term is 20 years from the filing date of the earliest-filed non-provisional patent application from which the patent claims priority. The term of a United States patent can be lengthened by patent term adjustment, which compensates the owner of the patent for administrative delays at the USPTO. In some cases, the term of a United States patent is shortened by a terminal disclaimer that reduces its term to that of an earlier-expiring patent. The term of a United States patent may be eligible for patent term extension under the Drug Price Competition and Patent Term Restoration Act of 1984, referred to as the Hatch-Waxman Act, to account for at least some of the time the drug is under development and regulatory review after the patent is granted. With regard to a drug for which FDA approval is the first permitted marketing of the active ingredient, the Hatch-Waxman Act allows for extension of the term of one United States patent that includes at least one claim covering the composition of matter of such an FDA-approved drug, an FDA-approved method of treatment using the drug and/or a method of manufacturing the FDA-approved drug. The extended patent term cannot exceed the shorter of five years beyond the non-extended expiration of the patent or fourteen years from the date of the FDA approval of the drug, and a patent cannot be extended more than once or for more than a single product. During the period of extension, if granted, the scope of exclusivity is limited to the approved product for approved uses. Some foreign jurisdictions, including Europe and Japan, have analogous patent term extension provisions, which allow for extension of the term of a patent that covers a drug approved by the applicable foreign regulatory agency.

In the future, if and when our product candidates receive FDA approval, we expect to apply, if appropriate, for patent term extension on patents directed to those product candidates, their methods of use and/or methods of manufacture. However, there is no guarantee that the applicable authorities, including the FDA in the United States, will agree with our assessment of whether such extensions should be granted, and if granted, the length of such extensions.

Trade Secrets and Know-How

In addition to patents, we rely on trade secrets and know-how to develop and maintain our competitive position. We typically rely on trade secrets to protect aspects of our business that are not amenable to, or that we do not consider appropriate for, patent protection. We protect trade secrets and know-how by establishing confidentiality agreements and invention assignment agreements with our employees, consultants, scientific advisors, contractors and collaborators. These agreements provide that all confidential information developed or made known during the course of an individual's or entities' relationship with us must be kept confidential during and after the relationship. These agreements also provide that all inventions resulting from work performed for us or relating to our business and conceived or completed during the period of employment or assignment, as applicable, shall be our exclusive property. In addition, we take other appropriate precautions, such as physical and technological security measures, to guard against misappropriation of its proprietary information by third parties.

Although we take steps to protect our proprietary information and trade secrets, including through contractual means with our employees and consultants, third parties may independently develop substantially equivalent proprietary information and techniques or otherwise gain access to our trade secrets or disclose our technology. Thus, we may not be able to meaningfully protect our trade secrets and benefit from the exclusive use thereof. For more information regarding the risks related to our intellectual property, see "*Risk Factors — Risks Related to Our Licensed and Co-Owned Intellectual Property*."

Competition

The biotechnology and pharmaceutical industries are characterized by rapidly advancing technologies, strong competition and an emphasis on proprietary products. While we believe that our technology, knowledge and experience provide us with competitive advantages, we face substantial competition from many different sources, including larger pharmaceutical companies with more resources. Specialty biotechnology companies, academic research institutions, governmental agencies, as well as public and private institutions are also potential sources of competitive products and technologies. We believe that the key competitive factors affecting the success of any of our product candidates will include efficacy, safety profile, time to market, cost, level of promotional activity and intellectual property protection.

We are aware of a number of biotechnology companies developing bacteriophage products to treat diseases. To our knowledge, several biotechnology companies, such as Locus Biosciences, Inc., Armata Pharmaceuticals, Inc. and SNIPR Biome, as well as academic institutions, have discovery stage or clinical programs utilizing naturally occurring phage or synthetic biology approaches. In addition, with respect to DFI/DFO, we are aware of several investigational and marketed products to treat the indications that we are targeting with our product candidates, including, but not limited to, TP-102 being developed by Technophage, a phage-based product being developed by Phaxiam.

Many of our competitors, either alone or with their strategic partners, have substantially greater financial, technical and human resources than ours and significantly greater experience in the discovery and development of product candidates, obtaining FDA and other regulatory approvals of products and the commercialization of those products. Accordingly, our competitors may be more successful than us in discovering product candidates, obtaining approval for such product candidates and achieving widespread market acceptance. Our competitors' products may be more effective, or more effectively marketed and sold, than any product we may commercialize and may render our product candidates obsolete or non-competitive before we can recover the expenses of developing and commercializing any of our product candidates. We anticipate that we will face intense and increasing competition as new drugs enter the market and advanced technologies become available.

These third parties compete with us in recruiting and retaining qualified scientific, clinical, manufacturing, sales and marketing and management personnel, establishing clinical trial sites and patient registration for clinical trials, as well as in acquiring technologies complementary to, or necessary for, our program.

Sales and Marketing

We may consider to pursue the commercialization of our drug product candidates either by building internal sales and marketing capabilities or through collaborations with others.

Government Regulation

Government authorities in the United States and other countries regulate, among other things, the research, development, testing, manufacture, quality control, approval, labeling, packaging, storage, record-keeping, promotion, advertising, distribution, post-approval monitoring and reporting, marketing and export and import of drug and biological products. Generally, before a new drug or biologic can be studied in human clinical trials or marketed, considerable data demonstrating its quality, safety, efficacy, purity, and/or potency must be obtained, organized into a format specific for each regulatory authority, submitted for review and approved by the regulatory authority where the product is intended to be studied or marketed.

U.S. Biological Product Development Process

In the United States, the FDA regulates drugs under the Federal Food, Drug, and Cosmetic Act, or the FDCA, and its implementing regulations under the FDCA, the Public Health Service Act, or the PHSA, and their implementing regulations. Both drugs and biologics are also subject to other federal, state and local statutes and regulations. The process of obtaining regulatory approvals and the subsequent compliance with appropriate federal, state and local statutes and regulations requires the expenditure of substantial time and financial resources. Failure to comply with applicable U.S. requirements at any time during the product development, approval, or post-marketing process may subject an applicant to administrative or judicial sanctions. These sanctions could include, among other actions, the FDA's refusal to approve pending applications, withdrawal of an approval or license revocation, a clinical hold, untitled or warning letters, product recalls or market withdrawals, product seizures, total or partial suspension of production or distribution, injunctions, fines, refusals of government contracts, restitution, disgorgement and civil or criminal penalties. Any agency or judicial enforcement action could have a material adverse effect on us.

Certain of our current product candidates and future product candidates must be approved by the FDA through a Biologics License Application, or BLA, process before they may be legally marketed in the United States. The process generally involves the following. However, the Trump administration may change or overhaul existing drug regulations, which would lead to additional time and money to comply with:

- Completion of extensive preclinical studies in accordance with applicable regulations, including studies conducted in accordance with GLP requirements, if needed;
- Submission to the FDA of an IND, which must become effective before human clinical trials may begin;
- Approval by an institutional review board, or IRB, at each clinical trial site before each trial may be initiated;
- Performance of adequate and well-controlled human clinical trials in accordance with applicable IND regulations, good clinical practice, or GCP, requirements and other clinical trial-related regulations to establish the safety, purity, potency and efficacy of the investigational product for each proposed indication;
- Submission to the FDA of a BLA;
- A determination by the FDA within 60 days of its receipt of a BLA to accept the application for review;
- Satisfactory completion of an FDA pre-approval inspection of the manufacturing facility or facilities where the biologic will be produced to assess compliance with cGMP requirements to assure that the facilities, methods and controls are adequate to preserve the biologic's identity, strength, quality and purity;

- Potential FDA audit of the clinical trial sites that generated the data in support of the BLA;
- Payment of user fees for FDA review of the BLA (unless a fee waiver applies); and
- FDA review and approval of the BLA, including consideration of the views of any FDA advisory committee, prior to any commercial marketing or sale of the biologic in the United States.

Preclinical Studies and IND

Preclinical studies include laboratory evaluation of product chemistry and formulation, as well as *in vitro* and animal studies to establish a rationale for therapeutic use and in some cases to assess the potential for adverse events. The conduct of preclinical studies is subject to federal regulations and requirements, including in some cases GLP regulations for safety/toxicology studies. An IND sponsor must submit the results of the preclinical tests, together with manufacturing information, analytical data, any available clinical data or literature and plans for clinical trials, among other things, to the FDA as part of an IND. An IND is a request for authorization from the FDA to administer an investigational product to humans, and, must become effective before human clinical trials may begin. Some long-term preclinical testing may continue after the IND is submitted. An IND automatically becomes effective 30 days after receipt by the FDA, unless before that time, the FDA raises concerns or questions related to one or more proposed clinical trials and places the trial on clinical hold. In such a case, the IND sponsor and the FDA must resolve any outstanding concerns before the clinical trial can begin. As a result, submission of an IND may not result in the FDA allowing clinical trials to commence.

Clinical Trials

Clinical trials involve the administration of the drug or biological product candidate to healthy volunteers or disease-affected patients under the supervision of qualified investigators, generally physicians not employed by, or under, the trial sponsor's control. Clinical trials are conducted under protocols detailing, among other things, the objectives of the clinical trial, dosing procedures, subject selection and exclusion criteria, and the parameters to be used to monitor subject safety and efficacy, including stopping rules that assure a clinical trial will be stopped if certain adverse events should occur. Each protocol and any amendments to the protocol must be submitted to the FDA as part of the IND. Clinical trials must be conducted and monitored in accordance with the FDA's regulations comprising the GCP requirements, including the requirement that all research subjects provide informed consent. Further, each clinical trial must be reviewed and approved by an IRB at or servicing each institution at which the clinical trial will be conducted. An IRB is charged with protecting the welfare and rights of study participants and considers such items as whether the risks to individuals participating in the clinical trials are minimized and are reasonable in relation to anticipated benefits. The IRB also approves the form and content of the informed consent that must be signed by each clinical trial subject or his or her legal representative and must monitor the clinical trial until completed. There are also requirements governing the reporting of ongoing clinical trials and completed clinical trial results to public registries. Information about certain clinical trials, including clinical trial results, must be submitted within specific timeframes for publication on the www.clinicaltrials.gov website.

Clinical trials generally are conducted in three sequential phases, known as Phase 1, Phase 2 and Phase 3, and may overlap.

- Phase 1 clinical trials generally involve a small number of healthy volunteers or disease-affected patients who are initially exposed to a single dose and then multiple doses of the product candidate. The primary purpose of these clinical trials is to assess the metabolism, pharmacologic action, side effect tolerability and safety of the product candidate.

- Phase 2 clinical trials generally involve studies in disease-affected patients to evaluate proof of concept and/or determine the dosing regimen(s) for subsequent investigations. At the same time, safety and sometimes further pharmacokinetic and pharmacodynamic information is collected, possible adverse effects and safety risks are identified and a preliminary evaluation of efficacy is conducted.

- Phase 3 clinical trials generally involve a large number of patients at multiple sites and are designed to provide the data necessary to demonstrate the effectiveness of the product for its intended use, its safety in use and to establish the overall benefit/risk relationship of the product and provide an adequate basis for labeling for new drugs.

Post-approval trials, sometimes referred to as Phase 4 clinical trials, may be conducted after initial marketing approval. These trials are conducted to gain additional experience from the treatment of patients in the intended therapeutic indication. In certain instances, the FDA may mandate the performance of Phase 4 clinical trials as a condition of approval of a BLA.

Progress reports detailing the results of the clinical trials, among other information, must be submitted at least annually to the FDA and written IND safety reports must be submitted to the FDA and the investigators for serious and unexpected suspected adverse events, findings from other studies or animal or *in vitro* testing that suggest a significant risk for human subjects and any clinically important increase in the rate of a serious suspected adverse reaction over that listed in the protocol or investigator brochure.

It is possible for Phase 1, Phase 2, Phase 3 and other types of clinical trials not to be completed successfully within a specified period, if at all. The FDA or the sponsor may suspend or terminate a clinical trial at any time on various grounds, including a finding that the patients are being exposed to an unacceptable health risk. Similarly, an IRB can suspend or terminate approval of a clinical trial at its institution if the clinical trial is not being conducted in accordance with the IRB's requirements or if the tested biological product has been associated with unexpected serious harm to patients. Additionally, some clinical trials are overseen by an independent group of qualified experts organized by the clinical trial sponsor, or the Data Safety Monitoring Board. This group provides authorization for whether a trial may move forward at designated check points based on access to certain data from the trial.

Concurrent with clinical trials, companies may need to complete additional animal studies and also must develop additional information about the chemistry and physical characteristics of the biologic as well as finalize a process for manufacturing the product in commercial quantities in accordance with cGMP requirements. The manufacturing process must be capable of consistently producing quality batches of the product and, among other things, companies must develop methods for testing the identity, strength, quality and purity of the final product. Additionally, appropriate packaging must be selected and tested, and stability studies must be conducted to demonstrate that the product candidates do not undergo unacceptable deterioration over their shelf life.

FDA Review Process

Following completion of the clinical trials, data are analyzed to assess whether the investigational product is safe and effective for the proposed indicated use or uses and also meets the regulatory requirements for potency and purity. The results of preclinical studies and clinical trials are then submitted to the FDA as part of a BLA, along with proposed labeling, chemistry and manufacturing information to ensure product quality and other relevant data. The BLA is a request for approval to market the biological product for one or more specified indications and must contain proof of safety, purity and potency. The application may include both negative and ambiguous results of preclinical studies and clinical trials, as well as positive findings. Data may come from company-sponsored clinical trials intended to test the safety and efficacy of a product's use or from a number of alternative sources, including studies initiated by investigators. To support marketing approval, the data submitted must be sufficient in quality and quantity to establish the safety and efficacy in the intended indication, purity and potency of the investigational product to the satisfaction of the FDA. FDA approval of a BLA must be obtained before a biologic may be marketed in the United States. Under the Prescription Drug User Fee Act, or PDUFA, as amended, each BLA must be accompanied by a user fee. The FDA adjusts the PDUFA user fees on an annual basis. Fee waivers or reductions are available in certain circumstances, including a waiver of the application fee for the first application filed by a small business.

The FDA reviews all submitted BLAs before it accepts them for filing and may request additional information rather than accept the BLA for filing. The FDA must make a decision on accepting a BLA for filing within 60 days of receipt, and such a decision could include a refusal to file by the FDA. Once the submission is accepted for filing, the FDA begins an in-depth review of the BLA. Under the goals and policies agreed to by the FDA under PDUFA, the FDA has 10 months, from the filing date, in which to complete its initial review of an original BLA and respond to the applicant, and 6 months from the filing date of an original BLA designated for priority review. The FDA does not always meet its PDUFA goal dates for standard and priority BLAs, and the review process is often extended by FDA requests for additional information or clarification.

Before approving a BLA, the FDA will conduct a pre-approval inspection of the manufacturing facilities for the new product to determine whether they comply with cGMP requirements. The FDA will not approve the product unless it determines that the manufacturing processes and facilities are in compliance with cGMP requirements and adequate to assure consistent production of the product within required specifications. The FDA also may audit data from clinical trials to ensure compliance with GCP requirements. Additionally, the FDA may refer applications for novel products or products which present difficult questions of safety or efficacy to an advisory committee, typically a panel that includes clinicians and other experts, for review, evaluation and a recommendation as to whether the application should be approved and under what conditions, if any. The FDA is not bound by recommendations of an advisory committee, but it considers such recommendations when making decisions on approval. The FDA likely will reanalyze the clinical trial data, which could result in extensive discussions between the FDA and the applicant during the review process.

After the FDA evaluates a BLA, it will issue an approval letter, or a Complete Response Letter. An approval letter authorizes commercial marketing of the biologic with specific prescribing information for specific indications. A Complete Response Letter indicates that the review cycle of the application is complete and the application will not be approved in its present form. A Complete Response Letter usually describes all the specific deficiencies in the BLA identified by the FDA. The Complete Response Letter may require additional clinical data and/or other significant and time-consuming requirements related to clinical trials, preclinical studies or manufacturing. If a Complete Response Letter is issued, the applicant may either resubmit the BLA, addressing all the deficiencies identified in the letter, or withdraw the application. Even if such data and information are submitted, the FDA may decide that the BLA does not satisfy the criteria for approval. Data obtained from clinical trials are not always conclusive and the FDA may interpret data differently than the sponsor's interpretation of the same data.

Pediatric Information

Under the Pediatric Research Equity Act of 2003, or PREA, a BLA or supplement to a BLA must contain data to assess the safety and efficacy of the biologic for the claimed indications in all relevant pediatric subpopulations and to support dosing and administration for each pediatric subpopulation for which the product is safe and effective. The FDA may grant deferrals for submission of pediatric data or full or partial waivers. A sponsor who is planning to submit a marketing application for a drug that includes a new active ingredient, new indication, new dosage form, new dosing regimen or new route of administration must submit an initial Pediatric Study Plan, or PSP, within 60 days of an end-of-Phase 2 meeting or, if there is no such meeting, as early as practicable before the initiation of the Phase 3 or Phase 2/3 study. The initial PSP must include an outline of the pediatric study or studies that the sponsor plans to conduct, including study objectives and design, age groups, relevant endpoints and statistical approach, or a justification for not including such detailed information, and any request for a deferral of pediatric assessments or a full or partial waiver of the requirement to provide data from pediatric studies along with supporting information. The FDA and the sponsor must reach an agreement on the PSP. A sponsor can submit amendments to an agreed-upon initial PSP at any time if changes to the pediatric plan need to be considered based on data collected from preclinical studies, early phase clinical trials and/or other clinical development programs.

Post-marketing Requirements

Following approval of a new product, the manufacturer and the approved product are subject to continuing regulation by the FDA, including, among other things, monitoring and record-keeping activities, reporting of adverse experiences, complying with promotion and advertising requirements, which include restrictions on promoting products for unapproved uses or patient populations (known as "off-label use") and limitations on industry-sponsored scientific and educational activities. Although physicians may prescribe legally available products for off-label uses, manufacturers may not market or promote such uses. Prescription drug and biologic promotional materials must be submitted to the FDA in conjunction with their first use. Further, if there are any modifications to the biologic, including changes in indications, labeling or manufacturing processes or facilities, the applicant may be required to submit and obtain FDA approval of a new BLA or BLA supplement, which may require the development of additional data or preclinical studies and clinical trials.

The FDA may also place other conditions on approvals including the requirement for a Risk Evaluation and Mitigation Strategy, or REMS, to assure the safe use of the product. If the FDA concludes a REMS is needed, the sponsor of the BLA must submit a proposed REMS. The FDA will not approve the BLA without an approved REMS, if required. A REMS could include medication guides, physician communication plans or elements to assure safe use, such as restricted distribution methods, patient registries and other risk minimization tools. Any of these limitations on approval or marketing could restrict the commercial promotion, distribution, prescription or dispensing of products. Newly discovered or developed safety or effectiveness data may require changes to a product's approved labeling, including the addition of new warnings and contraindications, and also may require the implementation of other risk management measures, including a REMS or the conduct of post-marketing studies to assess a newly discovered safety issue. Product approvals may be withdrawn for non-compliance with regulatory standards or if problems occur following initial marketing.

FDA regulations require that products be manufactured in specific approved facilities and in accordance with cGMP regulations, which require, among other things, quality control and quality assurance, the maintenance of records and documentation and the obligation to investigate and correct any deviations from cGMP. Manufacturers and other entities involved in the manufacture and distribution of approved drugs or biologics are required to register their establishments with the FDA and certain state agencies, and are subject to periodic unannounced inspections by the FDA and certain state agencies for compliance with cGMP requirements and other laws. Accordingly, manufacturers must continue to expend time, money and effort in the area of production and quality control to maintain cGMP compliance. The discovery of violative conditions, including failure to conform to cGMP regulations, could result in enforcement actions, and the discovery of problems with a product after approval may result in restrictions on a product, manufacturer or holder of an approved BLA, including recall.

Biosimilars and Exclusivity

An abbreviated approval pathway for biological products shown to be biosimilar to, or interchangeable with, an FDA licensed reference biological product was created by the Biologics Price Competition and Innovation Act of 2009. This amendment to the PHSA, in part, attempts to minimize duplicative testing. Biosimilarity, which requires that the biological product be highly similar to the reference product notwithstanding minor differences in clinically inactive components and that there be no clinically meaningful differences between the product and the reference product in terms of safety, purity and potency, can be shown through analytical studies, animal studies and a clinical trial or trials.

Interchangeability requires that a biological product be biosimilar to the reference product and that the product can be expected to produce the same clinical results as the reference product in any given patient and, for products administered multiple times to an individual, that the product and the reference product may be alternated or switched after one has been previously administered without increasing safety risks or risks of diminished efficacy relative to exclusive use of the reference biological product without such alternation or switch.

A reference biological product is granted 12 years of data exclusivity from the time of first licensure of the product, and the FDA will not accept an application for a biosimilar or interchangeable product based on the reference biological product until four years after the date of first licensure of the reference product. “First licensure” typically means the initial date the particular product at issue was licensed in the United States. Date of first licensure does not include the date of licensure of (and a new period of exclusivity is not available for) a biological product if the licensure is for a supplement for the biological product or for a subsequent application by the same sponsor or manufacturer of the biological product (or licensor, predecessor in interest, or other related entity) for a change (not including a modification to the structure of the biological product) that results in a new indication, route of administration, dosing schedule, dosage form, delivery system, delivery device or strength, or for a modification to the structure of the biological product that does not result in a change in safety, purity, or potency.

Pediatric exclusivity is another type of regulatory market exclusivity in the United States, available under the Best Pharmaceuticals for Children Act by way of its application to biologics through the Biologics Price Competition and Innovation Act. Pediatric exclusivity, if granted, adds six months to existing regulatory exclusivity periods, which must be in place in order for pediatric exclusivity to apply. This six-month exclusivity may be granted based on the voluntary completion of a pediatric trial in accordance with an FDA issued “Written Request” for such a trial, although FDA may issue such a Written Request at the request of the sponsor.

Companion Diagnostics

We may employ companion diagnostics to identify the most suitable phage to treat a specific patient under our personalized phage treatments and to help more accurately identify patients sensitive to our phage cocktails, during our clinical trials and potentially also in connection with the commercialization of our product candidates that we are developing or may in the future develop. Companion diagnostics can identify patients who are most likely to benefit from a particular therapeutic product; identify patients likely to be at increased risk for serious side effects as a result of treatment with a particular therapeutic product; or monitor response to treatment with a particular therapeutic product for the purpose of adjusting treatment to achieve improved safety or effectiveness. Companion diagnostics are regulated as medical devices by the FDA and, as such, require either clearance or approval prior to commercialization. The level of risk combined with available controls to mitigate risk determines whether a companion diagnostic device requires Premarket Approval Application approval or is cleared through the 510(k) premarket notification process. For a novel therapeutic product for which a companion diagnostic device is essential for the safe and effective use of the product, the companion diagnostic device should be developed and approved or 510(k)-cleared contemporaneously with the therapeutic. The use of the companion diagnostic device will be stipulated in the labeling of the therapeutic product.

Government Regulation Outside of the United States

In addition to regulations in the United States, we will be subject to a variety of regulations in other jurisdictions governing, among other things, clinical trials of drug products as well as the approval, manufacture and distribution of our product candidates. Because biologically sourced raw materials are subject to unique contamination risks, their use may be restricted in some countries. Whether or not we obtain FDA approval for a product candidate, we must obtain the requisite approvals from regulatory authorities in foreign countries prior to the commencement of clinical trials or marketing of the product in those countries. If we fail to comply with applicable foreign regulatory requirements, we may be subject to, among other things, fines, suspension or withdrawal of regulatory approvals, product recalls, seizure of products, operating restrictions and criminal prosecution.

Clinical Trials

Certain countries outside of the United States have a regulatory process similar to the U.S process that requires the submission of a clinical trial application much like the IND prior to the commencement of human clinical trials. In the European Union, for example, a clinical trial application, or CTA, must be submitted for each clinical trial in a centralized manner to the relevant national health authority and an independent ethics committee in each country in which the trial is to be conducted through a single EU portal for harmonized assessment, much like the FDA and an IRB, respectively. CTAs must be accompanied by an investigational medicinal product dossier with supporting information prescribed by the Clinical Trials Regulation (and corresponding national laws of the member states) and further detailed in applicable guidance documents. Once the CTA is approved in accordance with the European Commission and each country's requirements, the clinical trial may proceed. A similar process to the one described for the European Union is required in Israel for initiation of clinical trials. The requirements and process governing the conduct of clinical trials vary from country to country. In all cases, the clinical trials must be conducted in accordance with GCP and the applicable regulatory requirements and the ethical principles that have their origin in the Declaration of Helsinki.

Approval Process

In order to market our products, we must obtain a marketing approval for each product and comply with numerous and varying regulatory requirements. The approval procedure varies among countries and can involve additional testing in comparison to the testing carried out for the U.S. approval. The time required to obtain approval in foreign countries may differ substantially from that required to obtain FDA approval. Clinical trials conducted in one country may not be accepted by regulatory authorities in other countries. The regulatory approval process outside the United States generally is subject to all of the same risks associated with obtaining FDA approval. In addition, in many countries outside the United States, it is required that the product be approved for reimbursement before the product can be approved for sale in that country.

To obtain marketing approval of a medicinal product under the European Union regulatory system, an applicant must submit a marketing authorization application, or MAA, under either a centralized or a decentralized procedure. The decentralized procedure is based on a collaboration among the member states selected by the applicant. In essence, the applicant chooses a 'lead' member state that will carry out the scientific assessment of the MAA and review the product information. The other member states must recognize the outcome of such assessment and review except in case of a "serious potential risk to public health." The decentralized procedure results in the grant of a national marketing authorization in each selected country. That procedure is available for all medicinal products unless they fall into the mandatory scope of the centralized procedure. In practice, it is used for OTC, not highly innovative products, generic products and, increasingly, for biosimilars.

The centralized procedure provides for the grant of a single marketing authorization by the European Commission that is valid for all European Union member states. The centralized procedure is compulsory for certain medicinal products, including for medicinal products produced by certain biotechnological processes, advanced therapy medicinal products, or ATMPs, and products with a new active substance and indicated for the treatment of certain diseases. For products with a new active substance and indicated for the treatment of other diseases, products that are highly innovative or for which a centralized process is in the interest of patients, the centralized procedure is optional.

Under the centralized procedure, the CHMP, the main scientific committee established at the European Medicines Agency, or EMA, is responsible for conducting the scientific assessment of the future medicinal product. The CHMP is also responsible for several post-authorization and maintenance activities, such as the assessment of modifications or extensions to an existing marketing authorization. The maximum timeframe for the evaluation of an MAA is 210 days, excluding clock stops. The European Commission grants or refuses the marketing authorization, following a procedure that involves representatives of the member states. The European Commission's decision is in accordance with the CHMP scientific assessment except in very rare cases.

Pursuant to Regulation (EC) 1394/2007, specific rules apply to ATMPs, a category that is comprised of gene therapy medical products, somatic cell therapy medicinal products, and tissue-engineered medicinal products. Those rules have triggered the adoption of guidelines on manufacturing, clinical trials and pharmacovigilance that adapt the general regulatory requirements to the specific characteristics of ATMPs. Regulation (EC) 1394/2007 introduced a "hospital exemption", which authorizes hospitals to develop ATMP for their internal use without having obtained a marketing authorization and to complying with European Union pharmaceutical law. The hospital exemption, which is in essence a compounded ATMP, has been transposed in all Member States, sometimes in such a way that the ATMPs under the hospital exemption are competitive alternatives to ATMPs with marketing authorization. The broad use of the hospital exemption by national hospitals led the European Commission to discuss with the Member States a more reasonable application of the hospital exemption that would not undermine the common legal regime for ATMP.

Marketing authorization is valid for five years in principle and the marketing authorization may be renewed after five years on the basis of a re-evaluation of the risk-benefit balance by the EMA or the competent authority of the authorizing member state. To this end, the marketing authorization holder must provide the EMA or the competent authority with a consolidated version of the file in respect of quality, safety and efficacy, including all variations introduced since the marketing authorization was granted, at least six months before the marketing authorization ceases to be valid. Once renewed, the marketing authorization is valid for an unlimited period, unless the European Commission or the national competent authority decides, on justified grounds relating to pharmacovigilance, to proceed with one additional renewal. Any authorization which is not followed by the actual placing of the medicinal product on the European Union market (in case of centralized procedure) or on the market of the authorizing member state within three years after authorization ceases to be valid (the so-called sunset clause).

Expedited Development and Approval

Mechanisms are in place in many jurisdictions that allow an earlier approval of the drug so that it reaches patients with unmet medical needs earlier. The European Union, for example, has instituted several expedited approval mechanisms including two mechanisms that are specific to the centralized procedure:

- the accelerated approval: the EMA may reduce the maximum timeframe for the evaluation of an MAA from 210 days to 150 days when the future medicinal product is of major interest from the point of view of public health, in particular from the viewpoint of therapeutic innovation.

- the conditional marketing authorization: as part of its marketing authorization process, the European Commission may grant marketing authorizations on the basis of less complete data than is normally required.

A conditional marketing authorization may be granted when the CHMP finds that, although comprehensive clinical data referring to the safety and efficacy of the medicinal product have not been supplied, all the following requirements are met:

- the risk/benefit balance of the medicinal product is positive;

- it is likely that the applicant will be in a position to provide the comprehensive clinical data;

- unmet medical needs will be addressed; and

- the benefit to public health of the immediate availability on the market of the medicinal product concerned outweighs the risk inherent in the fact that additional data is still required.

The granting of a conditional marketing authorization is typically restricted to situations in which only the clinical part of the application is not yet fully complete. Incomplete preclinical or quality data may however be accepted if duly justified and only in the case of a product intended to be used in emergency situations in response to public health threats.

Conditional marketing authorizations are valid for one year, on a renewable basis. The conditions to which approval is subject will typically require the holder to complete ongoing trials or to conduct new trials with a view to confirming that the benefit-risk balance is positive and to collect pharmacovigilance data. Once the conditions to which the marketing authorization is subject are fulfilled, the conditional marketing authorization is transformed into a regular marketing authorization. If, however, the conditions are not fulfilled with the timeframe set by EMA, the conditional marketing authorization ceases to be renewed.

The EMA has also implemented the so-called “PRIME” (PRIority MEdicines) status in order support the development and accelerate the approval of complex innovative medicinal products addressing an unmet medical need. PRIME status enables early dialogue with the relevant EMA scientific committees and, possibly, some payors and thus reinforces the EMA’s scientific and regulatory support. It also opens accelerated assessment of the MAA as PRIME status, is normally reserved for medicinal products that may benefit from accelerated assessment, i.e., medicines of major interest from a public health perspective, in particular from a therapeutic innovation perspective.

Finally, all medicinal products (i.e. decentralized and centralized procedures) may benefit from an MA “under exceptional circumstances.” This marketing authorization is close to the conditional marketing authorization as it is reserved to medicinal products to be approved for severe diseases or unmet medical needs and the applicant does not hold the complete data set legally required for the grant of a marketing authorization. However, unlike the conditional marketing authorization, the applicant does not have to provide the missing data and will never have to. The risk-benefit of the medicinal product is reviewed annually. As a result, although the MA “under exceptional circumstances” is granted definitively, the risk-benefit balance of the medicinal product is reviewed annually and the marketing authorization is withdrawn in case the risk-benefit ratio is no longer favorable.

Pediatrics

Mandatory testing in the pediatric population is required in more and more jurisdictions. The European Union has enacted a complex and very stringent system that has inspired other jurisdictions, including the United States and Switzerland. Any application for approval of (i) a medicinal product containing a new active substance or (ii) a new therapeutic indication, pharmaceutical form or route of administration of an already authorized medicinal product which contains an active substance still protected by a supplementary protection certificate, or SPC, or a patent that qualifies for an SPC, must include pediatric data. Otherwise, the application is not validated by the competent regulatory authority. The submission of pediatric data is mandatory in those cases, even if the application concerns an adult use. Submission of pediatric data is not required or fully required if the EMA granted, respectively, a full or partial waiver to pediatric development. Moreover, that submission can be postponed if the EMA grants a deferral in order not to delay the submission of the MAA for the adult population.

The pediatric data are generated through the implementation of a pediatric investigation plan, or PIP, that is proposed by the company after completion of the PK studies in adults and agreed upon by the EMA, typically after some modifications. The PIP lists all the studies to conduct and measures to take in order to prove the safety and efficacy of the future medicinal product when used in children. The EMA may agree to modify the PIP at the company's request. The scope of the PIP is the adult therapeutic indication or the condition of which the adult application is part or even the mechanism of action of the active substance, at the EMA's quasi-discretion. This very broad discretion enables the EMA to require companies to develop children indications that are different from the adult indications.

Completion of a PIP renders the company eligible for a pediatric reward, which can be six-month extension of the term of the SPC. The reward is subject, among other conditions, to the PIP being fully completed, to the pediatric medicinal product being approved in all the member states, and to the results of the pediatric studies being mentioned, in one way or another (for example, the approval of a pediatric indication), in the summary of product characteristics of the product.

Post-Marketing Requirements

Many countries impose post-marketing requirements similar to those imposed in the United States, in particular safety monitoring or pharmacovigilance. In the European Union, pharmacovigilance data are the basis for the competent regulatory authorities imposing the conduct of post-approval safety or efficacy study, including on off-label use. Non-compliance with those requirements can result in significant financial penalties as well as the suspension or withdrawal of the marketing authorization.

Supplementary Protection Certificate and Regulatory Exclusivities

In some countries other than the United States, some of our patents may be eligible for limited patent term extension, depending upon the timing, duration and specifics of the regulatory approval of our product candidates and any future product candidates. Furthermore, authorized drugs and biologics may benefit from regulatory exclusivities (in additional to patent protection resulting from patents).

In the European Union, Regulation (EC) 469/2009 institutes SPCs. An SPC is an extension of the term of a patent that compensates for the patent protection lost because of the legal requirements to conduct safety and efficacy tests and to obtain a marketing authorization before placing a medicinal product on the market. An SPC may be applied for any active substance that is protected by a "basic patent" (a patent chosen by the patent holder, which can be a product, process or application patent) and has not been placed on the market as a medicinal product before having obtained a marketing authorization in accordance with European Union pharmaceutical law. The term of the SPC is maximum five years, and the combined patent and SPC protection may not exceed fifteen years from the date of the first marketing authorization in the EEA. SPC rights are restricted by both the basic patent and the marketing authorization, i.e., the SPC grants the same rights as those conferred by the basic patent but limited to the active substance covered by the marketing authorization (and any use as medicinal product approved afterwards).

While SPC are regulated at the European level, they are granted by the national patent offices. The grant of an SPC requires a basic patent granted by the national patent office and a marketing authorization, which is the first marketing authorization for the active substance as a medicinal product in the country. Furthermore, no SPC must have already been granted to the active substance, and the application for the SPC must be filed with the national patent office within six months of the first marketing authorization in the EEA or the grant of the basic patent, whichever is the latest.

In the future, we may apply for an SPC for one or more of our currently owned or licensed European patents to add patent life beyond their current expiration date, depending on the expected length of the clinical trials and other factors involved in the filing of the relevant MAA.

Furthermore, in the European Union, medicinal products may benefit from the following regulatory exclusivities: data exclusivity, market protection, market exclusivity, and pediatric reward.

A medicinal product that contains a new active substance (reference medicinal product) is granted eight years of data exclusivity followed by two years of market protection. Data exclusivity prevents other companies from referring to the non-clinical and clinical data in marketing authorization dossier of the reference medicinal product for submission of generic MAA purposes, and market protection prevents other companies from placing generics on the market. Pursuant to the concept of global marketing authorization, any further development of that medicinal product (e.g., new indication, new form, change to the active substance) by the marketing authorization holder does not trigger any new or additional protection. The authorization of any new development is considered as "falling" into the initial marketing authorization with regard to regulatory protection; hence, the new development only benefits from the regulatory protection that remains when it is authorized. The only exception is a new therapeutic indication that is considered as bringing a significant clinical benefit in comparison to the existing therapies. Such new indication will add one-year of market protection to the global marketing authorization, provided that it is authorized within the first eight years of authorization (i.e., during the data exclusivity period). Moreover, a new therapeutic indication of a "well-established substance" benefits from one-year data exclusivity but limited to the non-clinical and clinical data supporting the new indication. Any active substance approved for at least ten years in the EEA qualifies as well-established substance.

Biosimilars may be approved through an abbreviated approval pathway after the expiration of the eight-year data exclusivity period and may be marketed after the 10 or 11-year market protection period. The approval of biosimilars requires the applicant to demonstrate similarity between the biosimilar and the biological medicinal product and to submit the non-clinical and clinical data defined by the EMA. The biosimilar legal regime has been mainly developed through EMA's scientific guidelines applicable to categories of biological active substances. Unlike in the United States, interchangeability is regulated by each member state.

Market exclusivity is a regulatory protection exclusively afforded to new medicinal products that precludes the EMA or a national regulatory authority from validating another MAA, and the European Commission or a national regulatory authority from granting another marketing authorization, for a same or similar medicinal product and a same therapeutic indication, for a period of ten years from approval (see above).

Pediatric reward is another regulatory exclusivity. Completion of a PIP renders the company eligible for a pediatric reward, which can be six-month extension of the term of the SPC. In case a PIP is completed on a voluntary basis, i.e., for an approved medicinal product that is not or no longer protected by an SPC or a basic patent, the pediatric reward takes the form of a "pediatric use marketing authorization", or PUMA. That special authorization does not fall into the global marketing authorization and thus benefits from eight years of data exclusivity followed by two or three years of market protection.

Other U.S. Healthcare Laws and Compliance Requirements

In addition to FDA restrictions on the marketing of pharmaceutical products, we may be subject to various federal and state laws targeting fraud and abuse in the healthcare industry. These laws may impact, among other things, our business or financial arrangements and relationships through which we market, sell and distribute the products, if any, for which we obtain approval. The laws that may affect our ability to operate include:

- the federal Anti-Kickback Statute, which prohibits, among other things, knowingly and willfully soliciting, receiving, offering or paying any remuneration (including any kickback, bribe, or rebate), directly or indirectly, overtly or covertly, in cash or in kind, to induce, or in return for, either the referral of an individual, or the purchase, lease, order or recommendation of any good, facility, item or service for which payment may be made, in whole or in part, under a federal healthcare program, such as the Medicare and Medicaid programs; a person or entity does not need to have actual knowledge of the federal Anti-Kickback Statute or specific intent to violate it to have committed a violation. In addition, the government may assert that a claim including items or services resulting from a violation of the federal Anti-Kickback Statute constitutes a false or fraudulent claim for purposes of the federal False Claims Act, or FCA, or federal civil money penalties statute;

- federal civil and criminal false claims laws and civil monetary penalties laws, such as the FCA, which impose criminal and civil penalties and authorize civil whistleblower or qui tam actions, against individuals or entities for, among other things: knowingly presenting, or causing to be presented, to the federal government, claims for payment that are false or fraudulent; making, using or causing to be made or used, a false statement or record material to a false or fraudulent claim or obligation to pay or transmit money or property to the federal government; or knowingly concealing or knowingly and improperly avoiding or decreasing an obligation to pay money to the federal government;

- the civil monetary penalties law, which prohibits, among other things, the offering or giving of remuneration, which includes, without limitation, any transfer of items or services for free or for less than fair market value (with limited exceptions), to a Medicare or Medicaid beneficiary that the person knows or should know is likely to influence the beneficiary's selection of a particular supplier of items or services reimbursable by a federal or state governmental program;

- the Health Insurance Portability and Accountability Act of 1996, or HIPAA, which created new federal criminal statutes that prohibit knowingly and willfully executing, or attempting to execute, a scheme to defraud any healthcare benefit program or obtain, by means of false or fraudulent pretenses, representations, or promises, any of the money or property owned by, or under the custody or control of, any healthcare benefit program, regardless of the payor (e.g., public or private) and knowingly and willfully falsifying, concealing or covering up by any trick or device a material fact or making any materially false statements in connection with the delivery of, or payment for, healthcare benefits, items or services relating to healthcare matters; similar to the federal Anti-Kickback Statute, a person or entity does not need to have actual knowledge of the statute or specific intent to violate it in order to have committed a violation;

- the federal transparency requirements under the Affordable Care Act, or ACA, including the provision commonly referred to as the Physician Payments Sunshine Act, which requires manufacturers of drugs, devices, biologics and medical supplies for which payment is available under Medicare, Medicaid or the Children's Health Insurance Program to report annually to the U.S. Department of Health and Human Services information related to payments or other transfers of value made to physicians (defined to include doctors, dentists, optometrists, podiatrists and chiropractors), certain non-physician practitioners (physician assistants, nurse practitioners, clinical nurse specialists, anesthesiologist assistants, certified registered nurse anesthetists and certified nurse midwives) and teaching hospitals, as well as ownership and investment interests held by the physicians described above and their immediate family members;

- federal government price reporting laws, which require us to calculate and report complex pricing metrics in an accurate and timely manner to government programs; and

- federal consumer protection and unfair competition laws, which broadly regulate marketplace activities and activities that potentially harm consumers.

Additionally, we are subject to state and foreign equivalents of each of the healthcare laws described above, among others, some of which may be broader in scope and may apply regardless of the payor. Many U.S. states have adopted laws similar to the federal Anti-Kickback Statute, some of which apply to the referral of patients for healthcare services reimbursed by any source, not just governmental payors, including private insurers. In addition, some states have passed laws that require pharmaceutical companies to comply with the April 2003 Office of Inspector General Compliance Program Guidance for Pharmaceutical Manufacturers and/or the Pharmaceutical Research and Manufacturers of America's Code on Interactions with Healthcare Professionals. Several states also impose other marketing restrictions or require pharmaceutical companies to make marketing or price disclosures to the state. There are ambiguities as to what is required to comply with these state requirements and if we fail to comply with an applicable state law requirement we could be subject to penalties. Finally, there are state and foreign laws governing the privacy and security of health information, many of which differ from each other in significant ways and often are not pre-empted by HIPAA, thus complicating compliance efforts.

Because of the breadth of these laws and the narrowness of the statutory exceptions and safe harbors available, it is possible that some of our business activities could be subject to challenge under one or more of such laws.

Violations of fraud and abuse laws may be punishable by criminal and/or civil sanctions, including penalties, fines, imprisonment and/or exclusion or suspension from federal and state healthcare programs such as Medicare and Medicaid and debarment from contracting with the U.S. government. In addition, private individuals have the ability to bring actions on behalf of the U.S. government under the federal FCA, as well as under the false claims laws of several states.

Law enforcement authorities are increasingly focused on enforcing fraud and abuse laws, and it is possible that some of our practices may be challenged under these laws. Efforts to ensure that our current and future business arrangements with third parties, and our business generally, will comply with applicable healthcare laws and regulations will involve substantial costs. It is possible that governmental authorities will conclude that our business practices, including our arrangements with physicians and other healthcare providers, some of whom receive stock options as compensation for services provided, may not comply with current or future statutes, regulations, agency guidance or case law involving applicable fraud and abuse or other healthcare laws and regulations. If any such actions are instituted against us, and we are not successful in defending ourselves or asserting our rights, those actions could have a significant impact on our business, including the imposition of civil, criminal and administrative penalties, damages, disgorgement, monetary fines, imprisonment, possible exclusion from participation in Medicare, Medicaid and other federal healthcare programs, contractual damages, reputational harm, diminished profits and future earnings, and curtailment of our operations, any of which could adversely affect our ability to operate our business and our results of operations. In addition, the approval and commercialization of any of our product candidates outside the United States will also likely subject us to foreign equivalents of the healthcare laws mentioned above, among other foreign laws.

If any of the physicians or other healthcare providers or entities with whom we expect to do business are found to be not in compliance with applicable laws, they may be subject to criminal, civil or administrative sanctions, including exclusions from government funded healthcare programs, which may also adversely affect our business.

Much like the federal Anti-Kickback Statute in the United States, the provision of benefits or advantages to physicians to induce or encourage the prescription, recommendation, endorsement, purchase, supply, order or use of medicinal products is also prohibited in the European Union. The provision of benefits or advantages to physicians is mainly governed by the national anti-bribery laws of the member states, such as the UK Bribery Act 2010, or national anti-kickback provisions (France, Belgium, etc.). Infringement of these laws could result in substantial fines and imprisonment. In certain member states, payments made to physicians must be publicly disclosed. Moreover, agreements with physicians often must be the subject of prior notification and approval by the physician's employer, his or her competent professional organization and/or the regulatory authorities of the individual member states. These requirements are provided in the national laws, industry codes or professional codes of conduct, applicable in the member states. Failure to comply with these requirements could result in reputational risk, public reprimands, administrative penalties, fines or imprisonment.

Additional Regulation

In addition to the foregoing, state and federal laws regarding environmental protection and hazardous substances, including the Occupational Safety and Health Act, the Resource Conservancy and Recovery Act and the Toxic Substances Control Act, affect our business. These and other laws govern our use, handling and disposal of various biological, chemical and radioactive substances used in, and wastes generated by, our operations. If our operations result in contamination of the environment or expose individuals to hazardous substances, we could be liable for damages and governmental fines. We believe that we are in material compliance with applicable environmental laws and that continued compliance therewith will not have a material adverse effect on our business. We cannot predict, however, how changes in these laws may affect our future operations.

U.S. Foreign Corrupt Practices Act

The U.S. Foreign Corrupt Practices Act, to which we are subject, prohibits corporations and individuals from engaging in certain activities to obtain or retain business or to influence a person working in an official capacity. It is illegal to pay, offer to pay or authorize the payment of anything of value to any foreign government official, government staff member, political party or political candidate in an attempt to obtain or retain business or to otherwise influence a person working in an official capacity. Similar rules apply to many other countries worldwide such as France ("*Loi Sapin"*) or the United Kingdom (UK Bribery Act).

U.S. Healthcare Reform

A primary trend in the U.S. healthcare industry and elsewhere is cost containment. Government authorities and other third-party payors have attempted to control costs by limiting coverage and the amount of reimbursement for particular medical products. For example, in March 2010, the ACA was enacted, which, among other things, increased the minimum Medicaid rebates owed by most manufacturers under the Medicaid Drug Rebate Program; introduced a new methodology by which rebates owed by manufacturers under the Medicaid Drug Rebate Program are calculated for drugs that are inhaled, infused, instilled, implanted or injected; extended the Medicaid Drug Rebate Program to utilization of prescriptions of individuals enrolled in Medicaid managed care plans; imposed mandatory discounts for certain Medicare Part D beneficiaries as a condition for manufacturers' outpatient drugs coverage under Medicare Part D; subjected drug manufacturers to new annual fees based on pharmaceutical companies' share of sales to federal healthcare programs; created a new Patient Centered Outcomes Research Institute to oversee, identify priorities in and conduct comparative clinical effectiveness research, along with funding for such research; and established the Center for Medicare & Medicaid Innovation at the CMS to test innovative payment and service delivery models to lower Medicare and Medicaid spending.

Since its enactment, there have been a number of significant changes to the ACA. On June 17, 2021, the U.S. Supreme Court dismissed the most recent judicial challenge to the ACA without specifically ruling on the constitutionality of the ACA. Prior to the U.S. Supreme Court's decision, President Biden issued an executive order initiating a special enrollment period from February 15, 2021 through August 15, 2021 for purposes of obtaining health insurance coverage through the ACA marketplace. The executive order also instructed certain governmental agencies to review and reconsider their existing policies and rules that limit access to healthcare. More recently, on March 11, 2021, President Biden signed the American Rescue Plan Act of 2021 into law, which eliminated the statutory Medicaid drug rebate cap, currently set at 100% of a drug's average manufacturer price, beginning January 1, 2024.

In addition, the Budget Control Act of 2011 and the Bipartisan Budget Act of 2015 led to aggregate reductions of Medicare payments to providers of 2% per fiscal year that will remain in effect through 2030, unless additional Congressional action is taken. Further, on January 2, 2013, the American Taxpayer Relief Act was signed into law, which, among other things, reduced Medicare payments to several types of providers, including hospitals, imaging centers and cancer treatment centers, and increased the statute of limitations period for the government to recover overpayments to providers from three to five years. More recently, there has been heightened governmental scrutiny over the manner in which manufacturers set prices for their marketed products, which have resulted in several recent Congressional inquiries and proposed bills designed to, among other things, bring more transparency to product pricing, review the relationship between pricing and manufacturer patient programs, and reform government program reimbursement methodologies for pharmaceutical products. In August 2022, the Inflation Reduction Act authorized Medicare to negotiate drug prices for certain high expenditure, single source Medicare part B or D drugs. Individual states in the United States have also become increasingly active in passing legislation and implementing regulations designed to control pharmaceutical product pricing, including price or patient reimbursement constraints, discounts, restrictions on certain product access and marketing cost disclosure and transparency measures, and, in some cases, designed to encourage importation from other countries and bulk purchasing.

We expect that additional foreign, federal and state healthcare reform measures will be adopted in the future, any of which could limit the amounts that federal and state governments will pay for healthcare products and services, which could result in limited coverage and reimbursement and reduced demand for our products, once approved, or additional pricing pressures.

Coverage and Reimbursement

Significant uncertainty exists as to the coverage and reimbursement status of any products for which we obtain regulatory approval. In the United States, cosmetics are not generally eligible for coverage and reimbursement and thus any products that are marketed as cosmetics will not be covered or reimbursed. In the United States and markets in other countries, sales of any products for which we receive regulatory approval for commercial sale will depend, in part, on the availability of coverage and reimbursement from third-party payors. Third-party payors include government authorities, managed care providers, private health insurers and other organizations. The process for determining whether a payor will provide coverage for a product may be separate from the process for setting the reimbursement rate that the payor will pay for the product. Third-party payors may limit coverage to specific products on an approved list, or formulary, which might not include all of the FDA-approved products for a particular indication. A decision by a third-party payor not to cover our products could reduce physician utilization of our products once approved and have a material adverse effect on our sales, results of operations and financial condition. Moreover, a payor's decision to provide coverage for a product does not imply that an adequate reimbursement rate will be approved. Adequate third-party reimbursement may not be available to enable us to maintain price levels sufficient to realize an appropriate return on our investment in product development.

In addition, coverage and reimbursement for products can differ significantly from payor to payor. One third-party payor's decision to cover a particular medical product or service does not ensure that other payors will also provide coverage for the medical product or service, or will provide coverage at an adequate reimbursement rate.

As a result, the coverage determination process will require us to provide scientific and clinical support for the use of our products to each payor separately and will be a time-consuming process.

Third-party payors are increasingly challenging the price and examining the medical necessity and cost-effectiveness of medical products and services, in addition to their safety and efficacy. In order to obtain and maintain coverage and reimbursement for any product, we may need to conduct expensive clinical trials in order to demonstrate the medical necessity and cost-effectiveness of such product, in addition to the costs required to obtain regulatory approvals. If third-party payors do not consider a product to be cost-effective compared to other available therapies, they may not cover the product as a benefit under their plans or, if they do, the level of payment may not be sufficient to allow a company to sell its products at a profit.

Outside of the United States, the pricing of pharmaceutical products is subject to governmental control in many countries. For example, in the European Union, pricing and reimbursement schemes vary widely from member state to member state. Some countries provide that products may be marketed only after a reimbursement price has been agreed. Some countries may require the completion of additional studies that compare the cost-effectiveness of a particular therapy to currently available therapies or so-called health technology assessments, in order to obtain reimbursement or pricing approval. Other countries may allow companies to fix their own prices for products, but monitor and control product volumes and issue guidance to physicians to limit prescriptions. Efforts to control prices and utilization of pharmaceutical products and medical devices will likely continue as countries attempt to manage healthcare expenditures.

Data Privacy and Security Laws

Numerous state, federal and foreign laws, including consumer protection laws and regulations, govern the collection, dissemination, use, access to, confidentiality and security of personal information, including health-related information. In the United States, numerous federal and state laws and regulations, including data breach notification laws, health information privacy and security laws, including HIPAA, and federal and state consumer protection laws and regulations (e.g., Section 5 of the FTC Act), that govern the collection, use, disclosure, and protection of health-related and other personal information could apply to our operations or the operations of our partners. In addition, certain state and non-U.S. laws, such as the California Consumer Protection Act, the California Privacy Rights Act, and the General Data Protection Regulation, or GDPR, govern the privacy and security of personal information, including health-related information in certain circumstances, some of which are more stringent than HIPAA and many of which differ from each other in significant ways and may not have the same effect, thus complicating compliance efforts. Failure to comply with these laws, where applicable, can result in the imposition of significant civil and/or criminal penalties and private litigation. Privacy and security laws, regulations, and other obligations are constantly evolving, may conflict with each other to complicate compliance efforts, and can result in investigations, proceedings, or actions that lead to significant civil and/or criminal penalties and restrictions on data processing.

Material Agreements

License Agreements

License Agreement with Walter Reed Army Institute of Research

On August 24, 2021, APT entered into a Biological Materials License Agreement (or, as modified on August 31, 2022, the WRAIR License Agreement) with Walter Reed Army Institute of Research or WRAIR, pursuant to which APT received a nonexclusive worldwide license to certain materials and information, including approximately 100 phage, or WRAIR Materials, to develop and commercialize phage products to treat/prevent Pseudomonas aeruginosa, Acinebactor baumannii, Staphylococcus aureus, Klebsiella pneumonia, wound and UTI Escherichia coli and Enterobacter cloacae bacterial infections. The Company uses the phage provided in connection with the WRAIR License Agreement as a potential source of phage for the development of its phage treatments.

In connection with the WRAIR License Agreement, APT paid WRAIR an initial execution fee in the mid-thousands of dollars and agreed to pay a maintenance fee in the mid-thousands of dollars per year. We are also required to pay royalties expressed as a percentage in the low single digits on net sales of products that incorporate the WRAIR Materials, or the WRAIR Licensed Products, subject to reductions as described in the WRAIR License Agreement. In addition, if we sublicense our rights under the WRAIR License Agreement we are obligated to pay WRAIR additional sublicense royalties expressed as a percentage in the low teens of the sublicensing receipts we receive from any such sublicense royalties. In addition, additional royalties in the low teens may be assessed on any overdue royalty payments.

We are obligated to make written annual progress reports to WRAIR, detailing our efforts to bring any inventions licensed under WRAIR License Agreement to the point of practical application, together with any additional information requested by WRAIR or as contemplated or required under the development plan. As part of our performance under the WRAIR License Agreement, we have agreed to dose the first patient in a clinical trial with a WRAIR Licensed Product within four years from the effective date of the WRAIR License Agreement.

In the event WRAIR files a non-provisional patent application covering the WRAIR Materials and/or the use thereof, provided as part of this License Agreement, WRAIR is obligated to notify us, and we and WRAIR will assess the need and/or desirability of a patent license. In such case, we will have the first right of refusal to negotiate a non-exclusive or exclusive license.

The WRAIR License Agreement will expire as to each WRAIR Material ten years from the date that such WRAIR Material was added to the WRAIR License Agreement unless earlier terminated in accordance with its terms. We may terminate the WRAIR License Agreement upon 60 days' written notice, and WRAIR may terminate if we are in default and such default has not been remedied within 90 days after written notice of such default.

The MTEC Grant Agreement

Industry and academia have entered into a Consortium Member Agreement to participate in the Medical Technology Enterprise Consortium, or MTEC, a 501(c)(3) biomedical technology consortium working in partnership with the U.S. Department of Defense, for the purpose of conducting research, development and testing in cooperation with the U.S. Government in an overall effort to improve Service member health and performance in diverse environments. In 2019, APT entered into a Base Agreement and Research Project Award, or, collectively, the Research Agreement, with the U.S. Army Medical Research Acquisition Activity, or USAMRAA, and the U.S. Army Medical Research & Development Command, or USAMRDC, to advance personalized phage therapy from niche to broad use. Awards under the Research Agreement are intended to lay the groundwork for rapid advancement of personalized phage therapy to commercialization for the variety of clinical indications and bacterial pathogens representing un-met needs with a focus on infections with significant military relevance. The competitive award was granted by USAMRAA and USAMRDC in collaboration with MTEC. Under the cost reimbursement contract, MTEC reimburses APT for approved incurred costs that are based upon the achievement of certain milestones to support the development of personalized phage therapy. For the period between the acquisition of APT in March 2024 and December 31, 2025, APT received an aggregate of $5.8 million in grants from MTEC.

Employees

As of December 31, 2025, we had 20 full-time employees. None of our employees is represented by labor unions or covered by collective bargaining agreements. We consider our relationship with our employees to be strong. As of the date of filing this Annual Report, the Company expects to employ a limited number of key employees who will remain in order to allow the Company to continue operating at a basic level to best pursue its strategical alternatives.

Corporate Information

We are currently a virtual company. We maintain a mailing address at 850 New Burton Road, Suite 201, Dover, Delaware 19904, and the telephone number is (972) 545610935. Our corporate website address is www.biomx.com. The content of our website is not intended to be incorporated by reference into this Annual Report or in any other report or document we file and any references to these websites are intended to be inactive textual references only.

ITEM 1A. RISK FACTORS

You should carefully consider the risks and uncertainties described below and the other information in this Annual Report before making an investment in our securities. Our business, financial condition, results of operations, or prospects could be materially and adversely affected if any of these risks occurs, and as a result, the market price of our securities could decline and you could lose all or part of your investment. This Annual Report also contains forward-looking statements that involve risks and uncertainties. See "Cautionary Statement Regarding Forward-Looking Statements." Our actual results could differ materially and adversely from those anticipated in these forward-looking statements as a result of certain factors, including those set forth below.

Risks Related to Our Business, Technology and Industry

Our exploration of strategic alternatives could adversely affect our business and our stock price.

In December 2025, we announced that our Israeli subsidiary, BiomX Ltd., commenced insolvency proceedings in Israel. On December 26, 2025, we entered into the 2025 Second SPA. The initiation of such insolvency process, combined with the potential for the Investor from the 2025 Second SPA to become a majority shareholder upon stockholder approval, creates risks and uncertainties regarding our strategic direction, including our potential inability to consummate any proposed strategic alternative resulting from the process due to, among other things, insufficient funding, market, regulatory and other factors. Such potential change in control, resulting from the 2025 Second SPA, could affect our ability to consummate proposed strategic alternatives, impact our market price and trading volatility, and potentially lead to a shift in the Company's business, strategy, and objectives in accordance with any plans our Board may adopt.

If we fail to obtain stockholder approval required under NYSE American rules in connection with the 2025 Second SPA, we could be unable to access sufficient financing, and could be required to hold additional stockholder meetings and incur significant costs, potentially leading to the delisting of our Common Stock.

After extensive efforts to raise capital on more favorable terms, we believed that the 2025 Second SPA was the only viable financing alternative available to us at the time. Pursuant to the terms of the 2025 Second SPA, we are required to obtain stockholder approval for this proposal within 60 calendar days from the closing date. If we fail to obtain such stockholder approval for this proposal, we will be required to incur additional costs in order to hold additional stockholder meetings every 60 days to seek such approval as is required under the purchase agreement. Further, until such time as we obtain stockholder approval for this proposal, we will not be able to issue more than 19.99% of our outstanding shares of Common Stock to the Series Y Preferred Stock and warrant holders in connection with the 2025 Second SPA.

If we are unable to obtain such stockholder approval on a timely basis, our ability to access sufficient financing on acceptable terms, or at all, could be materially and adversely affected, and we could be required to further reduce or discontinue our operations, which could materially and adversely affect our business, financial condition and results of our operations. Additionally, failure to obtain the required stockholder approval could also lead to a determination by NYSE American that we do not maintain sufficient ongoing business operations, which could result in the delisting of our Common Stock. Moreover, our inability to obtain such stockholder approval on a timely basis would severely constrain our financial flexibility and could significantly delay our ongoing efforts to evaluate and pursue strategic alternatives and other business opportunities.

We are a clinical-stage company and have incurred losses since our inception. Subject to availability of sufficient financial and other resources, we anticipate that we will continue to incur significant expenses, and we will continue to incur significant losses for the foreseeable future.

We are a clinical-stage biopharmaceutical company with limited operating history compared to the long time it takes to develop phage based products. We have incurred losses in each year since BiomX Ltd.'s inception in 2015. As of December 31, 2025, our accumulated deficit was $216.9 million. We do not expect to generate any revenue from the commercial sales of our product candidates in the near term.

For the years ended December 31, 2025 and 2024, we had losses from operations of $41.5 million and $44.5 million, respectively. Subject to availability of sufficient financial and other resources, we anticipate that the level of our expenses will continue to be significant if and as we:

- initiate and continue research, preclinical and clinical development efforts for any future product candidates;
- seek marketing and regulatory approvals for any product candidates that successfully complete clinical trials;

- require the manufacture of larger quantities of product candidates for clinical development and, potentially, commercialization;
- maintain, expand and protect our intellectual property portfolio;
- establish sales, marketing, distribution and other commercial infrastructure in the future to commercialize products for which we obtain marketing approval, if any; and
- add operational, financial and management information systems and personnel, including personnel to support our product development and commercialization and help us continue to comply with our obligations as a public company.

We will need to raise additional capital in the future to support our operations which may not be available at terms that are favorable to us and might cause significant dilution to our stockholders or increase our debt towards third parties.

As of December 31, 2025, we had cash, cash equivalents and restricted cash of $5.0 million, and we have had recurring losses from operations and negative operating cash flows since inception. We will need to raise additional capital in the future to support our operations and product development activities. In the near term, we expect to continue to fund our operations and other development activities relating to additional product candidates from the cash held by us, governmental and other grants and through future equity and debt financing. We have explored and raised funds in multiple manners since our inception. For instance, we filed in December 2023 a shelf registration statement on Form S-3 that was subsequently declared effective by the SEC and entered into an At the Market Offering Agreement, or the ATM Agreement, with H.C. Wainwright & Co., LLC, or Wainwright, as manager, pursuant to which we may issue and sell shares of our Common Stock having an aggregate offering price of up to $1,765,939 from time to time through Wainwright. We are not obligated to make any sales of Common Stock under the ATM Agreement. On February 27, 2025, we completed a registered direct offering and a concurrent private placement. Additionally, certain warrant holders agreed to exercise their warrants following our agreement to reduce the exercise price. Through these transactions, we generated approximately $12 million. In addition, in March 15, 2024, concurrently with the consummation of the acquisition of APT, we consummated a private placement of $50 million. Most recently, on January 13, 2026, we completed a private placement of preferred stock and warrants under a Securities Purchase Agreement, or the 2025 Second SPA, with an investor for gross proceeds of $3.0 million.

We anticipate conducting additional capital raises in the future. If we enter into a collaboration for one or more of our current or future product candidates at an earlier development stage, the terms of such a collaboration will likely be less favorable than if we were to enter the collaboration in later stages or if we commercialized the product independently. If we raise additional funds through equity offerings, the terms of these securities may include liquidation or other preferences that adversely affect our stockholders' rights or cause significant dilution to our stockholders. If we raise additional capital through debt financing, it would be subject to fixed payment obligations and may be subject to covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, making capital expenditures, declaring dividends or acquiring or licensing intellectual property rights.

Developing drugs and conducting clinical trials is expensive. Our future funding requirements will depend on many factors, including:

- the costs, timing and progress of our research and development and clinical activities;
- manufacturing costs associated with our targeted bacteriophage, or phage, therapies strategy and other research and development activities;
- the terms and timing of any collaborative, licensing, acquisition or other arrangements that we may establish;
- employee-related expenses, as well as external costs such as fees paid to outside consultants;
- the costs and timing of seeking regulatory approvals and related to compliance with regulatory requirements; and
- the costs of filing, prosecuting, defending and enforcing any patent applications, claims, patents and other intellectual property rights.

Domestic and international equity and debt markets have experienced and may continue to experience heightened volatility and turmoil based on domestic and international economic conditions and concerns. In the event these economic conditions and concerns continue or worsen and the markets continue to remain volatile, or a bear market, or recession, ensues in the U.S. stock market, or the markets are negatively impacted by factors such as Israel's war with Hamas and Hezbollah, the Russian invasion of Ukraine and the resulting world sanctions on Russia, Belarus, and related parties or other sources of geopolitical uncertainty and instability, our operating results and liquidity could be affected adversely by those factors in many ways, including making it more difficult for us to raise funds if necessary and our stock price may decline.

There can be no assurance that sufficient funds will be available to us when required or on acceptable terms, if at all. Our inability to obtain additional funds could have a material adverse effect on our business, financial condition and results of operations. Moreover, if we are unable to obtain additional funds on a timely basis, there will be substantial doubt about our ability to continue as a going concern and increased risk of insolvency and up to a total loss of investment by our stockholders.

If we engage in future acquisitions or strategic partnerships, this may increase our capital requirements, dilute our stockholders, cause us to incur debt or assume contingent liabilities, and subject us to other risks.

We may evaluate various additional acquisition opportunities and strategic partnerships, including licensing or acquiring complementary or unrelated products, intellectual property rights, technologies or businesses. Any potential acquisition or strategic partnership may entail numerous risks, including:

- increased operating expenses and cash requirements;
- the assumption of additional indebtedness or contingent liabilities;
- the issuance of our equity securities;
- assimilation of operations, intellectual property and products of an acquired company, including difficulties associated with integrating new personnel;
- the diversion of our management's attention from our existing product programs and initiatives in pursuing such a strategic merger or acquisition;
- retention of key employees, the loss of key personnel and uncertainties in our ability to maintain key business relationships;
- risks and uncertainties associated with the other party to such a transaction, including the prospects of that party and their existing products or product candidates and marketing approvals; and
- our inability to generate revenue from acquired technology and/or products sufficient to meet our objectives in undertaking the acquisition or even to offset the associated acquisition and maintenance costs.

Our financial statements contain an explanatory paragraph regarding substantial doubt about our ability to continue as a going concern, which could prevent us from obtaining new financing on reasonable terms or at all.

Our financial statements contain an explanatory paragraph regarding substantial doubt about our ability to continue as a going concern. We have concluded that there is substantial doubt about our ability to continue as a going concern. We have accumulated a deficit of $216.9 million since our inception. To date, we have not generated revenue from our operations and we do not expect to generate any significant revenues from sales of products in the next twelve months. Our cash needs may increase in the foreseeable future. As of December 31, 2025, we had $5.0 million in cash and cash equivalents and restricted cash.

We believe our cash and cash equivalents on hand, including the cash raised in January 2026, as described under "Liquidity and Capital Resources" in Item 7 of this Annual Report, will be sufficient to meet our working capital and capital expenditure requirements through the end of the second quarter of 2026. Our continuation as a going concern is dependent upon many factors, including our ability to raise additional funds, the success of our clinical trial for DFI/DFO and our ability to repay our obligations when due. We cannot be sure that we will be able to obtain any future funding, and any such funding we may obtain may not be sufficient to finance our operations. If we are unable to obtain sufficient funds, we may be unable to continue as a going concern.

We are seeking to develop product candidates using phage technology, an approach for which it is difficult to predict the time and cost of development. To our knowledge, as of the date of this Annual Report, no bacteriophage has thus far been approved as a drug in the United States or in the European Union.

We are developing our drug product candidates with phage technology. We have not, nor to our knowledge has any other company, received regulatory marketing approval from the FDA, or equivalent foreign regulatory agencies for a drug product based on this approach (phage technology). While *in vitro* and *in vivo* studies have characterized the behavior of phage in cell cultures and animal models and there exists a body of literature regarding the use of phage therapy in humans, the safety and efficacy of phage therapy in humans has not been extensively studied in well-controlled modern clinical trials. Most of the prior research on phage-based therapy was conducted in the former Soviet Union prior to and immediately after World War II and lacked appropriate control group design or lacked control groups at all. Furthermore, the standard of care has changed substantially during the ensuing decades since those studies were performed, diminishing the relevance of prior claims of improved cure rates. Any product candidates that we develop may not demonstrate in patients the therapeutic properties ascribed to them in laboratory and other preclinical studies, and they may interact with human biological systems in unforeseen, ineffective or even harmful ways. We cannot be certain that our approach will lead to the development of approvable or marketable drug products. Furthermore, the bacterial targets of phage may develop resistance to our product candidates over time, which we may or may not be able to overcome with the development of new phage cocktails or we may not be able to construct a cocktail with sufficient coverage of our target pathogen universe.

If our product candidates receive regulatory approval but do not achieve an adequate level of acceptance by physicians, healthcare payors and patients, we may not generate product revenue sufficient to attain profitability. Our success will depend upon physicians who specialize in the treatment of diseases targeted by our product candidates that we pursue as drugs, prescribing potential treatments that involve the use of our product candidates in lieu of, or in addition to, existing treatments with which they are more familiar and for which greater clinical data may be available. Our success will also depend on consumer acceptance and adoption of our products that we commercialize. Adverse events in preclinical studies and clinical trials of our product candidates or in clinical trials of others developing similar products and the resulting publicity, as well as any other adverse events in the field of phage therapeutics, could result in a decrease in demand for any product that we may develop. The degree of market acceptance of any approved products will depend on a number of factors, including:

- the effectiveness of the product;
- the prevalence and severity of any side effects;
- potential advantages or disadvantages over alternative treatments;
- relative convenience and ease of administration;
- the strength of marketing and distribution support;
- the price of the product, both in absolute terms and relative to alternative treatments; and
- sufficient third-party coverage or reimbursement.

Developing our product candidates on a commercial scale will require substantial technical, financial and human resources. We and our third-party collaborators may experience delays in developing manufacturing capabilities for our product candidates, and may not be able to do so at the scale required to efficiently conduct the clinical trials required to obtain regulatory approval of those of our product candidates that require it, or to manufacture commercial quantities of our products, if approved or otherwise permitted to be marketed.

Our product candidates must undergo clinical testing which may fail to demonstrate the requisite safety and efficacy for drug products, or safety, purity, and potency for biologics, and any of our product candidates could cause adverse effects, which would substantially delay or prevent regulatory approval and/or commercialization.

Before we can obtain regulatory approval for a product candidate or otherwise obtain evidence allowing us to market the product as a drug or biologic, we must undertake extensive preclinical and clinical testing in humans to demonstrate safety and efficacy or in the case of biologics, safety, purity, and potency, to the satisfaction of the FDA or other regulatory agencies. Clinical trials of product candidates sufficient to obtain regulatory marketing approval or otherwise demonstrate safety prior to marketing, are expensive and take years to complete. Furthermore, results from these clinical trials may not show safety or efficacy of our product candidates sufficient to lead to approval, or to warrant further development. Our approach is intended to design phage combinations, or cocktails, to target specific strains of pathogenic bacteria in order to alter microbiome composition and confer potential therapeutic or cosmetic benefit to patients. However, there can be no assurance that the eradication of the selected targets will result in a clinically meaningful effect on the underlying disease, such as in cases where the pathology of the disease is not well-defined. In addition, the bacteria that we target may be associated with the disease, but may not be causative or contributive to the pathology of the disease, or there may be other bacteria that our product candidates do not target that are more meaningful drivers of the underlying disease. In addition, our product candidates require the use of effective delivery vehicles to reach the target organ or tissue, and there can be no assurance that our intended delivery systems will allow our product candidates to reach the desired locations in a patient. Safety must first be established through preclinical testing and early clinical trials, before efficacy can be evaluated and established and thereby lead to FDA or other regulatory agencies marketing approval. Our clinical trials may produce undesirable side effects or negative or inconclusive results, and we may decide, or regulators may require us, to conduct additional clinical and/or preclinical testing or to abandon programs.

Ongoing geopolitical instability have adversely affected and may continue to adversely affect our business, including our clinical trials.

General economic, political, demographic and business conditions worldwide, including geopolitical uncertainty and instability, such as the Israel's war with Hamas and Hezbollah and the Russia-Ukraine conflict, might adversely affect our business, through indirect disruption to our supply chain, harming our ability to raise funds at terms acceptable to us among other affects. We may further experience additional disruptions that could severely impact our business, preclinical studies and clinical trials, including:

- delays or difficulties in enrolling patients in our clinical trials;
- delays or difficulties in clinical site initiation, including difficulties in recruiting clinical site investigators and clinical site staff;
- interruption of, or delays in receiving, supplies of our product candidates from our contract manufacturing organizations due to staffing shortages, production slowdowns or stoppages and disruptions in delivery systems; and
- interruptions or delays to our sourced discovery and clinical activities.

Changes in trade policy, including the imposition of tariffs, may adversely affect our business, results of operations and financial condition.

The U.S. and various foreign governments have established certain trade and tariff requirements. From time to time, the U.S. government has indicated a willingness to revise or renegotiate tariffs on certain goods imported into the U.S. Since we rely on certain components from certain countries in the European Union, such steps, if adopted, could adversely impact our business, increase our costs, and make our products less competitive.

If we are not able to obtain, or if there are delays in obtaining, required regulatory approvals for our product candidates for therapeutic indications, we will not be able to commercialize, or will be delayed in commercializing, our product candidates, and our future ability to generate revenue will be materially impaired.

Our product candidates and the activities associated with their development and commercialization for therapeutic indications, including their design, testing, manufacture, safety, efficacy, recordkeeping, labeling, storage, approval, advertising, promotion, sale, distribution, import and export are subject to regulation by the FDA and other regulatory agencies in the United States and by equivalent foreign regulatory authorities. Before we can commercialize any of our product candidates for therapeutic indications, we must obtain marketing approval. We have not received approval to market any of our product candidates from regulatory authorities in any jurisdiction, and it is possible that none of our product candidates or any product candidates we may seek to develop in the future will ever obtain regulatory approval.

The process of obtaining regulatory approvals for therapeutic indications, both in the United States and in other countries, is expensive, may take many years if additional clinical trials are required, and can vary substantially based upon a variety of factors, including the type, complexity and novelty of the product candidates involved. Changes in marketing approval policies during the development period, changes in or the enactment of additional statutes or regulations, or changes in regulatory review for each submitted IND, or equivalent application types, may cause delays in the approval or rejection of an application. The FDA and equivalent foreign regulatory authorities have substantial discretion in the approval process and may refuse to accept any application or may decide that our data is insufficient for approval and require additional preclinical, clinical or other studies. There is uncertainty around new budget and staffing cuts imposed by the Trump administration on the FDA, which may affect the timely development, approval and commercialization of new drugs. Also, the Trump administration may change or overhaul existing drug regulations, which would lead to additional time and money to comply with. Furthermore, the Trump administration's tariffs could raise the cost of the clinical operations or affect the supply chains. Our product candidates could be delayed in receiving, or fail to receive, regulatory approval for many reasons, including the following:

- the FDA or equivalent foreign regulatory authorities may disagree with the design, including study population, dose level, dose regimen, and bioanalytical assay methods, or implementation of our clinical trials;
- we may be unable to demonstrate to the satisfaction of the FDA or equivalent foreign regulatory authorities that a drug candidate is safe and effective for its proposed indication or a related companion diagnostic is suitable to identify appropriate patient populations;
- the results of clinical trials may not meet the level of statistical significance required by the FDA or equivalent foreign regulatory authorities for approval, such as was the case with our acne product candidate;
- we may be unable to demonstrate that a product candidate's clinical and other benefits outweigh its safety risks;
- the FDA or equivalent foreign regulatory authorities may disagree with our interpretation of data from preclinical studies or clinical trials;
- the data collected from clinical trials of our product candidates may not be sufficient to support the submission of a marketing application or other submission or to obtain regulatory approval in the United States or elsewhere;
- the FDA or equivalent foreign regulatory authorities may fail to approve the manufacturing processes or facilities of third-party manufacturers with which we contract for clinical and commercial supplies; and
- the approval policies or regulations of the FDA or equivalent foreign regulatory authorities may significantly change in a manner rendering our clinical data insufficient for approval.

Of the large number of drugs in development, only a small percentage successfully complete the FDA or equivalent foreign regulatory approval processes and are commercialized. The lengthy approval process as well as the unpredictability of future clinical trial results may result in us failing to obtain regulatory approval to market its product candidates, which would significantly harm our business, results of operations and prospects.

The FDA may also require a panel of experts, referred to as an Advisory Committee, to deliberate on the adequacy of the safety and efficacy data to support approval for therapeutic indications. The opinion of the Advisory Committee, although not binding, may have a significant impact on our ability to obtain approval of any product candidates that we develop based on the completed clinical trials. In the European Union, the safety and efficacy data of any product candidate considered by the EMA to qualify as an advanced therapy medicinal product must be reviewed by the EMA's, Committee for Advanced Therapies, a group of experts in advanced therapy medicinal products.

Moreover, under PREA, in the United States, and the Pediatric Regulation, in the European Union, the FDA or equivalent foreign regulatory authority could require mandatory testing in the pediatric population. Applications for approval in the United States or in the European Union must contain data to assess the safety and efficacy of the biologic for the claimed indications in all relevant pediatric subpopulations and to support dosing and administration for each pediatric subpopulation for which the product is safe and effective. The FDA or equivalent foreign regulatory authority may, in its discretion, grant full or partial waivers, or deferrals, for submission of data in pediatric subjects. If the FDA requires data in pediatric patients, significantly more capital will have to be invested in order to conduct the mandatory pediatric clinical trials and studies, but the approval of the medicinal products for the adult population should normally not be affected. If the results of such pediatric studies are not positive, our product candidates will not be approved for children.

In addition, even if we were to obtain approval, regulatory authorities may approve any of our product candidates for fewer or more limited therapeutic indications than our requests, may include limitations for use or contraindications that limit the suitable patient population, may not approve the price we intend to charge for our products, may grant approval contingent on the performance of costly post-marketing clinical trials or may approve a product candidate with a label that does not include the labeling claims necessary or desirable for the successful commercialization of that product candidate. Any of the foregoing scenarios could materially harm the commercial prospects for our product candidates.

If we experience delays in obtaining approval or if we fail to obtain approval of our product candidates, the commercial prospects for our product candidates may be harmed and our future ability to generate revenues will be materially impaired.

We have never generated any revenue from product sales and may never be profitable or, if achieved, may not sustain profitability.

Our ability to generate meaningful revenue and achieve profitability depends on our ability, and the ability of any third party with which we may partner, to successfully complete the development of, and meet regulatory requirements, including (but not limited to) obtaining any necessary regulatory approvals, to commercialize our product candidates. We do not currently meet regulatory requirements or have the required approvals to market our product candidates and may never meet or receive them. We do not anticipate generating revenue from product sales for the foreseeable future, if ever. If any of our product candidates fail in clinical trials or if any of our product candidates do not meet regulatory requirements, including gaining regulatory approval when needed, or if any of our product candidates, if marketed, fail to achieve market acceptance, we may never become profitable. Even if we achieve profitability in the future, we may not be able to sustain profitability in subsequent periods. Our ability to generate future revenue from product sales depends heavily on our success in:

- completing research and preclinical and clinical development of our product candidates;
- seeking and obtaining regulatory and marketing approvals for product candidates for which we complete clinical trials;
- meeting regulatory requirements for marketing the products;
- developing a sustainable, scalable, reproducible and transferable manufacturing process for our product candidates;

- launching and commercializing product candidates for which we obtain regulatory and marketing approval or are otherwise permitted to market, either by establishing a sales force, marketing and distribution infrastructure or by collaborating with a partner;
- obtaining market acceptance of any approved products;
- addressing any competing technological and market developments;
- implementing additional internal systems and infrastructure, as needed;
- identifying and validating new product candidates;
- negotiating favorable terms in any collaboration, licensing or other arrangements into which we may enter;
- maintaining, protecting and expanding our portfolio of intellectual property rights, including patents, trade secrets and know-how; and
- attracting, hiring and retaining qualified personnel.

Even if one or more of the product candidates that we develop is approved for commercial sale or otherwise permitted for marketing, we anticipate incurring significant costs associated with commercializing any approved product. Our expenses could increase beyond expectations if we are required by the FDA, or the EMA, or other equivalent foreign regulatory agencies to perform clinical trials and other studies in addition to those that we currently anticipate. Even if we are able to generate revenue from the sale of any approved products, we may not become profitable and may need to obtain additional funding to continue operations. If we fail to become profitable, or if we are unable to fund our continuing losses, our business, financial condition and results of operations may be materially adversely impacted.

We are seeking to develop product candidates to treat medical conditions related to the presence of certain bacteria. Our success is largely dependent on a broad degree of market acceptance, and in the case of drug products, physician adoption and use, which are necessary for commercial success.

Even if we obtain FDA or foreign regulatory approvals for our drug product candidates, the commercial success of our product candidates will depend on consumer acceptance and adoption of products that we commercialize. Adverse events in preclinical studies and clinical trials of our product candidates or in clinical trials of others developing similar products and the resulting publicity could result in a decrease in demand for any product that we may develop.

In addition, the commercial success of our drug product candidates will depend significantly on their broad adoption and use by pediatricians and other physicians for approved therapeutic indications, as well as any other indications for which we may seek approval. We cannot be certain that our approach will lead to the development of approvable or marketable products.

Obtaining high titers for specific phage cocktails necessary for our preclinical and clinical testing may be difficult and time-consuming.

Our product candidates are phage cocktails that we have designed to meet specific characteristics. We and our contract manufacturers produce a cocktail of multiple phage and it may be difficult or time-consuming to achieve high titers, or levels, of phage sufficient for our preclinical and clinical testing. In some cases, it may require multiple product runs in order for us to obtain the amounts necessary for its clinical testing. This may result in delays in our clinical trial timelines, and it may increase production costs and associated expenses. Also, it may be difficult to reproduce the manufacturing process to the extent that more significant quantities are required as our product candidates advance through the clinical development process.

Results from preclinical studies of our product candidates may not be predictive of the results of clinical trials or later stage clinical development.

Preclinical studies of our product candidates, such as BX011, including studies in animal disease models may not accurately predict the safety of the product candidate such that further human clinical trials would be allowed to proceed. In particular, promising preclinical testing suggesting the potential efficacy of prototype phage products may not predict the ability of these products to address conditions in the human clinical settings. For example, while we have studied phage activity *in vitro* and *in vivo*, these results may not be replicated when our phage cocktails are administered to human subjects. Despite promising data in any preclinical studies, our phage technology may be found not to be efficacious when studied in clinical trials.

To satisfy FDA or equivalent foreign regulatory approval standards, we must demonstrate in adequate and well controlled clinical trials that our drug product candidates are safe and effective for their intended use. Success in preclinical testing and early-stage clinical trials does not ensure that later clinical trials will be successful. Our initial results from preclinical testing also may not be confirmed by later analysis or subsequent larger clinical trials. A number of companies in the pharmaceutical industry have suffered significant setbacks in advanced clinical trials, even after obtaining promising results in earlier clinical trials, and most product candidates that commence clinical trials are never approved for commercial sale.

If we encounter difficulties enrolling patients in our clinical trials, our clinical development activities could be delayed or otherwise adversely affected.

Completion of clinical trials depends, among other things, on our ability to enroll a sufficient number of patients, which is a function of many factors, including:

- the therapeutic endpoints chosen for evaluation;
- the eligibility criteria defined in the protocol;
- the perceived benefit of the product candidate under study;
- the size of the patient population required for analysis of the clinical trial's therapeutic endpoints;
- our ability to recruit clinical trial investigators and sites with the appropriate competencies and experience;
- our ability to obtain and maintain patient consents; and
- competition for patients from clinical trials for other treatments.

We have experienced and may continue to experience difficulties in enrolling patients in our clinical trials, including recently with respect to enrollment in our DFO phase 2 study, which could increase the costs or affect the timing or outcome of these clinical trials. This is particularly true with respect to diseases with relatively small patient populations. In addition, potential patients for our trials may not be adequately diagnosed or identified with the diseases that we are targeting or may not meet the entry criteria for our studies.

We may not be able to initiate or continue clinical trials if we are unable to locate a sufficient number of eligible patients to participate in the clinical trials required by the FDA or equivalent foreign regulatory agencies. In addition, the process of finding and diagnosing patients may prove costly. Our inability to enroll a sufficient number of patients for any of our clinical trials would result in significant delays or may require us to abandon one or more clinical trials.

Delays, or clinical holds, in our clinical trials could result in us not achieving anticipated developmental milestones when expected, increased costs and delays in our ability to obtain regulatory approval for and commercialization of our product candidates.

Delays in our clinical trials could result in us not meeting anticipated clinical milestones and could materially impact our product development costs and delay regulatory approval of our product candidates. Planned clinical trials may not be commenced or completed on schedule, or at all. Furthermore, our clinical trials may become subject to a clinical hold based on the evaluation of data and information submitted to the governing regulatory authorities.

Clinical trials can be delayed, or be subject to a clinical hold, for a variety of reasons, including:

- delays in the development of manufacturing capabilities for our product candidates to enable their consistent production at clinical trial scale;
- failures in our internal manufacturing operations that result in our inability to consistently and timely produce bacteriophage in sufficient quantities to support our clinical trials;
- the availability of financial resources to commence and complete our planned clinical trials;
- delays in reaching a consensus with clinical investigators on study design;
- delays in reaching a consensus with regulatory agencies on trial design or in obtaining regulatory approval to commence a trial;
- delays in obtaining clinical materials;
- slower than expected patient recruitment for participation in clinical trials;
- regulatory constraints or injunctions (for example, from supervisory authorities in case of noncompliance with cybersecurity and data privacy laws);
- failure by clinical trial sites, other third parties or us to adhere to clinical trial agreements and/or the trial protocol;
- delays in reaching agreement on acceptable clinical trial agreement terms with prospective sites or obtaining IRB or independent ethics committee approval; and
- adverse safety events experienced during our clinical trials.

If we do not successfully commence or complete our clinical trials on schedule, the price of our securities may decline. Significant preclinical or clinical trial delays or suspensions could shorten any periods during which we may have the exclusive right to commercialize our product candidates or allow our competitors to bring products to market before we do, potentially impairing our ability to successfully commercialize our product candidates and harming our business and results of operations.

Our current or future product candidates may cause adverse effects that could halt their clinical development, prevent their approval or marketing, limit their commercial potential or result in significant negative consequences.

Adverse effects could occur and cause us or regulatory authorities to interrupt, delay or halt clinical trials and could result in a more restrictive label or the delay or denial of marketing approval by the FDA or equivalent foreign regulatory agencies. Results of our trials could reveal a high and unacceptable severity and prevalence of side effects or unexpected characteristics. For example, adverse events experienced by participants in our Study contributed to our decision to discontinue further development of BX004, followed by additional internal analysis and feedback from the DMC, which recommended consideration of adjusting dosing regimen.

If adverse effects arise in the development of our product candidates, we, the FDA or equivalent foreign regulatory agencies, the IRBs or independent ethics committees at the institutions in which our studies are conducted, or the Data Safety Monitoring Board could suspend or terminate our clinical trials or the FDA or equivalent foreign regulatory agencies could deny approval of our product candidates for any or all targeted indications.

We intend to continue to evaluate our product candidates for safety and tolerability in the form of Phase 1 clinical trials. While our current and future product candidates will undergo safety testing to the extent possible and, where applicable, under such conditions discussed with regulatory authorities, not all adverse effects of drugs can be predicted or anticipated. Unforeseen adverse effects could arise either during clinical development or, if such adverse effects are more rare, after our products have been approved by regulatory authorities and the approved product has been marketed, resulting in the exposure of additional patients. For example, while we screen our phage in attempts to minimize safety issues, there can be no assurance that we will eliminate the risk of the appearance of virulence genes, antibiotic resistance genes, lysogenic genes, integrase genes, or other toxic genes in our phage, or of adverse reactions to our phage in a patient's immune system. So far, we have not demonstrated, and we cannot predict, if ongoing or future clinical trials will demonstrate that any of our product candidates are safe in humans. Moreover, clinical trials of our product candidates are conducted in carefully defined sets of patients who have agreed to enter into clinical trials. Consequently, it is possible that our clinical trials may indicate an apparent positive effect of a product candidate that is greater than the actual positive effect, if any, or alternatively fail to identify undesirable adverse effects.

Ultimately, some or all of our product candidates may prove to be unsafe for human use. Moreover, we could be subject to significant liability if any volunteer or patient suffers, or appears to suffer, adverse health effects as a result of participating in our clinical trials. Any of these events could prevent us from achieving or maintaining market acceptance of our product candidates and could substantially increase commercialization costs.

We have not completed composition development of our product candidates.

The development of our product candidates requires that we isolate, select, optimize and combine a number of phage that target the desired bacteria for that product candidate. The selection of phage for any of our product candidates is based on a variety of factors, including, without limitation, the ability of the selected phage, in combination, to successfully kill the targeted bacteria, the degree of cross-reactivity of the individual phage with the same part of the bacterial targets, the ability of the combined phage to satisfy regulatory requirements, our ability to manufacture sufficient quantities of the phage, intellectual property rights of third parties, and other factors. While we have selected an initial formulation of BX011, there can be no assurance that this initial formulation will be the final formulations of this product candidate for commercialization if approved. If we are unable to complete formulation development of our product candidates in the time frame that we have anticipated, then our product development timelines, and the regulatory approval of our product candidates, could be delayed.

We must continue to develop manufacturing processes for our product candidates, and any delay in doing so, or our inability to do so, would result in delays in our clinical trials.

The manufacturing processes for our product candidates, and the scale-up of such processes for clinical trials, may present challenges, and there can be no assurance that we will be able to complete this work in a timely manner, if at all. Any delay in the development or scale-up of these manufacturing processes could delay the start of clinical trials and harm our business. In order to scale-up our manufacturing capacity, we need to either build additional internal manufacturing capacity, contract with one or more partners, or both. Our technology and the production process for our equipment and tools are complex and we may encounter unexpected difficulties in manufacturing our product candidates. For example, the manufacturing hosts that we use to produce our phage may contain one or more integrated phage in their genomes that, if we are unable to remove, can present challenges in manufacturing of the produced phage. There is no assurance that we will be able to continue to build manufacturing capacity internally or find one or more suitable partners, or both, to meet the necessary volume and quality requirements. Manufacturing and product quality issues may arise as we increase the scale of our production. Any delay or inability in establishing or expanding our manufacturing capacity could diminish our ability to develop our product candidates.

If we submit marketing applications for any of our product candidates manufactured by third-party manufacturers, the manufacturing facilities used to produce such product candidates will be subjected to ongoing periodic inspection for compliance with European, FDA and cGMP regulations. Compliance with these regulations and standards is complex and costly, and there can be no assurance that we will be able to comply. Any failure to comply with applicable regulations could result in sanctions being imposed (including fines, injunctions and civil penalties), failure of regulatory authorities to grant marketing approval of our product candidates, delays, suspension or withdrawal of approvals, license revocation, seizures or recalls of product candidates or products, operating restrictions and criminal prosecution.

If our competitors are able to develop and market products that are more effective, safer or more affordable than ours, or obtain marketing approval before we do, our commercial opportunities may be limited.

Competition in the biotechnology and pharmaceutical industries is intense and continues to increase. Some companies that are larger and have significantly more resources than us are aggressively pursuing development programs for indications that we are pursuing, including traditional therapies and therapies with novel mechanisms of action. In addition, other companies are developing phage-based products for therapeutic and non-therapeutic uses, and may elect to use their expertise in phage development and manufacturing to try to develop products that would compete with our products.

We also face potential competition from academic institutions, government agencies and private and public research institutions engaged in the discovery and development of drugs and therapies. Many of our competitors have significantly greater financial resources and expertise in research and development, preclinical testing, conducting clinical trials, obtaining regulatory approvals, manufacturing, sales and marketing than we do. Smaller or early-stage companies may also prove to be significant competitors, particularly through collaborative arrangements with large and established pharmaceutical companies.

In the European Union, potential competition also comes from medicinal preparations made by hospitals or pharmacists and administered without marketing authorizations, generally referred to as “compounding.” In some member states, national authorities generally promote compounding in order to reduce healthcare expenses.

Our competitors may succeed in developing products that are more effective, have fewer side effects and are safer or more affordable than our product candidates, which would render our product candidates less competitive or noncompetitive. These competitors also compete with us to recruit and retain qualified scientific and management personnel, establish clinical trial sites and patient registration for clinical trials, as well as to acquire technology and technology licenses complementary to our programs or advantageous to our business. Moreover, competitors that are able to achieve patent protection, obtain regulatory approvals and commence commercial sales of their products before we do, and competitors that have already done so may enjoy a significant competitive advantage.

We may not be successful in our efforts to identify or discover additional product candidates.

Although we intend to utilize our technology to evaluate other therapeutic opportunities in addition to the product candidates that we are currently developing, we may fail to identify other product candidates for clinical development for a number of reasons. For example, our research methodology may not be successful in identifying potential product candidates, or those we identify may be shown to have harmful side effects or other characteristics that make them unmarketable or unlikely to receive regulatory approval. In addition, we may not be able to identify phage that eradicate the target bacteria, including due to sourcing difficulties such as lack of diversity, inability to obtain samples in a timely manner or at all, or contamination in the samples. We may also encounter difficulties in designing phage cocktails that meet the requirements of an investigational therapy, including due to the build-up of resistances in bacteria to our phage, the range of host bacteria that are affected by our phage, the variety of activity on different bacteria growth states, issues with toxicity in our phage, and the stability, robustness and ease of manufacturing of our product candidates. In addition, the designing of synthetically engineered phage may fail to result in the development of phage with the desired characteristics or behaviors that are suitable for use as viable therapies, or may result in phage that contain undesired features such as immunogenicity, toxicity and other safety concerns.

A key part of our strategy is to utilize our screening technology to identify product candidates to pursue in clinical development. If we fail to identify and develop additional potential product candidates, we may be unable to grow our business and our results of operations could be materially harmed. Such product candidates will require additional, time-consuming development efforts prior to commercial sale, including preclinical studies, clinical trials and approval by the FDA and/or applicable foreign regulatory agencies. All product candidates are prone to the risks of failure that are inherent in pharmaceutical product development.

Legal requirements as well as ethical and social concerns about synthetic biology and genetic engineering could limit or prevent the use of our technologies and limit our revenues.

Our technology may include the use of synthetic biology and genetic engineering. In some countries, drugs made using genetically modified organisms may be subject to a more stringent legal regime, which could prove to be complex and very challenging, especially for a small life sciences company. For example, in the European Union, the rules on genetically modified organisms would apply in addition to the general rules on medicinal products or cosmetic products. The rules on advanced therapy medicinal products may also apply.

Additionally, public perception about the safety and environmental hazards of, and ethical concerns over, synthetic biology and genetic engineering could influence public acceptance of our technologies, product candidates and processes. If we and our collaborators are not able to overcome the legal challenges as well as the ethical and social concerns relating to synthetic biology and genetic engineering, our technologies, product candidates and processes may not be accepted. These challenges and concerns could result in increased expenses, regulatory scrutiny and increased regulation, trade restrictions on imports of our product candidates, delays or other impediments to our programs or the public acceptance and commercialization of our products. We design and produce product candidates with characteristics comparable or superior to those found in naturally occurring organisms or enzymes in a controlled laboratory; however, the release of such organisms into uncontrolled environments could have unintended consequences. Any adverse effect resulting from such a release could have a material adverse effect on our business, financial condition or results of operations, and we may have exposure to liability for any resulting harm.

We may expend our limited resources to pursue a particular product candidate or indication and fail to capitalize on product candidates or indications that may be more profitable or for which there is a greater likelihood of success.

Because we have limited financial and managerial resources, we intend to focus on developing product candidates for specific indications that we identify as most likely to succeed, in terms of both their potential for marketing approval and commercialization. As a result, we may forego or delay pursuit of opportunities with other product candidates or for other indications that may prove to have greater commercial potential. For example, we spent significant time and resources developing BX005 and BX004, which we discontinued.

Our resource allocation decisions may cause us to fail to capitalize on viable commercial products or profitable market opportunities. Our spending on current and future research and development programs and product candidates for specific indications may not yield any commercially viable product candidates. If we do not accurately evaluate the commercial potential or target market for a particular product candidate, we may relinquish valuable rights to that product candidate through collaboration, licensing or other royalty arrangements in cases in which it would have been more advantageous for us to retain sole development and commercialization rights to the product candidate.

There is a substantial risk of product liability claims in our business. If we do not obtain sufficient liability insurance, a product liability claim could result in substantial liabilities to us.

Our business exposes us to significant potential product liability risks that are inherent in the development, manufacturing and marketing of human therapeutic products. Regardless of merit or eventual outcome, product liability claims may result in:

- delay or failure to complete our clinical trials;
- withdrawal of clinical trial participants;
- decreased demand for our product candidates;
- injury to our reputation;
- litigation costs;
- substantial monetary awards against us; and
- diversion of management or other resources from key aspects of our operations.

If we succeed in marketing products, product liability claims could result in an FDA or equivalent foreign regulatory agency investigation of the safety or efficacy of our products, our manufacturing processes and facilities or our marketing programs. Such investigation could also potentially lead to a recall of our products or more serious enforcement actions, or limitations on the indications, for which they may be used, or suspension or withdrawal of approval.

We currently only have limited clinical trials insurance policies that cover clinical trials in certain territories. We intend to expand our insurance coverage to include the sale of commercial products if marketing approval is obtained for our product candidates or any other compound that we may develop. However, insurance coverage is expensive, and we may not be able to maintain insurance coverage at a reasonable cost or at all, and the insurance coverage that we have or obtain may not be adequate to cover potential claims or losses.

Our employees, independent contractors, consultants, commercial partners and vendors may engage in misconduct or other improper activities, including noncompliance with regulatory standards and requirements.

We are exposed to the risk of employee fraud or other illegal activity by our employees, independent contractors, consultants, commercial partners and vendors. Misconduct by these parties could include intentional, reckless and/or negligent conduct that fails to comply with the laws of the FDA and other similar foreign regulatory bodies, provide true, complete and accurate information to the FDA and other similar foreign regulatory bodies, comply with manufacturing standards we have established, comply with healthcare fraud and abuse laws in the United States and similar foreign fraudulent misconduct laws or report financial information or data accurately or to disclose unauthorized activities to us. If we obtain FDA approval of any of our product candidates and begin commercializing those products in the United States, our potential exposure under such laws will increase significantly, and our costs associated with compliance with such laws are also likely to increase. These laws may impact, among other things, our current activities with principal investigators and research patients, as well as proposed and future sales, marketing and education programs.

Our limited operating history compared to the long time it takes to develop phage based products may make it difficult to evaluate the success of our business to date and to assess our future viability.

Since inception in 2015 through its dissolution in February 2026, BiomX Ltd. devoted substantially all of its resources to developing product candidates with phage technology through its preclinical programs, building its intellectual property portfolio, developing a supply chain, planning its business, raising capital and providing general and administrative support for these operations. Such development efforts take very long periods of time before they can be proved successful. We have not yet demonstrated our ability to successfully complete any clinical study or other pivotal clinical trials, obtain regulatory approvals, manufacture a commercial-scale product, or arrange for a third-party to do so on our behalf, or conduct sales and marketing activities necessary for successful product commercialization. Consequently, any predictions made about our future success or viability may not be as accurate as they could be if we had a longer operating history.

In addition, as an early-stage company, we may encounter unforeseen expenses, difficulties, complications, delays and other known and unknown circumstances. As we advance our product candidates, we will need to transition from a company with a research focus to a company capable of supporting clinical development and, if successful, commercial activities. We may not be successful in such a transition.

We may need to grow the size of our organization and may experience difficulties in managing this growth.

As our research, development, manufacturing and commercialization plans and strategies, we may need additional managerial, operational, sales, marketing, financial and other personnel. Future growth would impose significant added responsibilities on members of management, including:

- evaluating and pursuing strategic alternatives and other business opportunities, including potential collaborations, financings, or other strategic transactions;
- identifying, recruiting, compensating, integrating, maintaining and motivating additional employees;
- managing our internal research and development efforts effectively, including identification of clinical candidates, scaling our manufacturing process and navigating the clinical and FDA review process for our product candidates; and
- improving our operational, financial and management controls, reporting systems and procedures.

Our future financial performance and our ability to commercialize our product candidates will depend, in part, on our ability to effectively manage any future growth, and our management may also have to divert a disproportionate amount of our attention away from day-to-day activities in order to devote a substantial amount of time to managing these growth activities.

If we are not able to effectively expand our organization by hiring additional employees and expanding our groups of consultants and contractors, we may not be able to successfully implement the tasks necessary to further develop and commercialize our product candidates and, accordingly, may not achieve our research, development and commercialization goals.

In addition, our ongoing evaluation of strategic alternatives may not result in any transaction or alternative that improves our prospects, or at all, on terms acceptable to us or our stockholders. If we are unable to identify and execute a viable strategic alternative or otherwise secure sufficient additional resources, we may be required to further reduce or discontinue our operations, delay, limit or terminate development activities, pursue an orderly wind-down, and our business, financial condition and results of operations could be materially and adversely affected.

Risks Related to Government Regulation and Government

Our product candidates are subject to significant regulatory approval requirements, including the risk of clinical holds, which could delay, prevent or limit our ability to market or develop our product candidates.

Our research and development activities, preclinical studies, clinical trials and the anticipated manufacturing and marketing of our drug product candidates are subject to extensive regulation by the FDA and other regulatory agencies in the United States and by comparable authorities in Europe and elsewhere. To satisfy FDA or equivalent foreign regulatory approval standards, we must demonstrate in adequate and well controlled clinical trials that our drug product candidates are safe and effective for their intended use. The regulatory approval process is expensive and time-consuming, and the timing of receipt of regulatory approval is difficult to predict. Given the uncertainties around phage therapy, our product candidates could require a significantly longer time to gain regulatory approval than expected or may never gain approval. We cannot be certain that, even after expending substantial time and financial resources, we will obtain regulatory approval for any of our product candidates. A delay or denial of regulatory approval could delay or prevent our ability to generate product revenue and to achieve profitability. In addition, the FDA or comparable foreign regulatory authorities may impose a clinical hold at any time if they determine that we have not satisfied applicable requirements or conditions, which could delay or prevent the initiation or continuation of our clinical trials and materially adversely affect our development timelines and costs.

Regulatory requirements for development of our product candidates are uncertain and evolving. Changes in these laws or the current interpretation or application of these laws would have a significant adverse impact on our ability to develop and commercialize our product candidates. The legal and regulatory status of phage therapy remains unclear in many countries, including the European Union. Changes in regulatory approval policies during the development period of any of our product candidates, changes in, or the enactment of, additional regulations or statutes, or changes in regulatory review practices for a submitted product application may cause a delay in obtaining approval or result in the rejection of an application for regulatory approval.

Regulatory approval, if obtained, may be made subject to limitations on the indicated uses for which we may market a product, as well as the approved labeling for the product. These limitations could adversely affect our potential product revenue. Regulatory approval may also be conditioned on costly post-marketing follow-up studies. In addition, the labeling, packaging, adverse event reporting, storage, advertising, promotion and recordkeeping related to the product will be subject to extensive ongoing regulatory requirements. Furthermore, for any marketed product, our manufacturer and our manufacturing facilities will be subject to registration and listing requirements and continual review and periodic inspections by the FDA or other regulatory authorities. Failure to comply with applicable regulatory requirements may, among other things, result in fines, suspensions of regulatory approvals, product recalls, product seizures, operating restrictions and criminal prosecution.

Failure to comply with health and data protection laws and regulations could lead to claims, government enforcement actions (which could include civil or criminal penalties), regulatory actions, private litigation and/or adverse publicity and could negatively affect our operating results and business.

We may be subject to federal, state and foreign data protection laws and regulations (i.e., laws and regulations that address privacy and security). In the United States, numerous federal and state laws and regulations, including federal health information privacy laws, state consumer privacy laws, state data breach notification laws, state health information privacy laws and federal and state consumer protection laws (e.g., Section 5 of the Federal Trade Commission Act), that govern the collection, use, disclosure and protection of health-related and other personal information could apply to our operations or the operations of our collaborators. In addition, we may obtain health information from third parties (including research institutions from which we obtain clinical trial data) that are subject to privacy and security requirements under HIPAA, as amended by the Health Information Technology for Economic and Clinical Health of 2009. Depending on the facts and circumstances, we could be subject to criminal penalties if we knowingly obtain, use or disclose individually identifiable health information maintained by a HIPAA-covered entity in a manner that is not authorized or permitted by HIPAA.

Additional requirements may also be imposed by international data protection laws. In this context, Regulation 2016/679 of the GDPR (in addition to many other international data protection laws) may have an impact on our operations when we collect and/or process personal data of individuals located in the European Union. The GDPR has applied since May 25, 2018 (replacing previously applicable data protection frameworks) and has an extraterritorial reach. The GDPR allows members states to introduce specific requirements in relation to certain areas, including processing of special categories of data, and we may face further restrictions and non-compliance risks under such national frameworks. We have not yet assessed whether its activities might be caught by the GDPR.

Because of the types of data we collect and process, which may involve health, biometric and genetic data, we may face high risks for non-compliance with the GDPR rules (or local declinations of GDPR-rules across the different European Union Member States), as these types of data are considered as special categories of data and are granted higher protection. The risks are further increased considering the diverging approach in the European Union as to the rules, requirements and frameworks in relation to the processing of personal data in clinical trials (in matters such as the choice of the legal basis for the processing of data, the possible uses of the personal data collected, etc.) and the interplay with other relevant frameworks. The GDPR introduced stringent data protection requirements in the European Union, as well as potential fines for noncompliant companies of up to the greater of €20 million or 4% of annual worldwide turnover. Supervisory authorities also have the ability to restrict our processing activities if those are deemed not to be in compliance with the GDPR (or local declinations); this may significantly impact the way we conduct our activities. The GDPR imposes numerous requirements for the collection, use and disclosure of personal data, including high standards for consent to be valid, and specific information to be provided to individuals about how their personal data is used, the obligation to notify regulators and (in some cases) to communicate to affected individuals of personal data breaches, extensive new internal privacy governance requirements and obligations to allow individuals to exercise their strengthened privacy rights (e.g., the right to access, correct and delete their personal data, to withdraw their consent, etc.), and obligations when contracting with third parties such as service providers, CROs, etc. In addition, the GDPR includes restrictions on data transfers outside the EEA. The actual mechanisms made available under GDPR to transfer such personal data have received heightened regulatory and judicial scrutiny. If we cannot rely on existing mechanisms for transferring personal data from the EEA, the United Kingdom, or other jurisdictions, we may be unable to transfer personal data in those regions. Further, the United Kingdom's vote in favor of exiting the European Union, often referred to as "Brexit," has created uncertainty as to whether or not the United Kingdom data protection legislation will depart from the GDPR and how data transfers to and from the United Kingdom will be regulated.

Compliance with U.S. and international data protection laws and regulations could require us to take on more onerous obligations in our contracts, restrict our ability to collect, use and disclose data, or in some cases, impact our ability to operate in certain jurisdictions. Such laws and regulations could limit our ability to use and share personal or other data, thereby increasing our costs and harming our business and financial condition. Failure to comply with U.S. and international data protection laws and regulations could result in claims, government enforcement actions (which could include civil or criminal penalties), regulatory actions, private litigation and/or adverse publicity and could negatively affect our operating results and business. Moreover, clinical trial subjects about whom we or our potential collaborators obtain information, as well as the providers who share this information with us, may contractually limit our ability to use and disclose the information. Claims that we have violated individuals' privacy rights, failed to comply with data protection laws, or breached our contractual obligations, even if we are not found liable, could be expensive and time consuming to defend and could result in adverse publicity that could harm our business. Finally, we may be required to disclose personal data pursuant to demands from government agencies, from law enforcement agencies, and from intelligence agencies. This disclosure may result in a failure or perceived failure by us to comply with data privacy laws, rules, and regulations and could result in proceedings or actions against us in the same or other jurisdictions, and could have an adverse impact on our reputation and brand.

Our relationships with healthcare providers, physicians and third-party payors will be subject to applicable anti-kickback, fraud and abuse and other healthcare laws and regulations, which could expose us to criminal sanctions, civil penalties, contractual damages, reputational harm and diminished profits and future earnings.

Healthcare providers, physicians and third-party payors in the United States and elsewhere play a primary role in the recommendation and prescription of pharmaceutical products. Arrangements with third-party payors and customers can expose pharmaceutical manufacturers to broadly applicable fraud and abuse and other healthcare laws and regulations, including, without limitation, the federal Anti-Kickback Statute and the FCA, and foreign equivalent legislation, which may constrain the business or financial arrangements and relationships through which such companies sell, market and distribute pharmaceutical products. In particular, the promotion, sales and marketing of healthcare items and services, as well as certain business arrangements in the healthcare industry, are subject to extensive laws designed to prevent fraud, kickbacks, self-dealing and other abusive practices. These laws and regulations may restrict or prohibit a wide range of pricing, discounting, marketing and promotion, structuring and commissions, certain customer incentive programs and other business arrangements generally. Activities subject to these laws also involve the improper use of information obtained in the course of patient recruitment for clinical trials. The applicable federal, state and foreign healthcare laws and regulations laws that may affect our ability to operate include, but are not limited to:

- the federal Anti-Kickback Statute, which prohibits, among other things, knowingly and willfully soliciting, receiving, offering or paying any remuneration (including any kickback, bribe or rebate), directly or indirectly, overtly or covertly, in cash or in kind, to induce, or in return for, either the referral of an individual, or the purchase, lease, order or recommendation of any good, facility, item or service for which payment may be made, in whole or in part, under a federal healthcare program, such as the Medicare and Medicaid programs. A person or entity can be found guilty of violating the statute without actual knowledge of the statute or specific intent to violate it. In addition, a claim including items or services resulting from a violation of the federal Anti-Kickback Statute constitutes a false or fraudulent claim for purposes of the FCA. The Anti-Kickback Statute has been interpreted to apply to arrangements between pharmaceutical manufacturers on the one hand and prescribers, purchasers and formulary managers on the other hand. There are a number of statutory exceptions and regulatory safe harbors protecting some common activities from prosecution;

- federal civil and criminal false claims laws, including the FCA, which prohibit, among other things, individuals or entities from knowingly presenting, or causing to be presented, false or fraudulent claims for payment to, or approval by Medicare, Medicaid or other federal healthcare programs, knowingly making, using or causing to be made or used a false record or statement material to a false or fraudulent claim or an obligation to pay or transmit money to the federal government, or knowingly concealing or knowingly and improperly avoiding or decreasing or concealing an obligation to pay money to the federal government. Manufacturers can be held liable under the FCA even when they do not submit claims directly to government payors if they are deemed to "cause" the submission of false or fraudulent claims. The FCA also permits a private individual acting as a "whistleblower" to bring actions on behalf of the federal government alleging violations of the FCA and to share in any monetary recovery;

- HIPAA, which created new federal criminal statutes that prohibit knowingly and willfully executing, or attempting to execute, a scheme to defraud any healthcare benefit program or obtain, by means of false or fraudulent pretenses, representations, or promises, any of the money or property owned by, or under the custody or control of, any healthcare benefit program, regardless of the payor (e.g., public or private) and knowingly and willfully falsifying, concealing or covering up by any trick or device a material fact or making any materially false statements in connection with the delivery of, or payment for, healthcare benefits, items or services relating to healthcare matters. Similar to the federal Anti-Kickback Statute, a person or entity can be found guilty of violating HIPAA without actual knowledge of the statute or specific intent to violate it;

- the federal Physician Payment Sunshine Act, created under the Patient Protection and Affordable Care Act and its implementing regulations, which require manufacturers of drugs, devices, biologicals and medical supplies for which payment is available under Medicare, Medicaid or the Children's Health Insurance Program (with certain exceptions) to report annually to the United States Department of Health and Human Services information related to payments or other transfers of value made to physicians (defined to include doctors, dentists, optometrists, podiatrists and chiropractors), certain non-physician practitioners (physician assistants, nurse practitioners, clinical nurse specialists, anesthesiologist assistants, certified registered nurse anesthetists and certified nurse midwives) and teaching hospitals, as well as ownership and investment interests held by physicians and their immediate family members;

- federal consumer protection and unfair competition laws, which broadly regulate marketplace activities and activities that potentially harm consumers;

- analogous state and foreign laws and regulations, such as state anti-kickback and false claims laws, which may apply to sales or marketing arrangements and claims involving healthcare items or services reimbursed by nongovernmental third-party payors, including private insurers, and may be broader in scope than their federal equivalents; state and foreign laws that require pharmaceutical companies to comply with the pharmaceutical industry's voluntary compliance guidelines and the relevant compliance guidance promulgated by the federal government or otherwise restrict payments that may be made to healthcare providers; and state and foreign laws that require drug manufacturers to report information related to payments and other transfers of value to physicians and other healthcare providers or marketing expenditures; and

- European Union and other foreign provisions.

The distribution of pharmaceutical products is subject to additional requirements and regulations, including extensive recordkeeping, licensing, storage, security requirements intended to prevent the unauthorized sale of pharmaceutical products and, in some foreign countries, including the European Union countries, mandatory anti-counterfeit features.

The scope and enforcement of each of these laws is uncertain and subject to rapid change in the current environment of healthcare reform, especially in light of the lack of applicable precedent and regulations. Federal and state enforcement bodies have recently increased their scrutiny of interactions between healthcare companies and healthcare providers, which has led to a number of investigations, prosecutions, convictions and settlements in the healthcare industry. Ensuring business arrangements comply with applicable healthcare laws, as well as responding to possible investigations by government authorities, can be time- and resource-consuming and can divert a company's attention from the business.

It is not always possible to identify and deter employee misconduct, and the precautions we take to detect and prevent inappropriate conduct may not be effective in controlling unknown or unmanaged risks or losses or in protecting us from governmental investigations or other actions or lawsuits stemming from a failure to be in compliance with such laws or regulations. Efforts to ensure that our business arrangements will comply with applicable healthcare laws may involve substantial costs. It is possible that governmental and enforcement authorities will conclude that our business practices may not comply with current or future statutes, regulations or case law interpreting applicable fraud and abuse or other healthcare laws and regulations. The failure to comply with any of these laws or regulatory requirements could subject us to possible legal or regulatory action. Depending on the circumstances, failure to meet applicable regulatory requirements can result in civil, criminal and administrative penalties, damages, fines, disgorgement, individual imprisonment, possible exclusion from participation in federal and state funded healthcare programs, contractual damages and the curtailment or restricting of our operations, as well as additional reporting obligations and oversight if we become subject to a corporate integrity agreement or other agreement to resolve allegations of noncompliance with these laws. Any action for violation of these laws, even if successfully defended, could cause a pharmaceutical manufacturer to incur significant legal expenses and divert management's attention from the operation of the business. Prohibitions or restrictions on sales or withdrawal of future marketed products could materially affect business in an adverse way.

In addition, the approval and commercialization of any of our product candidates outside the United States will also likely subject us to foreign equivalents of the healthcare laws mentioned above, among other foreign laws.

The FDA and other equivalent foreign regulatory agencies may implement additional regulations or restrictions on the development and commercialization of products which act on the microbiome, which may be difficult to predict.

The FDA and equivalent foreign regulatory agencies in other countries have each expressed interest in further regulating biotechnology products and product candidates, such as those that act on the human microbiome. Agencies at both the federal and state level in the United States, as well as the U.S. congressional committees and other governments or governing agencies, have also expressed interest in further regulating the biotechnology industry. Such action may delay or prevent commercialization of some or all of our product candidates. Adverse developments in non-IND human clinical studies or clinical trials of microbiome products conducted by others may cause the FDA or other oversight bodies to change the requirements for approval of any of our product candidates. These regulatory review agencies and committees and the new requirements or guidelines they promulgate may lengthen the regulatory review process, require us to perform additional studies or trials, increase our development costs, lead to changes in regulatory positions and interpretations, delay or prevent approval and commercialization of our product candidates or lead to significant post-approval limitations or restrictions. As we advance our product candidates, we will be required to consult with these regulatory agencies and comply with applicable requirements and guidelines. If we fail to do so, we may be required to delay or discontinue development of such product candidates. These additional processes may result in a review and approval process that is longer than we otherwise would have expected. Delays as a result of an increased or lengthier regulatory approval process or further restrictions on the development of our product candidates can be costly and could negatively impact our ability to complete clinical trials and commercialize our current and future product candidates in a timely manner if at all.

Even if we receive regulatory approval of any product candidates for therapeutic indications, we will be subject to ongoing regulatory compliance obligations and continued regulatory review, which may result in significant additional expense. Additionally, any of our product candidates, if approved, could be subject to labeling and other restrictions and market withdrawal, and we may be subject to penalties if we fail to comply with regulatory requirements or experience unanticipated problems with our product candidates.

If any of our product candidates is approved for therapeutic indications, we will be subject to ongoing regulatory requirements for manufacturing, labeling, packaging, storage, distribution, advertising, promotion, sampling, recordkeeping, export, import, conduct of post-marketing studies and submission of safety, efficacy and other post-market information, including both federal and state requirements in the United States and requirements of equivalent foreign regulatory agencies. In addition, we will be subject to continued compliance with cGMP and GCP requirements for any clinical trials that we conduct post-approval.

Manufacturers and manufacturers' facilities are required to comply with extensive FDA and equivalent foreign regulatory agency requirements, including ensuring that quality control and manufacturing procedures conform to cGMP regulations. As such, we and our contract manufacturers will be subject to continual review and inspections to assess compliance with cGMP and adherence to commitments made in any NDA, other marketing applications and previous responses to inspection observations. Accordingly, we and others with whom we work must continue to expend time, money, and effort in all areas of regulatory compliance, including manufacturing, production and quality control.

The FDA or equivalent foreign regulatory agencies have significant post-marketing authority, including, for example, the authority to require labeling changes based on new safety information and to require post-marketing studies or clinical trials to evaluate serious safety risks related to the use of a drug. Any regulatory approvals that we receive for our product candidates may be subject to limitations on the approved indicated uses for which the product may be marketed or to the conditions of approval, or contain requirements for potentially costly post-marketing testing, including Phase 4 clinical trials and surveillance to monitor the safety and efficacy of the product candidate. The FDA or equivalent foreign regulatory agencies may also require a REMS program as a condition of approval of our product candidates, which could entail requirements for long-term patient follow-up, a medication guide, physician communication plans or additional elements to ensure safe use, such as restricted distribution methods, patient registries and other risk minimization tools. In addition, if the FDA or an equivalent foreign regulatory agency approves our product candidates, we will have to comply with requirements, including submissions of safety and other post-marketing information and reports and registration.

The FDA or equivalent foreign regulatory agencies may impose consent decrees or withdraw approval if compliance with regulatory requirements and standards is not maintained or if problems occur after the product reaches the market. Later discovery of previously unknown problems with our product candidates, including adverse events of unanticipated severity or frequency, or with our third-party manufacturers or manufacturing processes, or failure to comply with regulatory requirements may result in revisions to the approved labeling to add new safety information, the imposition of post-market studies or clinical trials to assess new safety risks, or the imposition of distribution restrictions or other restrictions under a REMS program. Other potential consequences include, among other things:

- restrictions on the marketing or manufacturing of our products, withdrawal of products from the market, or voluntary or mandatory product recalls;
- fines, warning or untitled enforcement letters, or holds on clinical trials;
- refusal by the FDA or equivalent foreign regulatory agencies to approve pending applications or supplements to approved applications filed by us or the suspension or revocation of license approvals;
- product seizure or detention or refusal to permit the import or export of our product candidates; and
- injunctions or the imposition of civil or criminal penalties.

The FDA or equivalent foreign regulatory agencies strictly regulate the marketing, labeling, advertising and promotion of drug products that are placed on the market. Products may be promoted only for the approved indications and in accordance with the provisions of the approved label or other regulatory marketing pathway. The FDA and equivalent foreign regulatory agencies actively enforce the laws and regulations prohibiting the promotion of off-label uses, and a company that is found to have improperly promoted off-label uses may be subject to significant liability. The policies of the FDA or equivalent foreign regulatory agencies may change, and additional government regulations may be enacted that could prevent, limit or delay regulatory approval of our product candidates. If we are slow or unable to adapt to changes in existing requirements or the adoption of new requirements or policies, or if we are not able to maintain regulatory compliance, we may lose any marketing approval that we may have obtained, which would adversely affect our business, prospects and the ability to achieve or sustain profitability.

The policies of the FDA or equivalent foreign regulatory agencies may change, and additional government regulations may be enacted that could prevent, limit or delay regulatory approval of our product candidates. We also cannot predict the likelihood, nature or extent of government regulation that may arise from future legislation or administrative or executive action, either in the United States or abroad. If we are slow or unable to adapt to changes in existing requirements or the adoption of new requirements or policies, or if we are not able to maintain regulatory compliance, we may be subject to enforcement action, and we may not achieve or sustain profitability.

Noncompliance by us or any future collaborator with regulatory requirements, including safety monitoring or pharmacovigilance requirements, can also result in significant financial penalties.

We may conduct clinical trials for our product candidates outside the United States, and the FDA may not accept data from such trials.

We have and may continue to conduct certain clinical trials or a portion of our clinical trials for our product candidates outside the U.S. The acceptance of study data from clinical trials conducted outside the U.S. or another jurisdiction by the FDA or comparable foreign regulatory authority may be subject to certain conditions or may not be accepted at all. In cases where data from foreign clinical trials are intended to serve as the sole basis for marketing approval in the U.S., the FDA will generally not approve the application on the basis of foreign data alone unless (i) the data are applicable to the U.S. population and U.S. medical practice; (ii) the trials were performed by clinical investigators of recognized competence and pursuant to GCP regulations; and (iii) the data may be considered valid without the need for an on-site inspection by the FDA, or if the FDA considers such inspection to be necessary, the FDA is able to validate the data through an on-site inspection or other appropriate means. In addition, even where the foreign study data are not intended to serve as the sole basis for approval, the FDA will not accept the data as support for an application for marketing approval unless the study is well-designed and well-conducted in accordance with GCP requirements and the FDA is able to validate the data from the study through an onsite inspection if deemed necessary. Many foreign regulatory authorities have similar approval requirements. In addition, such foreign trials would be subject to the applicable local laws of the foreign jurisdictions where the trials are conducted. There can be no assurance that the FDA or any comparable foreign regulatory authority will accept data from trials conducted outside of the U.S. or the applicable jurisdiction. If the FDA or any comparable foreign regulatory authority does not accept such data, it would result in the need for additional trials, which could be costly and time-consuming, and which may result in current or future product candidates that we may develop not receiving approval for commercialization in the applicable jurisdiction.

Any products that we may develop may become subject to unfavorable pricing regulations, third-party reimbursement practices or healthcare reform initiatives, which could make it difficult for us to sell any product candidates or therapies profitably.

The regulations that govern pricing for new medical products vary widely from country to country. As a result, we might obtain regulatory approval for a product in a particular country but then be subject to pricing regulations in that country that delay the commercial launch of the product and negatively impact the revenue we are able to generate from the sale of the product in that country. In addition, our ability to commercialize any approved products successfully will depend in part on the extent to which reimbursement for these products will be available from government health administration authorities, private health insurers and other organizations. Even if we succeed in bringing one or more therapeutic products to market, these products may not be considered cost-effective, and the amount reimbursed for any products may be insufficient to allow us to sell them on a competitive basis. If the price we are able to charge for therapeutic products is inadequate in light of our development and other costs, our future profitability could be adversely affected.

Ongoing health care legislative and regulatory reform measures may have a material adverse effect on our business and results of operations.

Changes in regulations, statutes or the interpretation of existing regulations could impact our business in the future by requiring, for example, (i) changes to our manufacturing arrangements, (ii) additions or modifications to product labeling, (iii) the recall or discontinuation of our products, or (iv) additional record-keeping requirements. If any such changes were to be imposed, they could adversely affect the operation of our business.

In the United States, there have been and continue to be a number of legislative initiatives to contain health care costs. For example, in March 2010, the ACA was passed, which substantially changed the way health care is financed by both governmental and private insurers and significantly impacted the United States pharmaceutical industry. The ACA, among other things, subjected biological products to potential competition by lower-cost biosimilars; addressed a new methodology by which rebates owed by manufacturers under the Medicaid Drug Rebate Program are calculated for drugs that are inhaled, infused, instilled, implanted or injected; increased the minimum Medicaid rebates owed by manufacturers under the Medicaid Drug Rebate Program; and extended the rebate program to individuals enrolled in Medicaid managed care organizations. It also established annual fees and taxes on manufacturers of certain branded prescription drugs and creates a new Medicare Part D coverage gap discount program in which manufacturers must now agree to offer 50% point of sale discounts off negotiated prices of applicable brand drugs to eligible beneficiaries during their coverage gap period as a condition for the manufacturer’s outpatient drugs to be covered under Medicare Part D.

Since its enactment, there have been judicial, executive and Congressional challenges to certain aspects of the ACA. On June 17, 2021, the U.S. Supreme Court dismissed the most recent judicial challenge to the ACA without specifically ruling on the constitutionality of the ACA. Prior to the Supreme Court's decision, President Biden issued an executive order initiating a special enrollment period from February 15, 2021 through August 15, 2021 for purposes of obtaining health insurance coverage through the ACA marketplace. The executive order also instructed certain governmental agencies to review and reconsider their existing policies and rules that limit access to healthcare. More recently, on March 11, 2021, President Biden signed the American Rescue Plan Act of 2021 into law, which eliminates the statutory Medicaid drug rebate cap, currently set at 100% of a drug's average manufacturer price, beginning January 1, 2024. It is unclear how other healthcare reform measures of the Biden administration, if any, will impact our business.

These laws and future state and federal health care reform measures may be adopted in the future, any of which may result in additional reductions in Medicare and other health care funding and otherwise affect the prices we may obtain for any of our product candidates for which we may obtain regulatory approval or the frequency with which any such product candidate is prescribed or used.

A similar movement is observed in the European Union countries. Criteria for pricing and reimbursement, which vary from country to country, are regularly amended and tightened in order to reduce the draw on the budget allocated to national health insurance systems. Moreover, the system of reference pricing (the price in a country calculated on the basis of prices in other countries with typically lower prices) leads to price reductions in countries that traditionally granted high prices.

Disruptions at the FDA and other government agencies and entities, such as the U.S. Department of Defense, caused by funding shortages, government shutdowns, global health concerns or other causes could hinder their ability to hire, retain or deploy key leadership and other personnel, or otherwise prevent new or modified products from being developed, approved or commercialized in a timely manner or at all, which could negatively impact our business.

The ability of the FDA to review and or approve new products can be affected by a variety of factors, including government budget and funding levels, government shutdowns, statutory, regulatory, and policy changes, the FDA's ability to hire and retain key personnel and accept the payment of user fees, and other events that may otherwise affect the FDA's ability to perform routine functions. Average review times at the FDA have fluctuated in recent years as a result. Any material reductions in the ability of FDA to perform these and other functions may delay the development and approval of our product candidates. Recent actions by the Trump administration have caused concern in the industry that this may occur. For example, beginning on February 13, 2025, the Department of Health and Human Services began firing a large number of its probationary employees, a category that includes new federal employees and employees recently promoted or transferred to new positions or agencies. Reports indicate that 5,000 out of 80,000 employees have been terminated. Although we cannot be certain at this early stage, these terminations and others, if they withstand legal challenges, may significantly delay and impede our interactions with FDA. Similar results may stem from the recent confirmed resignations of some senior FDA employees with responsibility for regulation of drugs and biologics, as well as possible future layoffs and resignations. There are also reports that the Trump administration intends to request Congress to reduce FDA funding in upcoming budgets. Such funding cuts may also delay the development and approval of our products.

In addition, government funding of other government agencies that fund research and development activities is subject to the political process, which is inherently fluid and unpredictable. For instance, we have funded our research and development from grants, including grants from MTEC, a consortium working in partnership with the U.S. Department of Defense. In connection therewith, in 2019, APT entered into the Research Agreement, with the USAMRAA and the USAMRDC, to advance personalized phage therapy from niche to broad use and have received awards under this agreement. Cost cutting of grants and other disruptions at the Department of Defense, the FDA and other regulatory authorities may also lengthen the time necessary for new drugs and biologics to be developed, reviewed and/or approved by necessary regulatory authorities, which would adversely affect our business, or require us to obtain alternative funding and other resources, if available.

We are subject to certain U.S. and foreign anticorruption, anti-money laundering, export control, sanctions and other trade laws and regulations. We can face serious consequences for violations.

Among other matters, U.S. and foreign anticorruption, anti-money laundering, export control, sanctions and other trade laws and regulations, which are collectively referred to as Trade Laws, prohibit companies and their employees, agents, clinical research organizations, legal counsel, accountants, consultants, contractors and other partners from authorizing, promising, offering, providing, soliciting or receiving, directly or indirectly, corrupt or improper payments or anything else of value to or from recipients in the public or private sector. Violations of Trade Laws can result in substantial criminal fines and civil penalties, imprisonment, the loss of trade privileges, debarment, tax reassessments, breach of contract and fraud litigation, reputational harm, and other consequences. We have direct or indirect interactions with officials and employees of government agencies or government-affiliated hospitals, universities and other organizations. We also expect our non-U.S. activities to increase over time. We plan to engage third parties for clinical trials and/or to obtain necessary permits, licenses, patent registrations and other regulatory approvals, and we can be held liable for the corrupt or other illegal activities of our personnel, agents or partners, even if we do not explicitly authorize or have prior knowledge of such activities.

Risks Related to our Licensed and Co-Owned Intellectual Property

We are highly dependent on intellectual property licensed from third parties, and termination or limitation of any of these licenses could result in the loss of significant rights and materially harm our business.

We currently rely on licenses from third-party collaborators for certain aspects of our technology and for certain of our existing programs. In particular, we received exclusive, royalty-bearing licenses to certain patents held by third parties.

If we fail to comply with our obligations under our license agreements, including payment terms, our licensors may have the right to terminate our license agreements, in which event we may not be able to develop, manufacture, market or sell the products covered by those license agreements. We may also face other penalties under our license agreements if we do not meet our contractual obligations. Such an occurrence could materially adversely affect the value of our products being developed under any such license agreements. Termination of one or more of our license agreements, or reduction or elimination of our rights under these license agreements, may result in us having to negotiate new or reinstated license agreements, which may not be available to us on equally favorable terms, or at all, which may mean we are unable to commercialize the affected product candidates. In addition, termination of our license agreements could cause significant delays in our product and commercialization efforts that could prevent us from commercializing our product candidates, including our phage-based therapeutic product candidates, without first expanding our internal capabilities or entering into other agreements with third parties. Any alternative collaboration or license could also be on less favorable terms to us.

In the future, we may rely upon additional licenses to certain patent rights and proprietary technology from third parties that are important or necessary to the development of our product candidates and proprietary product platform. Patent rights that we in-license in the future may be subject to a reservation of rights by one or more third parties. As a result, any such third party may have certain rights to such intellectual property.

In addition, subject to the terms of any such license agreements, we may not have the right to control the preparation, filing, prosecution and maintenance, and we may not have the right to control the enforcement and defense, of patents and patent applications covering the technology that we license from third parties. We cannot be certain that our in-licensed patent applications (and any patents issuing therefrom) that are controlled by our licensors will be prepared, filed, prosecuted, maintained, enforced and defended in a manner consistent with the best interests of our business. If our licensors fail to prosecute, maintain, enforce and defend such patents rights, or lose rights to those patent applications (or any patents issuing therefrom), the rights we have licensed may be reduced or eliminated, our right to develop and commercialize any of our product candidates and proprietary product platform technology that are subject of such licensed rights could be adversely affected, and we may not be able to prevent competitors from making, using and selling competing products. Moreover, we cannot be certain that such activities by our potential future licensors will be conducted in compliance with applicable laws and regulations or will result in valid and enforceable patents or other intellectual property rights. In addition, even where we may have the right to control the prosecution of patents and patent applications that we may license to and from third parties, we may still be adversely affected or prejudiced by actions or inactions of our potential future licensees, licensors and their counsel that took place prior to the date of assumption of control over patent prosecution.

The patent position of biopharmaceutical companies, including ours and our licensors', is generally uncertain and involves complex legal and factual considerations and, therefore, validity and enforceability cannot be predicted with certainty. Our licensed and co-owned intellectual property may be challenged, deemed unenforceable, invalidated or circumvented. We and our licensors will be able to protect our intellectual property rights from unauthorized use by third parties only to the extent that these rights (and the products and services they cover) are protected by valid and enforceable patents, copyrights or trademarks, or are effectively maintained as trade secrets.

Any patents obtained by our licensors or us, may be challenged by re-examination or otherwise invalidated or eventually found unenforceable. Both the patent application process and the process of managing patent disputes can be time consuming and expensive. If we or one of our licensors were to initiate legal proceedings against a third party to enforce a patent relating to one of our products, the defendant in such litigation could counterclaim that the asserted patents are invalid and/or unenforceable. In patent litigation in the U.S., defendant counterclaims alleging invalidity or unenforceability are common, as are validity challenges by the defendant against the subject patent or related patents before the USPTO. Grounds for a validity challenge could be an alleged failure to meet any of several statutory patentability requirements, including lack of novelty, obviousness, non-enablement, failure to meet the written description requirement, indefiniteness, and/or failure to claim patentable subject matter. Grounds for an unenforceability assertion could be an allegation that someone connected to prosecution of the patent/s at issue intentionally withheld material information from the USPTO or made a misleading statement during prosecution. Additional grounds for an unenforceability assertion include an allegation of misuse or anticompetitive use of patent rights, and an allegation of incorrect inventorship with deceptive intent. Third parties may also raise similar claims before the USPTO, even outside the context of litigation. The outcome of any assertion of invalidity and/or unenforceability is unpredictable. If a defendant or third party were to prevail on a legal assertion of invalidity and/or unenforceability, we and our licensors would lose at least part, and perhaps all, of the claims of the challenged patent/s. Such a loss of patent protection could have a material adverse impact on our business.

We are dependent on patents and proprietary technology. If we fail to adequately protect this intellectual property or if we otherwise do not have exclusivity for the marketing of our products, our ability to commercialize products could suffer.

Our commercial success will depend in part on our ability to obtain and maintain patent protection sufficient to prevent others from marketing our product candidates, as well as to defend and enforce these patents against infringement and to operate without infringing the proprietary rights of others. Protection of our product candidates from unauthorized use by third parties will depend on having valid and enforceable patents that cover our product candidates or their manufacture or use or on having effective trade secret protection. If our patent applications do not result in issued patents or if our patents are found to be invalid, we will lose the ability to exclude others from making, using or selling the inventions claimed therein. We have a limited number of patents and pending patent applications.

The patent positions of biotechnology companies can be uncertain and involve complex legal and factual questions. This is due to inconsistent application of policies and changes in policy relating to the examination and enforcement of biotechnology patents to date on a global scale. The laws of some countries may not protect intellectual property rights to the same extent as the laws of countries having well-established patent systems, and those countries may lack adequate rules and procedures for defending our intellectual property rights. Also, changes in either patent laws or in the interpretations of patent laws may diminish the value of our intellectual property. We are not able to guarantee that all of our patent applications will result in the issuance of patents, and we cannot predict the breadth of claims that may be allowed in our patent applications or in the patent applications we may license from others.

The Leahy-Smith America Invents Act provides for proceedings involving post-issuance patent review procedures, such as inter partes review, or IPR, and post-grant review, that allow third parties to challenge the validity of an issued patent in front of the USPTO Patent Trial and Appeal Board. Each proceeding has different eligibility criteria and different patentability challenges that can be raised. IPRs permit any person (except a party who has been litigating the patent for more than a year) to challenge the validity of the patent on the grounds that it was anticipated or made obvious by prior art. Patents covering pharmaceutical products have been subject to attack in IPRs from generic drug companies and from hedge funds. If it is within nine months of the issuance of the challenged patent, a third party can petition the USPTO for post-grant review, which can be based on any invalidity grounds and is not limited to prior art patents or printed publications.

In post-issuance proceedings, USPTO rules and regulations generally tend to favor patent challengers over patent owners. For example, unlike in district court litigation, claims challenged in post-issuance proceedings are given their broadest reasonable meaning, which increases the chance a claim might be invalidated by prior art or lack support in the patent specification. As another example, unlike in district court litigation, there is no presumption of validity for an issued patent, and thus a challenger’s burden to prove invalidity is by a preponderance of the evidence, as opposed to the heightened clear and convincing evidence standard. As a result of these rules and others, statistics released by the USPTO show a high percentage of claims being invalidated in post-issuance proceedings. Moreover, with few exceptions, there is no standing requirement to petition the USPTO for inter partes review or post-grant review. In other words, companies that have not been charged with infringement or that lack commercial interest in the patented subject matter can still petition the USPTO for review of an issued patent. Thus, even where we have issued patents, our rights under those patents may be challenged and ultimately not provide us with sufficient protection against competitive products or processes.

The degree of future protection for our proprietary rights is uncertain, because legal means afford only limited protection and may not adequately protect our rights or permit us to gain or keep our competitive advantage. For example:

- we might not be the first to file patent applications for our inventions;
- others may independently develop similar or alternative product candidates to any of our product candidates that fall outside the scope of our patents;
- our pending patent applications may not result in issued patents;
- our issued patents may not provide a basis for commercially viable products or may not provide us with any competitive advantages or may be challenged by third parties;
- others may design around our patent claims to produce competitive products that fall outside the scope of our patents;
- we may not develop additional patentable proprietary technology related to our product candidates; and
- we are dependent upon the diligence of our appointed agents in national jurisdictions, acting for and on our behalf, which control the prosecution of pending domestic and foreign patent applications and maintain granted domestic and foreign patents.

An issued patent does not guarantee us the right to practice the patented technology or commercialize the patented product. Third parties may have blocking patents that could be used to prevent us from commercializing our patented products and practicing our patented technology. Our issued patents and those that may be issued in the future may be challenged, invalidated or circumvented, which could limit our ability to prevent competitors from marketing the same or related product candidates or could limit the length of the term of patent protection of our product candidates. Moreover, because of the extensive time required for development, testing and regulatory review of a potential product, it is possible that, before any of our product candidates can be commercialized, any related patent may expire or remain in force for only a short period following commercialization, thereby reducing any advantage of the patent. Patent term extensions may not be available for these patents.

Our rights to develop and commercialize our product candidates and proprietary product platform may be subject, in part, to the terms and conditions of current and future licenses granted to us by others.

Some of our licensed rights could provide us with freedom to operate for aspects of our products and services. We may need to obtain additional licenses from others to advance our research, development and commercialization activities.

Disputes may arise between us and our licensors regarding intellectual property subject to a license agreement, including:

- the scope of rights granted under the license agreement and other interpretation-related issues;
- whether, and the extent to which, our products, services, technology and processes infringe on the intellectual property of the licensor that is not subject to the license agreement;
- our right to sublicense patent and other rights to third parties under collaborative development relationships;
- our diligence obligations under the license agreement and what activities satisfy those diligence obligations;
- the inventorship and ownership of inventions and know-how resulting from the joint creation or use of intellectual property by our licensors and us and our collaborators; and
- the priority of invention of patented technology.

If we do not prevail in such disputes, we may lose any or all of our rights under such license agreements.

In addition, the agreements under which we currently license intellectual property or technology from third parties are complex, and certain provisions in such agreements may be susceptible to multiple interpretations. The resolution of any contract interpretation disagreement that may arise could narrow what we believe to be the scope of our rights to the relevant intellectual property or technology or could increase what we believe to be our financial or other obligations under the relevant agreement, either of which could have a material adverse effect on our business, financial condition, results of operations and prospects. Moreover, if disputes over intellectual property that we have licensed prevent or impair our ability to maintain our current licensing arrangements on commercially acceptable terms, we may be unable to successfully develop and commercialize any affected products or services, which could have a material adverse effect on our business, financial conditions, results of operations and prospects.

Absent the license agreements, we may infringe patents subject to those agreements, and, if the license agreements are terminated, we may be subject to litigation by the licensor. Litigation could result in substantial costs to us and distract our management. If we do not prevail, we may be required to pay damages, including treble damages, attorneys' fees, costs and expenses and royalties. We may also be enjoined from selling our products or services, which could adversely affect our ability to offer products or services, our ability to continue operations, and our financial condition.

If we infringe the rights of third parties, we could be prevented from selling products, forced to pay damages and/or royalties, and forced to defend against litigation.

We do not believe that the products we are currently developing infringe upon the rights of any third parties or are infringed upon by third parties. However, there can be no assurance that our technology will not be found in the future to infringe upon the rights of others or be infringed upon by others. Moreover, patent applications are in some cases maintained in secrecy until patents are issued. The publication of discoveries in the scientific or patent literature frequently occurs much later than the date on which the underlying discoveries were made and patent applications were filed. Because patents can take many years to issue, there may be currently pending applications of which we are unaware that may later result in issued patents that our products or product candidates infringe. For example, pending patent applications may exist that provide support or can be amended to provide support for a claim that results in an issued patent that is infringed by one or more of our products. In such a case, others may assert infringement claims against us, and should we be found to infringe these patents or impermissibly use their intellectual property, we might be forced to pay damages, potentially including treble damages, if we are found to have willfully infringed on such third parties' patent rights.

In addition to any damages we might have to pay, we may also be required to obtain licenses from the holders of this intellectual property, enter into royalty agreements, or redesign our products so as not to use this intellectual property. Each of these penalties may prove to be uneconomical or otherwise impossible. We may fail to obtain any such licenses or intellectual property rights on commercially reasonable terms. Even if we are able to obtain a license, it may be non-exclusive, thereby giving our competitors access to the same licensed technologies. In that event, we may be required to spend significant time and resources to develop or license replacement technologies. If we are unable to do so, we may be unable to develop or commercialize the affected products, which could materially harm our business. Conversely, we may not be able to pursue claims against third parties that infringe on our licensed or co-owned technology. Thus, our licensed and co-owned technology may not provide adequate protection against competitors.

The pharmaceutical industry is characterized by extensive litigation regarding patents and other intellectual property rights. Moreover, the cost to us of any litigation or other proceeding relating to our licensed and/or co-owned intellectual property rights, even if resolved in our favor, could be substantial. Any such litigation would divert our management efforts, and we may not have sufficient resources to bring any such action to a successful conclusion. Uncertainties resulting from the initiation and continuation of any litigation could limit our ability to continue operations.

Additionally, because our pipeline may involve additional development candidates that could require the use of proprietary rights held by third parties, the growth of our business could depend in part on our ability to acquire, in-license or use these proprietary rights. In addition, our development candidates may require specific formulations to work effectively and efficiently and these rights may be held by others. We may be unable to acquire or in-license any compositions, methods of use, processes or other third-party intellectual property rights from third parties that we identify. The licensing and acquisition of third-party intellectual property rights is a competitive area, and a number of more established companies are also pursuing strategies to license or acquire third-party intellectual property rights that we may consider attractive. These established companies may have a competitive advantage over us due to their size, cash resources, and greater clinical development and commercialization capabilities.

For example, we sometimes collaborate with U.S. and foreign academic institutions to accelerate our preclinical research or development under written agreements with these institutions. Typically, these institutions provide us with an option to negotiate a license to any of the institution's rights in technology resulting from the collaboration. Regardless of such right of first negotiation for intellectual property, we may be unable to negotiate a license within the specified time frame or under terms that are acceptable to us. If we are unable to do so, the institution may offer the intellectual property rights to other parties, potentially blocking our ability to pursue our program.

In addition, companies that perceive us to be a competitor may be unwilling to assign or license rights to us. We also may be unable to license or acquire third-party intellectual property rights on terms that would allow us to make an appropriate return on our investment. If we are unable to successfully obtain rights to require third-party intellectual property rights, our business, financial condition and prospects for growth could suffer.

We may not be successful in obtaining, through acquisitions, in-licenses or otherwise, necessary rights to our product candidates, proprietary product platform technologies or other technologies.

We currently have rights to certain intellectual property, through licenses from third parties, to develop our product candidates and proprietary product platform technologies. Some healthcare companies and academic institutions are competing with us in the field of phage-based therapies and may have patents and/or have filed and are likely filing patent applications potentially relevant to our business. In order to avoid infringing these third-party patents, we may find it necessary or prudent to obtain licenses to such patents from such third-party intellectual property holders. We may also require licenses from third parties for certain technologies that we may be evaluating for use with our current or future product candidates. However, we may be unable to secure such licenses or otherwise acquire or in-license any compositions, methods of use, processes or other intellectual property rights from third parties that we identify as necessary for our current or future product candidates and our proprietary product platform at a reasonable cost or on reasonable terms, if at all. The licensing or acquisition of third-party intellectual property rights is a competitive area, and several more established companies may pursue strategies to license or acquire third-party intellectual property rights that we may consider attractive or necessary. These established companies may have a competitive advantage over us due to their size, capital resources and greater clinical development and commercialization capabilities. In addition, companies that perceive us to be a competitor may be unwilling to assign or license rights to us. We also may be unable to license or acquire third-party intellectual property rights on terms that would allow us to make an appropriate return on our investment or at all.

In the event that we try to obtain rights to required third-party intellectual property rights and are ultimately unsuccessful, we may be required to expend significant time and resources to redesign our technology, product candidates or the methods for manufacturing them or to develop or license replacement technology, all of which may not be feasible on a technical or commercial basis. If we are unable to do so, we may be unable to develop or commercialize the affected product candidates or continue to utilize our existing proprietary product platform technology, which could significantly harm our business, financial condition, results of operations and prospects.

We rely on our proprietary product platform to identify phage-based therapies. Our competitive position could be materially harmed if our competitors develop a similar platform and develop rival product candidates.

We rely on know-how, inventions and other proprietary information to strengthen our competitive position. We consider know-how to be our primary intellectual property with respect to our proprietary product platform. Our clinical trials allow us to collect clinical data, which we use as a feedback loop to make improvements to our proprietary product platform. In particular, we anticipate that, with respect to this proprietary product platform, this data may over time be disseminated within the industry through independent development, the publication of journal articles describing the method and the movement of skilled personnel.

We cannot rule out that our competitors may have or obtain the knowledge necessary to analyze and characterize similar data to our known data for the purpose of identifying and developing products that could compete with any of our product candidates. Our competitors may also have significantly greater financial, product development, technical and human resources access to date. Further, our competitors may have significantly greater experience in using translational science methods to identify and develop product candidates.

We may not be able to prohibit our competitors from using technology or methods that are the same as or similar to our proprietary product platform to develop their own product candidates. If our competitors develop associated therapies, our ability to develop and market a promising product or product candidate may diminish substantially, which could have a material adverse effect on our business, financial condition, prospects and results of operations.

We rely on trade secrets and other forms of non-patent intellectual property protection. If we are unable to protect our trade secrets, other companies may be able to compete more effectively against us.

We rely on trade secrets to protect certain aspects of our technology, including our proprietary processes for manufacturing and purifying bacteriophage. Trade secrets are difficult to protect, especially in the pharmaceutical industry, where much of the information about a product must be made public during the regulatory approval process. Although we use reasonable efforts to protect our trade secrets, our employees, consultants, contractors, outside scientific collaborators and other advisors may unintentionally or willfully disclose our information to competitors. Enforcing a claim that a third party illegally obtained and is using our trade secret information is expensive and time-consuming, and the outcome is unpredictable. In addition, courts outside the United States may be less willing to or may not protect trade secrets. Moreover, our competitors may independently develop equivalent knowledge, methods and know-how.

If we are sued for infringing intellectual property rights of third parties or if we are forced to engage in an interference proceeding, it will be costly and time-consuming, and an unfavorable outcome in that litigation or interference would have a material adverse effect on our business.

Our ability to commercialize our product candidates depends on our ability to develop, manufacture, market and sell our product candidates without infringing the proprietary rights of third parties. Numerous U.S. and foreign patents and patent applications, which are owned by third parties, exist in the general field of anti-infective products or in fields that otherwise may relate to our product candidates. If we are shown to infringe, we could be enjoined from the use or sale of the claimed invention if we are unable to prove that the patent is invalid. In addition, because patent applications can take many years to issue, there may be currently pending patent applications, unknown to us, that may later result in issued patents that our product candidates may infringe or that may trigger an interference proceeding regarding one of our owned or licensed patents or applications. There could also be existing patents of which we are not aware that our product candidates may inadvertently infringe or that may become involved in an interference proceeding.

The biotechnology and pharmaceutical industries are characterized by the existence of a large number of patents and frequent litigation based on allegations of patent infringement. For so long as our product candidates are in clinical trials, we believe our clinical activities fall within the scope of the exemptions provided by 35 U.S.C. Section 271(e) in the United States, which exempts from patent infringement liability activities reasonably related to the development and submission of information to the FDA. As our clinical investigational drug product candidates progress toward commercialization, the possibility of a patent infringement claim against us increases. While we attempt to ensure that our active clinical investigational drugs and the methods we employ to manufacture them, as well as the methods for their use we intend to promote, do not infringe other parties' patents and other proprietary rights, we cannot be certain they do not, and competitors or other parties may assert that we infringe their proprietary rights in any event.

We may be exposed to future litigation based on claims that our product candidates, the methods we employ to manufacture them or the uses for which we intend to promote them infringe the intellectual property rights of others. Our ability to manufacture and commercialize our product candidates may depend on our ability to demonstrate that the manufacturing processes we employ and the use of our product candidates do not infringe third-party patents. If third-party patents were found to cover our product candidates or their use or manufacture, we could be required to pay damages or be enjoined and therefore unable to commercialize our product candidates, unless we obtained a license. A license may not be available to us on acceptable terms, if at all.

Risks Related to Our Reliance on Third Parties

We rely, and continue to rely, on third parties to conduct our clinical trials, and those third parties may not perform satisfactorily, including failing to meet deadlines for the completion of such trials.

We continue to rely on third parties, such as contract research organizations, or CROs, and clinical investigators, to conduct and manage our clinical trials.

Our reliance on these third parties for research and development activities will reduce our control over these activities but does not relieve us of our responsibilities. For example, we remain responsible for ensuring that each of our clinical trials is conducted in accordance with the general investigational plan and protocols for the trial. Moreover, the FDA requires us to comply with GCPs for conducting, recording and reporting the results of clinical trials to assure that data and reported results are credible and accurate and that the rights, safety and welfare of trial participants are protected. Other countries' regulatory agencies also have requirements for clinical trials with which we must comply. We are also required to register ongoing clinical trials and post the results of completed clinical trials in a government-sponsored database, clinicaltrials.gov, within specified time frames. Failure to do so can result in fines, adverse publicity, and civil and criminal sanctions.

Furthermore, these third parties may also have relationships with other entities, some of which may be our competitors. If these third parties do not successfully carry out their contractual duties, do not meet expected deadlines, experience work stoppages, terminate their agreements with us or need to be replaced, or do not conduct our clinical trials in accordance with regulatory requirements or our stated protocols, we may need to enter into new arrangements with alternative third parties, which could be difficult, costly or impossible, and our clinical trials may be extended, delayed, terminated or need to be repeated. If any of the foregoing occurs, we may not be able to obtain, or may be delayed in obtaining, marketing approvals for our product candidates and may not be able to, or may be delayed in our efforts to, successfully commercialize our product candidates.

We also rely on other third parties to store and distribute drug supplies for our clinical trials. Any performance failure on the part of our distributors could delay clinical development or marketing approval of our product candidates or commercialization of our products, producing additional losses and depriving us of potential product revenue.

Third-party relationships are important to our business. If we are unable to maintain our collaborations or enter into new relationships, or if these relationships are not successful, our business could be adversely affected.

We have limited capabilities for product development and do not yet have any capability for sales, marketing or distribution. Accordingly, we enter into relationships with other companies and academic institutions to provide us with important technology, and we may receive additional technology and funding under these and other collaborations in the future. The relationships we enter into may pose a number of risks, including the following:

- third parties have, and future third-party collaborators may have, significant discretion in determining the efforts and resources that they will apply;
- current and future third parties may not perform their obligations as expected;
- current and future third parties may not pursue development and commercialization of any product candidates that achieve regulatory approval or may elect not to continue or renew development or commercialization programs based on clinical trial results, changes in the third parties' strategic focus or available funding, or external factors, such as a strategic transaction that may divert resources or create competing priorities;

- third parties may delay clinical trials, provide insufficient funding for a clinical trial program, stop a clinical trial or abandon a product candidate, repeat or conduct new clinical trials or require a new formulation of a product candidate for clinical testing;

- current and future third parties could independently develop, or develop with third parties, products that compete directly or indirectly with our products and product candidates if the third parties believe that the competitive products are more likely to be successfully developed or can be commercialized under terms that are more economically attractive than ours;

- product candidates discovered in collaboration with us may be viewed by our current or future third parties as competitive with their own product candidates or products, which may cause such third parties to cease to devote resources to the commercialization of our product candidates;

- current and future third parties may fail to comply with applicable regulatory requirements regarding the development, manufacture, distribution or marketing of a product candidate or product;

- current and future third parties with marketing and distribution rights to one or more of our product candidates that achieve regulatory approval may not commit sufficient resources to the marketing and distribution of such product or products;

- disagreements with current or future third parties, including disagreements over proprietary rights, contract interpretation or the preferred course of development, might cause delays or terminations of the research, development or commercialization of product candidates, might lead to additional responsibilities for us with respect to product candidates, or might result in litigation or arbitration, any of which would be time-consuming and expensive;

- current and future third parties may not properly maintain or defend our intellectual property rights or may use our proprietary information in such a way as to invite litigation that could jeopardize or invalidate our intellectual property or proprietary information or expose us to potential litigation;

- current and future third parties may infringe the intellectual property rights of others, which may expose us to litigation and potential liability;

- current and future third parties may infringe regulatory frameworks (such as, but not limited to, cybersecurity and/or privacy frameworks), which may expose us to litigation and potential liability or require or lead us to terminate relationships with them;

- if a current or future third party is involved in a business combination, the collaborator might deemphasize or terminate the development or commercialization of any product candidate licensed to it by us; and

- current and future relationships may be terminated by the collaborator, and, if terminated, we could be required to raise additional capital to pursue further development or commercialization of the applicable product candidates.

If our relationships do not result in the successful discovery, development and commercialization of products or if one of our third-party collaborators terminates its agreement with us, we may not receive any future research funding or milestone or royalty payments under the collaboration. If we do not receive the funding we expect under these agreements, our development of our technology and product candidates could be delayed, and we may need additional resources to develop product candidates and our technology. Additionally, if any of our current or future third-party collaborators terminates its agreement with us, we may find it more difficult to attract new collaborators, and our reputation in the business and financial communities could be adversely affected.

Relationships are complex and time-consuming to negotiate and document. In addition, there have been a significant number of recent business combinations among large pharmaceutical companies that have resulted in a reduced number of potential future collaborators. We face significant competition in seeking appropriate collaborators. Our ability to reach a definitive agreement for a collaboration will depend, among other things, upon our assessment of a collaborator's resources and expertise, the terms and conditions of a proposed collaboration and a proposed collaborator's evaluation of a number of factors.

We may not be successful in maintaining or establishing collaborations, which could adversely affect our ability to develop and, if required regulatory approvals are obtained, commercialize our product candidates.

In the future, in order to advance our clinical development, or in connection with any potential out-licensing of product candidates or technologies, we may seek to enter into collaboration agreements. In addition, we may consider entering into collaboration arrangements with medical technology, pharmaceutical or biotechnology companies and/or seek to establish strategic relationships with marketing partners for the development, sale, marketing and/or distribution of our product candidates within or outside of the United States. If we are unable to reach agreements with potential collaborators, then we may fail to meet our business objectives for the affected product candidates or programs. Collaboration arrangements are complex and time-consuming to negotiate, document and implement, and we may not be successful in our efforts, if any, to establish and implement collaborations or other alternative arrangements. The terms of any collaboration or other arrangements that we establish may not be favorable to us, and the success of any such collaboration will depend heavily on the efforts and activities of our collaborators. Moreover, our collaboration agreement could be terminated or not renewed by a third party at a time that is costly or damaging to us. Any failure to engage successful collaborators could cause delays in our product development and/or commercialization efforts, which could harm our financial condition and operational results.

Risks Related to Manufacturing and Supply

We rely on third parties to manufacture our clinical supply of product candidates and we intend to rely on third parties to produce and process our products, if approved.

We currently rely on outside vendors to supply raw materials and other important components, such as lab equipment. Additionally, our clinical trial material is being manufactured by an outsourced contract manufacturing operation as our current GMP facility was put on hold. We have not yet caused any product candidates to be manufactured or processed on a commercial scale and may not be able to do so for any of our product candidates. We will make changes as it works to optimize the manufacturing process for our product candidates, and we cannot be sure that even minor changes in the process will result in therapies that are safe and effective.

The facilities used to manufacture our product candidates must be approved by the FDA or equivalent foreign regulatory agencies pursuant to inspections that will be conducted after we submit a marketing application to the FDA or equivalent foreign regulatory agency. Additionally, any facilities used for the manufacture of product candidates commercialized for non-therapeutic uses will be subject to inspection by the FDA and foreign regulatory agencies. We do not currently control all aspects of the manufacturing process of, and are currently largely dependent on, our contract manufacturing partners for compliance with regulatory requirements, known as cGMP requirements, for manufacture of our product candidates. If and when our manufacturing facility becomes operational, we will be responsible for compliance with cGMP requirements. If we or our contract manufacturers cannot successfully manufacture in conformance with our specifications and the strict regulatory requirements of the FDA or other regulatory authorities, we and they will not be able to secure and/or maintain regulatory approval for their manufacturing facilities with respect to the manufacture of our product candidates. In addition, we have no control over the ability of our contract manufacturers to maintain adequate quality control, quality assurance and qualified personnel. If the FDA or an equivalent foreign regulatory agency does not approve these facilities for the manufacture of our product candidates or if it withdraws any such approval in the future, we may need to find alternative manufacturing facilities, which would significantly impact our ability to develop, obtain regulatory approval for or market our product candidates, if approved.

We have limited experience manufacturing our product candidates for purposes of clinical trials for therapeutic indications or for non-therapeutic clinical studies or trials. We cannot assure you that we can manufacture our product candidates in compliance with regulations at a cost or in quantities necessary to make them commercially viable.

Our product candidates rely on the availability of specialty raw materials, which may not be available to us on acceptable terms or at all.

Our product candidates require certain specialty raw materials, some of which we obtain from small companies with limited resources and experience to support a commercial product. These third-party suppliers may be ill-equipped to support our needs, especially in non-routine circumstances like an FDA inspection or medical crisis, such as widespread contamination. We do not currently have contracts in place with all of the suppliers that we may need at any point in time and, if needed, may not be able to contract with them on acceptable terms or at all. Accordingly, we may experience delays in receiving key raw materials to support clinical or commercial manufacturing.

Risks Related to Our Common Stock

A significant number of shares of our Common Stock are subject to issuance upon exercise of outstanding warrants and options or conversion of our Convertible Preferred Stock, which upon such exercise or conversion, as applicable, may result in dilution to our security holders.

As of December 31, 2025, we had warrants outstanding to purchase an aggregate of up to 1,205,920 shares of Common Stock with a weighted average exercise price of $24.2, or collectively, the Outstanding Warrants, in each case subject to adjustment. Additionally, we had Convertible Preferred Stock that can be converted into 776,383 shares of Common Stock. To the extent such Outstanding Warrants are exercised or Convertible Preferred Stock are converted, additional shares of our Common Stock will be issued, which will result in dilution to the then existing holders of Common Stock and increase the number of shares eligible for resale in the public market. Sales of substantial numbers of such shares in the public market could adversely affect the market price of our Common Stock.

In addition, as of December 31, 2025, we had outstanding vested and unvested options to purchase 150,387 shares of our Common Stock. To the extent any of these options are exercised, additional shares of Common Stock will be issued that will generally be eligible for resale in the public market (subject to limitations under Rule 144 under the Securities Act with respect to shares held by our affiliates), which will result in dilution to our security holders.

As of February 16, 2026, and following the completion of the transactions contemplated by the 2025 Second SPA (as defined above), we had warrants outstanding to purchase an aggregate of up to 4,604,920 shares of Common Stock with a weighted average exercise price of $10.30 per share, Series X Convertible Preferred Stock that can be converted into 776,383 shares of Common Stock and 3,300 shares of Series Y Convertible Preferred Stock that can be converted into shares of Common Stock at a conversion price of $2.00 per share, subject to customary adjustments.

We may issue additional options, warrants and shares of preferred stock in the future. Furthermore, the issuance of additional shares of our Common Stock upon exercise of such securities, as applicable, will result in dilution to the then existing holders of Common Stock and could also have an adverse effect on the market price of our Common Stock.

We have never paid dividends on our Common Stock, and we do not anticipate paying any cash dividends on our Common Stock in the foreseeable future.

We have never declared or paid cash dividends on our Common Stock. We do not anticipate paying any cash dividends on our Common Stock in the foreseeable future. However, in connection with the issuance of our Series Y Preferred Stock, as described below, we are required to accrue dividends on such preferred stock at a rate of 15.0% per annum, compounded quarterly, payable in arrears, which dividends may, at the holder's sole discretion, be paid in cash (subject to legally available funds) or in shares of our common stock through conversion mechanics, and such dividend rate increases to 24.0% per annum upon the occurrence and during the continuance of a Triggering Event (as defined in the certificate of designations). In addition, while any shares of Series Y Convertible Preferred Stock remain outstanding, we are restricted from declaring or paying cash dividends on any class of our capital stock, other than as required under the applicable certificate of designations.

Subject to the above, we currently intend to retain all available funds and any future earnings to fund the development and growth of our business. As a result, capital appreciation, if any, of our Common Stock will be our stockholders' sole source of gain for the foreseeable future.

We may be unable to maintain the listing of our securities in the future.

Our Common Stock trades on NYSE American, which imposes continued listing requirements with respect to listed shares. If we fail to satisfy the continued listing standards, such as, for example, the requirement that our shares not trade "for a substantial period of time at a low price per share" or fail to meet stockholders equity requirements, among other requirements, or if the NYSE American determines that we do not maintain sufficient ongoing business operations, or if we are unable to identify, pursue or successfully implement a viable alternative business strategy, the NYSE American may issue a non-compliance letter or initiate delisting proceedings. If our Common Stock is delisted, we could face significant material adverse consequences, including:

- a limited availability of market quotations for our securities;
- reduced liquidity with respect to our securities;
- a determination that our shares are a "penny stock," which will require brokers trading in our securities to adhere to more stringent rules, possibly resulting in a reduced level of trading activity in the secondary trading market for our securities;
- a limited amount of news and analyst coverage for the Company; and
- a decreased ability to issue additional securities or obtain additional financing in the future.

The market price of our Common Stock and other securities may be volatile and fluctuate substantially, which could result in substantial losses for purchasers of our Common Stock.

The stock markets in general and the markets for biotechnology stocks have experienced extreme volatility. The market for the common stock of smaller companies such as ours is characterized by significant price volatility when compared to the shares of larger, more established companies that trade on a national securities exchange and have large public floats, and our share price is more volatile than the shares of such larger, more established companies for the indefinite future.

In addition to the factors discussed in this "Risk Factors" section, price declines in our Common Stock (and other securities) could also result from general market and economic conditions and a variety of other factors, including:

- developments regarding our evaluation and pursuit of strategic alternatives and other business opportunities;
- adverse actions taken by regulatory agencies with respect to our product candidates, clinical trials or the manufacturing processes of our product candidates;
- adverse results or delays in our clinical trials;
- announcements of technological innovations, patents or new products by our competitors;
- regulatory developments in the United States and foreign countries;
- any lawsuit involving us or our product candidates;
- announcements concerning our competitors, or the biotechnology or pharmaceutical industries in general;
- developments concerning any strategic alliances or acquisitions we may enter into;
- actual or anticipated variations in our operating results;
- changes in recommendations by securities analysts or lack of analyst coverage;
- deviations in our operating results from the estimates of analysts;
- our inability, or the perception by investors that we will be unable, to continue to meet all applicable requirements for continued listing of our Common Stock on NYSE American, and the possible delisting of our Common Stock;
- sales of our Common Stock by our executive officers, directors and principal stockholders or sales of substantial amounts of Common Stock; and
- loss of any of our key scientific or management personnel.

Additionally, market prices for securities of biotechnology companies historically have been very volatile. The market for these securities has from time to time experienced significant price and volume fluctuations for reasons unrelated to the operating performance of any one company. Furthermore, our business may be adversely impacted by risks, or the public perception of the risks, related to a pandemic or other health crisis, or as a result of the Israel's war with Hamas and Hezbollah or the Russian invasion of Ukraine and the resulting world sanctions on Russia, Belarus, and related parties. A significant outbreak of contagious diseases could result in a widespread health crisis that could adversely affect the economies and financial markets of many countries, resulting in an economic downturn.

In the past, following periods of volatility in the market price of a particular company's securities, litigation has often been brought against that company. Any such lawsuit could consume resources and management time and attention, which could adversely affect our business.

As a "smaller reporting company" we are permitted to provide less disclosure than larger public companies, which may make our Common Stock less attractive to investors.

We are currently a "smaller reporting company," as defined by Rule 12b-2 of the Exchange Act. As a smaller reporting company, we are eligible to take advantage of certain exemptions from various reporting requirements applicable to other public companies. Consequently, it may be more challenging for investors to analyze our results of operations and financial prospects which may result in less investor confidence. Investors may find our Common Stock less attractive as a result of our smaller reporting company status. If some investors find our Common Stock less attractive, there may be a less active trading market for our Common Stock and our stock price may be more volatile.

General Risk Factors

Our success depends, in part, on our ability to retain key executives and to attract, retain and motivate qualified personnel.

Our continued ability to attract, retain and motivate highly qualified management, clinical and scientific personnel and our ability to develop and maintain important relationships with leading academic institutions, clinicians and scientists is critical to our success. Competition for qualified personnel in the biotechnology field is intense, and we face competition for personnel from other biotechnology and pharmaceutical companies, universities, public and private research institutions and other organizations. We also face competition from other more well-funded and well-established businesses, and we may also be viewed as a riskier choice from a job stability perspective due to our relatively newer status than longer existing biotech and pharmaceutical companies. We may not be able to attract and retain qualified personnel on acceptable terms given the competition for such personnel. If we are unsuccessful in our retention, motivation and recruitment efforts, we may be unable to execute our business strategy.

Expectations relating to environmental, social and governance (ESG) programs may impose additional costs and expose us to new risks.

There is an increasing focus from certain investors and other key stakeholders concerning corporate responsibility, specifically related to environmental, social and governance, or ESG, factors. As a result, there is an increased emphasis on corporate responsibility ratings and a number of third parties provide reports on companies in order to measure and assess corporate responsibility performance. In addition, the ESG factors by which companies' corporate responsibility practices are assessed may change, which could result in greater expectations of us and cause us to undertake costly initiatives to satisfy such new criteria. Alternatively, if we are unable to satisfy such new criteria, investors may conclude that our policies with respect to corporate responsibility are inadequate. We risk damage to our brand and reputation if our corporate responsibility procedures or standards do not meet the standards set by various constituencies. We may be required to make investments in matters related to ESG, which could be significant and adversely impact our results of operations. Furthermore, if our competitors' corporate responsibility performance is perceived to be greater than ours, potential or current investors may elect to invest with our competitors instead. In addition, if we communicate certain initiatives and goals regarding ESG matters, we could fail, or be perceived to fail, in our achievement of such initiatives or goals, or we could be criticized for the scope of such initiatives or goals. If we fail to satisfy the expectations of investors and other key stakeholders or our initiatives are not executed as planned, our reputation and financial results could be materially and adversely affected.

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.

We incur significant costs operating as a public company.

As a public company, we incur significant costs in connection with our directors and officers insurance, paying for service providers such as legal and accounting as well as other expenses. We are subject to the reporting requirements of the Exchange Act, which require, among other things, that we file with the SEC annual, quarterly and current reports with respect to our business and financial condition. In addition, the Sarbanes-Oxley Act, as well as rules subsequently adopted by the SEC and NYSE American to implement provisions of the Sarbanes-Oxley Act, the Dodd-Frank Wall Street Reform and Consumer Protection Act, or the Dodd-Frank Act, and the Public Company Accounting Oversight Board impose significant requirements on public companies, including requiring the establishment and maintenance of effective disclosure and financial controls and changes in corporate governance practices. These expenses will likely increase in the future, particularly if we cease to be a “smaller reporting company”, as a result of additional corporate governance and disclosure requirements under the Sarbanes-Oxley Act, the Dodd-Frank Act, and SEC rules and regulations.

The rules and regulations applicable to public companies result in us continuing to incur substantial legal and financial compliance costs. These costs increase our net loss or decrease any net income and may require us to reduce costs in other areas of our business.

ITEM 1B. UNRESOLVED STAFF COMMENTS

Not applicable.

ITEM 1C. CYBERSECURITY

We recognize the critical importance of developing, implementing, and maintaining cybersecurity measures to safeguard our information systems and protect the confidentiality, integrity, and availability of our data. We 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, antimalware functionality and access controls, which are evaluated by our external IT consultant and improved through vulnerability assessments and cybersecurity threat intelligence.

Our vice president of operations is responsible for day-to-day assessment and management of risks from cybersecurity threats, including the prevention, mitigation, detection, and remediation of cybersecurity incidents.

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. The Audit Committee receives updates from management with respect to risks from cybersecurity threats. Such updates cover the Company's information technology security program, including its current status, capabilities, changes during the last quarter, objectives and plans, as well as the evolving cybersecurity threat landscape.

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 "*Risk Factors — Our business and operations would suffer in the event of computer system failures, cyber-attacks or deficiencies in our cyber-security.*" in Item 1A of this Annual Report. We maintain a cyber liability insurance policy. However, our cyber liability insurance policy may not cover all claims made against us, and defending a suit, regardless of its merit, could be costly and divert management's attention from our business and operations.

ITEM 2. PROPERTIES

We are currently a virtual company and do not currently lease or own any physical space. We maintain a mailing address at 850 New Burton Road, Suite 201, Dover, DE 19904.

In November 2025, our lease for our corporate headquarters in Ness Ziona, Israel, was terminated.

In addition, the lease agreement for our office and laboratory facility in Gaithersburg, Maryland, was amended and terminated as of December 31, 2025.

ITEM 3. LEGAL PROCEEDINGS

We may be subject to legal proceedings, investigations and claims incidental to the conduct of our business from time to time. We are not currently a party to any material litigation or other material legal proceedings brought against us.

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

Our shares of Common Stock are traded on NYSE American under the symbol PHGE.

Holders of Record

As of February 16, 2026, there were 1,593,703 issued and outstanding shares of our Common Stock held by 72 stockholders of record. The number of record holders was determined from the records of our transfer agent and does not include beneficial owners of shares of Common Stock whose shares are held in the names of various security brokers, dealers, and registered clearing agencies.

Dividends

We have not paid any cash dividends on our Common Stock to date and do not intend to pay cash dividends. However, in connection with the issuance of our Series Y Preferred Stock, as described below, we are required to accrue dividends on such preferred stock at a rate of 15.0% per annum, compounded quarterly, payable in arrears, which dividends may, at the holder's sole discretion, be paid in cash (subject to legally available funds) or in shares of our common stock through conversion mechanics, and such dividend rate increases to 24.0% per annum upon the occurrence and during the continuance of a Triggering Event (as defined in the applicable certificate of designations). In addition, while any shares of Series Y Convertible Preferred Stock remain outstanding, we are restricted from declaring or paying cash dividends on any class of our capital stock, other than as required under the applicable certificate of designations.

The payment of cash dividends in the future will be dependent upon our revenues and earnings, if any, capital requirements and general financial condition. Subject to our undertakings towards the holders of the Series Y Preferred Shares, the payment of any cash dividends will be within the discretion of our Board of Directors, or the Board. at such time. Further if we incur indebtedness, our ability to declare dividends may be further limited by restrictive covenants we may agree to in connection therewith.

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 our financial statements and the notes thereto contained elsewhere in this Annual Report. Certain information contained in the discussion and analysis set forth below includes forward-looking statements that involve risks and uncertainties. Our actual results may differ materially from those discussed in any forward-looking statement because of various factors, including those described in the sections titled "Cautionary Statement Regarding Forward-Looking Statements" and "Risk Factors" in this Annual Report.

Overview

We are a clinical stage product discovery company developing products using both natural and engineered phage technologies designed to target and kill specific harmful bacteria associated with chronic diseases, such as DFI. Bacteriophage or phage are bacterial, species-specific, strain-limited viruses that infect, amplify and kill the target bacteria and are considered inert to mammalian cells. By utilizing proprietary combinations of naturally occurring phage and by creating novel phage using synthetic biology, we develop phage-based therapies intended to address large-market diseases.

Since BiomX Ltd.'s inception in 2015, we have devoted substantially all our resources to organizing and staffing our company, raising capital, acquiring rights to or discovering product candidates, developing our technology platforms, securing related intellectual property rights, and conducting discovery, research and development and clinical activities for our product candidates. We do not have any products approved for sale, and we have not generated any revenue from product sales. If we continue to advance our product candidates, we expect our expenses to remain significant. To date, we have funded our operations with proceeds from sales of our Common Stock, preferred shares and warrants, governmental grants, collaboration agreements and debt. As of December 31, 2025, we received gross proceeds of approximately $217.3 million from sales of our securities. In addition, as of December 31, 2025, we received $14.7 million from our collaboration agreements and grants from the IIA and MTEC.

In addition, we have incurred significant operating losses. Our ability to generate revenue from product sales sufficient to achieve profitability will depend on the successful development of, the receipt of regulatory approval for, and eventual commercialization of one or more of our product candidates. Our net losses were approximately $36.2 million and $17.7 million for the years ended December 31, 2025 and 2024, respectively. As of December 31, 2025, we had an accumulated deficit of $216.9 million.

Because of the numerous risks and uncertainties associated with product development, we are unable to predict the timing or amount of increased expenses or when or if we will be able to achieve or maintain profitability. Even if we are able to generate product sales, we may not become profitable. If we fail to become profitable or are unable to sustain profitability on a continuing basis, we may be unable to continue our operations at planned levels and be forced to reduce or terminate our operations. We may implement cost reduction strategies, which may include amending, delaying, limiting, reducing or terminating one or more of our programs or ongoing or planned clinical trials of our product candidates.

As of December 31, 2025, we had cash, cash equivalents and restricted cash of $5.0 million. Our financial statements contain an explanatory paragraph regarding substantial doubt about our ability to continue as a going concern, as we believe our cash and cash equivalents on hand will be sufficient to meet our working capital and capital expenditure requirements only through the end of the second quarter of 2026 as discussed further below under "Liquidity and Capital Resources".

On March 6, 2024 we entered into a merger agreement with APT and certain other parties, as a result of which APT became our wholly-owned subsidiary, effective as of March 15, 2024, or the Acquisition. The Acquisition was structured as a stock-for-stock transaction whereby all outstanding equity interests of APT were exchanged in a merger for an aggregate of 48,237 shares of BiomX Common Stock, 40,470 Redeemable Convertible Preferred Shares, convertible into 213,000 shares of BiomX Common Stock, and warrants, or the Merger Warrants, exercisable for 11,403 shares of BiomX Common Stock. Upon the consummation of the Acquisition, a successor-in-interest of APT became a wholly-owned subsidiary of BiomX. The Merger Warrants are exercisable at any time after July 9, 2024 at an exercise price of $950.00 per share and will expire on January 28, 2027.

On August 26, 2024, we effected a 1-for-10 reverse stock split, and on November 25, 2025, we effected a 1-for-19 reverse stock split. Unless otherwise indicated, all share and per share amounts in this Annual Report have been retroactively adjusted to reflect these reverse stock splits, including proportional adjustments to equity awards, warrants and Redeemable Convertible Preferred Shares, and to the number of shares issued and issuable under the Company's stock incentive plans and certain existing agreements.

In December 2025, we discontinued the development of BX004 following an internal analysis and feedback from the DMC, which recommended consideration of alternative dosing regimens or treatment strategies in response to adverse events experienced by certain participants; however, pursuing such alternatives was beyond the Company's available resource. Additionally, we implemented cost-cutting measures including a significant reduction in workforce while reviewing other strategic alternatives.

In December 2025, following the discontinuation of development of BX004, our Israeli subsidiary, BiomX Ltd., commenced insolvency proceedings in Israel. Prior to the commencement of these insolvency proceedings, BiomX Ltd. served as the core operational subsidiary of the Company, employing a significant portion of our workforce. As a result of BiomX Ltd.'s insolvency, our business has been materially impacted, and without additional resources, we have limited ongoing operations and limited ability to advance our programs as previously planned. Accordingly, we are actively evaluating and pursuing strategic alternatives and other business opportunities to exploit the expertise of our management staff, based on time, available resources and market conditions.

On December 26, 2025, we entered into the 2025 Second SPA with the Investor Pursuant to the 2025 Second SPA, we agreed to issue and sell, in a private placement transaction, an aggregate of 3,300 shares of our newly created Series Y Convertible Preferred Stock, as defined below, with an aggregate stated value of $3.3 million, and warrants to purchase up to 3,300,000 shares of the Company's common stock, for aggregate gross proceeds of $3.0 million. The Series Y Convertible Preferred Stock has a stated value of $1,000 and is convertible into Common Stock at an initial conversion price of $2.00 per share (i.e., 1,650,000 shares of Common Stock), subject to adjustments. Accordingly, subject to receipt of approval of the stockholders of the Company, the Investor is expected to beneficially own the majority of the shares of common stock of the Company and will have control over the Company. Therefore, if the stockholders approval is obtained, the Investor is expected to cause the Company to change its business, strategy and objectives.

Components of Our Consolidated Results of Operations

Revenue

To date, we have not generated any revenue from product sales and do not expect to generate any revenue from product sales in the near future. If development efforts for our product candidates are successful and result in any necessary regulatory approvals or otherwise lead to any commercialized products or additional license agreements with third parties, we may generate revenue in the future from product sales or payments from collaboration or license agreements with third parties.

Operating Expenses

Research and Development Expenses, net

Research and development expenses consist primarily of costs incurred in connection with the discovery and development of our product candidates. We expense research and development costs as incurred, offset by the IIA and MTEC grants and, to a lesser degree, income from research and development collaboration agreements. These expenses include:

- development and operation of our proprietary platform;
- expenses incurred in connection with the preclinical and clinical development of our product candidates, including under agreements with third parties, such as CROs and contract manufacturing organizations, as well as consultants, subcontractors and key opinion leaders providing scientific development services;
- manufacturing scale-up expenses and the cost of acquiring and manufacturing preclinical and clinical trial materials;
- license maintenance fees and milestone fees incurred in connection with various license agreements;

- employee-related expenses, including salaries, related benefits, travel and stock-based compensation expenses for employees engaged in research and development functions, as well as external costs, such as fees paid to outside consultants engaged in such activities;

- costs related to compliance with regulatory requirements and legal fees relating to patent matters; and

- depreciation and other expenses.

We recognize external development costs based on an evaluation of the progress to completion of specific tasks using information provided to us by our service providers.

We do not allocate employee costs or facility expenses, including depreciation or other indirect costs, to specific programs because these costs are deployed across multiple programs and, as such, are not separately classified. We use internal resources primarily to oversee the research and discovery as well as for managing our preclinical development, process development, manufacturing and clinical development activities. These employees work across multiple programs and, therefore, we do not track their costs by program.

The table below summarizes our research and development expenses incurred by program:

	Year Ended December 31,	
	2025	2024
	USD In thousands	
BX004	11,094	10,495
BX211/BX011	1,897	2,239
Salaries and related benefits (including stock-based compensation)	5,424	8,006
Depreciation	2,264	1,488
Rent and related expenses	2,113	3,900
Infrastructure & other unallocated or R&D expenses	490	1,123
Less grants from the IIA and MTEC and consideration from collaboration agreements	(1,990)	(2,588)
Total research and development expenses, net	21,292	24,663

Research and development activities are central to our business. Product candidates in later stages of clinical development generally have higher development costs than those in earlier stages of clinical development, primarily due to the increased size and duration of later-stage clinical trials. Our research and development expenses reflect, among other things, programs that were discontinued or put on hold as well as new development programs.

General and Administrative Expenses

General and administrative expenses consist primarily of salaries, related benefits and stock-based compensation expenses for personnel in executive, finance, corporate, business development and administrative functions. General and administrative expenses also include legal fees relating to corporate and securities matters; professional fees for accounting, tax and audit services; insurance costs; travel expenses; and facility-related expenses, including rent, depreciation, as well as operating related costs.

We anticipate that we will continue to incur significant accounting, audit, legal, regulatory, compliance, directors' and officers' insurance costs as well as investor and public relations expenses associated with being a public company. We anticipate the additional costs for these services will increase our general and administrative expenses in the future. Additionally, if and when we believe a regulatory approval of a product candidate appears likely, we anticipate an increase in payroll and expenses as a result of our preparation for commercial operations, especially as it relates to the sales and marketing of our product candidate.

Impairment of Goodwill, Intangible Asset and Other long-lived asset

Goodwill and Intangible Asset

In connection with our acquisition of APT, we allocated a portion of the purchase price to goodwill and in-process research and development or, IPR&D intangible asset.

During the fourth quarter of 2025, the Company's stock price declined significantly, in part following the Company's announcement regarding the discontinuation of the CF Phase 2b clinical trial due to adverse events and the filing of the application to commence insolvency proceedings for BiomX Ltd. The discontinuation of the CF trial raised concerns that extended beyond the CF program itself, as the adverse events observed may have broader implications for the Company's platform technology and pipeline programs. As a result, the Company performed an impairment assessment of its IPR&D acquired in the APT acquisition. Based on this assessment, we recognized an impairment charge of $11.8 million for the year ended December 31, 2025.

During the third and fourth quarters of 2024, we experienced a decline in our stock price resulting in market capitalization being less than our stockholders' equity, which we concluded as an impairment indicator. As a result, we performed a quantitative assessment for goodwill and IPR&D impairment and recognized an impairment charge of $0.8 million and $3.2 million, respectively, for the year ended December 31, 2024.

Other long-lived asset impairment

On December 16, 2025, BiomX Ltd. filed an application for the commencement of legal insolvency proceedings. As a result, BiomX Ltd. sold all of its property and equipment subsequent to the balance sheet date. Accordingly, we recorded an impairment of $0.5 million for the year ended December 31, 2025, to reflect the sale proceeds.

On December 31, 2025, APT signed an amendment to terminate its lease agreement in Gaithersburg, Maryland. In addition, APT intends to dispose of all of its property and equipment. Based on purchase offers received for its equipment, we determined that the expected sale proceeds are negligible and wrote down the full carrying amount of the assets in amount of $1.2 million for the year ended December 31, 2025.

In December 2024, we decided to cease the use of the property in Gaithersburg, Maryland and made it available for sublease. As a result, we performed an impairment assessment of the right-of-use asset and related leasehold improvements and recognized an impairment charge of $4.0 million.

Gain from early lease termination

Following the termination of the lease agreement pursuant to an amendment executed by APT, the Company was required to settle the termination consideration. In accordance with the termination provisions of the agreement, the Company was required to pay the landlord $0.8 million, and the landlord was entitled to apply a lease security deposit in the amount of an additional $0.15 million. As a result of the early termination of the lease, we recognized a gain from early termination in the amount of $2.9 million.

Other expenses (income)

Other expenses (income) primarily consist of a capital loss from the sale of fixed assets, a reversal of the contract liability related to the AD program that was paused in 2024, and proceeds from the subleasing of a portion of our office space in Ness Ziona, Israel, which sublease ended in September 2024.

Interest expenses

Interest expense mainly related to interest on the existing loan to APT from the U.S. Small Business Administration and interest incurred under a Loan and Security Agreement with Hercules Capital, Inc., or the Hercules Loan Agreement. On March 19, 2024, we prepaid all of the remaining loan balance under the Hercules Loan Agreement in a total amount of $10.4 million.

Income from change in fair value of warrants

Income from change in fair value of warrants reflects the revaluation that resulted from the accounting of the warrants issued under the March 2024 PIPE and the warrants issued under the February 2025 Financing.

Financial expenses, net

Financial expenses, net consist primarily of interest income on our bank deposits and money market funds and transaction costs incurred in connection with the February 2025 Financing and the March 2024 PIPE.

Results of Operations

Comparison of the Years Ended December 31, 2025 and 2024

The following table summarizes our consolidated results of operations for the years ended December 31, 2025 and 2024:

	Year ended December 31,	
	2025	**2024**
	USD in thousands	
R&D expenses, net	21,292	24,663
General and administrative expenses	9,628	11,776
Gain from early lease termination	(2,949)	-
Goodwill impairment	-	801
IPR&D impairment	11,842	3,237
Other long-lived asset impairment	1,653	4,046
Operating loss	41,466	44,523
Other expense (income)	93	(2,143)
Interest expenses	20	873
Finance expense, net	724	919
Income from change in fair value of warrants	(6,111)	(26,458)
Tax expenses	7	13
Net Loss	36,199	17,727

R&D expenses, net (net of grants received from the IIA and MTEC, and consideration from research collaborations) were $21.3 million for the year ended December 31, 2025, compared to $24.7 million for the year ended December 31, 2024. The decrease of $3.4 million, or 14%, in the year ended December 31, 2025 compared to the prior year, is primarily due to the following:

- a decrease of $2.7 million in salaries and related expenses due to workforce reduction; and
- a decrease of $1.8 million in rent expenses primarily due to the accounting treatment of the right-of-use asset impairment recognized in 2024, which resulted in reduced expenses in 2025.

The decrease was partially offset by an increase of $0.8 million associated with the initiation of the Phase 2b clinical trial for our CF product candidate, BX004, as well as by an increase of $0.8 million in depreciation expenses attributable to the accelerated depreciation of leasehold improvements resulting from the remeasurement of lease liability of our office lease agreement in Ness Ziona, Israel and the termination of APT's lease agreement. In addition, we recorded $1.6 million of MTEC grants and $0.4 million of IIA grants for the year ended December 31, 2025, compared to $2.6 million of MTEC grants for the year ended December 31, 2024.

General and administrative expenses were $9.6 million for the year ended December 31, 2025, compared to $11.8 million for the year ended December 31, 2024. The $2.2 million decrease, or 19%, is primarily driven by Acquisition-related expenses of $0.9 million and $0.4 million of legal fees associated with both the Acquisition and the March 2024 PIPE, as well as a decrease of $0.2 in other professional service fees. Additionally, we had a decrease of $0.5 million in salaries and related expenses due to workforce reduction and a $0.2 million decrease in premium for the Company's directors' and officers' insurance policy.

Gain from early lease termination was $2.9 million, following the derecognition of the related right-of-use asset and lease liability, and the total consideration paid, as a result of APT's lease termination.

Goodwill impairment in the 2024 period was $0.8 million, following an impairment of the Company's goodwill that resulted from the Acquisition. The Company's market capitalization as of September 30, 2024, was lower in comparison to its stockholders' equity and triggered an impairment assessment that concluded that the entire goodwill should be impaired.

IPR&D impairment was $11.8 million for the year ended December 31, 2025, compared to $3.2 million for the year ended December 31, 2024, following our quantitative assessment for IPR&D impairment.

Other long-lived asset impairment was $1.7 million for the year ended December 31, 2025, compared to $4.0 million for the year ended December 31, 2024. The decrease of $2.3 million, or 58%, reflects impairment charges at BiomX Israel and APT. At BiomX Israel, impairment was recorded in connection with the commencement of insolvency proceedings and the subsequent sale of all property and equipment, based on sale proceeds. At APT, impairment was recorded after determining that expected sale proceeds for its equipment are negligible.

Other expense was $0.1 million for the year ended December 31, 2025, compared to other income of $2.1 million for the year ended December 31, 2024. The decrease of $2.2 million, or 105%, is primarily due to the reversion of the contract liability associated with the Company's AD program which has been suspended in 2024.

Interest expenses were $20,000 for the year ended December 31, 2025, compared to $873,000 for the year ended December 31, 2024. The decrease of $853,000, or 98%, is due to repayment of the loan under the Hercules Loan Agreement in March 2024. Interest in the 2025 period was related to an existing loan to APT from the U.S. Small Business Administration.

Finance expense, net was $0.7 million for the year ended December 31, 2025, compared to $0.9 million for the year ended December 31, 2024. The decrease of $0.2 million, or 22%, was primarily attributable to lower transaction costs incurred in connection with the February 2025 financing, as compared to the March 2024 PIPE financing, partially offset by lower interest income in the current period.

Income from change in fair value of warrants was $6.1 million for the year ended December 31, 2025, compared to $26.5 million for the year ended December 31, 2024. The decrease of $20.4 million, or 77%, is primarily attributed to the revaluation resulting from the accounting treatment of the Company's warrants that are classified as a liability, as well as to the issuance of warrants in the February 2025 Financing.

Liquidity and Capital Resources

Sources of Liquidity

We have never generated any revenue from sales of our products and have incurred significant operating losses and negative cash flows from our operations. We have funded our operations to date primarily with proceeds from the sale of our Common Stock, preferred shares and warrants, venture debt, IIA and MTEC grants and funds from collaboration agreements and through the business combination between Chardan Healthcare Acquisition Corp., a special purpose acquisition company, and BiomX Ltd. (the "Business Combination"), pursuant to which Chardan Healthcare Acquisition Corp. changed its name to BiomX Inc. Through December 31, 2025, we had received gross cash proceeds of approximately $217.3 million from sales of our Common Stock and preferred shares and $14.7 million from our collaboration agreements and grants from the IIA and MTEC.

Cash in excess of immediate requirements is invested primarily with a view to liquidity and capital preservation.

On August 16, 2021 we entered into the Hercules Loan Agreement with Hercules, with respect to a venture debt facility. Under the Hercules Loan Agreement, Hercules provided us with access to a term loan with an aggregate principal amount of up to $30 million, available in three tranches, subject to certain terms and conditions. The first tranche of $15 million was advanced to us on the date the Hercules Loan Agreement was executed. On March 19, 2024, we voluntarily prepaid the outstanding amount under the Hercules Loan Agreement and such agreement expired.

On December 7, 2023, we filed a shelf registration statement on Form S-3, which was declared effective by the SEC on January 2, 2024. In addition, on December 7, 2023, we entered into an At the Market Offering Agreement, or the 2023 ATM Agreement, with H.C. Wainwright & Co., LLC, or Wainwright, with Wainwright as manager, pursuant to which we may issue and sell shares of our Common Stock having an aggregate offering price of up to $7.5 million from time to time through Wainwright. We are not obligated to make any sales of Common Stock under the 2023 ATM Agreement. On February 24, 2025, we suspended the ATM Agreement and the related continuous offering by us under an effective registration Statement on Form S-3. On August 13, 2025, we filed a prospectus supplement to amend our prior prospectus dated January 2, 2024, and as previously supplemented on February 24, 2025. The prospectus supplement updated the maximum aggregate amount of securities we may offer and sell under the 2023 ATM Agreement. Under the prospectus supplement, we may issue and sell shares of Common Stock having an aggregate offering price of up to $1.7 million from time to time through Wainwright. During the year ended December 31, 2025, we sold 121,773 shares of Common Stock under the 2023 ATM Agreement, at an average price of $11.13 per share, raising aggregate net proceeds of approximately $1.3 million, after deducting an aggregate commission of $51.

On March 15, 2024, concurrently with the consummation of the Acquisition, we consummated a private placement, or the March 2024 PIPE, pursuant to an exemption from registration requirements under the Securities Act, with certain investors pursuant to which such investors purchased an aggregate of 216,417 shares of our Series X Convertible Preferred Stock, par value $0.0019 per share, with each Series X Convertible Preferred Stock being convertible into 6 shares of our shares of Common Stock, after giving effect to the Reverse Split, and warrants, or Private Placement Warrants, to purchase up to an aggregate of 569,519 shares of the Company's Common Stock, for aggregate gross proceeds of approximately $50 million.

On February 25, 2025, we entered into a Securities Purchase Agreement with certain investors, or the February 2025 SPA, pursuant to which we agreed to issue and sell, (i) in a registered direct offering, or the February 2025 Registered Direct Offering: (a) an aggregate of 148,857 shares of our Common Stock, and (b) pre-funded warrants, or the February 2025 Pre-Funded Warrants, to purchase up to an aggregate of 42,381 shares of Common Stock, or the February 2025 Pre-Funded Warrant Shares, and (ii) in a concurrent private placement, or the February 2025 PIPE, (a) unregistered pre-funded warrants, or the February 2025 Private Pre-Funded Warrants, to purchase up to an aggregate of 121,362 shares of Common Stock, or the February 2025 Private Pre-Funded Warrant Shares, and (b) unregistered warrants, or the February 2025 Common Warrants, and together with the February 2025 Private Pre-Funded Warrants, the February 2025 Private Warrants, to purchase up to an aggregate of 312,599 shares of Common Stock, or the February 2025 Common Warrant Shares, and together with the February 2025 Private Pre-Funded Warrant Shares, the February 2025 Private Warrant Shares. Each share of Common Stock (or February 2025 Pre-Funded Warrant in lieu thereof) and each February 2025 Private Pre-Funded Warrant is sold with an accompanying February 2025 Common Warrant. The combined effective purchase price of each share of Common Stock (or February 2025 Pre-Funded Warrant in lieu thereof) and accompanying February 2025 Common Warrant, and of each February 2025 Private Pre-Funded Warrant and accompanying February 2025 Common Warrant, is $17.68. The gross proceeds to the Company from the February 2025 Registered Direct Offering and the February 2025 PIPE were $5.5 million, before deducting placement agent fees and other offering expenses payable by the Company. In addition, on February 25, 2025, we also entered into inducement letter agreements, or the Inducement Letter Agreements, with certain holders, or the Holders, of certain of their existing warrants to purchase an aggregate of 366,087 shares of Common Stock, originally issued to the Holders on March 15, 2024, having an original exercise price of $43.91 per share (after giving effect to the Reverse Split), or the Existing Warrants. The shares of Common Stock issued upon the exercise of the Existing Warrants are registered pursuant to the Effective S-3. Pursuant to the Inducement Letter Agreements, the Holders agreed to exercise for cash the Existing Warrants at a reduced exercise price of $17.68 per share, or the February 2025 Warrant Exercise, in consideration of our agreement to issue new unregistered warrants, or the New Warrants, to purchase up to an aggregate of 366,087 shares of Common Stock at an exercise price of $17.68 per share, or the New Warrant Shares. In connection with the February 2025 Warrant Exercise, we agreed that, in the event that any February 2025 Warrant Exercise would otherwise require the Company to issue a number of shares of Common Stock in excess of the number of shares of Common Stock that the Holder may acquire without exceeding the beneficial ownership limitations, or the Beneficial Ownership Limitation, set forth in the Existing Warrants (or, if applicable and at the Holder's election, 9.99%) (such excess shares, the Excess Existing Warrant Shares), (i) the Company shall issue to the Holder the maximum number of Existing Warrant Shares that the Holder is entitled to receive without exceeding the Beneficial Ownership Limitation, as directed by the Holder, and (ii) in lieu of issuing any Excess Existing Warrant Shares, (x) the Existing Warrant shall automatically be amended and restated in its entirety as set in the Letter Agreement, or, following such amendment, the Amended and Restated Warrant. The gross proceeds to the Company from the February 2025 Warrant Exercise were $6.5 million prior to deducting placement agent fees and offering expenses. We refer to the February 2025 Warrant Exercise, February 2025 Registered Direct Offering and the February 2025 PIPE, as the February 2025 Financing.

On December 26, 2025, we entered into the 2025 Second SPA with the Investor, pursuant to which the Company agreed to issue and sell, in a private placement transaction, an aggregate of 3,300 shares of the Company's newly created Series Y Convertible Preferred Stock, with an aggregate stated value of $3.3 million, and warrants to purchase up to 3,300,000 shares of the Company's Common Stock, for aggregate gross proceeds to the Company of $3.0 million, before deducting placement agent fees and other offering expenses. Each share of Series Y Preferred Stock has a stated value of $1,000 and will be convertible into shares of Common Stock at a conversion price of $2.00 per share, subject to customary adjustments. Holders of Series Y Convertible Preferred Stock will be entitled to receive dividends on the stated value at a rate of 15% per annum, compounded quarterly, payable in arrears, which dividends may, at the Investor's sole election, be paid in cash or shares of Common Stock. The Series Y Convertible Preferred Stock does not have voting rights (except as otherwise required by law or as expressly provided in the certificate of designations), and each share will have a maturity of one year from the closing date. Conversion is subject to beneficial ownership limitations of 19.99% of the Company's outstanding Common Stock. Pursuant to the 2025 Second SPA, the Company also agreed to issue to the Investor warrants to purchase up to an aggregate number of shares of Common Stock equal to 200% of the number of shares of Common Stock issuable upon conversion of the Series Y Preferred Stock, or the "2025 Second SPA Warrants", i.e., 3,300,000 shares of Common Stock. The 2025 Second SPA Warrants will be exercisable immediately upon issuance, subject to certain limitations and will have an initial exercise price of $2.00 and will expire five years from the date of issuance.

Our financial statements contain an explanatory paragraph regarding substantial doubt about our ability to continue as a going concern as we believe that our current funds, including the funds received from the 2025 Second SPA, will be sufficient to meet our working capital and capital expenditure requirements only through the end of the second quarter of 2026. In the future, we will likely require or desire additional funds to support our operating expenses and capital requirements or for other purposes, such as acquisitions, and may seek to raise such additional funds through public or private equity or debt financings or collaborative agreements or from other sources, as we did with the ATM Agreement and the Hercules Loan Agreement. Our ability to secure such additional funds is contingent upon obtaining the stockholder approval required pursuant to the 2025 Second SPA. Failure to obtain such approval would severely constrain our financing options, potentially forcing us to cease our operations, and would increase the substantial doubt about our ability to continue as a going concern.

We have no other commitments to obtain additional financing and cannot assure you that additional financing will be available at all or, if available, that such financing would be obtainable on terms favorable to us and would not be dilutive. Our future liquidity and cash requirements will depend on numerous factors, including the introduction of new products as well as the ability to continue to maintain controls over our operating expenditures.

Cash Flows

The following table summarizes our cash flows for each of the periods presented:

	Year Ended December 31,	
	2025	2024
	USD In thousands	
Net cash used in operating activities	(26,390)	(36,979)
Net cash provided by investing activities	108	715
Net cash provided by financing activities	13,189	38,374
Effect of exchange rate changes on cash and cash equivalents and restricted cash	73	1
Net increase (decrease) in cash and cash equivalents	(13,020)	2,111

Operating Activities

During the year ended December 31, 2025, operating activities used $26.4 million of net cash, primarily due to a net loss of $36.2 million adjusted by non-cash charges of $9.8 million. Non-cash charges mainly consisted of $6.1 million related to income from change in fair value of the warrants and $2.9 million gain from early lease termination. These were partially offset by non-cash expenses including stock-based compensation of $2.1 million, depreciation of $2.9 million, and impairment charges of $11.8 million related to the IPR&D asset and $1.7 million related to other long-lived assets. Net changes in our operating assets and liabilities consisted primarily of a decrease in net change in operating leases of $0.1 million and in other account payables of $3.4 million, partially offset by a decrease in other current assets of $2.2 million and in trade account payables of $1.2 million.

During the year ended December 31, 2024, operating activities used $37.0 million of net cash, primarily due to a net loss of $17.7 million adjusted by non-cash charges of 16.3 million and a net change of $3.0 million in our operating assets and liabilities. Non-cash charges mainly consisted of $26.5 million related to income from change in fair value of the Private Placement Warrants, $2.0 million of income from change in contract liability resulting from pausing the Company's AD program, $1.8 million related to stock-based compensation expenses, $1.8 million of depreciation and impairment charges of goodwill, IPR&D asset and long-lived assets of $0.8 million, $3.2 million and $4.0 million, respectively. Net changes in our operating assets and liabilities consisted primarily of an increase in trade account payables of $3.2 million and an increase in other account payables of $1.0 million, partially offset by a decrease in other current assets of $0.8 million and in net change in operating leases of $0.3 million.

Investing Activities

During the year ended December 31, 2025, investment activities provided net cash of $0.1 million, mainly consisting of proceeds from the sale of property and equipment.

During the year ended December 31, 2024, investment activities provided net cash of $0.7 million, mainly consisting of cash and restricted cash acquired from the Acquisition.

We have invested, and plan to continue to invest, our existing cash in short-term investments in accordance with our investment policy. These investments may include money market funds and investment securities consisting of U.S. Treasury notes, and high quality, marketable debt instruments of corporations and government sponsored enterprises. We use foreign exchange contracts (mainly option and forward contracts) to hedge balance sheet items from currency exposure. These foreign exchange contracts are not designated as hedging instruments for accounting purposes. In connection with these foreign exchange contracts, we recognize gains or losses that offset the revaluation of the balance sheet items also recorded under financial expenses, net. As of December 31, 2025, we had no outstanding foreign exchange contracts. As of December 31, 2024, we had outstanding foreign exchange contracts in the amount of approximately $2.4 million with a fair value asset of $19 thousand.

Financing Activities

During the year ended December 31, 2025, financing activities provided net cash of $13.2 million, mainly consisting of the issuance of Common Stock and warrants under the February 2025 Financing as well as issuance of Common Stock under the ATM.

During the year ended December 31, 2024, financing activities provided net cash of $38.4 million, mainly consisting of the issuance of Convertible Preferred Shares and the Private Placement Warrants in the March 2024 PIPE in the amount of $20.4 million, net of issuance costs, and $28.7 million, respectively. This was partially offset by the prepayment of the long-term debt in the amount of $10.7 million under the Hercules Loan Agreement.

Contractual Obligations, Commitments and Contingencies

Our contractual obligations and commitments relate primarily to our operating leases and non-cancelable purchase obligations under agreements with various research and development organizations and suppliers in the ordinary course of business. In August 2019, we entered into a lease agreement for office and lab spaces in Gaithersburg, Maryland. This lease agreement was terminated effective December 31, 2025. In September 2020, we entered into a lease agreement for office and laboratory space in Ness Ziona, Israel. In November 2025, the latter lease agreement for office and laboratory space in Ness Ziona, Israel, was terminated.

In the normal course of business, we enter into contracts and agreements that contain a variety of representations and warranties and provide for general indemnifications. Our exposure under these agreements is unknown because it involves claims that may be made against us in the future but have not yet been made. To date, we have not paid any claims or been required to defend any action related to our indemnification obligations. However, we may record charges in the future as a result of these indemnification obligations.

In accordance with our certificate of incorporation and bylaws, as well as contractual indemnification agreements, we have potential indemnification obligations to our officers and directors for specified events or occurrences, subject to some limits, while they are serving at our request in such capacities. There have been no claims to date, and we have director and officer insurance that may enable us to recover a portion of any amounts paid for future potential claims.

Government Grants and Related Royalties

The Government of Israel, through the IIA, encourages research and development projects by providing grants. Through December 31, 2025, our Israeli subsidiary, BiomX Ltd., had received an aggregate of $8.9 million in the form of grants from the IIA. However, as further described above, BiomX Ltd. commenced insolvency proceedings in December 2025, and a trustee was appointed in January 2026 to administer these proceedings. As a result, BiomX Inc. no longer maintains operational control over BiomX Ltd. and does not expect to recover any significant value from its investment in BiomX Ltd. Consequently, the Company no longer considers the IIA grants received by BiomX Ltd., nor any related obligations or potential royalties, as relevant to its ongoing financial condition or operations.

Outlook

In addition to continuing our current business, we are pursuing strategic alternatives. Therefore, we do not have visibility into the levels of expenses we may incur in the future. However, if we continue our operations and develop product candidates to treat DFO and DFI, our expenses will remain substantial and may also increase as we:

- continue the development of our product candidates;
- complete IND-enabling activities and prepare to initiate clinical trials for our product candidates;
- initiate additional clinical trials and preclinical studies for product candidates in our pipeline;

- seek to identify and develop or in-license or acquire additional product candidates and technologies;
- seek regulatory approvals for our product candidates that successfully complete clinical trials, if any;
- establish a sales, marketing and distribution infrastructure to commercialize any product candidates for which we may obtain regulatory approval;
- hire and retain additional personnel, such as clinical, quality control, commercial and scientific personnel; and
- expand our infrastructure and facilities to accommodate our growing employee base, including adding equipment and physical infrastructure to support our research and development.

Our financial statements contain an explanatory paragraph regarding substantial doubt about our ability to continue as a going concern as we believe that our current funds will only be sufficient to meet our working capital and capital expenditure requirements through the end of the second quarter of 2026. We have based these estimates on assumptions that may prove to be wrong, and we could utilize our available capital resources sooner than we expect. If we receive regulatory approval for our product candidates, we expect to incur significant commercialization expenses related to product manufacturing, sales, marketing and distribution, depending on where we choose to commercialize.

Until such time, if ever, that we can generate product revenue sufficient to achieve profitability, we expect to finance our cash needs through public or private sales of our equity, loans, milestone payments, possibly additional grants from MTEC or other government or non-profit institutions and other outside funding sources. Our ability to raise additional capital in the equity and debt markets is dependent on a number of factors including, but not limited to, market volatility resulting from armed conflicts or other disruptions, and market demand for our securities, which itself is subject to a number of development and business risks and uncertainties, as well as the uncertainty that we would be able to raise such additional capital at a price or on terms that are favorable to the Company. Furthermore, we believe that our ability to raise additional capital and to secure future funding is contingent upon obtaining the stockholder approval required pursuant to the 2025 Second SPA. To the extent that we raise additional capital through the sale of equity or convertible debt securities, our stockholders' ownership interests may be materially diluted, and the terms of such securities could include liquidation or other preferences that adversely affect their rights as a common stockholder. Debt financing and preferred equity financing, if available, may involve agreements that include covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, making capital expenditures or declaring dividends. If we raise additional funds through government and other third-party funding, collaboration agreements, strategic alliances, licensing arrangements or marketing and distribution arrangements, we may have to relinquish valuable rights to our technologies, future revenue streams, research programs or product candidates or grant licenses on terms that may not be favorable to us. If we are unable to raise additional funds through equity or debt financings when needed, we may be required to delay, limit, reduce or terminate our product development or future commercialization efforts or grant rights to develop and market products or product candidates that we would otherwise prefer to develop and market by ourselves. For more information regarding the risks related to our outlook, see "*Risk Factors — Risks Related to Our Business, Technology and Industry.*"

Foreign Exchange Contracts

We entered into forward and option contracts to hedge against the risk of overall changes in future cash flow from payments of salaries and related expenses, as well as other expenses denominated in NIS. As of December 31, 2025 we had no outstanding foreign exchange contracts. As of December 31, 2024, we had outstanding foreign exchange contracts in the nominal amount of approximately $2.4 million.

Critical Accounting Estimates

Our consolidated financial statements are prepared in accordance with US GAAP. The preparation of our consolidated financial statements and related disclosures requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenue, costs and expenses, and the disclosure of contingent assets and liabilities in our financial statements. We base our estimates on historical experience, known trends and events and various other factors that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. We evaluate our estimates and assumptions on an ongoing basis. Our actual results may differ from these estimates under different assumptions or conditions.

While our significant accounting policies are described in more detail in note 2 to our consolidated financial statements, we believe that the following accounting policies are those most critical to the judgments and estimates used in the preparation of our consolidated financial statements.

Accrued research and development expenses

As part of the process of preparing our consolidated financial statements, we are required to estimate our accrued research and development expenses. This process involves reviewing open contracts and purchase orders, communicating with our applicable personnel to identify services that have been performed on our behalf and estimating the level of service performed and the associated cost incurred for the service when we have not yet been invoiced or otherwise notified of actual costs. The majority of our service providers invoice us in arrears for services performed, on a pre-determined schedule or when contractual milestones are met; however, some require advance payments. We make estimates of our accrued expenses as of each balance sheet date in the consolidated financial statements based on facts and circumstances known to us at that time. We periodically confirm the accuracy of these estimates with the service providers and make adjustments, if necessary. Examples of estimated accrued research and development expenses include fees paid to:

- vendors in connection with preclinical development activities;
- CROs and investigative sites in connection with preclinical and clinical trials; and
- subcontractors in connection with the manufacturing of materials for preclinical and clinical trials.

We measure the expense recognized based on our estimates of the services received and efforts expended pursuant to quotes and contracts with multiple CROs and subcontractors that supply, conduct and manage preclinical studies, human clinical studies and clinical trials on our behalf. The financial terms of these agreements are subject to negotiation, vary from contract to contract and may result in uneven payment flows. There may be instances in which payments made to our vendors will exceed the level of services provided and result in a prepayment of the expense. Payments under some of these contracts depend on factors such as the successful enrollment of patients and the completion of certain milestones. In accruing service fees, we estimate the time period over which services will be performed and the level of effort to be expended in each period. If the actual timing of the performance of services or the level of effort varies from the estimate, we adjust the accrual or the amount of prepaid expenses accordingly. Although we do not expect our estimates to be materially different from amounts actually incurred, our understanding of the status and timing of services performed relative to the actual status and timing of services performed may vary and may result in changes in estimates that increase or decrease amounts recognized in any particular period. To date, there have not been any material adjustments to our prior estimates of accrued research and development expenses.

Intangible assets

We accounted for the acquisition of APT using the acquisition method of accounting, which required us to estimate the fair values of the assets acquired and liabilities assumed. This included acquired IPR&D, and goodwill. The IPR&D is considered indefinite lived until the completion or abandonment of the associated research and development efforts. Upon successful completion of the project, IPR&D assets are reclassified to developed technology and amortized over their estimated useful lives.

We test goodwill and IPR&D for impairment at least on an annual basis, on the last day of the third quarter of the fiscal year and whenever events or changes in circumstances indicate the carrying value of a reporting unit may not be recoverable. We estimate the fair value of IPR&D asset using a market approach, based on the Company's equity value with the addition of a control premium derived from publicly available data from studies for similar transactions of public companies.

Business Combination

We allocate the fair value of purchase consideration to the tangible assets acquired, liabilities assumed and intangible assets acquired based on their estimated fair value. The excess of the fair value of purchase consideration over the fair values of these identifiable assets and liabilities are recorded as goodwill and IPR&D. Such valuations require our management to make significant estimates and assumptions, especially with respect to intangible assets. Significant estimates in valuing certain intangible assets include, but are not limited to, future expected cash flows from intangible assets, their useful lives and discount rates. Our management's estimates of fair value are based upon assumptions believed to be reasonable, but which are inherently uncertain and unpredictable and, as a result, actual results may differ from estimates. See Note 1C to the consolidated financial statements included in Part II, Item 8 of this Annual Report on Form 10-K for additional information related to business combination.

Warrants fair value revaluation

We account for the warrants in accordance with the guidance contained in ASC 815 under which the warrants do not meet the criteria for equity treatment and must be recorded as liabilities. Accordingly, we classify the warrants issued under the 2024 PIPE, the February 2025 SPA, and the 2025 Second SPA as liability at their fair value and adjust the warrants to fair value at each reporting period. This liability is subject to re-measurement at each balance sheet date until exercised, and any change in fair value is recognized in our statement of operations. The warrants are valued using the Black-Scholes model.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

As a smaller reporting company, we are not required to make disclosures under this Item.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

Our financial statements and the notes thereto begin on page F-1 of this Annual Report.

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

None.

ITEM 9A. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer and our Chief Financial Officer (our principal executive officer and principal financial officer, respectively), performed an evaluation of the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of December 31, 2025. Based on the aforementioned evaluation, our management has concluded that our disclosure controls and procedures were effective at a reasonable assurance level as of December 31, 2025.

Management's Annual Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Our internal control over financial reporting has been designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles in the United States of America.

Our internal control over financial reporting includes policies and procedures that pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect transactions and dispositions of our assets; provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles in the United States of America, and that receipts and expenditures are being made only in accordance with authorization of our management and directors; and provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on our financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation. Projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management assessed the effectiveness of our internal control over financial reporting on December 31, 2025. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission 2013 framework, in *Internal Control—Integrated Framework*. Based on that assessment under those criteria, management has determined that, as of December 31, 2025, our internal control over financial reporting was effective.

We are exempt from this requirement to provide an attestation report of our independent registered public accounting firm regarding internal control over financial reporting due to our status under the Exchange Act as a non-accelerated filer as of the current time.

Changes in Internal Control over Financial Reporting

There have been no changes in our internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the fourth quarter of fiscal year 2025 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

Trading Arrangements

During the three months ended December 31, 2025, none of our directors or officers adopted or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement", as each term is defined in Item 408(a) of Regulation S-K.

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICITIONS THAT PREVENT INSPECTIONS

Not applicable.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Code of Business Conduct and Ethics

We have adopted a Code of Business Conduct and Ethics that applies to all directors, officers and employees. The Code of Business Conduct and Ethics is available on our website at www.biomx.com. If we make any substantive amendments to the Code of Business Conduct and Ethics or grants any waiver from a provision of the Code to any director or executive officer, we will promptly disclose the nature of the amendment or waiver on our website.

Other Information

The remaining information required by this item will be included in our 2026 Proxy Statement, and such required information is incorporated herein by reference into this Annual Report.

ITEM 11. EXECUTIVE COMPENSATION

The information required by this item will be included in our 2026 Proxy Statement and is hereby incorporated by reference into this Annual Report.

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

Securities Authorized for Issuance Under Equity Compensation Plans

We have two equity incentive plans, the 2015 Plan, and the 2019 Plan. Although no shares of our Common Stock are available for future issuance under the 2015 Plan, the 2015 Plan will continue to govern outstanding awards granted thereunder. As of December 31, 2025, options to purchase 7,768 shares of our Common Stock remained outstanding under the 2015 Plan.

The 2019 Plan was adopted by the Board of Directors and approved by our stockholders in connection with the Business Combination. As of December 31, 2025, there were 142,619 shares of our Common Stock available for issuance under the 2019 Plan. The aggregate number of shares of our Common Stock available for issuance pursuant to the 2019 Plan automatically increases on January 1 of each year, for a period of not more than ten years, commencing on January 1, 2020 and ending on (and including) January 1, 2029, in an amount equal to 4% of the total number of shares of Common Stock outstanding on December 31 of the preceding calendar year. Accordingly, on January 1, 2026, 63,748 additional shares of our Common Stock were made available for issuance pursuant to the 2019 Plan.

For additional information regarding the 2015 Plan and the 2019 Plan, as of December 31, 2025, please see Part II – Item 8 – Financial Statements and Supplemental Data – Notes to consolidated financial statements – note 12B – Stock-Based Compensation.

	Equity Compensation Plan Information December 31, 2025		
Plan category	**Number of securities to be issued upon exercise of outstanding options and restricted stock (a)**	**Weighted-average exercise price of outstanding options and restricted stock (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	142,619	4.20	440,095
Equity compensation plans not approved by security holders	7,768	3.18	-
Total	150,387	4.09	440,095

The remaining information required by this item will be included in our 2026 Proxy Statement, and such required information is incorporated herein by reference into this Annual Report.

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

The information required by this item will be included in our 2026 Proxy Statement and is hereby incorporated by reference into this Annual Report.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

The information required by this item will be included in our 2026 Proxy Statement and is hereby incorporated by reference into this Annual Report.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) The following are filed with this Annual Report:

(1) The financial statements listed on the Financial Statements' Table of Contents

(2) Not applicable

(b) Exhibits

The following exhibits are filed as part of this Annual Report or are incorporated by reference.

EXHIBIT INDEX

Exhibit	Description
3.1***	Composite Copy of Amended and Restated Certificate of Incorporation of the Company, effective on December 11, 2018, as amended to date (clean version)
3.2***	Composite Copy of Amended and Restated Certificate of Incorporation of the Company, effective on December 11, 2018, as amended to date (marked version)
3.3	Amended and Restated Bylaws of the Company, effective as of October 28, 2019, as amended to date (Incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed by the Company on April 15, 2024)
3.4	Form of Certificate of Designation of Series X Preferred Stock (Incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed by the Company on March 6, 2024)
3.5	Form of Certificate of Designation of Series Y Convertible Preferred Stock (Incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed by the Company on December 29, 2025)
4.1***	Description of securities registered pursuant to Section 12 of the Securities Exchange Act of 1934, as amended
4.2	Specimen Common Stock Certificate (Incorporated by reference to Exhibit 4.2 to the Company's Registration Statement on Form S-1 filed by the Company on December 4, 2018)
4.3	Form of Warrant (Incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed by the Company on July 26, 2021)
4.4	Form of Pre-Funded Warrant (Incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed by the Company on February 27, 2023)
4.5	Form of Merger Warrant (Incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed by the Company on March 6, 2024)
4.6	Form of Private Placement Warrant (Incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K filed by the Company on March 6, 2024)
4.7	Form of Placement Agent Warrant (Incorporated by reference to Exhibit 4.3 to the Company's Current Report on Form 8-K filed by the Company on March 6, 2024)
4.8	Form of Amended and Restated Warrant (Incorporated by reference to Exhibit 4.5 to the Company's Current Report on Form 8-K filed by the Company on February 27, 2025)
4.9	Form of Pre-Funded Warrant (Incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed by the Company on February 27, 2025)
4.10	Form of Private Pre-Funded Warrant (Incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K filed by the Company on February 27, 2025)
4.11	Form of Common Warrant (Incorporated by reference to Exhibit 4.3 to the Company's Current Report on Form 8-K filed by the Company on February 27, 2025)
4.12	Form of New Warrant (Incorporated by reference to Exhibit 4.4 to the Company's Current Report on Form 8-K filed by the Company on February 27, 2025)
4.13	Form of Warrant (Incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed by the Company on December 29, 2025)
4.14	Form of Placement Agent Warrant (Incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K filed by the Company on December 29, 2025)
10.1**	Amended and Restated Chardan Healthcare Acquisition Corp. Long-Term Incentive Plan (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed by the Company on July 9, 2024)

10.2	Registration Rights Agreement dated October 28, 2019 (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed by the Company on November 1, 2019)
10.3**,***	Form of Indemnification Agreement
10.4**	2015 Employee Stock Option Plan, as amended (Incorporated by reference to Exhibit 99.1 to the Company's Registration Statement on Form S-8 filed by the Company on January 2, 2020)
10.5**	Form of Non-Qualified Stock Option Agreement (U.S. Awards to Non-Executives) (Incorporated by reference to Exhibit 10.19 to the Company's Annual Report on Form 10-K filed by the Company on March 26, 2020)
10.6**	Form of Non-Qualified Stock Option Agreement (U.S. Awards to Executive Officers) (Incorporated by reference to Exhibit 10.20 to the Company's Annual Report on Form 10-K filed by the Company on March 26, 2020)
10.7**	Form of Option Agreement (Israeli Awards) (Incorporated by reference to Exhibit 10.21 to the Company's Annual Report on Form 10-K filed by the Company on March 26, 2020)
10.8**	Form of Restricted Stock Unit Agreement under the Company's 2019 Omnibus Long-Term Incentive Plan (Incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q filed by the Company on November 14, 2024)
10.9	At the Market Offering Agreement, dated December 7, 2023, between the Company and H.C. Wainwright & Co., LLC (incorporated by reference to Exhibit 1.2 of the Company's Registration Statement on Form S-3 filed by the Company on December 7, 2023)
10.10**	Employment Agreement, dated February 1, 2016, between BiomX Ltd. (formerly MBcure Ltd.) and Jonathan Solomon (Incorporated by reference to Exhibit 10.1 to the Company's Amended Annual Report on Form 10-K/A filed by the Company on May 2, 2022)
10.11**	Employment Agreement, dated August 26, 2019, between BiomX Ltd. and Merav Bassan (Incorporated by reference to Exhibit 10.2 to the Company's Amended Annual Report on Form 10-K/A filed by the Company on May 2, 2022)
10.12	Form of Registration Rights Agreement (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed by the Company on February 22, 2023)
10.13*	Non-Exclusive License Agreement by and between Adaptive Phage Therapeutics, Inc. and Walter Reed Army Institute of Research, dated August 24, 2021 (Incorporated by reference to Exhibit 10.24 to the Company's Annual Report on Form 10-K filed by the Company on April 4, 2024)
10.14	License Modification 1, dated August 31, 2022, to Non-Exclusive License Agreement by and between Adaptive Phage Therapeutics, Inc. and Walter Reed Army Institute of Research (Incorporated by reference to Exhibit 10.25 to the Company's Annual Report on Form 10-K filed by the Company on April 4, 2024)
10.15	Form of Registration Rights Agreement, dated as of March 6, 2024, by and among the Company and certain purchasers (Incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed by the Company on March 6, 2024)

10.16	Form of Registration Rights Agreement dated February 25, 2025, between BiomX Inc. and the purchasers (Incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed by the Company on February 27, 2025)
10.17	Warrant Exercise and Reload Agreement dated February 25, 2025, between BiomX Inc. and the holders (Incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K filed by the Company on February 27, 2025)
10.18	Placement Agency Agreement dated February 25, 2025, between BiomX Inc. and Laidlaw and Company (UK) Ltd. (Incorporated by reference to Exhibit 10.4 to the Company's Current Report on Form 8-K filed by the Company on February 27, 2025)
10.19	MTEC Base Agreement No. 2019-532, dated as of August 22, 2019, by and between Advanced Technology International (MTEC Consortium Manager) and Adaptive Phage Therapeutics, Inc., and the following modifications thereof: (i) Modification No. 1, dated as of September 30, 2019; (ii) Modification No. 2, dated as of July 22, 2020; (iii) Modification No. 3, dated as of September 27, 2021; (iv) Modification No. 4, dated as of September 8, 2022; (v) Modification No. 5, dated as of December 16, 2022; (vi) Modification No. 6, dated as of December 19, 2023; (vii) Modification No. 7, dated as of January 16, 2024; and (viii) Modification No. 8, dated as of September 11, 2024 (Incorporated by reference to Exhibit 10.34 to the Company's Annual Report on Form 10-K filed by the Company on March 25, 2025)
10.20	Form of Securities Purchase Agreement dated December 26, 2025, between BiomX Inc. and the purchasers party thereto (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed by the Company on December 29, 2025)
10.21	Form of Registration Rights Agreement dated December 26, 2025, between BiomX Inc. and the purchasers (Incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed by the Company on December 29, 2025)
19.1	BiomX Inc. Insider Trading Policy (Incorporated by reference to Exhibit 19.1 to the Company's Annual Report on Form 10-K filed by the Company on March 25, 2025)
21.1***	Subsidiaries of Company
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 of Chief Executive Officer pursuant to Rule 13a-14 and Rule 15d-14(a).
31.2***	Certification of Chief Financial Officer pursuant to Rule 13a-14 and Rule 15d-14(a).
32.1****	Certification of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350.
97.1	Clawback Policy (Incorporated by reference to Exhibit 97.1 to the Company's Annual Report on Form 10-K filed by the Company on April 4, 2024)
101.INS	Inline XBRL Instance Document
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

* Portions of this exhibit have been omitted pursuant to Rule 601(b)(10) of Regulation S-K. The omitted information is not material and would likely cause competitive harm to the Company if publicly disclosed.

** Indicates a management contract or a compensatory plan or agreement.

*** Filed herewith.

**** Furnished herewith.

Item 16. Form 10-K Summary

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Exchange Act of 1934, the registrant caused this Annual Report to be signed on its behalf by the undersigned, thereunto duly authorized.

BIOMX INC.

Dated: February 19, 2026

By: /s/ Jonathan Solomon
Name: Jonathan Solomon
Title: Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Company and in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Jonathan Solomon Jonathan Solomon	Chief Executive Officer (Principal Executive Officer) and Director	February 19, 2026
/s/ Marina Wolfson Marina Wolfson	Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)	February 19, 2026
/s/ Russell Greig Dr. Russell Greig	Chairman of the Board of Directors	February 19, 2026
/s/ Liat Bidas Liat Bidas	Director	February 19, 2026
/s/ Susan Blum Susan Bloom	Director	February 19, 2026
/s/ Gregory Merril Gregory Merril	Director	February 19, 2026
/s/ Alan Moses Dr. Alan Moses	Director	February 19, 2026
/s/ Edward Williams Edward Williams	Director	February 19, 2026
/s/ Reuven Yeganeh Reuven Yeganeh	Director	February 19, 2026

BIOMX INC.

CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2025

CONTENTS

Report of Independent Registered Public Accounting Firm

To the Board of Directors and stockholders of BiomX Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of BiomX Inc. and its subsidiaries (the "Company") as of December 31, 2025 and 2024, and the related consolidated statements of operations, changes in stockholders' equity (capital deficiency) 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, 2025 and 2024, and the results of its operations and its cash flows for each of the two years in the period ended December 31, 2025 in conformity with accounting principles generally accepted in the United States of America.

Substantial Doubt about the Company's Ability to Continue as a Going Concern

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 1B to the consolidated financial statements, the Company has incurred significant losses and negative cash flows from operations, incurred an accumulated deficit, and has stated that these events or conditions raise substantial doubt on the Company's ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 1B. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

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 Matter

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.

In-process research and development ("IPR&D") impairment assessment

As described in Notes 1C, 2R and 11 to the consolidated financial statements, the Company's IPR&D balance was $0.2 million as of December 31, 2025. Management conducts its impairment test at the last day of the third quarter of each year, or more frequently if events or circumstances indicate that the carrying value of the IPR&D may be impaired. Potential impairment is identified by comparing the fair value of the IPR&D to its carrying value. During the fourth quarter of 2025, management noted that an indicator of potential impairment existed due to a significant decline in the fair value of the Company's stock. The impairment assessment resulted in impairment charge of $11.8 million. Management's significant judgments and assumptions are the amount and timing of projected future cash flows, discount rate and control premium.

The principal considerations for our determination that performing procedures relating to IPR&D impairment assessment is a critical matter are (i) the significant judgment by management when developing the fair value estimate of the IPR&D; (ii) a high degree of auditor judgment, subjectivity and effort in performing procedures and evaluating management's significant assumptions related to amount and timing of projected future cash flows, discount rates and control premium; 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) testing management's process for developing the fair value estimate of the IPR&D; (ii) evaluating the appropriateness of the models used by management; (iii) testing the completeness and accuracy and relevance of the underlying data used in the models; and (iv) evaluating the reasonableness of the significant assumptions used by management related to amount and timing of projected future cash flows, discount rates and control premium. Evaluating management's assumptions related to the discount rates and control premium involved evaluating whether the assumptions used by management were reasonable considering the consistency with external market and industry data. Professionals with specialized skill and knowledge were used to assist in evaluating (i) the appropriateness of the models, and (ii) the reasonableness of the discount rates assumptions.

/s/Kesselman & Kesselman
Certified Public Accountants (Isr.)
A member firm of PricewaterhouseCoopers International Limited
Tel-Aviv, Israel

February 19, 2026

We have served as the Company's auditor since 2021.

BIOMX INC.
CONSOLIDATED BALANCE SHEETS
(USD in thousands, except share and per share data)

	As of December 31,	
	2025	**2024**
ASSETS		
Current assets		
Cash and cash equivalents	4,360	16,856
Restricted cash	595	958
Property and equipment, held for sale	157	-
Other current assets	463	2,706
Total current assets	5,575	20,520
Non-current assets		
Non-current restricted cash	-	161
Operating lease right-of-use assets	-	5,457
Property and equipment, net	-	5,045
In-process Research and development (“IPR&D”) asset	208	12,050
Total non-current assets	208	22,713
	5,783	43,233

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

BIOMX INC.
CONSOLIDATED BALANCE SHEETS
(USD in thousands, except share and per share data)

	As of December 31,	
	2025	**2024**
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Trade account payables	3,120	1,882
Current portion of lease liabilities	1,436	1,130
Other account payables	1,823	5,255
Total current liabilities	6,379	8,267
Non-current liabilities		
Operating lease liabilities, net of current portion	-	8,454
Other liabilities	-	77
Warrants	706	2,287
Total non-current liabilities	706	10,818
Commitments and Contingencies (Note 8)		
Stockholders' equity (capital deficiency)		
Preferred Stock, $0.0001 par value; Authorized - 1,000,000 shares as of December 31, 2025 and December 31, 2024. Issued and outstanding – 147,512 as of December 31, 2025 and 147,735 shares as of December 31, 2024.	18,617	18,645
Common stock, $0.0001 par value ("Common Stock"); Authorized - 750,000,000 shares as of December 31, 2025 and December 31, 2024. Issued and outstanding – 1,593,703 and 1,023,010 as of December 31, 2025 and December 31, 2024, respectively. (*)	7	6
Additional paid in capital	196,970	186,194
Accumulated deficit	(216,896)	(180,697)
Total Stockholders' equity (capital deficiency)	(1,302)	24,148
	5,783	43,233

(*) All share amounts have been retroactively adjusted to reflect a 1-for-19 reverse share split as discussed in Note 12A.

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

BIOMX INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(USD in thousands, except share and per share data)

	Year ended December 31,	
	2025	**2024**
Research and development ("R&D") expenses, net	21,292	24,663
General and administrative expenses	9,628	11,776
Gain from early lease termination	(2,949)	-
Goodwill impairment	-	801
IPR&D impairment	11,842	3,237
Other long-lived assets impairment	1,653	4,046
Operating loss	41,466	44,523
Other expense (income)	93	(2,143)
Interest expenses	20	873
Finance expense , net	724	919
Income from change in fair value of warrants	(6,111)	(26,458)
Loss before tax	36,192	17,714
Tax expenses	7	13
Net Loss	36,199	17,727
Basic loss per share of Common Stock	22.19	25.37
Diluted loss per share of Common Stock	22.19	58.31
Weighted average number of shares used in computing basic loss per share of Common Stock (*)	1,631,037	698,870
Weighted average number of shares used in computing diluted loss per share of Common Stock (*)	1,631,037	757,749

(*) All share amounts have been retroactively adjusted to reflect a 1-for-19 reverse share split as discussed in Note 12A.

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

BIOMX INC.

CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY (CAPITAL DEFICIENCY)

(USD in thousands, except share and per share data)

	Redeemable Convertible Preferred Shares		Common stock		Additional paid in Capital	Accumulated Deficit	Total Stockholder' Equity (capital deficiency)
	Shares	Amount	Shares (****)	Amount			
Balance as of January 1, 2024	-	-	314,943	3	166,048	(162,970)	3,081
Issuance of Common Stock, Merger Warrants and Redeemable Convertible Preferred Shares upon the APT acquisition, net of issuance cost (**)	40,470	12,561	48,237	1	3,227	-	15,789
Exercise of Pre-Funded Warrants into shares of Common Stock	-	-	76,770	1	5	-	6
Issuance of Common Stock under an Open Market Offering Agreement, net of issuance costs (**)	-	-	396	*	19	-	19
Issuance of Redeemable Convertible Preferred Shares upon March 2024 PIPE, net of issuance costs (**)	216,417	19,859	-	-	541	-	20,400
Redeemable Convertible Preferred Shares conversion into shares of Common Stock	(109,152)	(13,775)	574,484	1	13,774	-	-
Issuance of Common Stock upon restricted stock units ("RSUs") vesting	-	-	8,180	*	-	-	*
Stock-based compensation expenses	-	-	-	-	2,580	-	2,580
Net loss	-	-	-	-	-	(17,727)	(17,727)
Balance as of December 31, 2024	**147,735**	**18,645**	**1,023,010**	**6**	**186,194**	**(180,697)**	**24,148**
Issuance of Common Stock, Registered Pre-Funded Warrants and Private Pre-Funded Warrants under the February 2025 SPA, net of issuance costs (**)	-	-	148,857	*	878	-	878
Issuance of Common Stock under the Inducement Letter Agreements (**)	-	-	208,479	1	6,472	-	6,473
Exercise of Private Pre-Funded Warrants and Common Warrants (**)	-	-	75,223	*	2	-	2
Exercise of options to Common Stock (***)	-	-	718	*	*	-	*
Vested restricted stock units (***)	-	-	14,469	*	-	-	*
Issuance of Common Stock under the At the Market Sales Agreement, net of issuance costs (**)	-	-	121,773	*	1,305	-	1,305
Conversion of Redeemable Convertible Preferred Shares into Common Stock (**)	(223)	(28)	1,174	*	28	-	-
Stock-based compensation expenses	-	-	-	-	2,091	-	2,091
Net loss	-	-	-	-	-	(36,199)	(36,199)
Balance as of December 31, 2025	**147,512**	**18,617**	**1,593,703**	**7**	**196,970**	**(216,896)**	**(1,302)**

(*) Less than $1.
(**) See note 12A.
(***) See note 12B.
(****) All share amounts have been retroactively adjusted to reflect a 1-for-19 reverse share split as discussed in Note 12A.

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

BIOMX INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(USD in thousands, except share and per share data)

	Year ended December 31,	
	2025	**2024**
CASH FLOWS – OPERATING ACTIVITIES		
Net loss	(36,199)	(17,727)
Adjustments required to reconcile net loss to cash flows used in operating activities		
Depreciation	2,922	1,803
Stock-based compensation	2,091	1,848
Gain from early lease termination	(2,949)	-
Finance expense (income), net	256	(435)
Revaluation of contingent consideration	(77)	(78)
Income from change in fair value of warrants	(6,111)	(26,458)
Private Placement Warrants issuance cost	-	732
Changes in contract liability	-	(1,976)
Loss from sale and disposal of fixed assets, net	205	221
Goodwill impairment	-	801
IPR&D impairment	11,842	3,237
Other long-lived asset impairment	1,653	4,046
Changes in operating assets and liabilities:		
Other current assets	2,243	842
Trade account payables	1,238	(3,167)
Other account payables	(3,430)	(984)
Net change in operating leases	(74)	316
Net cash used in operating activities	(26,390)	(36,979)
CASH FLOWS – INVESTING ACTIVITIES		
Cash and restricted cash acquired from the APT acquisition	-	663
Purchase of property and equipment	(2)	(30)
Proceeds from sale of property and equipment	110	82
Net cash provided by investing activities	108	715
CASH FLOWS – FINANCING ACTIVITIES		
Issuance of Common Stock under February 2025 SPA	996	-
February 2025 SPA issuance costs	(118)	-
Issuance of Common Warrants under February 2025 SPA	4,531	-
Issuance of Common Stock under Inducement Letter Agreements	6,473	-
Pre-Funded Warrants exercise	2	6
Issuance of Common Stock under Open Market Sales Agreement, net of issuance costs	1,305	19
Repayment of long-term debt	-	(10,747)
Issuance of Private Placement Warrants under March 2024 PIPE	-	28,745
Issuance of Redeemable Convertible Preferred Shares under March 2024 PIPE	-	21,269
March 2024 PIPE issuance costs	-	(918)
Net cash provided by financing activities	13,189	38,374
Increase (decrease) in cash and cash equivalents and restricted cash	(13,093)	2,110
Effect of exchange rate changes on cash and cash equivalents and restricted cash	73	1
Cash and cash equivalents and restricted cash at the beginning of the year	17,975	15,864
Cash and cash equivalents and restricted cash at the end of the year	4,955	17,975

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

BIOMX INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(USD in thousands, except share and per share data)

	Year ended December 31,	
	2025	**2024**
RECONCILIATION OF AMOUNTS ON CONSOLIDATED BALANCE SHEETS:		
Cash and cash equivalents	4,360	16,856
Restricted cash	595	1,119
Total cash and cash equivalents and restricted cash	4,955	17,975
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid for interest	20	1,442
Taxes paid in Israel	7	13
SUPPLEMENTAL DISCLOSURE OF NON-CASH INVESTING ACTIVITIES:		
Lease liability and Operating lease right-of-use asset remeasurement	2,487	-
Derecognition of right-of-use asset as a result of operating lease termination	1,799	-
Derecognition of lease liability as a result of operating lease termination	4,902	-
Property and equipment purchases included in accounts payable	-	1
Issuance cost from March 2024 PIPE	-	1,273
Issuance of Common Stock under the APT acquisition	-	3,041
Issuance of Redeemable Convertible Preferred Shares under the APT acquisition	-	12,610
Issuance of Merger Warrants under the APT acquisition	-	200
Redeemable Convertible Preferred Shares conversion into shares of Common Stock	28	13,774

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

NOTE 1 - GENERAL

A. General information:

BiomX Inc., (individually, and together with its subsidiaries, BiomX Ltd. ("BiomX Israel"), RondinX Ltd. and Adaptive Phage Therapeutics LLC, ("APT"), the "Company" or "BiomX") was incorporated as a blank check company on November 1, 2017, under the laws of the state of Delaware, for the purpose of entering into a merger, stock exchange, asset acquisition, stock purchase, recapitalization, reorganization or similar business combination with one or more businesses or entities.

On October 29, 2019, the Company merged with BiomX Israel, who survived the merger as a wholly owned subsidiary of BiomX Inc. The Company acquired all outstanding shares of BiomX Israel. In exchange, shareholders of BiomX Israel received 79,311 shares of the Company's Common Stock, representing 65% of the total shares issued and outstanding after the acquisition ("Recapitalization Transaction"). BiomX Israel was deemed the "accounting acquirer" due to the largest ownership interest in the Company. The Company's shares of Common Stock are traded on the NYSE American under the symbol PHGE.

BiomX is developing both natural and engineered phage cocktails designed to target and destroy harmful bacteria in chronic diseases, focusing its efforts, at this point, on diabetic foot infections. BiomX discovers and validates proprietary bacterial targets and customizes phage compositions against these targets.

On August 24, 2025, BiomX Israel filed an application with the Israeli Registrar of Companies for the expedited voluntary liquidation of its subsidiary, RondinX Ltd. which became effective on December 3, 2025. As of that date, RondinX had no significant operations.

On November 13, 2025, the Board of Directors approved a 1-for-19 reverse stock split of the Company's shares of Common Stock (the "2025 Reverse Stock Split"), effective on November 25, 2025. See Note 12A for further information.

In December 2025, BiomX Israel commenced insolvency proceedings in Israel, following the announcement on December 8, 2025, of its discontinuation of the ongoing Phase 2b clinical trial of nebulized phage therapy BX004 in patients with cystic fibrosis associated with chronic Pseudomonas aeruginosa infections. As a result, BiomX Israel implemented cost-cutting measures including a significant reduction in workforce. On January 25, 2026, the Central District Court in Lod, Israel, appointed a trustee (the "Trustee") to BiomX Israel to handle the administration of the insolvency proceedings. See further information in Note 19B.

NOTE 1 - GENERAL (Cont.)

B. Going concern

The Company has incurred significant losses and negative cash flows from operations and incurred an accumulated deficit of $216,896 as of December 31, 2025. These are expected to continue in the foreseeable future. The Company plans to continue to fund its operations, as well as other development activities relating to additional product candidates, or other strategic alternatives through issuance of debt and/or equity securities, loans, and government grants. Management believes that its current funds, including the $3,000 raised in January 2026 as described in Note 19A, will be sufficient to fund its operations for only several months following the issuance date of these financial statements. The Company's ability to raise capital is subject to market conditions and other aspects, which may affect the terms and availability of such funding and there is no assurance that the Company will be successful in such processes. As mentioned in Note 1A, BiomX Ltd has entered into insolvency proceedings in Israel in December 2025, following the discontinuation of the Phase 2b clinical trial of nebulized phage therapy BX004 in patients with cystic fibrosis and is currently working under a trustee appointed by the court. These factors raise substantial doubt about the Company's ability to continue as a going concern. The consolidated financial statements have been prepared on a going concern basis and do not include any adjustments that may result from the outcome of such circumstances.

C. Merger Agreement

On March 6, 2024, the Company, entered into an agreement and plan of merger (the "Merger Agreement") with BTX Merger Sub I, Inc., a Delaware corporation and a wholly owned subsidiary of the Company ("First Merger Sub"), BTX Merger Sub II, LLC, a Delaware limited liability company and wholly owned subsidiary of the Company ("Second Merger Sub"), and APT. Pursuant to the Merger Agreement, First Merger Sub merged with and into APT, with APT being the surviving corporation and becoming a wholly owned subsidiary of the Company (the "First Merger"). Immediately following the First Merger, APT merged with and into Second Merger Sub, pursuant to which Second Merger Sub was the surviving entity (collectively, the "Acquisition"). APT was a U.S.-based privately held, clinical-stage biotechnology company pioneering the development of phage-based therapies to combat bacterial infection. See further information regarding the consideration transferred to APT's former stockholders in Note 12A.

On March 15, 2024, the effective date of the Acquisition (the "Closing Date"), APT's former stockholders were issued an aggregate of 48,237 shares of the Company's Common Stock, 40,470 Redeemable Convertible Preferred Shares and warrants to purchase up to an aggregate of 11,403 shares of the Company Common Stock ("Merger Warrants"). See further information in Note 12A.

On July 9, 2024 the Company's stockholders approved, among other things, the conversion of the Redeemable Convertible Preferred Shares into shares of Common Stock. On July 15, 2024, 109,152 Redeemable Convertible Preferred Shares were converted into 574,484 shares of the Company's Common Stock according to beneficial ownership limitations set by certain investors. During the year ended December 31, 2025, 223 Redeemable Convertible Preferred Shares were converted into 1,174 shares of the Company's Common Stock according to beneficial ownership limitations set by certain investors.

Immediately following the Acquisition, and without taking into account the PIPE Preferred Shares and the Private Placement Warrants, each as defined in Note 12A below, the Company's stockholders prior to the Acquisition owned approximate 55% the Company and APT's stockholders prior to the Acquisition owned approximately 45% of the Company.

The Acquisition-related transaction costs are accounted for as expenses in the period in which the costs are incurred. For the year ended December 31, 2024, the Company incurred transaction costs of $888 which were included in general and administrative expenses in the consolidated statements of operations.

(USD in thousands, except share and per share data)

NOTE 1 - GENERAL (Cont.)

C. Merger Agreement (Cont.)

The Acquisition was accounted for in accordance with Accounting Standards Codification ("ASC") Topic 805, "Business Combinations," using the acquisition method of accounting. The Company was identified as the accounting acquirer, based on the evaluation of the following facts and circumstances:

- Pursuant to the Merger Agreement, the post-Acquisition board of directors of the Company consists of seven directors, out of which the Company designated four board seats, with the Company's chair of the board prior to the Acquisition continuing in his position, i.e. the majority of the post-closing board was designated by the Company.

- The Chief Executive Officer and the majority of management roles are held by individuals who were affiliated with the Company prior to the Acquisition.

Purchase Price Allocation

The following sets forth the fair value of acquired identifiable assets and assumed liabilities of APT, after considering measurement period adjustment as described below, which includes adjustments to reflect the fair value of intangible assets acquired as of March 15, 2024:

	Amounts
Cash and cash equivalents	509
Restricted cash	154
Other current assets	1,780
Property, plant and equipment	3,748
Operating lease right-of-use asset	7,953
IPR&D assets and Goodwill	16,088
Total assets	30,232
Trade accounts payable	(3,667)
Other accounts payable	(2,895)
Operating lease liability	(7,819)
Total liabilities	(14,381)
Total consideration	15,851

The fair value estimate for all identifiable assets and liabilities assumed is based on assumptions that market participants would use in pricing an asset, based on the most advantageous market for the asset (i.e., its highest and best use).

The Company recognized intangible assets related to the Acquisition, which consist of IPR&D valued at $15,287 using the Multi-Period Excess Earnings Method valuation method and of goodwill valued at $501. The goodwill is primarily attributed to the expected synergies from combining the operations of APT with the Company's operations and to the assembled workforce of APT. The IPR&D is considered indefinite lived until the completion or abandonment of the associated research and development efforts. Upon successful completion of the project, IPR&D assets are reclassified to developed technology and amortized over their estimated useful lives.

(USD in thousands, except share and per share data)

NOTE 1 - GENERAL (Cont.)

C. Merger Agreement (Cont.)

During the year ended December 31, 2024, the Company made a measurement period adjustment to the purchase price allocation, which resulted in an increase to goodwill of $300. The increase resulted from a provision for a contingency not provided in the initial purchase price allocation, following a settlement agreement between APT and Oyster Point Pharma, Inc. ("Oyster") in connection with the Collaboration and Option Agreement signed in May 2021 as discussed in Note 8A. The fair value of assets acquired and liabilities assumed have been finalized. See Note 11 for further information regarding the impairment recorded for the IPR&D and goodwill.

These intangible assets are classified as Level 3 measurements within the fair value hierarchy.

The following table summarizes the fair value of the consideration transferred to APT shareholders for the Acquisition:

	Amounts
Common Stock	3,041
Redeemable Convertible Preferred Shares	12,610
Merger Warrants	200
	15,851

The fair value of shares of Common Stock issued by the Company was determined using the Company's closing trading price on the Closing Date adjusted by a discount for lack of marketability ("DLOM") of 9.4% as a registration statement was filed within 45 days. The fair value of Redeemable Convertible Preferred Shares was determined using the Company's closing trading price on the Closing Date adjusted by a DLOM of 14.9% as the conversion of the Redeemable Convertible Preferred Shares to shares of Common Stock was subject to the stockholder approval, which was obtained on July 9, 2024. The Company determined the fair value of the Merger Warrants using the Black-Scholes model as of the Closing Date. The main assumptions used are as follows:

Underlying value of Common Stock ($)	70.3
Exercise price ($)	950
Expected volatility (%)	117.7
Expected terms (years)	2.87
Risk-free interest rate (%)	4.5

The actual APT net loss included in the Company's consolidated statements of operations for the year ended December 31, 2024, is as follows:

	December 31, 2024
Net loss attributable to APT*	16,792

* Including impairments loss related to goodwill, IPR&D and long-lived assets of $801, $3,237 and $4,046, respectively.

The unaudited pro forma financial information below summarizes the combined results of operations for BiomX Inc. (including its wholly owned subsidiaries, BiomX Israel and RondinX Ltd.) and APT. The unaudited pro forma financial information includes adjustments to reflect certain business combination effects, including: acquisition-related costs incurred by both parties and reversal of certain costs incurred by BiomX Inc. which would not have been incurred had the acquisition occurred on January 1, 2024. The unaudited pro forma financial information as presented below is for informational purposes only and is not necessarily indicative of the results of operations that would have been achieved if the Acquisition had taken place at the beginning of fiscal 2024.

The following unaudited table provides certain pro forma financial information for the year ended December 31, 2025, as if the Acquisition occurred on January 1, 2024:

	December 31, 2024*
Net loss	21,369

* The pro forma amounts above are derived from historical numbers of the Company and APT.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied in the preparation of the financial statements on a consistent basis, are as follows, except for the adoption of new accounting standards:

A. Basis of presentation and principles of consolidation

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States ("GAAP") and include the accounts of the Company and its wholly owned subsidiaries, BiomX Israel, APT and RondinX Ltd., through the date of the voluntary liquidation of RondinX Ltd. on December 3, 2025. All intercompany accounts and transactions have been eliminated in consolidation.

B. Use of estimates in the preparation of financial statements

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities in the financial statements and the amounts of expenses during the reported years. The most significant estimates in the Company's financial statements relate to accruals for research and development expenses, business combination, warrants fair value revaluation and estimates used in the IPR&D impairment assessment for calculating the fair value of the Company's assets. These estimates and assumptions are based on current facts, future expectations, and various other factors believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities and the recording of expenses that are not readily apparent from other sources. Actual results may differ materially and adversely from these estimates.

C. Functional currency and foreign currency translation

The functional currency of the Company is the U.S. dollar ("USD") since the dollar is the currency of the primary economic environment in which the Company has operated and expects to continue to operate in the foreseeable future. Transactions and balances originally denominated USD are presented at their original amounts. Balances in non-USD currencies are translated into USDs using historical and current exchange rates for non-monetary and monetary balances, respectively. For non-USD transactions and other items in the consolidated statements of operations (indicated below), the following exchange rates are used: (i) for transactions – exchange rates at transaction dates or average exchange rates; and (ii) for other items (derived from non-monetary balance sheet items such as depreciation and amortization) – historical exchange rates. Currency transaction gains and losses are presented in financial expense (income), net as appropriate.

D. Cash and cash equivalents and restricted cash

The Company considers cash equivalents to be all short-term, highly liquid investments, which include money market funds, that are not restricted as to withdrawal or use and are readily convertible to known amounts of cash. Restricted cash consists of bank guarantee due to rental agreement and as of December 31, 2024, funds that were contractually restricted to a credit line for outstanding short-term foreign exchange contracts. The Company has presented restricted cash separately from cash and cash equivalents on the consolidated balance sheets. The Company includes its restricted bank deposits in cash and cash equivalents when reconciling beginning-of-period and end-of-period total amounts shown on the consolidated statement of cash flows.

(USD in thousands, except share and per share data)

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (Cont.)

E. Concentrations of credit risk

Financial instruments which potentially subject us to credit risk consist primarily of cash and cash equivalents. These amounts at times may exceed federally insured limits. We have not experienced any credit losses in such accounts and do not believe we are exposed to any significant credit risk on these funds. Most of the Company's cash and cash equivalents and bank deposits are invested in major banks in the U.S. and Israel. Management believes that the credit risk with respect to the financial institutions that hold the Company's cash and cash equivalents and bank deposits is low. Refer to note 2J.

F. Property and equipment

Property and equipment are presented at cost less accumulated depreciation. Depreciation is calculated based on the straight-line method over the estimated useful lives of the related assets or terms of the related leases, as follows:

	Estimated Useful Lives
Laboratory equipment	7 years
Computers and software	3 years
Equipment and furniture	15 years
Leasehold improvements	Shorter of lease term or useful life

G. Other long-lived asset impairment

In accordance with ASC 360-10, "Impairment and Disposal of Long-Lived Assets", management reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable based on estimated future undiscounted cash flows. If so indicated, an impairment loss would be recognized for the difference between the carrying amount of the asset and its fair value. See Note 11 for information regarding impairment charges recognized during the years ended December 31, 2025 and 2024.

H. Income taxes

The Company accounts for income taxes using the asset and liability approach. Deferred tax assets and liabilities are recorded based on the differences between the financial statement and tax basis of assets and liabilities and the tax rates in effect when these differences are expected to reverse. Deferred tax assets are reduced by a valuation allowance if, based on the weight of available evidence, it is more likely than not that some or all the deferred tax assets will not be realized. As of December 31, 2025 and 2024, the Company had a full valuation allowance against deferred tax assets.

The Company is subject to the provisions of ASC 740-10-25, "Income Taxes" ("ASC 740"). ASC 740 prescribes a more likely-than-not threshold for the financial statement recognition of uncertain tax positions. ASC 740 clarifies the accounting for income taxes by prescribing a minimum recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. On a yearly basis, the Company undergoes a process to evaluate whether income tax accruals are in accordance with ASC 740 guidance on uncertain tax positions. The Company has not recorded any liability for uncertain tax positions for the years ended December 31, 2025 and 2024. The Company presents unrecognized tax benefits as a reduction to deferred tax asset where a net operating loss, a similar tax loss, or a tax credit carryforward that are available, under the tax law of the applicable jurisdiction, to offset any additional income taxes that would result from the settlement of a tax position.

I. Derivative activity

The Company uses foreign exchange contracts (option and forward contracts) to hedge cash flows from currency exposure. These foreign exchange contracts are not designated as hedging instruments for accounting purposes. In connection with these foreign exchange contracts, the Company recognizes gains or losses that offset the revaluation of the cash flows also recorded under financial expenses (income), net in the consolidated statements of operations. The Company recognizes these derivative instruments as either assets or liabilities in the consolidated balance sheets at their fair value. Derivatives in a gain position are reported in other current assets in the consolidated balance sheets and derivatives in a loss position are recorded as other current liabilities in the consolidated balance sheets. As of December 31, 2025, the Company had no outstanding foreign exchange contracts. As of December 31, 2024, the Company had outstanding short-term foreign exchange contracts for the exchange of USD to NIS in the amount of approximately $2,413 with a fair value asset of $19.

(USD in thousands, except share and per share data)

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (Cont.)

J. Fair value of financial instruments

The Company accounts for financial instruments in accordance with ASC 820, "Fair Value Measurements and Disclosures" ("ASC 820"). ASC 820 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under ASC 820 are described below:

Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2 – Quoted prices in non-active markets or in active markets for similar assets or liabilities, observable inputs other than quoted prices, and inputs that are not directly observable but are corroborated by observable market data.

Level 3 – Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

There were no changes in the fair value hierarchy levelling during the years ended December 31, 2025 and 2024.

The following table summarizes the fair value of our financial assets and liabilities that were accounted for at fair value on a recurring basis, by level within the fair value hierarchy:

	December 31, 2025			
	Level 1	**Level 2**	**Level 3**	**Fair Value**
Assets:				
Cash equivalents:				
Money market funds	3,084	-	-	3,084
	3,084	**-**	**-**	**3,084**
Liabilities:				
Warrants	-	-	706	706
	-	**-**	**706**	**706**

	December 31, 2024			
	Level 1	**Level 2**	**Level 3**	**Fair Value**
Assets:				
Cash equivalents:				
Money market funds	12,251	-	-	12,251
Foreign exchange contracts receivable	-	19	-	19
	12,251	**19**	**-**	**12,270**
Liabilities:				
Contingent consideration	-	-	77	77
Warrants	-	-	2,287	2,287
	-	**-**	**2,364**	**2,364**

(USD in thousands, except share and per share data)

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (Cont.)

J. Fair value of financial instruments (Cont.)

Financial instruments with carrying values approximating fair value include cash and cash equivalents, restricted cash, other current assets, trade accounts payable and other current liabilities, due to their short-term nature.

1. The Company determined the fair value of the liabilities for the Warrants using the Black-Scholes model, a Level 3 measurement, within the fair value hierarchy.

   The main assumptions used are as follows:

	December 31, 2025	December 31, 2024
Underlying value of Common Stock ($)	1.87	13.87
Exercise price ($)	17.68-43.91	43.91
Expected volatility (%)	126.46-141.48	120.1
Expected terms (years)	0.52-4.31	1.5
Risk-free interest rate (%)	3.59-3.66	4.1

The changes in the fair value of the Company's Warrants which are measured as Level 3 and on a recurring basis are as follows:

	Year ended December 31, 2025	Year ended December 31, 2024
Beginning balance	2,287	-
Issuance of Private Placement Warrants	-	28,745
Issuance of Common Warrants	4,531	-
Repricing of warrants under the Inducement Letter Agreements (*)	3,300	-
Common Warrants exercise	(1)	-
Change in fair value	(9,411)	(26,458)
Ending balance	**706**	**2,287**

(*) Repricing and exercise of the warrants under the Inducement Letter Agreements, which was charged to profit and loss. See Note 12A for further information.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (Cont.)

J. Fair value of financial instruments (Cont.)

2. The Company determined the fair value of the liabilities for the contingent consideration based on a probability discounted cash flow analysis. This fair value measurement is based on significant unobservable inputs in the market and thus represents a Level 3 measurement within the fair value hierarchy. Changes in the fair value of contingent consideration are recorded in consolidated statements of operations. Following BiomX Israel's filing for the commencement of insolvency proceedings, the Company concluded that the likelihood of achieving the milestones is remote; therefore, the fair value of the contingent consideration is zero. See note 8E for further information.

3. As of December 31, 2025, the IPR&D and Property and equipment were assessed for impairment and measured at fair value, as described in Note 11 below.

K. Defined contribution plans

Under Israeli employment laws, employees of BiomX Israel are included under Section 14 of the Severance Compensation Act, 1963 ("Section 14") for a portion of their salaries. Pursuant to Section 14, these employees are entitled to monthly deposits made by the Company on their behalf with insurance companies.

Payments in accordance with Section 14 release the Company from any future severance payments (under the Israeli Severance Compensation Act, 1963) with respect of those employees. The aforementioned deposits are not recorded as an asset on the Company's balance sheet, and there is no liability recorded as the Company does not have a future obligation to make any additional payments. The Company's contributions to the defined contribution plans are charged to the consolidated statements of operations as and when the services are received from the Company's employees. Total expenses with respect to these contributions were $354 and $389 for the years ended December 31, 2025 and 2024, respectively.

For U.S. employees the Company has a defined contribution savings plan under Section 401(k) of the Internal Revenue Code. This plan covers substantially all employees of BiomX Inc in the U.S. who meet minimum age and service requirements and allows participants to defer a portion of their annual compensation on a pre-tax basis.

The Company has not elected to match any of the employees' deferral. During the years ended December 31, 2025 and 2024 the Company did not record any expenses for 401(k) match contributions.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (Cont.)

L. Financial instruments

When the Company issues freestanding instruments, it first analyzes the provisions of ASC 480, "Distinguishing Liabilities From Equity" ("ASC 480") in order to determine whether the instrument should be classified as a liability, with subsequent changes in fair value recognized in the consolidated statements of operations in each period. If the instrument is not within the scope of ASC 480, the Company further analyzes the provisions of ASC 815-10 in order to determine whether the instrument is considered indexed to the entity's own stock and qualifies for classification within equity.

When the Company issues preferred shares, it first considers the provisions of ASC 480, in order to determine whether the preferred shares should be classified as a liability. If the instrument is not within the scope of ASC 480, the Company further analyzes the instrument's characteristics in order to determine whether it should be classified within temporary equity (mezzanine) or within permanent equity in accordance with the provisions of ASC 480-10-S99. The Company reassesses the classification of a contract over its own equity under the guidance above at each balance sheet date. If classification changes as a result of events during the reporting period, the Company reclassifies the contract as of the date of the event that caused the reclassification.

When the Company issues warrants, it first considers the provisions of ASC 815-40, "Contracts in Entity's Own Equity" ("ASC 815-40") in order to determine whether the warrants should be classified as equity. Equity classification is permitted when warrants are indexed to the Company's own shares and meet the classification requirements for stockholders' equity classification under ASC 815-40. If the warrants are not within the scope of ASC 815-40, the Company accounts for the warrants in accordance with the guidance contained in Accounting Standards Codification 815 ("ASC 815"), "Derivatives and Hedging", under which the warrants do not meet the criteria for equity treatment and must be recorded as derivative liabilities. Accordingly, the Company classifies the Private Placement Warrants as liabilities at their fair value and adjusts the warrants to fair value at each reporting period. This liability is subject to re-measurement at each balance sheet date until the warrants are exercised or expire, and any change in fair value is recognized in the consolidated statements of operations.

M. Research and development expenses, net

Research and development costs are charged to statements of operations as incurred. Royalty-bearing grants from the Israeli Innovation Authority ("IIA") and grants from the Medical Technology Enterprise Consortium ("MTEC") are recognized at the time the Company is entitled to such grants, on the basis of the costs incurred and applied as a deduction from research and development expenses.

N. Basic and diluted loss per share

Basic loss per share is computed by dividing net loss by the weighted average number of shares of Common Stock outstanding during the year, fully vested warrants with no exercise price for the Company's Common Stock and fully vested Pre-Funded Warrants for the Company's Common Stock at an exercise price of $0.019 per share, as the Company considers these shares to be exercised for little to no additional consideration. The calculation excludes shares of Common Stock purchased by the Company and held as treasury shares. Diluted loss per share is computed by dividing net loss by the weighted average number of shares of Common Stock outstanding during the year, plus the number of shares of Common Stock that would have been outstanding if all potentially dilutive shares of Common Stock had been issued, using the treasury stock method, in accordance with ASC 260-10 "Earnings per Share."

The Company computes net loss per share using the two-class method required for participating securities. The two-class method requires income available to common stockholders for the period to be allocated between shares of Common Stock and participating securities based upon their respective rights to receive dividends as if all income for the period had been distributed. The Company considers its Redeemable Convertible Preferred Shares to be participating securities as the holders of the Redeemable Convertible Preferred Shares would be entitled to dividends that would be distributed to the holders of Common Stock, on a pro-rata basis assuming conversion of all Redeemable Convertible Preferred Shares into shares of Common Stock. These participating securities do not contractually require the holders of such shares to participate in the Company's losses. As such, net loss for the periods presented was not allocated to the Company's participating securities.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (Cont.)

O. Stock compensation plans

The Company applies ASC 718-10, "Stock-Based Payment," ("ASC 718-10") which requires the measurement and recognition of compensation expenses for all stock-based payment awards made to employees and directors including employee stock options under the Company's stock plans based on estimated fair values.

ASC 718-10 requires companies to estimate the fair value of stock-based payment awards granted to employees and non-employees on the date of grant using an option-pricing model. The fair value of the award is recognized as an expense over the requisite service periods in the Company's statements of operations using the graded vesting method. The Company accounts for stock-based payment awards classified as equity awards. The Company recognizes stock-based award forfeitures as they occur rather than estimate by applying a forfeiture rate.

All issuances of stock options or other equity instruments to non-employees as consideration for goods or services received by the Company are accounted for based on the fair value of the equity instruments issued.

The Company estimates the fair value of stock options granted as equity awards using a Black-Scholes option-pricing model. The option-pricing model requires a number of assumptions, of which the most significant are share price, expected volatility and the expected option term (the time from the grant date until the options are exercised or expire). The Company uses an average of its historical stock price volatility. The Company has historically not paid dividends and has no foreseeable plans to issue dividends. The risk-free interest rate is based on the yield from governmental zero-coupon bonds with an equivalent term. The expected option term is calculated for all stock option grants using the "simplified" method. Changes in the determination of each of the inputs can affect the fair value of the options granted and the results of operations of the Company.

P. Leases

Under Accounting Standards Update, "Leases" ("ASC 842"), the Company determines if an arrangement is a lease at inception. Upon initial recognition, the Company recognizes a liability at the present value of the lease payments to be made over the lease term, and concurrently recognizes a right-of-use asset at the same amount of the liability, adjusted for any prepaid or accrued lease payments, plus initial direct costs incurred in respect of the lease. 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. The subsequent measurement depends on whether the lease is classified as a finance lease or an operating lease. During the reporting periods, the Company has only operating leases. Lease terms include options to extend the lease when it is reasonably certain that the Company will exercise that option. Lease expenses for operating leases are recognized on a straight-line basis over the lease term.

The Company has made a policy election not to capitalize leases with a term of 12 months or less.

In accordance with ASC 360-10, management reviews operating lease assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable based on estimated future undiscounted cash flows. If so indicated, an impairment loss would be recognized for the difference between the carrying amount of the asset and its fair value.

For leased properties where the Company plans to cease use of the property, as well as have the intent and ability to sublease the property, the Company tests the right-of-use asset for impairment to determine if a loss has occurred. The carrying value of the right-of-use asset is adjusted based on the net present value of the future cash flows expected from a sublease agreement over the remaining lease term. As of December 31, 2025, the Company terminated all its remaining lease agreements and, accordingly, no longer maintains any leased properties.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (Cont.)

Q. Business Combination

The Company allocates the fair value of consideration transferred in a business combination to the assets acquired, liabilities assumed based on their fair values at the acquisition date. Acquisition-related expenses are recognized separately from the business combination and are expensed as incurred. The excess of the fair value of the consideration transferred over the fair value of the assets acquired, liabilities assumed in the acquired business is recorded as goodwill. The fair value of the consideration transferred included equity securities. The allocation of the consideration transferred in certain cases may be subject to revision based on the final determination of fair values during the measurement period, which may be up to one year from the acquisition date. The cumulative impact of revisions during the measurement period is recognized in the reporting period in which the revisions are identified. The Company includes the results of operations of the businesses that it has acquired in its consolidated results prospectively from the respective dates of acquisition.

R. Intangible Assets

Intangible assets

IPR&D assets acquired in a business combination are recognized at fair value as of the acquisition date and subsequently accounted for as indefinite-lived intangible assets until completion or abandonment of the associated R&D efforts. Indefinite-lived intangible assets are reviewed for impairment at least annually, on the last day of the third quarter of the fiscal year or whenever there is an indication that the asset may be impaired. To conduct impairment tests of IPR&D, the fair value of the IPR&D asset is compared to its carrying value. If the carrying value exceeds its fair value, the Company records an impairment loss to the extent that the carrying value of the IPR&D asset exceeds its fair value. During the years ended December 31, 2025 and 2024, the Company recorded IPR&D impairment in amount of $11,842 and $3,237, respectively. See Note 11 for further information.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (Cont.)

S. New accounting pronouncements

Recently adopted accounting pronouncements

In June 2022, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2022-03 "Fair Value Measurement of Equity Securities Subject to Contractual Sale Restrictions" ("ASU 2022-03"). ASU 2022-03 clarifies that a contractual restriction on the sale of an equity security is not considered part of the unit of account of the equity security and, therefore, is not considered in measuring its fair value. ASU 2022-03 also clarifies that an entity cannot, as a separate unit of account, recognize and measure a contractual sale restriction. ASU 2022-03 also introduces new disclosure requirements for equity securities subject to contractual sale restrictions. The Company adopted ASU 2022-03 on January 1, 2025 and it did not have a material impact on its consolidated financial statements.

In December 2023, the FASB issued ASU 2023-09 "Income Taxes (Topic 740): Improvements to Income Tax Disclosures" ("ASU 2023-09"). 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 fiscal years beginning after December 15, 2024 on a prospective basis, with the option to apply the standard retrospectively. Early adoption is permitted. The Company implemented the new income tax disclosures retrospectively. The implementation of ASU 2023-09 affected disclosures only and had no impact on the Company's financial condition or results of operations. See Note 16 Income Taxes.

Recently issued accounting pronouncements, not yet adopted

In November 2024, the FASB issued ASU 2024-03 "Income Statement: Reporting Comprehensive Income— Expense Disaggregation Disclosures," which requires more detailed information about specified categories of expenses (purchases of inventory, employee compensation, depreciation, amortization, and depletion) included in certain expense captions presented on the face of the income statement, as well as disclosures about selling expenses. This ASU is effective for fiscal years beginning after December 15, 2026 and for interim periods within fiscal years beginning after December 15, 2027. Early adoption is permitted. The amendments may be applied either (1) prospectively to financial statements issued for reporting periods after the effective date of this ASU or (2) retrospectively to all prior periods presented in the financial statements. The Company is currently evaluating this guidance to determine the impact it may have on its consolidated financial statements disclosures.

In September 2025, the FASB issued ASU 2025-07 "Derivatives Scope Refinements and Scope Clarification for Share-Based Noncash Consideration from a Customer in a Revenue Contract". The ASU excludes from the derivative accounting certain non-exchange-traded contracts with contracts with underlying that are based on operations or activities specific to one of the parties to the contract. Further, the ASU clarifies that an entity should apply the guidance in ASC 606 to a contract with stock-based noncash consideration. The guidance in other Topics (such as ASC 815 or ASC 321) does not apply to such consideration unless and until the entity's right to receive or retain the consideration is unconditional. The ASU is effective for annual periods beginning after December 15, 2026 and interim periods within those annual periods. Early adoption is permitted. The amendment can be applied either prospectively to new contracts entered into on or after the date of adoption or on a modified retrospective basis through cumulative effect adjustment to the opening balance of retained earnings as of the beginning of the annual reporting period of adoption. The Company is in the process of evaluating the effects of the ASU on its contracts.

(USD in thousands, except share and per share data)

NOTE 3 - OTHER CURRENT ASSETS

	As of December 31,	
	2025	2024
Government institutions	111	74
Prepaid insurance	248	959
Other prepaid expenses	93	322
Grants receivables	-	1,171
Other	11	180
	463	2,706

NOTE 4 - PROPERTY AND EQUIPMENT, HELD FOR SALE

Composition of assets, grouped by major classifications, is as follows:

	As of December 31,	
	2025	2024
Computers and software	304	302
Laboratory equipment	5,028	5,476
Equipment and furniture	257	318
Leasehold improvements	-	4,448
Total property and equipment	5,589	10,544
Less: Accumulated depreciation	(5,432)	(5,499)
Total property and equipment, net	157	5,045

Depreciation expenses were $2,922 and $1,803 in the years ended December 31, 2025 and 2024, respectively.

Following BiomX Israel's notice to the lessor, in July 2025, that it would not exercise the option to extend the lease for its office space in Ness Ziona, Israel, as described in Note 5, the Company accelerated the depreciation of leasehold improvements associated with this lease. In addition, in connection with BiomX Israel's filing for the commencement of insolvency proceedings, BiomX Israel sold all of its property and equipment subsequent to the balance sheet date. Accordingly, the Company recorded an impairment to reflect the sale proceeds in the amount of $496.

On December 31, 2025, APT signed an amendment to the lease agreement with the landlord to terminate the lease agreement as described in Note 5. Accordingly, the Company accelerated the depreciation of leasehold improvements associated with the lease. Additionally, APT intends to dispose all of its property and equipment. Based on purchase offers received for its equipment, APT determined that the expected sale proceeds are negligible and wrote down the full carrying amount of the assets.

For the year ended December 31, 2024, the Company incurred an impairment loss to its leasehold improvements of $530 associated with its right-of-use asset. Refer to Note 11 for additional information.

NOTE 5 - LEASES

In September 2020, BiomX Israel entered into a five-year lease for office space in Ness Ziona, Israel, commencing September 1, 2020, with an option to extend until November 30, 2030. The lessor reimbursed BiomX Israel for leasehold improvement costs, which BiomX Israel will repay with interest over the lease term, resulting in recognition of a $1,030 lease incentive asset deducted from the operating lease right-of-use asset. The lease assets and liabilities included the option period.

In July 2025, BiomX Israel notified the lessor of its intention not to exercise the option to extend the lease agreement for an additional five-year period beginning on December 1, 2025, related to its office space in Ness Ziona, Israel. BiomX Israel accounted for the decision not to exercise the extension option as a triggering event under ASC 842, "Leases", and remeasured the lease liability as an adjustment to the operating lease right-of-use asset associated with the lease. At the effective date of remeasurement, BiomX Israel recorded an adjustment to the right-of-use asset and lease liability in the amount of $2,487 based on the net present value of lease payments discounted. As of December 31, 2025, BiomX Israel no longer leases the office space; however, it is still required to repay the lessor the remaining balance of previously reimbursed leasehold improvements costs, amounting to approximately $636.

(USD in thousands, except share and per share data)

NOTE 5 - LEASES (Cont.)

On August 9, 2019, APT entered into a lease agreement (the "APT Lease Agreement") with ARE-708 Quince Orchard, LLC (the "Landlord"), for office and lab spaces in Gaithersburg, Maryland starting on September 1, 2019. On March 5, 2024, in connection with the Acquisition, APT and the Landlord, signed an amendment to the APT Lease Agreement. Pursuant to the amendment, the leased area and the monthly fees were reduced. The Company issued the Landlord warrants (the "Landlord Warrants") to purchase up to an aggregate of 1,316 shares of the Company's Common Stock at an exercise price of $950.00 per share. The Landlord Warrants became exercisable on July 9, 2024, and will expire on January 28, 2027.

On December 31, 2025, APT and the Landlord executed an amendment to the APT Lease Agreement to terminate the lease. Pursuant to the amendment, the Landlord applied a security deposit of $154, and the Company became obligated to deposit $800 into a designated escrow account in connection with the lease termination. As of December 31, 2025, the Company had deposited $300 into the escrow account. In January 2026, the remaining balance of $500 was deposited into the escrow account and subsequently released to the Landlord. As a result of the termination, the Company recognized a gain of $2,949 from lease termination for the period ended December 31, 2025, reflecting the derecognition of the related right-of-use asset and lease liability, and the total consideration that will be paid in connection with the termination.

For the year ended December 31, 2024, the Company recognized an impairment charge of $3,516 in relation to its right-of-use asset. See Note 11 for further information.

Lease expenses recorded in the consolidated statements of operations were $1,967 and $3,543 for the years ended December 31, 2025 and 2024, respectively.

Supplemental cash flow information related to operating leases was as follows:

	Year ended December 31, 2025	Year ended December 31, 2024
Cash payments for operating leases	1,814	1,533

(USD in thousands, except share and per share data)

NOTE 6 - OTHER ACCOUNT PAYABLES

	As of December 31,	
	2025	2024
Employees and related institutions	475	854
Accrued expenses	720	3,771
Government institutions	628	630
	1,823	5,255

NOTE 7 - TRANSACTION WITH RELATED PARTIES

A. Refer to note 12B regarding stock options granted to related parties.

B. Refer to note 12A regarding a Securities Purchase Agreement with institutional investors.

NOTE 8 - COMMITMENTS AND CONTINGENCIES

A. In May 2021, APT entered into a Collaboration and Option Agreement (the "Oyster Agreement") with Oyster, a wholly owned subsidiary of Viatris Inc., to collaborate on the use of APT's proprietary phage technology for the treatment of certain ophthalmic diseases. Upon execution of the Agreement, Oyster paid an upfront payment of $500 to APT, a portion of which APT claims it has spent in the course of performing its obligations under the Oyster Agreement. In April 2022 and September 2023, APT received letters from Oyster and Viatris Inc. raising concerns about APT's actions, including allegations that APT had breached the Oyster Agreement. On December 18, 2024, APT and Oyster signed a settlement agreement (the "Settlement Agreement"), which includes a payment of $300 from APT to Oyster. As of December 31, 2024, the Company has recorded a provision of $300 as other accounts payable in the consolidated balance sheets. On January 13, 2025, APT paid Oyster $300 according to the Settlement Agreement.

B. From 2015 to 2023, IIA approved several grant applications submitted by BiomX Israel in support of the Company's various product candidates. Through December 31, 2025, total grants received from the IIA aggregated to approximately $8,933 (NIS 30,666). As of December 31, 2025, total grants subject to royalties' payments aggregated to approximately $8,100. Repayment of the grant is contingent upon the successful completion of the BiomX Israel's R&D programs and generating sales. BiomX Israel has no obligation to repay these grants if the R&D program fails, is unsuccessful or aborted or if no sales are generated. The Company had not yet generated sales as of December 31, 2025; therefore, no liability was recorded in these consolidated financial statements. IIA grants are recorded as a reduction of R&D expenses, net. As of December 31, 2025, BiomX Israel had a contingent obligation to the IIA in the amount of approximately $9,392 including annual interest of SOFR applicable to dollar deposits.

C. In June 2015, BiomX Israel entered into a Research and License Agreement (the "2015 License Agreement") as amended with Yeda Research and Development Company Limited ("Yeda"), pursuant to which BiomX Israel received an exclusive worldwide license to certain know-how and research information related to the development, testing, manufacturing, production and sale of microbiome-based therapeutic product candidates, including candidates specified in the agreement, as well as patents, research and other rights to phage product candidates. In return, BiomX Israel is obligated to pay Yeda annual license fees of approximately $10 and royalties on revenues as defined in the 2015 License Agreement. In July 2019, the Company and Yeda amended the 2015 License Agreement, pursuant to which, following the closing of the Recapitalization Transaction, the Company is obligated to pay Yeda a one-time payment as described in the amendment which will not exceed 1% of the consideration received in the event of certain mergers or acquisitions involving the Company. The Merger Agreement as described in Note 1C, does not constitute a merger or acquisition as defined in the amendment.

NOTE 8 - COMMITMENTS AND CONTINGENCIES (Cont.)

D. In October 2021, the Company entered into a Stock Purchase Agreement with a subsidiary of Maruho Co. Ltd. ("Maruho"), granting Maruho a right of first offer to license BX005 in Japan. An amount of $1,976 was recorded as a contract liability. In April 2024, following the decision to pause development of BX005, the right of first offer was terminated, and the full contract liability was reversed and recognized as other income for the year ended December 31, 2024.

E. In November 2017, BiomX Israel signed a share purchase agreement with the shareholders of RondinX Ltd., which included a contingent consideration mechanism based on the achievement of specified clinical, development, regulatory, commercial and strategic milestones, or the execution of qualifying collaboration agreements. Such consideration may be settled, at the Company's discretion, in cash and/or shares of Common Stock, up to an aggregate amount of $32,000 over a ten-year period from the closing of the agreement. Following BiomX Israel's filing for the commencement of insolvency proceedings, the Company concluded that the likelihood of achieving the milestones is remote; therefore, the fair value of the contingent consideration is zero.; accordingly, as of December 31, 2025, the contingent liability was reversed. As of December 31, 2024, the consolidated financial statements include a liability with respect to this agreement in the amount of $77.

NOTE 9 - U.S. GOVERNMENT CONTRACTS AND GRANTS

In 2019, APT entered into a Base Agreement and Research Project Award (collectively, the "Agreement") with the U.S. Army Medical Research Acquisition Activity ("USAMRAA") and the U.S. Army Medical Research & Development Command ("USAMRDC") to advance personalized phage therapy from niche to broad use. Awards under the Agreement are intended to lay the groundwork for rapid advancement of personalized phage therapy to commercialization for the variety of clinical indications and bacterial pathogens representing un-met needs with a focus on infections with significant military relevance. The competitive award was granted by USAMRAA and USAMRDC in collaboration with MTEC, a 501(c)(3) biomedical technology consortium working in partnership with the U.S. Department of Defense. Since Agreement inception, APT entered into certain modifications to the Agreement to include additional activities and perform pre-clinical activities to advance the Diabetic Foot Osteomyelitis ("DFO") clinical program. Under the Agreement, MTEC reimburses APT for approved costs as incurred that are based upon the achievement of certain milestones up to a contract value of $36,214. In September 2024, the Agreement was amended to extend the period of performance to continue and complete the pre-clinical activities for the DFO clinical program, which increased the total contract value to $39,081. In conjunction with this Agreement, APT was subject to an assessment fee of an amount equal up to 3% of the total funded value of the research project award which was paid by the Company upon signing the agreement or the modifications. Under the amendment signed in September 2024, APT was subject to an assessment fee of 1%, resulting in a payment of $29 to MTEC in December 2024. For the period between the Acquisition and December 31, 2025, the Company received grants of $5,760 from MTEC with respect to the cost reimbursement contract. During the years ended December 31, 2025 and 2024, the Company recorded $1,638 and $2,614 as a reduction of R&D expenses, net.

NOTE 10 - LONG-TERM DEBT

On August 16, 2021 (the "Closing Date"), the Company entered into a Loan and Security Agreement (the "Loan Agreement") with Hercules Capital, Inc. ("Hercules"), with respect to a venture debt facility. Under the Loan Agreement, $15,000 was advanced to the Company on the date the Loan Agreement was executed. On March 19, 2024, the Company prepaid the entire balance under the Loan Agreement in a total of $10,428.

Interest expense relating to the term loan, which is included in interest expense in the consolidated statements of operations was $850 for the year ended December 31, 2024.

NOTE 11 - GOODWILL, INTANGIBLE ASSET & LONG-LIVED ASSETS IMPAIRMENT

Goodwill

Following the APT Acquisition, the Company recognized goodwill valued at $801 after adjustment made during the measurement period as described in Note 1C above. In the third quarter of 2024, the Company performed a quantitative assessment for goodwill impairment, due to a decline in the Company's stock price resulting in its market capitalization being less than the Company's stockholders' equity, which management concluded as an impairment indicator. The assessment utilizes the Company's market capitalization plus an appropriate control premium. Market capitalization is determined by multiplying the outstanding number of shares of Common Stock by the Company's stock price. The control premium is determined by utilizing publicly available data from studies for similar transactions of public companies. Based on the assessment, the Company concluded that the fair value of its reporting unit was less than its carrying value. Therefore, the Company recognized a full goodwill impairment of $801 for the year ended December 31, 2024.

Intangible asset

In the third quarter of 2025, the Company performed a quantitative assessment for its IPR&D asset, in accordance with the timing prescribed by the Company's accounting policy, as described in Note 2R. The assessment indicated that the fair value of its IPR&D was higher than its carrying value and no impairment was recognized.

During the fourth quarter of 2025, the Company's stock price declined significantly, in part following the Company's announcement regarding the discontinuation of the cystic fibrosis ("CF") Phase 2b clinical trial due to adverse events and the filing of the application to commence insolvency proceedings for BiomX Israel. The discontinuation of the CF trial raised concerns that extended beyond the CF program itself, as the adverse events observed may have broader implications for the Company's platform technology and pipeline programs. As a result, the Company performed an impairment assessment of its IPR&D acquired in the APT Acquisition. The fair value of the IPR&D was estimated using a market approach, based on the Company's equity value with the addition of a control premium derived from publicly available data from studies for similar transactions of public companies. Based on this valuation, the Company recognized an impairment loss on the IPR&D of $11,842. As of December 31, 2025 and 2024 the IPR&D balance was $208 and $12,050, respectively.

In the third quarter of 2024, the Company performed a quantitative assessment for its IPR&D asset, resulting from the decline in the Company's stock price as above mentioned. The assessment indicated that the fair value of its IPR&D was higher than its carrying value and no impairment was recognized.

During the fourth quarter of 2024, in light of the continued decline in the Company's stock price, the Company reperformed a quantitative assessment for its IPR&D asset. The assessment was performed using the discounted cash flow model of the income approach. The cash flow projections included significant judgments and assumptions relating to amount and timing of projected future cash flows including, but not limited to, estimating the expected costs to complete in-process projects, projecting regulatory approvals, estimating future cash flows from product sales and developing appropriate discount rates. The Company used a discount rate of 19% which is based on the estimated weighted-average cost of capital for APT. As a result of the impairment assessment, the Company concluded that the fair value of the IPR&D decreased below its carrying value and the Company recorded an impairment in the amount of $3,237 for the year ended December 31, 2024.

Other long-lived assets

In December 2025, the Company recorded an impairment of its property and equipment in the amount of $1,653. See Note 4 for further information.

In December 2024, the Company's management decided to cease the use of the property in Gaithersburg, Maryland and made it available for sublease. The Company considered it as an impairment indicator for impairment assessment of the right-of-use asset and related leasehold improvements as the Company considered it as one asset group for the purpose of the long-lived asset impairment assessment. Calculating the fair value of the asset group involves significant estimates and market participant assumptions. These estimates and assumptions include, among others, projected future cash flows, risk-adjusted discount rates and market conditions. The Company evaluated the future cash flows expected from a sublease agreement over the remaining lease term and concluded that the carrying value of the asset group was not recoverable as it exceeded the future net discounted cash flows that are expected to be generated from the use of the assets within the asset group. The Company recognized an impairment of $4,046 which was allocated to the right-of-use asset and the related leasehold improvements within the asset group on a pro rata basis using the relative carrying amounts of those assets, which resulted in impairment charges of $3,516 and $530, respectively, during the year ended December 31, 2024

NOTE 12 - STOCKHOLDERS EQUITY

A. Share Capital:

Reverse Stock Split:

On August 8, 2024, the Board of Directors approved a 1-for-10 Reverse Stock Split of the Company's shares of Common Stock (the "2024 Reverse Stock Split").

On August 20, 2024, the Company filed the Certificate of Amendment with the Delaware Secretary of State to effect the 2024 Reverse Stock Split, which became effective on August 26, 2024 (the "Effective Date"). The Company's Common Stock began trading on a 2024 Reverse Stock Split adjusted basis on the NYSE American at the opening of the markets on the Effective Date.

As a result of the 2024 Reverse Stock Split, the number of shares of Common Stock outstanding was reduced from 178,958,447 shares to 18,021,173 shares (pre the 2025 Reverse Stock Split as defined below). No fractional shares of Common Stock or Units were issued ;Stockholders of the Company otherwise entitled to receive fractional shares were rounded up to the next whole share, resulting in the issuance of 125,328 additional shares of Common Stock. The Reverse Stock Split did not change the par value of the Common Stock nor the authorized number of shares of Common Stock, preferred stock or any series of preferred stock.

On October 16, 2025, the Company's stockholders approved a reverse stock split at a ratio within a range of 1-for-5 and 1-for-20 at such time as the Board of Directors shall determine, in its sole discretion, at any time before October 16, 2026. On November 13, 2025, the Board of Directors approved a 1-for-19 Reverse Stock Split of the Company's shares of Common Stock.

On November 17, 2025, the Company filed the Certificate of Amendment with the Delaware Secretary of State to effect the 2025 Reverse Stock Split, which became effective on November 25, 2025. The Company's Common Stock began trading on a Reverse Stock Split adjusted basis on the NYSE American at the opening of the markets on the same date.

As a result of the 2025 Reverse Stock Split, the number of shares of Common Stock outstanding was reduced from 29,002,617 shares to 1,592,985 shares. No fractional shares of Common Stock were issued in connection with the 2025 Reverse Stock Split. Stockholders of the Company who otherwise were entitled to receive fractional shares, because they held a number of shares or Units, as applicable, not evenly divisible by the 2025 Reverse Stock Split ratio were automatically entitled to receive an additional fraction of a share of the Common Stock or Unit, as applicable, to round up to the next whole share. As a result, 66,344 shares of Common Stock were issued. The 2025 Reverse Stock Split did not change the par value of the Common Stock nor the authorized number of shares of Common Stock, preferred stock or any series of preferred stock.

Unless otherwise indicated, all amounts of issued and outstanding stock contained in the accompanying consolidated financial statements have been adjusted to reflect the 1-for-10 2024 Reverse Stock Split and the 1-for-19 2025 Reverse Stock Split for all prior periods presented. Proportional adjustments were also made to shares underlying outstanding equity awards, warrants and Redeemable Convertible Preferred Shares, and to the number of shares issued and issuable under the Company's stock incentive plans and certain existing agreements.

Authorized shares of common stock:

On July 9, 2024, the Company's stockholders approved increasing the number of authorized shares of Common Stock from 120,000,000 shares, par value $0.0001 per share, to 750,000,000 shares, par value $0.0001 per share.

Preferred Stock:

The Company is authorized to issue 1,000,000 shares of preferred stock with a par value of $0.0001 per share with such designation, rights and preferences as may be determined from time to time by the Company's Board of Directors.

On March 15, 2024, the Company issued 40,470 and 216,417 Redeemable Convertible Preferred Shares, par value $0.0001 per share, as part of the Acquisition and the March 2024 PIPE (as defined below), respectively. During the year ended December 31, 2025 and 2024, 223 and 109,152 Redeemable Convertible Preferred Shares were converted into 1,174 and 574,484 shares of the Company's Common Stock, respectively.

NOTE 12 - STOCKHOLDERS EQUITY (Cont.)

A. Share Capital: (Cont.)

Stock Exchange:

On October 28, 2019, the Company agreed to issue 10,527 additional shares of Common Stock, on a pro rata basis, if the daily volume weighted average price of the Company's Common Stock in any 20 trading days within a 30-trading day period prior to January 1, 2026 is greater than or equal to $551.00 per share (with respect to the Company's Common Stock traded on the NYSE American). As of December 31, 2025, the condition was not achieved and the Company's conditional undertaking to issue additional shares expired.

Private Investment in Public Equity:

On March 15, 2024, the effective date of the Acquisition as described in Note 1C, the Company issued to APT's former stockholders 48,237 shares of the Company's Common Stock, 40,470 Redeemable Convertible Preferred Shares and Merger Warrants to purchase up to an aggregate of 11,403 shares of the Company Common Stock. Each share of Redeemable Convertible Preferred Shares is convertible into an aggregate of approximately 6 shares of Common Stock. The Merger Warrants became exercisable on July 9, 2024, at an exercise price of $950.00 per share and will expire on January 28, 2027.

The Redeemable Convertible Preferred Shares are entitled to receive dividends on shares of the Redeemable Convertible Preferred Shares equal to, on an as-if-converted-to Common-Stock basis, and in the same form as, dividends actually paid on shares of the Common Stock. Except as otherwise required by law or with respect to the Redeemable Convertible Preferred Shares protective provisions set forth in the Company's Certificate of Designations, the Redeemable Convertible Preferred Shares do not have voting rights.

Concurrently with the consummation of the Acquisition, the Company consummated a private placement (the "March 2024 PIPE") with certain investors pursuant to which, such investors purchased an aggregate of 216,417 Redeemable Convertible Preferred Shares ("PIPE Preferred Shares") and warrants to purchase up to an aggregate of 569,519 shares of the Company's Common Stock (the "Private Placement Warrants"), at a combined price of $4,390.9 per PIPE Preferred Share and an accompanying Private Placement Warrant to purchase 3 shares of common stock. The PIPE Preferred Shares and the Private Placement Warrants were issued in a private placement pursuant to an exemption from registration requirements under the Securities Act for aggregate gross proceeds of $50,000. Each Private Placement Warrant's exercise price equals to $43.9 per share, subject to customary adjustments for stock dividends, stock splits, reclassifications and the like, became exercisable on July 9, 2024, and will expire on July 9, 2026. Under certain circumstances, the Company may be required to pay to each holder of the Private Placement Warrants (i) an amount in cash equal to the holder's total purchase price for the shares of Common Stock purchased (the "Buy-In Price") or credit such holder's balance account with the Depository Trust Company ("DTC") for such shares of Common Stock shall terminate, or (ii) promptly honor its obligation to deliver to such holder a certificate or certificates representing such shares of Common Stock or credit such holder's balance account with DTC, as applicable, and pay cash to such holder in an amount equal to the excess (if any) of the Buy-In Price over the product of (A) such number of shares of Common Stock, times (B) Weighted Average Price (as defined in the Private Placement Warrant) on the trading day immediately preceding the exercise date. On February 25, 2025, 6,955,528 Private Placement Warrants to purchase up to 366,087 were repriced and exercised under the Inducement Letter Agreements as defined and described below.

In connection therewith, the Company issued warrants to purchase shares of the Company's Common Stock to the placement agents for the March 2024 PIPE (the "Agents Warrants"). See Note 12B for further information.

The Company accounted for the Private Placement Warrants as liabilities as the Private Placement Warrants are not considered indexed to the entity's own stock based on the provision of ASC 815, "Derivatives and hedging" ("ASC 815"). The Private Placement Warrants are measured at fair value at inception and in subsequent reporting periods with changes in fair value recognized in the consolidated financial statements.

NOTE 12 - STOCKHOLDERS EQUITY (Cont.)

A. Share Capital: (Cont.)

Private Investment in Public Equity: (Cont.)

On February 25, 2025, the Company entered into a Securities Purchase Agreement with certain institutional and accredited investors, pursuant to which the Company agreed to issue and sell in a registered direct offering (the "February 2025 Registered Direct Offering") an aggregate of 148,857 shares of the Company's Common Stock, pre-funded warrants (the "Registered Pre-Funded Warrants") to purchase up to an aggregate of 42,381 shares of Common Stock, and in a concurrent private placement (the "February 2025 PIPE", and together with the February 2025 Registered Direct Offering, the "February 2025 SPA"), (a) unregistered pre-funded warrants (the "Private Pre-Funded Warrants") to purchase up to an aggregate of 121,362 shares of Common Stock at an exercise price of $0.0019 per share and (b) unregistered warrants (the "Common Warrants", and together with the Private Pre-Funded Warrants, the "Private Warrants") to purchase up to an aggregate of 312,599 shares of Common Stock at an exercise price of $17.68 per share. Each share of Common Stock (or Registered Pre-Funded Warrant in lieu thereof) and Private Pre-Funded Warrant were sold with an accompanying Common Warrant. The combined effective purchase price of each share of Common Stock (or Registered Pre-Funded Warrant in lieu thereof) and accompanying Common Warrant, and of each Private Pre-Funded Warrant and accompanying Common Warrant, is $17.68. The Common Warrants became exercisable on the effective date of stockholder approval of the issuance of the shares of Common Stock upon exercise of the Private Warrants (the "Stockholder Approval Date"), which was obtained on April 21, 2025, and will expire on the five-year anniversary of the Stockholder Approval Date. The gross proceeds to the Company from the February 2025 SPA were $5,527, before deducting placement agent fees and other offering expenses payable by the Company of $657. During the year ended December 31, 2025, 547,728 Private Pre-Funded Warrants and 1,917 Common Warrants were exercised at an exercise price of $0.0019 and $17.68 per share, respectively, into 28,929 shares of Common Stock. Additionally, 879,761 Private Pre-Funded Warrants were exercised into 46,294 shares of Common Stock through cashless mechanism for no additional consideration.

The Company accounted for the Common Warrants as liabilities as they are not considered indexed to the entity's own stock based on the provision of ASC 815. The Common Warrants were measured at fair value at inception and in subsequent reporting periods with changes in fair value recognized in the consolidated financial statements.

The Company allocated the total consideration from the February 2025 SPA first to the fair value of the Common Warrants and then to the Company's Common Stock, Registered Pre-Funded Warrants and Private Pre-Funded Warrants. The transaction costs were allocated in the same manner as the consideration. Issuance costs which were allocated to the Common Warrants were $539 and were expensed immediately, and issuance costs that were allocated to the Company's Common Stock, Registered Pre-Funded Warrants and Private Pre-Funded Warrants were $118 and were deducted from Additional paid in capital.

Concurrently with the February 2025 SPA on February 25, 2025, the Company entered into inducement letter agreements (the "Inducement Letter Agreements") with certain holders (the "Holders") of the Company's Private Placement Warrants issued on March 2024 PIPE, to purchase an aggregate of 366,087 shares of Common Stock, having an original exercise price of $43.91 per share (the "Existing Warrants"). Pursuant to the Inducement Letter Agreements, the Holders agreed to exercise for cash the Existing Warrants at a reduced exercise price of $17.68 per share in consideration of the Company's agreement to issue new unregistered warrants (the "Inducement Warrants") to purchase up to an aggregate of 366,087 shares of Common Stock. Under the Inducement Letter Agreements, the Company issued 208,479 shares of Common Stock and amended and restated warrants (the "A&R Warrants") to purchase up to 157,603 shares of Common Stock at an exercise price of $0.0019 per share. The Inducement Warrants have an exercise price of $17.68 per share and became exercisable on Stockholder Approval Date, which was obtained on April 21, 2025 and will expire on the five-year anniversary of the Stockholder Approval Date. The benefit from the repricing in the amount of $3,300 was recorded as an expense within Income from change in fair value of warrants in the consolidated statements of operations. The gross proceeds to the Company from the Existing Warrants exercise were $6,473 prior to deducting placement agent fees and offering expenses of $412.

The terms of the Inducement Warrants are substantially the same as those of the Common Warrants and were accounted for as liabilities.

At-the-market Sales Agreement:

On August 13, 2025, the Company filed a prospectus supplement to amend and supplement its prospectus dated January 2, 2024, and as previously supplemented on February 24, 2025, filed under its registration statement on Form S-3 in connection with its At the Market Offering Agreement (the "ATM") with H.C. Wainwright & Co., LLC ("Wainwright"). The prospectus supplement updated the maximum aggregate amount of securities the Company may offer and sell under the ATM. Under the prospectus supplement, the Company may issue and sell shares of its Common Stock having an aggregate offering price of up to $1,766 from time to time through Wainwright. During the year ended December 31, 2025, the Company sold 121,773 shares of Common Stock under this agreement, at an average price of $11.13 per share, raising aggregate net proceeds of approximately $1,305, after deducting an aggregate commission of $51.

(USD in thousands, except share and per share data)

NOTE 12 - STOCKHOLDERS EQUITY (Cont.)

A. Share Capital: (Cont.)

Warrants:

As of December 31, 2025, the Company had the following outstanding warrants to purchase Common Stock issued to stockholders:

Warrant	Issuance Date	Expiration Date	Exercise Price Per Share	Number of Shares of Common Stock Underlying Warrants
2021 Registered Direct Offering Warrants	July 28, 2021	January 28, 2027	950.00	14,808
Merger Warrants	March 15, 2024	January 28, 2027	950.00	11,404
Private Placement Warrants	March 15, 2024	July 9, 2026	43.91	203,444
Registered Pre-Funded Warrants	February 25, 2025	April 21, 2030	0.0019	42,381
Private Pre-Funded Warrants	February 25, 2025	April 21, 2030	0.0019	46,232
Common Warrants	February 25, 2025	April 21, 2030	17.68	312,503
Inducement Warrants	February 25, 2025	April 21, 2030	17.68	366,087
A&R Warrants	February 25, 2025	April 21, 2030	0.0019	157,603
				1,154,462

B. Stock-based compensation:

Equity Incentive Plan:

In 2015, the Board of Directors of BiomX Israel approved a plan for the allocation of options to employees, service providers, and officers (the "2015 Plan"). The options represented a right to purchase one Ordinary Share of the BiomX Israel in consideration of the payment of an exercise price. Also, the options were granted in accordance with the "capital gains route" under section 102 and section 3(i) of the Israeli Income Tax Ordinance and section 409A of the U.S. Internal Revenue Code as technically adjusted following the Recapitalization Transaction on October 28, 2019.

As of December 31, 2025, there are no shares of Common Stock remaining for issuance under the 2015 Plan.

In 2019, the Company adopted a new incentive plan (the "2019 Plan") to grant 53 options, exercisable for Common Stock.

The aggregate number of shares of Common Stock that may be delivered pursuant to the 2019 Plan will automatically increase on January 1 of each year, commencing on January 1, 2020 and ending on (and including) January 1, 2029, in an amount equal to four percent (4%) of the total number of shares of Common Stock outstanding on December 31 of the preceding calendar year.

Notwithstanding the foregoing, the Board may act prior to January 1 of a given year to provide that there will be no January 1 increase for such year or that the increase for such year will be a lesser number of shares of Common Stock than provided herein.

On July 9, 2024, the Company's stockholders approved increasing the number of shares of Common Stock under the Company's 2019 Plan to be equal to 15% of the total number of fully-diluted shares of Common Stock outstanding as of the approval date, or 410,527 shares.

On January 1, 2026, the number of shares of Common Stock available to grant under the 2019 Plan was increased by 63,748. As of December 31, 2025, there were 440,095 shares of Common Stock remaining for issuance under the 2019 Plan.

(USD in thousands, except share and per share data)

NOTE 12 - STOCKHOLDERS EQUITY (Cont.)

B. Stock-based compensation: (Cont.)

Stock Options:

On March 15, 2024, the Company issued Agents Warrants to purchase up to an aggregate of 50,126 shares of the Company's Common Stock to the Placement Agents in connection with the March 2024 PIPE. The exercise price of the Agents Warrants is $43.91 per share and they became exercisable at any time after the date of the receipt of BiomX stockholder approval, which was obtained on July 9, 2024, and will expire on July 9, 2026.

The Company accounted for the Agents Warrants under the scope of ASC 718-10, and treated them as issuance costs of the March 2024 PIPE as the Company considers these Warrants as consideration for receipt of Private Placement Services.

The Company determined the fair value of the Agents Warrants using the Black-Scholes model as of March 5, 2024. The main assumptions used are as follows:

Underlying value of Common Stock ($)	43.91
Exercise price ($)	43.91
Expected volatility (%)	100.6
Expected terms (years)	2.32
Risk-free interest rate (%)	4.4

On July 11, 2024, the Board of Directors approved the grant of 82,541 options to 51 employees, six senior officers and seven directors under the 2019 Plan, without consideration. Options were granted at an exercise price of $68.97 per share with a vesting period of four years. Directors and senior officers are entitled to full acceleration of their unvested options upon the occurrence of both a change in control of the Company and the end of their engagement with the Company.

On April 14, 2025, the Board of Directors approved the grant of 63,716 options to 37 employees, three senior officers and seven directors under the Company's 2019 Omnibus Long-Term Incentive Plan, without consideration. Options were granted at an exercise price of $10.22 per share with a vesting period of four years. Directors and senior officers are entitled to full acceleration of their unvested options upon the occurrence of both a change in control of the Company and the end of their engagement with the Company.

The fair value of each option was estimated as of the date of grant using the Black-Scholes option-pricing model using the following assumptions:

	2025	2024
Underlying value of Common Stock ($)	10.22	68.97
Exercise price ($)	10.22	68.97
Expected volatility (%)	110.5	112.6
Expected terms of the option (years)	6.11	6.11
Risk-free interest rate (%)	4.12	4.14

(USD in thousands, except share and per share data)

NOTE 12 - STOCKHOLDERS EQUITY (Cont.)

B. Stock-based compensation: (Cont.)

Stock Options: (Cont.)

Total fair value embodied in the options granted in 2025 and 2024 at the grant date, is estimated to be $728 and $4,870 respectively. These amounts will be recognized in statements of operations over the vesting period.

As of December 31, 2025, the unrecognized compensation cost related to all unvested, equity classified stock options of $1,532 is expected to be recognized as an expense on a graded vesting method over a weighted-average period of 2.5 years.

A summary of options granted to purchase the Company's Common Stock under the Company's stock option plans are as follows:

	For year ended December 31, 2025		
	Number of Options	Weighted average exercise price	Aggregate intrinsic value
Outstanding at the beginning of period	105,525	$ 77.71	$ 15
Granted	63,716	10.22	
Forfeited	(15,085)	56.88	
Expired	(3,051)	58.71	
Exercised	(718)	$ 0.79	
Outstanding at the end of period	150,387	51.94	$ -
Exercisable at end of period	41,096	92.45	
Weighted average remaining contractual life – years as of December 31, 2025	8.21		

Restricted Stock Units ("RSUs"):

On September 16, 2024, the Company granted 8,182 RSUs to four senior officers and one service provider. The RSUs were fully vested and issued on the grant date and are not subject to continued service to the Company. The RSUs' fair value is the Company's stock closing price as of the grant date, which was $18.81.

On April 14, 2025, the Company granted 14,469 RSUs to three senior officers. The RSUs were fully vested and issued on the grant date and are not subject to continued service with the Company. Each RSU's fair value is the Company's stock closing price as of the grant date, which was $10.22. As of December 31, 2025, the Company has no unvested RSUs.

(USD in thousands, except share and per share data)

NOTE 12 - STOCKHOLDERS EQUITY (Cont.)

B. Stock-based compensation: (Cont.)

Warrants:

As of December 31, 2025, and 2024, the Company had the following outstanding compensation related warrants to purchase Common Stock as follows:

Warrant	Issuance Date	Expiration Date	Exercise Price Per Share	Number of Shares of Common Stock Underlying Warrants
Private Warrants issued to scientific founders*	November 27, 2017	-	-	16
Landlord Warrants**	March 15, 2024	January 28, 2027	950.00	1,316
Agents Warrants	March 15, 2024	July 9, 2026	43.91	50,126
				51,458

* In November 2017, BiomX Israel issued 298 warrants to its founders. The warrants were fully vested at their grant date and will expire immediately prior to a consummation of an M&A transaction. The warrants did not expire as a result of the Recapitalization Transaction and have no exercise price. The Merger Agreement as described in note 1C does not apply for such M&A transaction as defined in the grant agreement.

** See Note 5

The following table sets forth the total stock-based payment expenses resulting from options, RSUs and warrants granted, included in the consolidated statements of operations:

	Year ended December 31,	
	2025	2024
Research and development expenses, net	711	600
General and administrative	1,380	1,248
	2,091	1,848

The Company recognized stock-based compensation expenses in connection with options and RSUs granted to executive officers of the Company in the amount of $1,018 and $811 for the years ended December 31, 2025 and 2024, respectively.

(USD in thousands, except share and per share data)

NOTE 13 - RESEARCH AND DEVELOPMENT EXPENSES, NET

	Year ended December 31,	
	2025	2024
Professional service and subcontractors	13,230	13,117
Salaries and related expenses	4,713	7,406
Stock-based compensation	711	600
Depreciation	2,264	1,488
Materials and supplies	68	518
Rent and related expenses	2,113	3,900
Other	183	222
	23,282	27,251
Less grants from the IIA and MTEC (see Notes 8A and 9)	(1,990)	(2,588)
	21,292	24,663

NOTE 14 - GENERAL AND ADMINISTRATIVE EXPENSES

	Year ended December 31,	
	2025	2024
Salaries and related expenses	2,487	3,101
Stock-based compensation	1,380	1,248
Professional services	2,585	3,227
Travel expenses	172	299
Rent and related expenses	602	593
Insurance expenses	1,191	1,379
Depreciation	658	317
Acquisition transaction costs	-	888
Other	553	724
	9,628	11,776

NOTE 15 - FINANCE EXPENSES (INCOME), NET

	Year ended December 31,	
	2025	2024
Exchange rate differences	364	(27)
Interest income from bank deposits	(460)	(1,048)
Bank fees and other	14	6
Loss (income) from foreign exchange contracts	(144)	81
February 2025 PIPE transaction costs	950	-
March 2024 PIPE transaction costs	-	1,907
	724	919

(USD in thousands, except share and per share data)

NOTE 16 - INCOME TAXES

A. The Company files income tax returns in the U.S. federal jurisdiction and in state and local jurisdictions and is subject to examination by the various taxing authorities. The Company's income tax returns since 2021 remain open and subject to examination. The statutory U.S. federal income tax rate is 21%. As of December 31, 2025, the Company had total net operating losses in the U.S. of approximately $85,570, which may be carried forward and offset against taxable income in the future. Utilization of carryforward losses and research and development tax credit carryforwards may be subject to an annual limitation under Sections 382 and 383 of the Internal Revenue Code due to ownership changes that may have occurred previously or that could occur in the future. These ownership changes may limit the amount of carryforward losses that can be utilized annually to offset future taxable income. APT's carryforward losses of $22,131 might be subject to Section 382 limitation.

B. BiomX Israel files income tax returns in Israel. Its tax assessments through 2020 are deemed to be final. The statutory Israeli income tax rate is 23%.

C. As of December 31, 2025 and 2024, BiomX Israel had total carryforward losses in Israel of approximately $146,128 and $126,428 respectively.

D. Management has considered the Company's history of cumulative net losses incurred since inception and its lack of commercialization of any products or generation of any revenue from product sales since inception and has concluded that it is more likely than not that the Company will not realize the benefits of the deferred tax assets. Accordingly, a full valuation allowance has been established against the deferred tax assets as of December 31, 2025 and 2024. Management reevaluates the positive and negative evidence at each reporting period.

E. The Company's policy is to record estimated interest and penalties related to uncertain tax positions in income tax expense. The Company has no amounts recorded for any unrecognized tax positions, accrued interest nor penalties as of December 31, 2025 and 2024.

The following table presents the reconciliation between the Company's theoretical income tax and effective income tax for the year ended December 31, 2025 after the adoption of ASU 2023-09:

	2025		2024	
	$	%	$	%
U.S. federal Statutory tax rate	(7,600)	(21)	(3,720)	(21)
Foreign tax effects:				
Israel				
Statutory tax rate difference	(481)	(1.33)	(428)	(2.42)
Change in valuation allowance	5,336	14.74	4,190	23.65
Stock-based compensation	428	1.18	329	1.86
Other nondeductible items	(18)	(0.05)	(18)	(0.1)
Nontaxable or Nondeductible items:				
Stock-based compensation	-	-	154	0.87
Gain from early lease termination	(819)	(2.26)	-	-
Change in valuation allowance	3,440	9.5	(924)	(5.22)
Other adjustments	(279)	(0.76)	430	2.43
Total Effective Tax Rate	7	0.02	13	0.07

Loss before taxes on income, consists of the following:

	Year ended December 31,	
	2025	2024
Domestic - United States	12,145	(3,511)
Foreign - Israel	24,047	21,225
	36,192	17,714

(USD in thousands, except share and per share data)

NOTE 16 - INCOME TAXES (Cont.)

Net deferred tax assets as of December 31, 2025 and 2024 consisted of the following:

	As of December 31,	
	2025	**2024**
Deferred tax assets:		
Net operating loss carryforwards	51,579	42,454
Research and development expenses, net	8,737	10,898
Lease liability	-	785
Research and development tax credits (*)	601	601
Fixed assets	310	-
IPR&D - Intangible Asset	2,192	-
Other	1,038	838
Total deferred tax assets	64,457	55,576
Deferred tax liabilities:		
Right of use assets	-	(847)
IPR&D - Intangible Asset	-	(127)
Private Placement Warrants	(6,840)	(5,571)
Fixed assets	-	(190)
Total deferred tax liabilities	(6,840)	(6,735)
Valuation allowance	(57,617)	(48,841)
Net deferred tax assets	-	-

(*) Research and development tax credits will begin to expire in 2038.

(USD in thousands, except share and per share data)

NOTE 17 - BASIC LOSS PER SHARE

The basic and diluted net loss per share and weighted average number of shares of Common Stock used in the calculation of basic and diluted net loss per share are as follows:

	For the year ended December 31,	
	2025	2024
Basic and diluted loss per share of common stock		
Numerator:		
Net loss	36,199	17,727
Denominator:		
Number of shares of common stock outstanding	1,422,019	698,853
Number of shares upon Pre-Funded Warrants exercise	209,001	-
Number of shares upon fully vested Warrants exercise	17	17
Total weighted-average number of shares of common stock, shares upon Pre-Funded Warrants and fully vested Warrants exercise used in computing basic loss per share	1,631,037	698,870
Basic loss per share of common stock	22.19	25.37
Diluted net loss per share of common stock		
Numerator:		
Net loss	36,199	17,727
Change in fair value of Private Placement Warrants	-	26,458
Diluted net loss	36,199	44,185
Denominator:		
Weighted-average number of shares of common stock outstanding	1,631,037	698,870
Private Placement Warrants	-	58,879
Total weighted-average number of shares of common stock outstanding, after giving effect to dilutive securities	1,631,037	757,749
Diluted net loss per share of common stock	22.19	58.31

Basic loss per share is computed on the basis of the net loss for the period divided by the weighted average number of shares of Common Stock outstanding during the period, fully vested warrants with no exercise price for the Company's Common Stock and fully vested Pre-Funded Warrants for the Company's Common Stock at an exercise price of $0.019 per share, as the Company considers these shares to be exercised for little to no additional consideration.

Diluted loss per share is based upon the weighted average number of shares of Common Stock and of potential shares of Common Stock outstanding when dilutive. Potential shares of Common Stock equivalents include outstanding stock options and warrants, which are included under the treasury stock method when dilutive.

The calculation of diluted loss per share as of December 31, 2025 and 2024, does not include the shares underlying the following financial instruments because their effect would be anti-dilutive:

	For the year ended December 31,	
	2025	2024
Options	150,387	105,388
Warrants	959,687	77,647
Contingent shares	10,526	10,526
Redeemable Convertible Preferred Shares	776,383	777,553

(USD in thousands, except share and per share data)

NOTE 18 - SEGMENT INFORMATION

The Company operates as a single operating segment, as a clinical stage product discovery company developing products using both natural and engineered phage technologies. The Company's chief operating decision-maker "(CODM)" is its chief executive officer, who reviews financial information presented on a consolidated basis. The CODM uses consolidated Net loss and Operating loss to monitor budget versus actual results in assessing segment performance and the allocation of resources. Significant segment expenses are presented in the Company's consolidated statements of operations.

Additional disaggregated significant segment expenses on a functional basis, that are not separately presented on the Company's consolidated statements of operations, regularly reviewed by our CODM, include salaries and clinical trials expenses and presented below.

	Year ended December 31,	
	2025	**2024**
Operating expenses:		
Research and development salaries and related expenses, other than stock-based compensation	4,493	7,406
General and administrative salaries and related expenses, other than stock-based compensations	2,707	3,101
Clinical trials	12,720	12,301
Research and development stock based compensation	711	600
General and administrative stock based compensation	1,380	1,248
Research and development depreciation expenses	2,306	1,486
General and administrative depreciation expenses	616	317
Goodwill, IPR&D and Other long-lived asset impairment	13,495	8,084
Other segment items (*)	3,038	9,980
Total Operating expenses	41,466	44,523

(*) Other segment items include gain from early lease termination and all remaining costs necessary to operate our business, which primarily include external professional services, rent, insurance and other administrative expenses, and are presented net of grants received.

The Company's Property and equipment, as well as the Company's operating lease right-of-use assets recognized on the consolidated balance sheets were located as follows:

	As of December 31,	
	2025	**2024**
Foreign - Israel	157	6,090
Domestic - United States	-	4,412
Total	157	10,502

NOTE 19 - SUBSEQUENT EVENTS

A. On December 26, 2025, the Company entered into a Securities Purchase Agreement with an investor (the "Investor") pursuant to which the Company agreed to issue and sell, in a private placement transaction, an aggregate of 3,300 shares of the Company's newly created Series Y Convertible Preferred Stock, par value $0.0001 per share (the "Series Y Preferred Stock"), convertible into up to 1,650,000 Common Stock shares, with an aggregate stated value of $3,300, together with warrants to purchase shares of the Company's Common Stock, par value $0.0001 per share (the "Securities Purchase Agreement Warrants"), in exchange for aggregate gross proceeds to the Company of $3,000, before deducting placement agent fees and other offering expenses, subject to customary closing conditions. On January 13, 2026, following the satisfaction of the closing conditions, the Company consummated the private placement and received gross proceeds of $3,000 from the investor, and issued the Series Y Preferred Stock and Securities Purchase Agreement Warrants in accordance with the terms of the Securities Purchase Agreement.

Each share of Series Y Preferred Stock has a stated value of $1,000 and will be convertible into shares of Common Stock. The initial conversion price is $2.00 per share of Common Stock, subject to customary adjustments for stock splits, stock dividends, stock combinations, recapitalizations and similar transactions. In addition, following receipt of stockholder approval as required under the applicable rules of NYSE American, the conversion price will be reduced to equal the lower of (i) the conversion price, as defined in the Certificate of Designations, then in effect, and (ii) the closing sale price of the Common Stock on the trading day immediately prior to the date such stockholder approval is obtained.

Holders of Series Y Preferred Stock will be entitled to receive dividends on the stated value of the Series Y Preferred Stock at a rate of 15% per annum, payable quarterly, at the Investor's sole election, either in cash or shares of Common Stock, subject to adjustment as set forth in the Certificate of Designations. Except as otherwise required by law or as expressly provided in the Certificate of Designations, the Series Y Preferred Stock does not have voting rights. Each share of Series Y Preferred Stock will have a maturity of one year from the closing date.

Conversion is subject to beneficial ownership limitations of 19.99% of the Company's outstanding Common Stock. The Series Y Convertible Preferred Stock accrues cumulative dividends on its stated value, compounded quarterly. Dividends are payable, at the Company's election, either in cash or in shares of common stock through inclusion in the conversion amount upon conversion. Upon the occurrence and during the continuance of a triggering event, dividends accrue at an increased default rate of 24% per annum. All accrued and unpaid dividends are payable upon redemption or at maturity. The Company may be required to redeem the Series Y Preferred Stock at an amount equal to the conversion amount multiplied by the applicable redemption premium, plus any accrued and unpaid dividends and charges.

The Securities Purchase Agreement Warrants entitle the holder to purchase up to an aggregate of 3,300,000 shares of the Company's Common Stock, representing 200% of the 1,650,000 of shares of Common Stock issuable upon conversion of the Series Y Preferred Stock. The Securities Purchase Agreement Warrants are exercisable immediately upon issuance, subject to beneficial ownership limitations, and will expire five years from the date of issuance. The exercise price of the Securities Purchase Agreement Warrants is $2.00 per share, subject to customary anti-dilution adjustments.

As part of this financing, the Company issued 99,000 warrants to HC Wainwright & Co., LLC, as placement agent fees. These placement agent warrants have an exercise price of $2.50 per share and a five-year term from the date of issuance.

B. On January 25, 2026, following the December 16, 2025 filing by the Company's Israeli subsidiary BiomX Israel for insolvency proceedings in Israel, the District Court of the Central District, in Lod, Israel, appointed a Trustee to BiomX Israel to handle the administration of the insolvency proceedings. The Trustee is responsible for managing the subsidiary's assets, evaluating claims from creditors, and overseeing the orderly wind-down or restructuring of BiomX Israel's operations in accordance with applicable Israeli insolvency law. On February 4, 2026, the Trustee notified BiomX Israel's Chief Executive Officer and Chief Financial Officer that their roles as officers of BiomX Israel had been terminated. The Company determined that the termination is considered as a change of control as of February 4, 2026, and that BiomX Israel should be deconsolidated from the Company's consolidated financial statements. The Company does not expect to recover any significant value from its investment in BiomX Israel.

Exhibit 3.1

BIOMX INC.
COMPOSITE CERTIFICATE OF INCORPORATION

INCORPORATING:

Amended and Restated Certificate of Incorporation filed December 13, 2018

Certificate of Amendment of Certificate of Incorporation filed October 28, 2019

Certificate of Amendment of Certificate of Incorporation filed August 31, 2022

Certificate of Amendment of Certificate of Incorporation filed July 9, 2024

Certificate of Amendment of Certificate of Incorporation filed August 20, 2024

Certificate of Amendment of Certificate of Incorporation filed November 17, 2025

AMENDED AND RESTATED
CERTIFICATE OF INCORPORATION
OF
BIOMX INC.
Pursuant to Section 245 of the
Delaware General Corporation Law

FIRST:[1] The name of the corporation is BiomX Inc. (hereinafter called the "Corporation").

SECOND: The registered office of the Corporation is to be located at 850 New Burton Road, Suite 201, in the City of Dover, in the County of Kent, 19904. The name of its registered agent at that address is Cogency Global Inc.

THIRD: The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of Delaware ("GCL").

FOURTH: The name and mailing address of the incorporator is: Jaszick Maldonado, c/o Loeb & Loeb LLP, 345 Park Avenue, New York NY 10154.

FIFTH: The total number of shares of all classes of capital stock which the Corporation shall have authority to issue is 751,000,000, of which 750,000,000 shares shall be common stock, par value $.0001 per share ("Common Stock") and 1,000,000 shares shall be preferred stock, par value $.0001 per share ("Preferred Stock").

[Subject to this Certificate of Amendment becoming effective pursuant to the General Corporation Law of the State of Delaware, at 12:01 a.m. on August 26, 2024 (the "Effective Time"), the shares of Common Stock issued and outstanding or held in treasury immediately prior to the Effective Time (the "Old Common Stock") shall be reclassified as and converted into a different number of shares of Common Stock (the "New Common Stock") such that each ten shares of Old Common Stock shall, at the Effective Time, be automatically reclassified as and converted into one share of New Common Stock (the "Reverse Stock Split"). From and after the Effective Time, certificates representing the Old Common Stock shall represent the number of whole shares of New Common Stock into which such Old Common Stock shall have been reclassified pursuant to this Certificate of Amendment. No fractional shares of Common Stock shall be issued as a result of the Reverse Stock Split. Fractional share resulting from the Reverse Stock Split will be rounded up to the next whole share.][2]

1 This provision has been revised to reflect changes effectuated by the Certificate of Amendment filed October 28, 2019.
2 This provision has been revised to reflect changes effectuated by the Certificate of Amendment filed August 20, 2024.

[Subject to this Certificate of Amendment becoming effective pursuant to the General Corporation Law of the State of Delaware, at 12:01 a.m. Eastern Time on November 25, 2025 (the "Effective Time"), the shares of Common Stock issued and outstanding or held in treasury immediately prior to the 2025 Effective Time (the "Old Common Stock") shall be reclassified as and converted into a different number of shares of Common Stock (the "New Common Stock") such that each 19 shares of Old Common Stock shall, at the Effective Time, be automatically reclassified as and converted into one share of New Common Stock (the "Reverse Stock Split"). From and after the Effective Time, certificates representing the Old Common Stock shall represent the number of whole shares of New Common Stock into which such Old Common Stock shall have been reclassified pursuant to this Certificate of Amendment. No fractional shares of Common Stock shall be issued as a result of the Reverse Stock Split. Fractional share resulting from the Reverse Stock Split will be rounded up to the next whole share.][3]

A. Preferred Stock. The Board of Directors is expressly granted authority to issue shares of the Preferred Stock, in one or more series, and to fix for each such series such voting powers, full or limited, and such designations, preferences and relative, participating, optional or other special rights and such qualifications, limitations or restrictions thereof as shall be stated and expressed in the resolution or resolutions adopted by the Board of Directors providing for the issue of such series (a "Preferred Stock Designation") and as may be permitted by the GCL. The number of authorized shares of Preferred Stock may be increased or decreased (but not below the number of shares thereof then outstanding) by the affirmative vote of the holders of a majority of the voting power of all of the then outstanding shares of the capital stock of the Corporation entitled to vote generally in the election of directors, voting together as a single class, without a separate vote of the holders of the Preferred Stock, or any series thereof, unless a vote of any such holders is required pursuant to any Preferred Stock Designation.

B. Common Stock. Except as otherwise required by law or as otherwise provided in any Preferred Stock Designation, the holders of the Common Stock shall exclusively possess all voting power and each share of Common Stock shall have one vote.

3 This provision has been revised to reflect changes effectuated by the Certificate of Amendment filed November 17, 2025.

SIXTH: This Article Sixth shall apply during the period commencing upon the filing of this Certificate of Incorporation and terminating upon the consummation of any "Business Combination" (as defined below). A "Business Combination" shall mean any merger, capital stock exchange, asset acquisition, stock purchase, recapitalization, reorganization or other similar business combination involving the Corporation and one or more businesses or entities ("Target Business"), or entering into contractual arrangements that give the Corporation control over such a Target Business, and, if the Corporation is then listed on a national securities exchange, the Target Business has a fair market value equal to at least 80% of the balance in the Trust Fund (defined below), less any taxes payable on interest earned, at the time of signing a definitive agreement in connection with the initial Business Combination. "IPO Shares" shall mean the shares sold pursuant to the registration statement on Form S-1 ("Registration Statement") filed with the Securities and Exchange Commission ("Commission") in connection with the Corporation's initial public offering ("IPO"). The "fair market value" for purposes of this Article Sixth will be determined by the Board of Directors of the Corporation based upon one or more standards generally accepted by the financial community (such as actual and potential sales, earnings, cash flow and/or book value). If the Board of Directors is unable to independently determine the fair market value of the Target Business, the Corporation will obtain an opinion from an independent investment banking firm, or another independent entity that commonly renders valuation opinions, with respect to the satisfaction of such criteria.

A. Prior to the consummation of a Business Combination, the Corporation shall either (i) submit any Business Combination to its holders of Common Stock for approval ("Proxy Solicitation") pursuant to the proxy rules promulgated under the Securities Exchange Act of 1934, as amended ("Exchange Act"), or (ii) provide its holders of IPO Shares with the opportunity to sell their shares to the Corporation by means of a tender offer ("Tender Offer").

B. If the Corporation engages in a Proxy Solicitation with respect to a Business Combination, the Corporation will consummate the Business Combination only if a majority of the then outstanding shares of Common Stock present and entitled to vote at the meeting to approve the Business Combination are voted for the approval of such Business Combination.

C. In the event that a Business Combination is consummated by the Corporation or the Corporation holds a vote of its stockholders to amend its Certificate of Incorporation, any holder of IPO Shares who (i) voted on the proposal to approve such Business Combination or amend the Certificate of Incorporation, whether such holder voted in favor or against such Business Combination or amendment, and followed the procedures contained in the proxy materials to perfect the holder's right to convert the holder's IPO Shares into cash, if any, or (ii) tendered the holder's IPO Shares as specified in the tender offer materials therefore, shall be entitled to receive the Conversion Price (as defined below) in exchange for the holder's IPO Shares. The Corporation shall, promptly after consummation of the Business Combination or the filing of the amendment to the Certificate of Incorporation with the Secretary of State of the State of Delaware, convert such shares into cash at a per share price equal to the quotient determined by dividing (i) the amount then held in the Trust Fund (as defined below) less any income taxes owed on such funds but not yet paid, calculated as of two business days prior to the consummation of the Business Combination or the filing of the amendment, as applicable, by (ii) the total number of IPO Shares then outstanding (such price being referred to as the "Conversion Price"). "Trust Fund" shall mean the trust account established by the Corporation at the consummation of its IPO and into which the amount specified in Registration Statement is deposited. Notwithstanding the foregoing, a holder of IPO Shares, together with any affiliate of his or any other person with whom he is acting in concert or as a "group" (within the meaning of Section 13(d)(3) of the Exchange Act) ("Group") with, will be restricted from demanding conversion in connection with a proposed Business Combination with respect to 20.0% or more of the IPO Shares. Accordingly, all IPO Shares beneficially owned by such holder or any other person with whom such holder is acting in concert or as a Group with in excess of 20.0% or more of the IPO Shares will remain outstanding following consummation of such Business Combination in the name of the stockholder and not be converted.

D. The Corporation will not consummate any Business Combination unless it has net tangible assets of at least $5,000,001 upon consummation of such Business Combination.

E. In the event that the Corporation does not consummate a Business Combination by 24 months from the consummation of the IPO (such date being referred to as the "Termination Date"), the Corporation shall (i) cease all operations except for the purposes of winding up, (ii) as promptly as reasonably possible but not more than ten business days thereafter redeem 100% of the IPO Shares for cash for a redemption price per share as described below (which redemption will completely extinguish such holders' rights as stockholders, including the right to receive further liquidation distributions, if any), and (iii) as promptly as reasonably possible following such redemption, subject to approval of the Corporation's then stockholders and subject to the requirements of the GCL, including the adoption of a resolution by the Board of Directors pursuant to Section 275(a) of the GCL finding the dissolution of the Corporation advisable and the provision of such notices as are required by said Section 275(a) of the GCL, dissolve and liquidate the balance of the Corporation's net assets to its remaining stockholders, as part of the Corporation's plan of dissolution and liquidation, subject (in the case of (ii) and (iii) above) to the Corporation's obligations under the GCL to provide for claims of creditors and other requirements of applicable law. In such event, the per-share redemption price shall be equal to a pro rata share of the Trust Account plus any pro rata interest earned on the funds held in the Trust Account and not previously released to the Corporation for its working capital requirements or necessary to pay its taxes divided by the total number of IPO Shares then outstanding.

F. A holder of IPO Shares shall only be entitled to receive distributions from the Trust Fund in the event (i) he demands conversion of his shares in accordance with paragraph C above or (ii) that the Corporation has not consummated a Business Combination by the Termination Date as described in paragraph E above. In no other circumstances shall a holder of IPO Shares have any right or interest of any kind in or to the Trust Fund.

G. Prior to a Business Combination, the Board of Directors may not issue (i) any shares of Common Stock or any securities convertible into Common Stock; or (ii) any securities which participate in or are otherwise entitled in any manner to any of the proceeds in the Trust Fund or which vote as a class with the Common Stock on a Business Combination.

SEVENTH:[3] The following provisions are inserted for the management of the business and for the conduct of the affairs of the Corporation, and for further definition, limitation and regulation of the powers of the Corporation and of its directors and stockholders:

A. Election of directors need not be by ballot unless the by-laws of the Corporation so provide.

B. The Board of Directors shall have the power, without the assent or vote of the stockholders, to make, alter, amend, change, add to or repeal the by-laws of the Corporation as provided in the by-laws of the Corporation.

C. The directors in their discretion may submit any contract or act for approval or ratification at any annual meeting of the stockholders or at any meeting of the stockholders called for the purpose of considering any such act or contract, and any contract or act that shall be approved or be ratified by the vote of the holders of a majority of the stock of the Corporation which is represented in person or by proxy at such meeting and entitled to vote thereat (provided that a lawful quorum of stockholders be there represented in person or by proxy) shall be as valid and binding upon the Corporation and upon all the stockholders as though it had been approved or ratified by every stockholder of the Corporation, whether or not the contract or act would otherwise be open to legal attack because of directors' interests, or for any other reason.

D. In addition to the powers and authorities hereinbefore or by statute expressly conferred upon them, the directors are hereby empowered to exercise all such powers and do all such acts and things as may be exercised or done by the Corporation; subject, nevertheless, to the provisions of the statutes of Delaware, of this Amended and Restated Certificate of Incorporation, and to any bylaws from time to time made by the stockholders; provided, however, that no bylaw so made shall invalidate any prior act of the directors which would have been valid if such bylaws had not been made.

[3] This provision has been revised to reflect changes effectuated by the Certificate of Amendment filed October 28, 2019.

E. The Board of Directors shall be divided into three classes: Class I, Class II and Class III. The number of directors in each class shall be fixed exclusively by the Board of Directors and shall be as nearly equal as possible. Following the filing of the amendment to the certificate of incorporation including this provision, the entire Board of Directors will be elected at the first Annual Meeting of Stockholders. At such first Annual Meeting of Stockholders, the directors in Class I shall be elected for a term expiring at the second Annual Meeting of Stockholders, the directors in Class II shall be elected for a term expiring at the third Annual Meeting of Stockholders and the directors in Class III shall be elected for a term expiring at the fourth Annual Meeting of Stockholders. Commencing at the second Annual Meeting of Stockholders following the filing of the amendment to the certificate of incorporation including this provision, and at each annual meeting thereafter, directors elected to succeed those directors whose terms expire shall be elected for a term of office to expire at the third succeeding annual meeting of stockholders after their election. Except as the GCL may otherwise require, in the interim between annual meetings of stockholders or special meetings of stockholders called for the election of directors and/or the removal of one or more directors and the filling of any vacancy in that connection, newly created directorships and any vacancies in the Board of Directors, including unfilled vacancies resulting from the removal of directors for cause, may be filled only by the vote of a majority of the remaining directors then in office, although less than a quorum (as defined in the Corporation's bylaws), or by the sole remaining director. All directors shall hold office until the expiration of their respective terms of office and until their successors shall have been elected and qualified. A director elected to fill a vacancy resulting from the death, resignation or removal of a director shall serve for the remainder of the full term of the director whose death, resignation or removal shall have created such vacancy and until his successor shall have been elected and qualified.

EIGHTH:

A. A director of the Corporation shall not be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability (i) for any breach of the director's duty of loyalty to the Corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the GCL, or (iv) for any transaction from which the director derived an improper personal benefit. If the GCL is amended to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director of the Corporation shall be eliminated or limited to the fullest extent permitted by the GCL, as so amended. Any repeal or modification of this paragraph A by the stockholders of the Corporation shall not adversely affect any right or protection of a director of the Corporation with respect to events occurring prior to the time of such repeal or modification.

B. The Corporation, to the full extent permitted by Section 145 of the GCL, as amended from time to time, shall indemnify all persons whom it may indemnify pursuant thereto. Expenses (including attorneys' fees) incurred by an officer or director in defending any civil, criminal, administrative, or investigative action, suit or proceeding for which such officer or director may be entitled to indemnification hereunder shall be paid by the Corporation in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of such director or officer to repay such amount if it shall ultimately be determined that he is not entitled to be indemnified by the Corporation as authorized hereby.

C. Notwithstanding the foregoing provisions of this Article Eighth, no indemnification nor advancement of expenses will extend to any claims made by the Company's officers and directors to cover any loss that such individuals may sustain as a result of such individuals' agreement to pay debts and obligations to target businesses or vendors or other entities that are owed money by the Corporation for services rendered or contracted for or products sold to the Corporation, as described in the Registration Statement.

NINTH: Whenever a compromise or arrangement is proposed between this Corporation and its creditors or any class of them and/or between this Corporation and its stockholders or any class of them, any court of equitable jurisdiction within the State of Delaware may, on the application in a summary way of this Corporation or of any creditor or stockholder thereof or on the application of any receiver or receivers appointed for this Corporation under Section 291 of Title 8 of the Delaware Code or on the application of trustees in dissolution or of any receiver or receivers appointed for this Corporation under Section 279 of Title 8 of the Delaware Code order a meeting of the creditors or class of creditors, and/or of the stockholders or class of stockholders of this Corporation, as the case may be, to be summoned in such manner as the said court directs. If a majority in number representing three fourths in value of the creditors or class of creditors, and/or of the stockholders or class of stockholders of this Corporation, as the case may be, agree to any compromise or arrangement and to any reorganization of this Corporation as a consequence of such compromise or arrangement, the said compromise or arrangement and the said reorganization shall, if sanctioned by the court to which the said application has been made, be binding on all the creditors or class of creditors, and/or on all the stockholders or class of stockholders, of this Corporation, as the case may be, and also on this Corporation.

BIOMX INC.
COMPOSITE CERTIFICATE OF INCORPORATION

INCORPORATING:

Amended and Restated Certificate of Incorporation filed December 13, 2018

Certificate of Amendment of Certificate of Incorporation filed October 28, 2019

Certificate of Amendment of Certificate of Incorporation filed August 31, 2022

Certificate of Amendment of Certificate of Incorporation filed July 9, 2024

Certificate of Amendment of Certificate of Incorporation filed August 20, 2024

Certificate of Amendment of Certificate of Incorporation filed November 17, 2025

AMENDED AND RESTATED
CERTIFICATE OF INCORPORATION
OF
BIOMX INC.
Pursuant to Section 245 of the
Delaware General Corporation Law

FIRST:[1] The name of the corporation is BiomX Inc. (hereinafter called the "Corporation").

SECOND: The registered office of the Corporation is to be located at 850 New Burton Road, Suite 201, in the City of Dover, in the County of Kent, 19904. The name of its registered agent at that address is Cogency Global Inc.

THIRD: The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of Delaware ("GCL").

FOURTH: The name and mailing address of the incorporator is: Jaszick Maldonado, c/o Loeb & Loeb LLP, 345 Park Avenue, New York NY 10154.

FIFTH:~~2~~ The total number of shares of all classes of capital stock which the Corporation shall have authority to issue is 751,000,000, of which 750,000,000 shares shall be common stock, par value $.0001 per share ("Common Stock") and 1,000,000 shares shall be preferred stock, par value $.0001 per share ("Preferred Stock").

[Subject to this Certificate of Amendment becoming effective pursuant to the General Corporation Law of the State of Delaware, at 12:01 a.m. on August 26, 2024 (the "Effective Time"), the shares of Common Stock issued and outstanding or held in treasury immediately prior to the Effective Time (the "Old Common Stock") shall be reclassified as and converted into a different number of shares of Common Stock (the "New Common Stock") such that each ten shares of Old Common Stock shall, at the Effective Time, be automatically reclassified as and converted into one share of New Common Stock (the "Reverse Stock Split"). From and after the Effective Time, certificates representing the Old Common Stock shall represent the number of whole shares of New Common Stock into which such Old Common Stock shall have been reclassified pursuant to this Certificate of Amendment. No fractional shares of Common Stock shall be issued as a result of the Reverse Stock Split. Fractional share resulting from the Reverse Stock Split will be rounded up to the next whole share~~.~~][2]

1 This provision has been revised to reflect changes effectuated by the Certificate of Amendment filed October 28, 2019.
2 This provision has been revised to reflect changes effectuated by the Certificate of Amendment filed August 20, 2024.

[Subject to this Certificate of Amendment becoming effective pursuant to the General Corporation Law of the State of Delaware, at 12:01 a.m. Eastern Time on November 25, 2025 (the "Effective Time"), the shares of Common Stock issued and outstanding or held in treasury immediately prior to the 2025 Effective Time (the "Old Common Stock") shall be reclassified as and converted into a different number of shares of Common Stock (the "New Common Stock") such that each 19 shares of Old Common Stock shall, at the Effective Time, be automatically reclassified as and converted into one share of New Common Stock (the "Reverse Stock Split"). From and after the Effective Time, certificates representing the Old Common Stock shall represent the number of whole shares of New Common Stock into which such Old Common Stock shall have been reclassified pursuant to this Certificate of Amendment. No fractional shares of Common Stock shall be issued as a result of the Reverse Stock Split. Fractional share resulting from the Reverse Stock Split will be rounded up to the next whole share.][3]

A. Preferred Stock. The Board of Directors is expressly granted authority to issue shares of the Preferred Stock, in one or more series, and to fix for each such series such voting powers, full or limited, and such designations, preferences and relative, participating, optional or other special rights and such qualifications, limitations or restrictions thereof as shall be stated and expressed in the resolution or resolutions adopted by the Board of Directors providing for the issue of such series (a "Preferred Stock Designation") and as may be permitted by the GCL. The number of authorized shares of Preferred Stock may be increased or decreased (but not below the number of shares thereof then outstanding) by the affirmative vote of the holders of a majority of the voting power of all of the then outstanding shares of the capital stock of the Corporation entitled to vote generally in the election of directors, voting together as a single class, without a separate vote of the holders of the Preferred Stock, or any series thereof, unless a vote of any such holders is required pursuant to any Preferred Stock Designation.

B. Common Stock. Except as otherwise required by law or as otherwise provided in any Preferred Stock Designation, the holders of the Common Stock shall exclusively possess all voting power and each share of Common Stock shall have one vote.

3 This provision has been revised to reflect changes effectuated by the Certificate of Amendment filed November 17, 2025.

SIXTH: This Article Sixth shall apply during the period commencing upon the filing of this Certificate of Incorporation and terminating upon the consummation of any "Business Combination" (as defined below). A "Business Combination" shall mean any merger, capital stock exchange, asset acquisition, stock purchase, recapitalization, reorganization or other similar business combination involving the Corporation and one or more businesses or entities ("Target Business"), or entering into contractual arrangements that give the Corporation control over such a Target Business, and, if the Corporation is then listed on a national securities exchange, the Target Business has a fair market value equal to at least 80% of the balance in the Trust Fund (defined below), less any taxes payable on interest earned, at the time of signing a definitive agreement in connection with the initial Business Combination. "IPO Shares" shall mean the shares sold pursuant to the registration statement on Form S-1 ("Registration Statement") filed with the Securities and Exchange Commission ("Commission") in connection with the Corporation's initial public offering ("IPO"). The "fair market value" for purposes of this Article Sixth will be determined by the Board of Directors of the Corporation based upon one or more standards generally accepted by the financial community (such as actual and potential sales, earnings, cash flow and/or book value). If the Board of Directors is unable to independently determine the fair market value of the Target Business, the Corporation will obtain an opinion from an independent investment banking firm, or another independent entity that commonly renders valuation opinions, with respect to the satisfaction of such criteria.

A. Prior to the consummation of a Business Combination, the Corporation shall either (i) submit any Business Combination to its holders of Common Stock for approval ("Proxy Solicitation") pursuant to the proxy rules promulgated under the Securities Exchange Act of 1934, as amended ("Exchange Act"), or (ii) provide its holders of IPO Shares with the opportunity to sell their shares to the Corporation by means of a tender offer ("Tender Offer").

B. If the Corporation engages in a Proxy Solicitation with respect to a Business Combination, the Corporation will consummate the Business Combination only if a majority of the then outstanding shares of Common Stock present and entitled to vote at the meeting to approve the Business Combination are voted for the approval of such Business Combination.

C. In the event that a Business Combination is consummated by the Corporation or the Corporation holds a vote of its stockholders to amend its Certificate of Incorporation, any holder of IPO Shares who (i) voted on the proposal to approve such Business Combination or amend the Certificate of Incorporation, whether such holder voted in favor or against such Business Combination or amendment, and followed the procedures contained in the proxy materials to perfect the holder's right to convert the holder's IPO Shares into cash, if any, or (ii) tendered the holder's IPO Shares as specified in the tender offer materials therefore, shall be entitled to receive the Conversion Price (as defined below) in exchange for the holder's IPO Shares. The Corporation shall, promptly after consummation of the Business Combination or the filing of the amendment to the Certificate of Incorporation with the Secretary of State of the State of Delaware, convert such shares into cash at a per share price equal to the quotient determined by dividing (i) the amount then held in the Trust Fund (as defined below) less any income taxes owed on such funds but not yet paid, calculated as of two business days prior to the consummation of the Business Combination or the filing of the amendment, as applicable, by (ii) the total number of IPO Shares then outstanding (such price being referred to as the "Conversion Price"). "Trust Fund" shall mean the trust account established by the Corporation at the consummation of its IPO and into which the amount specified in Registration Statement is deposited. Notwithstanding the foregoing, a holder of IPO Shares, together with any affiliate of his or any other person with whom he is acting in concert or as a "group" (within the meaning of Section 13(d)(3) of the Exchange Act) ("Group") with, will be restricted from demanding conversion in connection with a proposed Business Combination with respect to 20.0% or more of the IPO Shares. Accordingly, all IPO Shares beneficially owned by such holder or any other person with whom such holder is acting in concert or as a Group with in excess of 20.0% or more of the IPO Shares will remain outstanding following consummation of such Business Combination in the name of the stockholder and not be converted.

D. The Corporation will not consummate any Business Combination unless it has net tangible assets of at least $5,000,001 upon consummation of such Business Combination.

E. In the event that the Corporation does not consummate a Business Combination by 24 months from the consummation of the IPO (such date being referred to as the "Termination Date"), the Corporation shall (i) cease all operations except for the purposes of winding up, (ii) as promptly as reasonably possible but not more than ten business days thereafter redeem 100% of the IPO Shares for cash for a redemption price per share as described below (which redemption will completely extinguish such holders' rights as stockholders, including the right to receive further liquidation distributions, if any), and (iii) as promptly as reasonably possible following such redemption, subject to approval of the Corporation's then stockholders and subject to the requirements of the GCL, including the adoption of a resolution by the Board of Directors pursuant to Section 275(a) of the GCL finding the dissolution of the Corporation advisable and the provision of such notices as are required by said Section 275(a) of the GCL, dissolve and liquidate the balance of the Corporation's net assets to its remaining stockholders, as part of the Corporation's plan of dissolution and liquidation, subject (in the case of (ii) and (iii) above) to the Corporation's obligations under the GCL to provide for claims of creditors and other requirements of applicable law. In such event, the per-share redemption price shall be equal to a pro rata share of the Trust Account plus any pro rata interest earned on the funds held in the Trust Account and not previously released to the Corporation for its working capital requirements or necessary to pay its taxes divided by the total number of IPO Shares then outstanding.

F. A holder of IPO Shares shall only be entitled to receive distributions from the Trust Fund in the event (i) he demands conversion of his shares in accordance with paragraph C above or (ii) that the Corporation has not consummated a Business Combination by the Termination Date as described in paragraph E above. In no other circumstances shall a holder of IPO Shares have any right or interest of any kind in or to the Trust Fund.

G. Prior to a Business Combination, the Board of Directors may not issue (i) any shares of Common Stock or any securities convertible into Common Stock; or (ii) any securities which participate in or are otherwise entitled in any manner to any of the proceeds in the Trust Fund or which vote as a class with the Common Stock on a Business Combination.

SEVENTH:[3] The following provisions are inserted for the management of the business and for the conduct of the affairs of the Corporation, and for further definition, limitation and regulation of the powers of the Corporation and of its directors and stockholders:

A. Election of directors need not be by ballot unless the by-laws of the Corporation so provide.

B. The Board of Directors shall have the power, without the assent or vote of the stockholders, to make, alter, amend, change, add to or repeal the by-laws of the Corporation as provided in the by-laws of the Corporation.

C. The directors in their discretion may submit any contract or act for approval or ratification at any annual meeting of the stockholders or at any meeting of the stockholders called for the purpose of considering any such act or contract, and any contract or act that shall be approved or be ratified by the vote of the holders of a majority of the stock of the Corporation which is represented in person or by proxy at such meeting and entitled to vote thereat (provided that a lawful quorum of stockholders be there represented in person or by proxy) shall be as valid and binding upon the Corporation and upon all the stockholders as though it had been approved or ratified by every stockholder of the Corporation, whether or not the contract or act would otherwise be open to legal attack because of directors' interests, or for any other reason.

D. In addition to the powers and authorities hereinbefore or by statute expressly conferred upon them, the directors are hereby empowered to exercise all such powers and do all such acts and things as may be exercised or done by the Corporation; subject, nevertheless, to the provisions of the statutes of Delaware, of this Amended and Restated Certificate of Incorporation, and to any bylaws from time to time made by the stockholders; provided, however, that no bylaw so made shall invalidate any prior act of the directors which would have been valid if such bylaws had not been made.

[3] This provision has been revised to reflect changes effectuated by the Certificate of Amendment filed October 28, 2019.

E. The Board of Directors shall be divided into three classes: Class I, Class II and Class III. The number of directors in each class shall be fixed exclusively by the Board of Directors and shall be as nearly equal as possible. Following the filing of the amendment to the certificate of incorporation including this provision, the entire Board of Directors will be elected at the first Annual Meeting of Stockholders. At such first Annual Meeting of Stockholders, the directors in Class I shall be elected for a term expiring at the second Annual Meeting of Stockholders, the directors in Class II shall be elected for a term expiring at the third Annual Meeting of Stockholders and the directors in Class III shall be elected for a term expiring at the fourth Annual Meeting of Stockholders. Commencing at the second Annual Meeting of Stockholders following the filing of the amendment to the certificate of incorporation including this provision, and at each annual meeting thereafter, directors elected to succeed those directors whose terms expire shall be elected for a term of office to expire at the third succeeding annual meeting of stockholders after their election. Except as the GCL may otherwise require, in the interim between annual meetings of stockholders or special meetings of stockholders called for the election of directors and/or the removal of one or more directors and the filling of any vacancy in that connection, newly created directorships and any vacancies in the Board of Directors, including unfilled vacancies resulting from the removal of directors for cause, may be filled only by the vote of a majority of the remaining directors then in office, although less than a quorum (as defined in the Corporation's bylaws), or by the sole remaining director. All directors shall hold office until the expiration of their respective terms of office and until their successors shall have been elected and qualified. A director elected to fill a vacancy resulting from the death, resignation or removal of a director shall serve for the remainder of the full term of the director whose death, resignation or removal shall have created such vacancy and until his successor shall have been elected and qualified.

EIGHTH:

A. A director of the Corporation shall not be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability (i) for any breach of the director's duty of loyalty to the Corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the GCL, or (iv) for any transaction from which the director derived an improper personal benefit. If the GCL is amended to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director of the Corporation shall be eliminated or limited to the fullest extent permitted by the GCL, as so amended. Any repeal or modification of this paragraph A by the stockholders of the Corporation shall not adversely affect any right or protection of a director of the Corporation with respect to events occurring prior to the time of such repeal or modification.

B. The Corporation, to the full extent permitted by Section 145 of the GCL, as amended from time to time, shall indemnify all persons whom it may indemnify pursuant thereto. Expenses (including attorneys' fees) incurred by an officer or director in defending any civil, criminal, administrative, or investigative action, suit or proceeding for which such officer or director may be entitled to indemnification hereunder shall be paid by the Corporation in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of such director or officer to repay such amount if it shall ultimately be determined that he is not entitled to be indemnified by the Corporation as authorized hereby.

C. Notwithstanding the foregoing provisions of this Article Eighth, no indemnification nor advancement of expenses will extend to any claims made by the Company's officers and directors to cover any loss that such individuals may sustain as a result of such individuals' agreement to pay debts and obligations to target businesses or vendors or other entities that are owed money by the Corporation for services rendered or contracted for or products sold to the Corporation, as described in the Registration Statement.

NINTH: Whenever a compromise or arrangement is proposed between this Corporation and its creditors or any class of them and/or between this Corporation and its stockholders or any class of them, any court of equitable jurisdiction within the State of Delaware may, on the application in a summary way of this Corporation or of any creditor or stockholder thereof or on the application of any receiver or receivers appointed for this Corporation under Section 291 of Title 8 of the Delaware Code or on the application of trustees in dissolution or of any receiver or receivers appointed for this Corporation under Section 279 of Title 8 of the Delaware Code order a meeting of the creditors or class of creditors, and/or of the stockholders or class of stockholders of this Corporation, as the case may be, to be summoned in such manner as the said court directs. If a majority in number representing three fourths in value of the creditors or class of creditors, and/or of the stockholders or class of stockholders of this Corporation, as the case may be, agree to any compromise or arrangement and to any reorganization of this Corporation as a consequence of such compromise or arrangement, the said compromise or arrangement and the said reorganization shall, if sanctioned by the court to which the said application has been made, be binding on all the creditors or class of creditors, and/or on all the stockholders or class of stockholders, of this Corporation, as the case may be, and also on this Corporation.

DESCRIPTION OF THE REGISTRANT'S SECURITIES REGISTERED PURSUANT TO SECTION 12 OF THE SECURITIES EXCHANGE ACT OF 1934

BiomX Inc., or the Company, we, us or our, has one class of securities registered under Section 12 of the Securities Exchange Act of 1934, as amended, or the Exchange Act – shares of Common Stock, $0.0001 par value per share, or the Common Stock. The shares of Common Stock registered under Section 12 of the Exchange Act are listed on the NYSE American Stock Market.

The following summary is a description of the Company's securities registered pursuant to Section 12 of the Exchange Act. We encourage you to read our Amended and Restated Certificate of Incorporation, as amended, or our Certificate of Incorporation, and Amended and Restated By-laws, or our Bylaws, which have been filed with the Securities and Exchange Commission, as well as the applicable provisions of the General Corporation Law of the State of Delaware, or the DGCL, for more information.

Our authorized capital stock consists of 750,000,000 shares of Common Stock, and 1,000,000 shares of preferred stock, $0.0001 par value per share.

Common Stock

Our holders of record of our Common Stock are entitled to one vote for each share held on all matters to be voted on by stockholders. Our stockholders have no conversion, preemptive or other subscription rights and there are no sinking fund or redemption provisions applicable to the shares of Common Stock. There is no cumulative voting with respect to the election of directors. Our stockholders are entitled to receive ratable dividends when, as and if declared by our Board of Directors out of funds legally available therefor.

We have not paid any cash dividends on our Common Stock to date and do not intend to pay cash dividends in the foreseeable future. The payment of cash dividends in the future will be dependent upon our revenues and earnings, if any, capital requirements and general financial condition. The payment of any cash dividends will be within the discretion of our Board of Directors at such time.

Preferred Stock

Series X Preferred Stock

We have 147,512 Series X Non-Voting Convertible Preferred Stock, par value $0.0001 per share, outstanding, or the Series X Preferred Stock. Our Certificate of Incorporation authorizes the issuance of 1,000,000 shares of preferred stock with such designations, rights and preferences as may be determined from time to time by our Board of Directors. Accordingly, our Board of Directors is empowered, without stockholder approval, to issue preferred stock with dividend, liquidation, conversion, voting or other rights which could adversely affect the voting power or other rights of the holders of common stock. In addition, the preferred stock could be utilized as a method of discouraging, delaying or preventing a change in control of us.

The powers, preferences, rights, qualifications, limitations and restrictions applicable to the Series X Preferred Stock are set forth in the Certificate of Designations, or Series X Certificate of Designations, which was filed with the Secretary of State of the State of Delaware prior to the closing of the merger between us and Adaptive Phage Therapeutics, Inc., or APT, on March 15, 2024.

Holders of Series X Preferred Stock are entitled to receive dividends on shares of Series X Preferred Stock equal to, on an as-if-converted-to-Common-Stock basis, and in the same form as, dividends actually paid on shares of the Common Stock. Except as otherwise required by law or with respect to the Series X Preferred Stock protective provisions set forth in the Series X Certificate of Designations and described below, the Series X Preferred Stock does not have voting rights.

The Series X Certificate of Designations contains certain customary covenants of the Company that are customary for documents of this type, including restrictions on (i) consummating Fundamental Transactions (as defined in the Series X Certificate of Designations), or (ii) reclassifying the outstanding Common Stock, including but not limited to a stock dividend or reverse stock split, in each case prior to the stockholder approval of the conversion of the Series X Preferred Stock into shares of Common Stock in accordance with the rules of NYSE American, or the Conversion Proposal, without the affirmative vote or written approval, agreement or waiver of the holders of 70% of the then outstanding shares of the Series X Preferred Stock, or the Requisite Holders. The Series X Preferred Stock does not have a preference upon any liquidation, dissolution or winding-up of the Company.

Following stockholder approval of the Conversion Proposal, each share of Series X Preferred Stock will automatically convert into 1,000 shares of Common Stock, subject to certain limitations, including that a holder of Series X Preferred Stock is prohibited from converting shares of Series X Preferred Stock into shares of Common Stock if, as a result of such conversion, such holder, together with any person whose beneficial ownership would be aggregated with such holder's for purposes of Section 13(d) or Section 16 of the Securities Exchange Act of 1934, as amended, or the Exchange Act, would beneficially own more than a specified percentage (to be established by the holder between 0% and 19.99%) of the total number of shares of Common Stock issued and outstanding immediately after giving effect to such conversion.

In the event the Series X Preferred Stock is not convertible pursuant to the terms of the Series X Certificate of Designations by the earlier to occur of (i) the time that the stockholders' meeting is ultimately concluded or (ii) five months after the initial issuance of the Series X Preferred Stock, or the Deadline Date, upon written request by the Requisite Holders, the Company shall be required to pay to each holder of Series X Preferred Stock an amount in cash equal to the fair value of the shares of Series X Preferred Stock held by such holder, based on an average of the daily volume weighted average price of the Common Stock for the 30 trading days ending on (a) the first trading day prior to the Stockholders' Meeting or (b) the Deadline Date.

Series Y Preferred Stock

We have 3,300 Series Y Convertible Preferred Stock, par value $0.0001 per share, or the Series Y Preferred Stock, outstanding. The powers, preferences, rights, qualifications, limitations and restrictions applicable to the Series Y Preferred Stock are set forth in the Certificate of Designations, or the Series Y Certificate of Designations, which was filed with the Secretary of State of the State of Delaware pursuant to the a Securities Purchase Agreement between us and an investor on January 13, 2026.

Holders of Series Y Preferred Stock are entitled to receive dividends on the stated value of Series Y Preferred Stock at a rate of 15% per annum, payable quarterly, at the holder's sole election, either in cash or in shares of Common Stock, subject to adjustment as set forth in the Series Y Certificate of Designations. Except as otherwise required by law or with respect to the Series Y Preferred Stock protective provisions set forth in the Series Y Certificate of Designations and described below, the Series Y Preferred Stock does not have voting rights. Each share of Series Y Preferred Stock will have a maturity of one year from the closing date.

The Series Y Certificate of Designations contains certain customary covenants of the Company that are customary for documents of this type, including restrictions on authorizing or issuing any capital stock that is of senior rank to, or pari passu rank with, the Series Y Preferred Stock with respect to the preferences as to dividends, distributions and payments upon the liquidation, dissolution and winding up of the Company. The Series Y Preferred Stock ranks senior to the Company's Common Stock and to the Company's Series X Preferred Stock with respect to dividends, distributions and payments upon liquidation, dissolution or winding up of the Company.

Each share of Series Y Preferred Stock is convertible, at the holder's option, into shares of Common Stock at any time after the Initial Issuance Date (as described in the Series Y Certification of Designations) subject to certain limitations, including that a holder of Series Y Preferred Stock is prohibited from converting shares of Series Y Preferred Stock into shares of Common Stock if, as a result of such conversion, such holder, together with any person whose beneficial ownership would be aggregated with such holder's for purposes of Section 13(d) or Section 16 of the Securities Exchange Act of 1934, as amended, or the Exchange Act, would beneficially own more than a 19.99% of the total number of shares of Common Stock issued and outstanding immediately after giving effect to such conversion. The number of shares of Common Stock issuable upon conversion is based on the $1,000 stated value per share (plus any accrued and unpaid dividends and certain other amounts) divided by a conversion price that initially is $2.00 (subject to adjustment for stock splits, stock dividends, stock combinations, recapitalizations and similar transactions) per share. Following stockholder approval as required under NYSE American rules, the conversion price will thereafter be reduced to equal the lower of (i) the conversion price then in effect and (ii) the closing sale price of the Common Stock on the date immediately prior to such stockholder approval.

The Series Y Preferred Stock has a liquidation preference. In the event of a liquidation, dissolution or winding-up of the Company, holders of Series Y Preferred Stock are entitled to receive, before any amount is paid to holders of junior stock and pari passu with any parity stock then outstanding, an amount per share equal to the greater of (i) 150% of the conversion amount of such share and (ii) the amount such holder would receive if such holder converted such share into Common Stock immediately prior to such liquidation event.

In the event of the occurrence of certain Triggering Events (as defined in the Series Y Certificate of Designations), a holder of Series Y Preferred Stock may require the Company to redeem all or a portion of such holder's Series Y Preferred Stock, and the Company shall be required to pay the applicable redemption price in cash in accordance with the Series Y Certificate of Designations. In addition, upon any Bankruptcy Triggering Event (as defined in the Series Y Certificate of Designations), the Company is required to immediately redeem all outstanding Series Y Preferred Stock at the applicable redemption price.

Certain Anti-Takeover Provisions of Delaware Law and our Certificate of Incorporation and Bylaws

We are subject to the provisions of Section 203 of the DGCL regulating corporate takeovers. This statute prevents certain Delaware corporations, under certain circumstances, from engaging in a "business combination" with:

- a stockholder who owns 10% or more of our outstanding voting stock (otherwise known as an "interested stockholder");

- an affiliate of an interested stockholder; or
- an associate of an interested stockholder, for three years following the date that the stockholder became an interested stockholder.

A "business combination" includes a merger or sale of more than 10% of our assets. However, the above provisions of Section 203 do not apply if:

- our Board of Directors approves the transaction that made the stockholder an "interested stockholder," prior to the date of the transaction;
- after the completion of the transaction that resulted in the stockholder becoming an interested stockholder, that stockholder owned at least 85% of our voting stock outstanding at the time the transaction commenced, other than statutorily excluded shares of common stock; or
- on or subsequent to the date of the transaction, the business combination is approved by our Board of Directors and authorized at a meeting of our stockholders, and not by written consent, by an affirmative vote of at least two-thirds of the outstanding voting stock not owned by the interested stockholder.

Special meeting of stockholders

Our Bylaws provide that special meetings of our stockholders may be called only by a majority vote of our Board of Directors, or by our chief executive officer.

Classified Board of Directors

Our Board of Directors is divided into three classes, each of which will generally serve for a term of three years with only one class of directors being elected in each year. This system of electing Directors may tend to discourage a third party from making a tender offer or otherwise attempting to obtain control of us, because it generally makes it more difficult for stockholders to replace a majority of the Directors.

Advance notice requirements for stockholder proposals and director nominations

Our Bylaws provide that stockholders seeking to bring business before our annual meeting of stockholders, or to nominate candidates for election as directors at our annual meeting of stockholders, must provide timely notice of their intent in writing. To be timely, a stockholder's notice to bring matters before our annual meeting of stockholders needs to be delivered to our principal executive offices not later than the close of business on the 90^{th} day nor earlier than the opening of business on the 120^{th} day prior to the scheduled date of the annual meeting of stockholders, and a stockholder's notice to nominate candidates for election as directors needs to be delivered to us not less than 120 days prior to any meeting of stockholders called for the election of directors. Our Bylaws also specify certain requirements as to the form and content of a stockholders' notice. These provisions may preclude our stockholders from bringing matters before our annual meeting of stockholders or from making nominations for directors at our annual meeting of stockholders.

Exhibit 10.3

BIOMX INC.
INDEMNIFICATION AGREEMENT

This Indemnification Agreement (this "Agreement") is made as of, by and between BiomX Inc., a Delaware corporation (the "Company"), and _____ ("Indemnitee").

RECITALS

The Company and Indemnitee recognize the increasing difficulty in obtaining liability insurance for directors, officers and key employees, the significant increases in the cost of such insurance and the general reductions in the coverage of such insurance. The Company and Indemnitee further recognize the substantial increase in corporate litigation in general, subjecting directors, officers and key employees to expensive litigation risks at the same time as the availability and coverage of liability insurance has been severely limited. Indemnitee does not regard the current protection available as adequate under the present circumstances, and Indemnitee may not be willing to continue to serve in Indemnitee's current capacity with the Company without additional protection. The Company desires to attract and retain the services of highly qualified individuals, such as Indemnitee, and to indemnify its directors, officers and key employees so as to provide them with the maximum protection permitted by law.

AGREEMENT

In consideration of the mutual promises made in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Company and Indemnitee hereby agree as follows:

1. **Indemnification.**

(a) **Third-Party Proceedings.** To the fullest extent permitted by applicable law, the Company shall indemnify Indemnitee, if Indemnitee was, is or is threatened to be made, a party to or a participant (as a witness or otherwise) in any Proceeding (other than a Proceeding by or in the right of the Company to procure a judgment in the Company's favor), against all Expenses, judgments, fines and amounts paid in settlement (if such settlement is approved in advance by the Company, which approval shall not be unreasonably withheld) actually and reasonably incurred by Indemnitee in connection with such Proceeding if Indemnitee acted in good faith and in a manner Indemnitee reasonably believed to be in or not opposed to the best interests of the Company and, in the case of a criminal Proceeding, had no reasonable cause to believe Indemnitee's conduct was unlawful.

(b) **Proceedings By or in the Right of the Company.** To the fullest extent permitted by applicable law, the Company shall indemnify Indemnitee, if Indemnitee was, is or is threatened to be made a party to or a participant (as a witness or otherwise) in any Proceeding by or in the right of the Company to procure a judgment in the Company's favor, against all Expenses actually and reasonably incurred by Indemnitee in connection with such Proceeding if Indemnitee acted in good faith and in a manner Indemnitee reasonably believed to be in or not opposed to the best interests of the Company, except that no indemnification shall be made in respect of any claim, issue or matter as to which Indemnitee shall have been finally adjudicated by court order or judgment to be liable to the Company unless and only to the extent that the Court of Chancery or the court in which such Proceeding is or was pending shall determine upon application that, in view of all the circumstances of the case, Indemnitee is fairly and reasonably entitled to indemnity for such expenses which such court shall deem proper.

(c) **Success on the Merits.** To the fullest extent permitted by applicable law and to the extent that Indemnitee has been successful on the merits or otherwise in defense of any Proceeding referred to in Section 1(a) or Section 1(b) hereof or the defense of any claim, issue or matter therein, in whole or in part, the Company shall indemnify Indemnitee against all Expenses actually and reasonably incurred by Indemnitee in connection therewith. Without limiting the generality of the foregoing, if Indemnitee is successful on the merits or otherwise as to one or more but less than all claims, issues or matters in a Proceeding, the Company shall indemnify Indemnitee against all Expenses actually and reasonably incurred by Indemnitee in connection with such successfully resolved claims, issues or matters to the fullest extent permitted by applicable law. If any Proceeding is disposed of on the merits or otherwise (including a disposition without prejudice), without (i) the disposition being adverse to Indemnitee, (ii) an adjudication that Indemnitee was liable to the Company, (iii) a plea of guilty by Indemnitee, (iv) an adjudication that Indemnitee did not act in good faith and in a manner Indemnitee reasonably believed to be in or not opposed to the best interests of the Company, and (v) with respect to any criminal Proceeding, an adjudication that Indemnitee had reasonable cause to believe Indemnitee's conduct was unlawful, Indemnitee shall be considered for the purposes hereof to have been wholly successful with respect thereto.

(d) **Witness Expenses.** To the fullest extent permitted by applicable law and to the extent that Indemnitee is a witness or otherwise asked to participate in any Proceeding to which Indemnitee is not a party, the Company shall indemnify Indemnitee against all Expenses actually and reasonably incurred by Indemnitee in connection with such Proceeding.

2. **Indemnification Procedure.**

(a) **Advancement of Expenses.** To the fullest extent permitted by applicable law, the Company shall advance all Expenses actually and reasonably incurred by Indemnitee in connection with a Proceeding within thirty (30) days after receipt by the Company of a statement requesting such advances from time to time, whether prior to or after final disposition of any Proceeding. Such advances shall be unsecured and interest free and shall be made without regard to Indemnitee's ability to repay the Expenses and without regard to Indemnitee's ultimate entitlement to indemnification under the other provisions of this Agreement. Indemnitee shall be entitled to continue to receive advancement of Expenses pursuant to this Section 2(a) unless and until the matter of Indemnitee's entitlement to indemnification hereunder has been finally adjudicated by court order or judgment from which no further right of appeal exists. Indemnitee hereby undertakes to repay such amounts advanced only if, and to the extent that, it ultimately is determined that Indemnitee is not entitled to be indemnified by the Company under the other provisions of this Agreement. Indemnitee shall qualify for advances upon the execution and delivery of this Agreement, which shall constitute the requisite undertaking with respect to repayment of advances made hereunder and no other form of undertaking shall be required to qualify for advances made hereunder other than the execution of this Agreement.

(b) **Notice and Cooperation by Indemnitee.** Indemnitee shall promptly notify the Company in writing upon being served with any summons, citation, subpoena, complaint, indictment, information or other document relating to any Proceeding or matter for which indemnification will or could be sought under this Agreement. Such notice to the Company shall include a description of the nature of, and facts underlying, the Proceeding, shall be directed to the Chief Executive Officer of the Company and shall be given in accordance with the provisions of Section 13(e) below. In addition, Indemnitee shall give the Company such additional information and cooperation as the Company may reasonably request. Indemnitee's failure to so notify, provide information and otherwise cooperate with the Company shall not relieve the Company of any obligation that it may have to Indemnitee under this Agreement, except to the extent that the Company is adversely affected by such failure.

(c) **Determination of Entitlement.**

(i) **Final Disposition.** Notwithstanding any other provision in this Agreement, no determination as to entitlement to indemnification under this Agreement shall be required to be made prior to the final disposition of the Proceeding.

(ii) **Determination and Payment.** Subject to the foregoing, promptly after receipt of a statement requesting payment with respect to the indemnification rights set forth in Section 1 hereof, to the extent required by applicable law, the Company shall take the steps necessary to authorize such payment in the manner set forth in Section 145 of the Delaware General Corporation Law. The Company shall pay any claims made under this Agreement, under any statute, or under any provision of the Company's Certificate of Incorporation or Bylaws providing for indemnification or advancement of Expenses, within thirty (30) days after a written request for payment thereof has first been received by the Company, and if such claim is not paid in full within such thirty (30) day-period, Indemnitee may, but need not, at any time thereafter bring an action against the Company in the Delaware Court of Chancery to recover the unpaid amount of the claim and, subject to Section 12 hereof, Indemnitee shall also be entitled to be paid for all Expenses actually and reasonably incurred by Indemnitee in connection with bringing such action. It shall be a defense to any such action (other than an action brought to enforce a claim for advancement of Expenses under Section 2(a) hereof) that Indemnitee has not met the standards of conduct which make it permissible under applicable law for the Company to indemnify Indemnitee for the amount claimed. In making a determination with respect to entitlement to indemnification hereunder, the person or persons or entity making such determination shall presume that Indemnitee is entitled to indemnification under this Agreement and the Company shall have the burden of proof to overcome that presumption with clear and convincing evidence to the contrary. The termination of any Proceeding by judgment, order, settlement, conviction, or upon a plea of *nolo contendere* or its equivalent, shall not, of itself, create a presumption that Indemnitee did not act in good faith and in a manner which Indemnitee reasonably believed to be in or not opposed to the best interests of the Company, or, in the case of a criminal Proceeding, that Indemnitee had reasonable cause to believe that Indemnitee's conduct was unlawful. In addition, it is the parties' intention that if the Company contests Indemnitee's right to indemnification, the question of Indemnitee's right to indemnification shall be for the court to decide, and neither the failure of the Company (including its Board of Directors, any committee or subgroup of the Board of Directors, independent legal counsel, or its stockholders) to have made a determination that indemnification of Indemnitee is proper in the circumstances because Indemnitee has met the applicable standard of conduct required by applicable law, nor an actual determination by the Company (including its Board of Directors, any committee or subgroup of the Board of Directors, independent legal counsel, or its stockholders) that Indemnitee has not met such applicable standard of conduct, shall create a presumption that Indemnitee has or has not met the applicable standard of conduct. If any requested determination with respect to entitlement to indemnification hereunder has not been made within ninety (90) days after the final disposition of the Proceeding, the requisite determination that Indemnitee is entitled to indemnification shall be deemed to have been made.

(d) **Payment Directions.** To the extent payments are required to be made hereunder, the Company shall, in accordance with Indemnitee's request (but without duplication), (i) pay such Expenses on behalf of Indemnitee, (ii) advance to Indemnitee funds in an amount sufficient to pay such Expenses, or (iii) reimburse Indemnitee for such Expenses.

(e) **Notice to Insurers.** If, at the time of the receipt of a notice of a claim pursuant to Section 2(b) hereof, the Company has director and officer liability insurance in effect, the Company shall give prompt notice of the commencement of such Proceeding to the insurers in accordance with the procedures set forth in the respective policies. The Company shall thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of Indemnitee, all amounts payable as a result of such Proceeding in accordance with the terms of such policies.

(f) **Defense of Claim and Selection of Counsel.** In the event the Company shall be obligated under Section 2(a) hereof to advance Expenses with respect to any Proceeding, the Company, if appropriate, shall be entitled to assume the defense of such Proceeding, with counsel reasonably acceptable to Indemnitee, upon the delivery to Indemnitee of written notice of its election so to do. After delivery of such notice, approval of such counsel by Indemnitee and the retention of such counsel by the Company, the Company will not be liable to Indemnitee under this Agreement for any fees of counsel subsequently incurred by Indemnitee with respect to the same Proceeding, provided that (i) Indemnitee shall have the right to employ counsel in any such Proceeding at Indemnitee's expense; and (ii) if (A) the employment of counsel by Indemnitee has been previously authorized by the Company, (B) Indemnitee shall have reasonably concluded that there may be a conflict of interest between the Company and Indemnitee in the conduct of any such defense or (C) the Company shall not, in fact, have employed counsel to assume the defense of such Proceeding, then the fees and expenses of Indemnitee's counsel shall be at the expense of the Company. In addition, if there exists a potential, but not an actual, conflict of interest between the Company and Indemnitee, the actual and reasonable legal fees and expenses incurred by Indemnitee for separate counsel retained by Indemnitee to monitor the Proceeding (so that such counsel may assume Indemnitee's defense if the conflict of interest between the Company and Indemnitee becomes an actual conflict of interest) shall be deemed to be Expenses that are subject to indemnification hereunder. The existence of an actual or potential conflict of interest, and whether such conflict may be waived, shall be determined pursuant to the rules of attorney professional conduct and applicable law. The Company shall not be required to obtain the consent of Indemnitee for the settlement of any Proceeding the Company has undertaken to defend if the Company assumes full and sole responsibility for each such settlement; provided, however, that the Company shall be required to obtain Indemnitee's prior written approval, which shall not be unreasonably withheld, before entering into any settlement which (1) does not grant Indemnitee a complete release of liability, (2) would impose any penalty or limitation on Indemnitee, or (3) would admit any liability or misconduct by Indemnitee.

3. **Additional Indemnification Rights.**

(a) **Scope.** Notwithstanding any other provision of this Agreement, the Company hereby agrees to indemnify Indemnitee to the fullest extent permitted by law, notwithstanding that such indemnification is not specifically authorized by the other provisions of this Agreement, the Company's Certificate of Incorporation, the Company's Bylaws or by statute. In the event of any change, after the date of this Agreement, in any applicable law, statute, or rule which expands the right of a Delaware corporation to indemnify a member of its board of directors or an officer, such changes shall be deemed to be within the purview of Indemnitee's rights and the Company's obligations under this Agreement. In the event of any change in any applicable law, statute or rule which narrows the right of a Delaware corporation to indemnify a member of its board of directors or an officer, such changes, to the extent not otherwise required by such law, statute or rule to be applied to this Agreement shall have no effect on this Agreement or the parties' rights and obligations hereunder.

(b) **Non-exclusivity.** The indemnification provided by this Agreement shall not be deemed exclusive of any rights to which Indemnitee may be entitled under the Company's Certificate of Incorporation, its Bylaws, any agreement, any vote of stockholders or disinterested members of the Company's Board of Directors, the Delaware General Corporation Law, or otherwise, both as to action in Indemnitee's official capacity and as to action in another capacity while holding such office.

(c) **Interest on Unpaid Amounts.** If any payment to be made by the Company to Indemnitee hereunder is delayed by more than ninety (90) days from the date the duly prepared request for such payment is received by the Company, interest shall be paid by the Company to Indemnitee at the legal rate under Delaware law for amounts which the Company indemnifies or is obligated to indemnify for the period commencing with the date on which Indemnitee actually incurs such Expense or pays such judgment, fine or amount in settlement and ending with the date on which such payment is made to Indemnitee by the Company.

(d) **Third-Party Indemnification.** The Company hereby acknowledges that Indemnitee has or may from time to time obtain certain rights to indemnification, advancement of expenses and/or insurance provided by one or more third parties (collectively, the "Third-Party Indemnitors"). The Company hereby agrees that it is the indemnitor of first resort (*i.e.,* its obligations to Indemnitee are primary and any obligation of the Third-Party Indemnitors to advance expenses or to provide indemnification for the same expenses or liabilities incurred by Indemnitee are secondary), and that the Company will not assert that the Indemnitee must seek expense advancement or reimbursement, or indemnification, from any Third-Party Indemnitor before the Company must perform its expense advancement and reimbursement, and indemnification obligations, under this Agreement. No advancement or payment by the Third-Party Indemnitors on behalf of Indemnitee with respect to any claim for which Indemnitee has sought indemnification from the Company shall affect the foregoing. The Third-Party Indemnitors shall be subrogated to the extent of such advancement or payment to all of the rights of recovery which Indemnitee would have had against the Company if the Third-Party Indemnitors had not advanced or paid any amount to or on behalf of Indemnitee. If for any reason a court of competent jurisdiction determines that the Third-Party Indemnitors are not entitled to the subrogation rights described in the preceding sentence, the Third-Party Indemnitors shall have a right of contribution by the Company to the Third-Party Indemnitors with respect to any advance or payment by the Third-Party Indemnitors to or on behalf of the Indemnitee.

4. **Partial Indemnification.** If Indemnitee is entitled under any provision of this Agreement to indemnification by the Company for some or a portion of the Expenses, judgments, fines or amounts paid in settlement, actually and reasonably incurred in connection with a Proceeding, but not, however, for the total amount thereof, the Company shall nevertheless indemnify Indemnitee for the portion of such Expenses, judgments, fines and amounts paid in settlement to which Indemnitee is entitled.

5. **Director and Officer Liability Insurance.**

(a) **D&O Policy.** The Company shall, from time to time, make the good faith determination whether or not it is practicable for the Company to obtain and maintain a policy or policies of insurance with reputable insurance companies providing the directors and officers of the Company with coverage for losses from wrongful acts, or to ensure the Company's performance of its indemnification obligations under this Agreement. Among other considerations, the Company will weigh the costs of obtaining such insurance coverage against the protection afforded by such coverage. In all policies of director and officer liability insurance, Indemnitee shall be named as an insured in such a manner as to provide Indemnitee the same rights and benefits as are accorded to the most favorably insured of the Company's directors, if Indemnitee is a director; or of the Company's officers, if Indemnitee is not a director of the Company but is an officer; or of the Company's key employees, if Indemnitee is not an officer or director but is a key employee. Notwithstanding the foregoing, the Company shall have no obligation to obtain or maintain such insurance if the Company determines in good faith that such insurance is not reasonably available, if the premium costs for such insurance are disproportionate to the amount of coverage provided, if the coverage provided by such insurance is limited by exclusions so as to provide an insufficient benefit, or if Indemnitee is covered by similar insurance maintained by a parent or subsidiary of the Company.

(b) **Tail Coverage.** In the event of a Change of Control or the Company's becoming insolvent (including being placed into receivership or entering the federal bankruptcy process and the like), the Company shall maintain in force any and all insurance policies then maintained by the Company in providing insurance (directors' and officers' liability, fiduciary, employment practices or otherwise) in respect of Indemnitee, for a period of seven years thereafter.

6. **Severability.** Nothing in this Agreement is intended to require or shall be construed as requiring the Company to do or fail to do any act in violation of applicable law. The Company's inability, pursuant to court order, to perform its obligations under this Agreement shall not constitute a breach of this Agreement. If this Agreement or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the Company shall nevertheless indemnify Indemnitee to the full extent permitted by any applicable portion of this Agreement that shall not have been invalidated, and the balance of this Agreement not so invalidated shall be enforceable in accordance with its terms.

7. **Exclusions.** Any other provision of this Agreement to the contrary notwithstanding, the Company shall not be obligated pursuant to the terms of this Agreement:

(a) **Claims Initiated by Indemnitee.** To indemnify or advance Expenses to Indemnitee with respect to Proceedings initiated or brought voluntarily by Indemnitee and not by way of defense, except with respect to Proceedings brought to establish, enforce or interpret a right to indemnification under this Agreement or any other statute or law or otherwise as required under Section 145 of the Delaware General Corporation Law, but such indemnification or advancement of Expenses may be provided by the Company in specific cases if the Board of Directors finds it to be appropriate; provided, however, that the exclusion set forth in the first clause of this subsection shall not be deemed to apply to any investigation initiated or brought by Indemnitee to the extent reasonably necessary or advisable in support of Indemnitee's defense of a Proceeding to which Indemnitee was, is or is threatened to be made, a party;

(b) **Lack of Good Faith.** To indemnify Indemnitee for any Expenses incurred by Indemnitee with respect to any Proceeding instituted by Indemnitee to establish, enforce or interpret a right to indemnification under this Agreement or any other statute or law or otherwise as required under Section 145 of the Delaware General Corporation Law, if a court of competent jurisdiction determines that each of the material assertions made by Indemnitee in such proceeding was not made in good faith or was frivolous;

(c) **Insured Claims.** To indemnify Indemnitee for Expenses to the extent such Expenses have been paid directly to Indemnitee by an insurance carrier under an insurance policy maintained by the Company; or

(d) **Certain Exchange Act Claims.** To indemnify Indemnitee in connection with any claim made against Indemnitee for (i) an accounting of profits made from the purchase and sale (or sale and purchase) by Indemnitee of securities of the Company within the meaning of Section 16(b) of the Exchange Act or any similar successor statute or any similar provisions of state statutory law or common law, or (ii) any reimbursement of the Company by Indemnitee of any bonus or other incentive-based or equity-based compensation or of any profits realized by Indemnitee from the sale of securities of the Company, as required in each case under the Exchange Act (including any such reimbursements that arise from an accounting restatement of the Company pursuant to Section 304 of the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act") or Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act, or the payment to the Company of profits arising from the purchase and sale by Indemnitee of securities in violation of Section 306 of the Sarbanes-Oxley Act); provided, however, that to the fullest extent permitted by applicable law and to the extent Indemnitee is successful on the merits or otherwise with respect to any such Proceeding, the Expenses actually and reasonably incurred by Indemnitee in connection with any such Proceeding shall be deemed to be Expenses that are subject to indemnification hereunder.

8. **Contribution Claims.**

(a) If the indemnification provided in Section 1 hereof is unavailable in whole or in part and may not be paid to Indemnitee for any reason other than those set forth in Section 7 hereof, then in respect to any Proceeding in which the Company is jointly liable with Indemnitee (or would be if joined in such Proceeding), to the fullest extent permitted by applicable law, the Company, in lieu of indemnifying Indemnitee, shall pay, in the first instance, the entire amount incurred by Indemnitee, whether for Expenses, judgments, fines or amounts paid in settlement, in connection with any Proceeding without requiring Indemnitee to contribute to such payment, and the Company hereby waives and relinquishes any right of contribution it may have at any time against Indemnitee.

(b) With respect to a Proceeding brought against directors, officers, employees or agents of the Company (other than Indemnitee), to the fullest extent permitted by applicable law, the Company shall indemnify Indemnitee from any claims for contribution that may be brought by any such directors, officers, employees or agents of the Company (other than Indemnitee) who may be jointly liable with Indemnitee, to the same extent Indemnitee would have been entitled to such indemnification under this Agreement if such Proceeding had been brought against Indemnitee.

9. **No Imputation.** The knowledge and/or actions, or failure to act, of any director, officer, agent or employee of the Company or the Company itself shall not be imputed to Indemnitee for purposes of determining any rights under this Agreement.

10. **Determination of Good Faith.** For purposes of any determination of good faith, Indemnitee shall be deemed to have acted in good faith if Indemnitee's action is based on the records or books of account of the Enterprise, including financial statements, or on information supplied to Indemnitee by the officers of the Enterprise in the course of their duties, or on the advice of legal counsel for the Enterprise or the Board of Directors of the Enterprise or any counsel selected by any committee of the Board of Directors of the Enterprise or on information or records given or reports made to the Enterprise by an independent certified public accountant or by an appraiser, investment banker, compensation consultant, or other expert selected with reasonable care by the Enterprise or the Board of Directors of the Enterprise or any committee thereof. The provisions of this Section 10 shall not be deemed to be exclusive or to limit in any way the other circumstances in which the Indemnitee may be deemed to have met the applicable standard of conduct. Whether or not the foregoing provisions of this Section are satisfied, it shall in any event be presumed that Indemnitee has at all times acted in good faith and in a manner Indemnitee reasonably believed to be in or not opposed to the best interests of the Company.

11. **Defined Terms and Phrases.** For purposes of this Agreement, the following terms shall have the following meanings:

(a) "Beneficial Owner" and "Beneficial Ownership" shall have the meanings set forth in Rule 13d-3 promulgated under the Exchange Act as in effect on the date hereof.

(b) "Change of Control" shall be deemed to occur upon the earliest of any of the following events:

(i) Acquisition of Stock by Third Party. Any Person is or becomes the Beneficial Owner, directly or indirectly, of securities of the Company representing 15% or more of the combined voting power of the Company's then outstanding securities entitled to vote generally in the election of directors, unless (1) the change in the relative Beneficial Ownership of the Company's securities by any Person results solely from a reduction in the aggregate number of outstanding shares of securities entitled to vote generally in the election of directors, or (2) such acquisition was approved in advance by the Continuing Directors and such acquisition would not constitute a Change of Control under part (iii) of this definition.

(ii) Change in Board of Directors. Individuals who, as of the date of this Agreement, constitute the Company's Board of Directors (the "Board"), and any new director whose election by the Board or nomination for election by the Company's stockholders was approved by a vote of at least two thirds of the directors then still in office who were directors on the date of this Agreement (collectively, the "Continuing Directors"), cease for any reason to constitute at least a majority of the members of the Board.

(iii) Corporate Transaction. The effective date of a reorganization, merger, or consolidation of the Company (a "Business Combination"), in each case, unless, following such Business Combination: (1) all or substantially all of the individuals and entities who were the Beneficial Owners of securities entitled to vote generally in the election of directors immediately prior to such Business Combination beneficially own, directly or indirectly, more than 51% of the combined voting power of the then outstanding securities of the Company entitled to vote generally in the election of directors resulting from such Business Combination (including a corporation which as a result of such transaction owns the Company or all or substantially all of the Company's assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership, immediately prior to such Business Combination, of the securities entitled to vote generally in the election of directors and with the power to elect at least a majority of the Board or other governing body of the surviving entity; (2) no Person (excluding any corporation resulting from such Business Combination) is the Beneficial Owner, directly or indirectly, of 15% or more of the combined voting power of the then outstanding securities entitled to vote generally in the election of directors of such corporation except to the extent that such ownership existed prior to the Business Combination; and (3) at least a majority of the Board of Directors of the corporation resulting from such Business Combination were Continuing Directors at the time of the execution of the initial agreement, or of the action of the Board of Directors, providing for such Business Combination.

(iv) Liquidation. The approval by the Company's stockholders of a complete liquidation of the Company or an agreement or series of agreements for the sale or disposition by the Company of all or substantially all of the Company's assets, other than factoring the Company's current receivables or escrows due (or, if such approval is not required, the decision by the Board to proceed with such a liquidation, sale or disposition in one transaction or a series of related transactions).

(v) Other Events. There occurs any other event of a nature that would be required to be reported in response to Item 6(e) of Schedule 14A of Regulation 14A (or a response to any similar item or any similar schedule or form) promulgated under the Exchange Act whether or not the Company is then subject to such reporting requirement.

(c) "Company" shall include, in addition to the resulting corporation, any constituent corporation (including any constituent of a constituent) absorbed in a consolidation or merger which, if its separate existence had continued, would have had power and authority to indemnify its directors, officers, and employees or agents, so that if Indemnitee is or was a director, officer, employee or agent of such constituent corporation, or is or was serving at the request of such constituent corporation as a director, officer, trustee, general partner, managing member, fiduciary, employee or agent of any other enterprise, Indemnitee shall stand in the same position under the provisions of this Agreement with respect to the resulting or surviving corporation as Indemnitee would have with respect to such constituent corporation if its separate existence had continued.

(d) "Enterprise" means the Company and any other enterprise that Indemnitee was or is serving at the request of the Company as a director, officer, partner (general, limited or otherwise), member (managing or otherwise), trustee, fiduciary, employee or agent.

(e) "Exchange Act" means the Securities Exchange Act of 1934, as amended.

(f) "Expenses" shall include all direct and indirect costs, fees and expenses of any type or nature whatsoever, including all attorneys' fees and costs, retainers, court costs, transcript costs, fees of experts, witness fees, travel expenses, fees of private investigators and professional advisors, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees, any federal, state, local or foreign taxes imposed on Indemnitee as a result of the actual or deemed receipt of any payment under this Agreement (including taxes that may be imposed upon the actual or deemed receipt of payments under this Agreement with respect to the imposition of federal, state, local or foreign taxes), fax transmission charges, secretarial services and all other disbursements, obligations or expenses in connection with prosecuting, defending, preparing to prosecute or defend, investigating, being or preparing to be a witness in, settlement or appeal of, or otherwise participating in a Proceeding. Expenses also shall include any of the forgoing expenses incurred in connection with any appeal resulting from any Proceeding, including the principal, premium, security for, and other costs relating to any costs bond, supersedes bond, or other appeal bond or its equivalent. Expenses also shall include any interest, assessment or other charges imposed thereon and costs incurred in preparing statements in support of payment requests hereunder. Expenses, however, shall not include amounts paid in settlement by Indemnitee or the amount of judgments or fines against Indemnitee.

(g) "Person" shall have the meaning as set forth in Section 13(d) and 14(d) of the Exchange Act as in effect on the date hereof; provided, however, that "Person" shall exclude: (i) the Company; (ii) any direct or indirect majority owned subsidiaries of the Company; (iii) any employee benefit plan of the Company or any direct or indirect majority owned subsidiaries of the Company or of any corporation owned, directly or indirectly, by the Company's stockholders in substantially the same proportions as their ownership of stock of the Company (an "Employee Benefit Plan"); and (iv) any trustee or other fiduciary holding securities under an Employee Benefit Plan.

(h) "Proceeding" shall include any actual, threatened, pending or completed action, suit, arbitration, mediation, alternate dispute resolution mechanism, investigation, inquiry, administrative hearing or any other actual, threatened or completed proceeding, whether brought by a third party, a government agency, the Company or its Board of Directors or a committee thereof, whether in the right of the Company or otherwise and whether of a civil (including intentional or unintentional tort claims), criminal, administrative, legislative or investigative (formal or informal) nature, including any appeal therefrom, in which Indemnitee was, is, will or might be involved as a party, potential party, non-party witness or otherwise by reason of the fact that Indemnitee is or was a director, officer, employee or agent of the Company, by reason of any action (or failure to act) taken by Indemnitee or of any action (or failure to act) on Indemnitee's part while acting as a director, officer, employee or agent of the Company, or by reason of the fact that Indemnitee is or was serving at the request of the Company as a director, officer, partner (general, limited or otherwise), member (managing or otherwise), trustee, fiduciary, employee or agent of any other enterprise, in each case whether or not serving in such capacity at the time any liability or expense is incurred for which indemnification, reimbursement or advancement of expenses can be provided under this Agreement.

(i) In addition, references to "other enterprise" shall include another corporation, partnership, limited liability company, joint venture, trust, employee benefit plan or any other enterprise; references to "fines" shall include any excise taxes assessed on Indemnitee with respect to an employee benefit plan; references to "serving at the request of the Company" shall include any service as a director, officer, employee or agent of the Company which imposes duties on, or involves services by Indemnitee with respect to an employee benefit plan, its participants, or beneficiaries; and if Indemnitee acted in good faith and in a manner Indemnitee reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan, Indemnitee shall be deemed to have acted in a manner "not opposed to the best interests of the Company" as referred to in this Agreement; references to "include" or "including" shall mean include or including, without limitation; and references to Sections, paragraphs or clauses are to Sections, paragraphs or clauses in this Agreement unless otherwise specified.

12. **Attorneys' Fees.** In the event that any Proceeding is instituted by Indemnitee under this Agreement to enforce or interpret any of the terms hereof, the Company shall indemnify Indemnitee against all Expenses actually and reasonably incurred by Indemnitee in connection with such Proceeding, unless a court of competent jurisdiction determines that each of the material assertions made by Indemnitee as a basis for such Proceeding were not made in good faith or were frivolous. In the event of a Proceeding instituted by or in the name of the Company under this Agreement or to enforce or interpret any of the terms of this Agreement, the Company shall indemnify Indemnitee against all Expenses actually and reasonably incurred by Indemnitee in connection with such Proceeding (including with respect to Indemnitee's counterclaims and cross-claims made in such action), unless a court of competent jurisdiction determines that each of Indemnitee's material defenses to such action were made in bad faith or were frivolous.

13. **Miscellaneous.**

(a) **Governing Law.** The validity, interpretation, construction and performance of this Agreement, and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of the state of Delaware, without giving effect to principles of conflicts of law.

(b) **Entire Agreement; Binding Effect.** Without limiting any of the rights of Indemnitee described in Section 3(b) hereof, this Agreement sets forth the entire agreement and understanding of the parties relating to the subject matter herein and merges all prior discussions and supersedes any and all previous agreements between them covering the subject matter herein. The indemnification provided under this Agreement applies with respect to events occurring before or after the effective date of this Agreement, and shall continue to apply even after Indemnitee has ceased to serve the Company in any and all indemnified capacities.

(c) **Amendments and Waivers.** No modification of or amendment to this Agreement, nor any waiver of any rights under this Agreement, shall be effective unless in writing signed by the parties to this Agreement. No delay or failure to require performance of any provision of this Agreement shall constitute a waiver of that provision as to that or any other instance.

(d) **Successors and Assigns.** This Agreement shall be binding upon the Company and its successors (including any direct or indirect successor by purchase, merger, consolidation or otherwise to all or substantially all of the business and/or assets of the Company) and assigns, and inure to the benefit of Indemnitee and Indemnitee's heirs, executors, administrators, legal representatives and assigns. The Company shall require and cause any successor (whether direct or indirect by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company, by written agreement in form and substance satisfactory to Indemnitee, expressly to assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform if no such succession had taken place.

(e) **Notices.** Any notice, demand or request required or permitted to be given under this Agreement shall be in writing and shall be deemed sufficient when delivered personally or by overnight courier or sent by email, or 48 hours after being deposited in the U.S. mail as certified or registered mail with postage prepaid, addressed to the party to be notified at such party's address as set forth on the signature page, as subsequently modified by written notice, or if no address is specified on the signature page, at the most recent address set forth in the Company's books and records.

(f) **Severability.** If one or more provisions of this Agreement are held to be unenforceable under applicable law, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (i) such provision shall be excluded from this Agreement, (ii) the balance of the Agreement shall be interpreted as if such provision were so excluded and (iii) the balance of the Agreement shall be enforceable in accordance with its terms.

(g) **Construction.** This Agreement is the result of negotiations between and has been reviewed by each of the parties hereto and their respective counsel, if any; accordingly, this Agreement shall be deemed to be the product of all of the parties hereto, and no ambiguity shall be construed in favor of or against any one of the parties hereto.

(h) **Counterparts.** This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, and all of which together shall constitute one and the same agreement. Execution of a facsimile copy will have the same force and effect as execution of an original, and a facsimile signature will be deemed an original and valid signature.

(i) **No Employment Rights.** Nothing contained in this Agreement is intended to create in Indemnitee any right to continued employment.

(j) **Company Position.** The Company shall be precluded from asserting, in any Proceeding brought for purposes of establishing, enforcing or interpreting any right to indemnification under this Agreement, that the procedures and presumptions of this Agreement are not valid, binding and enforceable and shall stipulate in any such court that the Company is bound by all the provisions of this Agreement and is precluded from making any assertion to the contrary.

(k) **Subrogation.** In the event of payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee, who shall execute all documents required and shall do all acts that may be necessary to secure such rights and to enable the Company to effectively bring suit to enforce such rights.

[Signature Page Follows]

The parties have executed this Agreement as of the date first set forth above.

THE COMPANY:

BIOMX INC.

By: _____
(Signature)

Name:
Title:

Address:

AGREED TO AND ACCEPTED:

INDEMNITEE:

_____
(Signature)

Address:

Email: _____

Schedule to Exhibit 10.3

The following directors and executive officers of BiomX Inc., or BiomX, are parties to Indemnification Agreements with BiomX which are substantially identical in all material respects to the representative Indemnification Agreement filed herewith and are dated as of the respective dates listed below. The other Indemnification Agreements are omitted pursuant to Instruction 2 to Item 601 of Regulation S-K.

Name of Signatory	Date
Liat Bidas	February 16, 2026
Reuven Yeganeh	January 14, 2026
Susan Blum	April 18, 2024
Gregory Merril	March 15, 2024
Eddie Williams	October 12, 2023
Dr. Alan C. Moses	October 2, 2020
Marina Wolfson	December 1, 2019
Jonathan Solomon	October 28, 2019
Dr. Russell Greig	October 28, 2019
Dr. Merav Bassan	October 28, 2019

Exhibit 21.1

BiomX Inc.
Subsidiaries of Registrant

Subsidiary	Jurisdiction of Incorporation
Adaptive Phage Therapeutics, LLC	Delaware, USA

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statements on Form S-3 (Nos. 333-261419, 333-272371, 333-275935, 333-278986, and 333-293308) and on Form S-8 (Nos. 333-235777, 333-254922, 333-263995, 333-270947, 333-278500 and 333-282059) of BiomX Inc. of our report dated February 19, 2026 relating to the financial statements, which appears in this Form 10-K.

Tel-Aviv, Israel
February 19, 2026

/s/ Kesselman & Kesselman
Certified Public Accountants (Isr.)
A member firm of PricewaterhouseCoopers International Limited

Exhibit 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO RULE 13A-14(A) UNDER THE SECURITIES EXCHANGE ACT OF 1934

I, Jonathan Solomon, certify that:

1. I have reviewed this Annual Report on Form 10-K of BiomX Inc.;

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;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 19, 2026

/s/ Jonathan Solomon
Jonathan Solomon
Chief Executive Officer

Exhibit 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO RULE 13A-14(A) UNDER THE SECURITIES EXCHANGE ACT OF 1934

I, Marina Wolfson, certify that:

1. I have reviewed this Annual Report on Form 10-K of BiomX Inc.;

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;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 19, 2026

/s/ Marina Wolfson
Marina Wolfson
Chief Financial Officer
(Principal financial officer)

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350

In connection with the Annual Report of BiomX Inc. (the "Company") on Form 10-K for the year ended December 31, 2025 as filed with the Securities and Exchange Commission (the "Report"), each of the undersigned, in the capacities and on the dates indicated below, hereby certifies pursuant to 18 U.S.C. Section 1350, that to his or her knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Jonathan Solomon
Jonathan Solomon
Chief Executive Officer
(Principal executive officer)

Date: February 19, 2026

/s/ Marina Wolfson
Marina Wolfson
Chief Financial Officer
(Principal financial officer)

Date: February 19, 2026