

L & S LIGHT & STRONG LTD.**CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION**

	<u>June 30,</u> <u>2014</u> <u>Unaudited</u>	<u>December 31,</u> <u>2013</u> <u>Audited</u>
	<u>US \$ in thousands</u>	
CURRENT ASSETS:		
Cash and cash equivalents	68	184
Trade accounts receivable	407	216
Other accounts receivable	136	138
Income tax refundable		
Inventory	611	703
	<u>1,222</u>	<u>1,241</u>
NON-CURRENT ASSETS:		
Fixed assets, net	606	674
	<u>1,828</u>	<u>1,915</u>
CURRENT LIABILITIES:		
Credit from banks and others	-	-
Trade accounts payable	604	668
Related parties	3,463	3,328
Other accounts payable	324	362
	<u>4,391</u>	<u>4,358</u>
LONG-TERM LIABILITIES:		
Severance pay liability, net	61	51
LIENS AND COMMITMENTS		
CAPITAL DEFICIENCY:		
Share capital	482	482
Share premium	1,732	1,732
Accumulated deficit	(4,671)	(4,566)
Reserves	(167)	(142)
	<u>(2,624)</u>	<u>(2,494)</u>
	<u>1,828</u>	<u>1,915</u>

Date of approval
of the financial
statements

L & S LIGHT & STRONG LTD.

CONDENSED INTERIM STATEMENTS OF COMPREHENSIVE INCOME

	<u>Six months ended</u>		<u>Year ended</u>
	<u>June 30,</u>		<u>December 31,</u>
	<u>2014</u>	<u>2013</u>	<u>2013</u>
	<u>US \$ in thousands</u>		
	<u>Unaudited</u>		
Revenue	2,161	1,466	3,602
Cost of operations	1,819	1,887	4,118
	<u>342</u>	<u>(421)</u>	<u>(516)</u>
<u>Gross profit (loss)</u>			
Selling and marketing expenses	34	49	97
General and administrative expenses	293	242	493
	<u>15</u>	<u>(712)</u>	<u>(1,106)</u>
<u>Profit (loss) from ordinary operations</u>			
Financial income			
Financial expenses*	(120)	(110)	(216)
Financial expenses, net	<u>(120)</u>	<u>(110)</u>	<u>(216)</u>

Capital gain from sale of fixed assets	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>

<u>Loss for the period</u>	<u>(105)</u>	<u>(822)</u>	<u>(1,322)</u>

* Financial expenses for the six-month period ended June 30, 2014 and 2013 and for the year ended December 31, 2013 includes interest to related parties of \$97 thousand, \$75 thousand and \$168 thousand, respectively.