

Check-Cap Ltd
Form POS AM
April 26, 2018

As filed with the Securities and Exchange Commission on April 26, 2018

Registration No. 333-222195

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

POST-EFFECTIVE AMENDMENT NO. 1

TO

FORM F-1

REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

CHECK-CAP LTD.
(Exact name of Registrant as specified in its charter)

Israel	3844	Not Applicable
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

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P.O. Box 1271
Isfiya, 3009000, Israel
+972-4-8303400

(Address, including zip code, and telephone number, including area code, of Registrant's principal executive offices)

Puglisi & Associates
850 Library Avenue, Suite 204
Newark, Delaware 19711
302-738-6680

(Name, address, including zip code, and telephone number, including area code, of agent for service)

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Approximate date of commencement of proposed sale to the public: As soon as practicable after the effective date of this Registration Statement.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, as amended, or the Securities Act, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933.

Emerging growth company

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, 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 7(a)(2)(B) of the Securities Act.

EXPLANATORY NOTE

This Post-Effective Amendment No. 1 on Form F-1 contains an updated prospectus relating to the offering and sale of ordinary shares by the selling shareholders named herein that were issued or are issuable upon the exercise of certain warrants we issued to such selling shareholders, each of whom is an accredited investor, on November 22, 2017, in a private placement transaction. The offering and sale of such ordinary shares was initially registered by the registrant, on a Registration Statement on Form F-1 (File No. 333-222195) declared effective by the Securities and Exchange Commission on January 16, 2018. All filing fees payable in connection with the registration of these securities were previously paid in connection with the filing of the original registration statement.

The Registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this registration statement shall hereafter become effective in accordance with Section 8(a) of the Securities Act or until the registration statement shall become effective on such date as the Commission acting pursuant to said section 8 (a), may determine.

The information in this prospectus is not complete and may be changed. The Selling Shareholders may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and is not soliciting offers to buy these securities in any state where the offer or sale is not permitted.

Subject to completion, dated April 26, 2018

CHECK-CAP LTD.

142,042 Ordinary Shares

This prospectus relates to the resale of up to 142,042 ordinary shares, par value NIS 2.40 per share of Check-Cap Ltd., an Israeli company (the “Company”), that may be sold from time to time by the selling shareholders named in this prospectus (the “Selling Shareholders”).

The ordinary shares offered under this prospectus consist of 142,042 ordinary shares issued and issuable upon the exercise of certain warrants (the “November 2017 Warrants”) we issued to the Selling Shareholders, each of whom is an accredited investor, on November 22, 2017, in a private placement pursuant to a Securities Purchase Agreement dated as of November 20, 2017, by and among the Company and the purchasers named therein. The issuance of the November 2017 Warrants was made in reliance on the exemptions from registration afforded by Section 4(a)(2) of the Securities Act of 1933, as amended (the “Securities Act”) and Rule 506 promulgated thereunder.

We will not receive any proceeds from the sale of any of the ordinary shares offered hereby by the Selling Shareholders. To the extent that any of the November 2017 Warrants are exercised for cash, if at all, we will receive the exercise price for those November 2017 Warrants.

Our ordinary shares are listed on the Nasdaq Capital Market under the symbol “CHEK.” The last reported sale price of our ordinary shares on April 25, 2018 was \$12.78.

THIS INVESTMENT INVOLVES A HIGH DEGREE OF RISK. YOU SHOULD PURCHASE SHARES ONLY IF YOU CAN AFFORD A COMPLETE LOSS OF YOUR INVESTMENT. SEE “RISK FACTORS” BEGINNING ON PAGE 5 FOR A DISCUSSION OF RISKS APPLICABLE TO US AND AN INVESTMENT IN OUR ORDINARY SHARES.

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED THESE SECURITIES, OR DETERMINED IF THIS PROSPECTUS IS TRUTHFUL OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The date of this prospectus is _____, 2018

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The registration statement we filed with the Securities and Exchange Commission (the “SEC”) includes exhibits that provide more detail of the matters discussed in this prospectus. You should read this prospectus, the related exhibits filed with the SEC, and the documents incorporated by reference herein before making your investment decision. You should rely only on the information provided in this prospectus and the documents incorporated by reference herein or any amendment thereto. In addition, this prospectus contains summaries of certain provisions contained in some of the documents described herein, but reference is made to the actual documents for complete information. All of the summaries are qualified in their entirety by the actual documents. Copies of some of the documents referred to herein have been filed, will be filed or will be incorporated by reference as exhibits to the registration statement of which this prospectus is a part, and you may obtain copies of those documents as described below under the heading “Where You Can Find More Information.” Information contained in later-dated documents incorporated by reference will automatically supplement, modify or supersede, as applicable, the information contained in this prospectus or in earlier-dated documents incorporated by reference.

ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement on Form F-1 we filed with the Securities Exchange Commission, or the SEC, using a shelf registration process. Under the shelf registration process, the Selling Shareholders named in this prospectus may, from time to time, sell the securities described in this prospectus in one or more offerings. This prospectus and the documents incorporated by reference herein include important information about us, the ordinary shares being offered by the Selling Shareholders and other information you should know before investing. Any prospectus supplement may also add, update, or change information in this prospectus. If there is any inconsistency between the information contained in this prospectus and any prospectus supplement, you should rely on the information contained in that particular prospectus supplement. This prospectus does not contain all the information provided in the registration statement we filed with the SEC. You should read this prospectus together with the additional information about us described in the sections below entitled “Incorporation of Certain Information by Reference” and “Where You Can Find Additional Information.” You should rely only on information contained in, or incorporated by reference into, this prospectus. We have not, and the Selling Shareholders have not authorized anyone to provide you with information different from that contained in, or incorporated by reference into, this prospectus. The information contained in this prospectus is accurate only as of the date on the front cover of the prospectus and information we have incorporated by reference in this prospectus is accurate only as of the date of the document incorporated by reference. You should not assume that the information contained in, or incorporated by reference into, this prospectus is accurate as of any other date.

PROSPECTUS SUMMARY

This summary highlights information contained in other parts of this prospectus or incorporated by reference into this prospectus from our filings with the Securities and Exchange Commission, or SEC, listed in the section of the prospectus entitled “Incorporation of Certain Information by Reference.” Because it is only a summary, it does not contain all of the information that you should consider before purchasing our securities in this offering and it is qualified in its entirety by, and should be read in conjunction with, the more detailed information appearing elsewhere or incorporated by reference into this prospectus. You should read the entire prospectus, the registration statement of which this prospectus is a part, and the information incorporated by reference herein in their entirety, including the “Risk Factors” and our financial statements and the related notes incorporated by reference into this prospectus, before making an investment decision. Some of the statements in this prospectus and the documents incorporated by reference herein constitute forward-looking statements that involve risks and uncertainties. See information set forth under the section “Cautionary Note Regarding Forward-Looking Statements.”

Unless otherwise indicated, all information in this prospectus assumes no exercise of the underwriter’s option to purchase additional ordinary shares and/or Series C Warrants. All information reflects a one-for- twelve reverse share split of our ordinary shares, which occurred on April 4, 2018.

Unless otherwise stated in this prospectus,

references to “Check-Cap,” the “Company,” “we,” “us” or “our” refer to Check-Cap Ltd., an Israeli company, together with Check-Cap US, Inc., its U.S. subsidiary;

references to “dollars,” “US\$” or “\$” refer to the legal currency of the United States; and

the term “NIS” refers to New Israeli Shekels, the lawful currency of the State of Israel.

Our Company

We are a clinical-stage medical diagnostics company developing C-Scan®, which we believe is the first capsule-based system for preparation-free colorectal cancer screening.

Utilizing innovative ultra-low dose X-ray and wireless communication technologies, the capsule generates information on the contours of the inside of the colon as it passes naturally. This information is used to create a 3D map of the colon, which allows physicians to look for polyps and other abnormalities. Designed to improve the patient experience and increase the willingness of individuals to participate in recommended colorectal cancer screening, we believe that C-Scan® removes many frequently-cited barriers, such as laxative bowel preparation, invasiveness and sedation. The C-Scan® system is currently not cleared for marketing in any jurisdiction.

On January 9, 2018, we obtained the CE Mark approval of our C-Scan® System, which is required for a product to be marketed in the European Union. However, we will need to obtain applicable regulatory approvals or clearances to market our products in each country within the European Union.

In the fourth quarter of 2017, we initiated a clinical study for the purpose of introducing C-Scan system Version 3 (formerly referred to as the Advanced C-Scan system), which incorporates the latest algorithms and system optimization and tailors scanning of the colon to the patient’s natural colonic movements to maximize the amount of the colon that is tracked and imaged. Based on the study’s evaluable results, the C-Scan system Version 3 demonstrated improvement in average colon imaging coverage compared with the C-Scan version used in the multi-center clinical study that supported the CE Mark approval received in January 2018. During the first quarter of 2018, we initiated an EU post approval study using our C-Scan system Version 3, for the purpose of collecting additional evidence of clinical effectiveness and clinical utility to support market adoption.

Since our formation, we have not generated any revenue. We do not anticipate generating any revenue for the foreseeable future and we do not yet have any specific launch dates for our product candidate. We incurred net losses of approximately \$12.3 million in 2015, \$8.8 million in 2016 and \$9.8 million in 2017. As of December 31, 2017, we had an accumulated deficit of approximately \$52.7 million and a total shareholders' equity of approximately \$5.9 million.

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Recent Developments

Approval and Implementation of Reverse Share Split

On January 18, 2018, we received a notification from Nasdaq stating that based upon the closing bid price of our ordinary shares for the last 30 consecutive business days, we no longer met the requirement to maintain a minimum closing bid price of \$1.00 per share, as set forth in Nasdaq Listing Rule 5550(a)(2), required for continued listing. In accordance with the Nasdaq Listing Rules, we have been provided a compliance period of 180 calendar days, or until July 17, 2018, to regain compliance. To regain compliance, at any time during such 180 day period, our ordinary shares must have a closing bid price of at least \$1.00 for a minimum of ten consecutive business days.

On April 2, 2018, our shareholders approved a reverse share split of our ordinary shares within a range of 1:8 to 1:12, the exact ratio to be determined by further action of our board of directors, to be effective on a date to be determined by our board of directors and announced by us, and to amend our Articles of Association accordingly.

On April 2, 2018, our board of directors approved a reverse share split of our ordinary shares at a ratio of 1-for-12, effective as of April 4, 2018. Immediately prior to the reverse share split, there were 19,292,477 ordinary shares outstanding. After the reverse share split, there were approximately 1,609,133 ordinary shares outstanding. All share numbers in this prospectus, including the number of shares issuable upon the exercise of outstanding options and warrants and reserved under the incentive plans and the exercise price of the outstanding options and warrants, are reflected on a post- reverse share split basis. All fractional shares resulting from the implementation of the reverse share split were rounded up to the next whole share. On April 18, 2018, Nasdaq provided us confirmation that for the last 10 consecutive business days, from April 4 to April 17, 2018, the closing bid price of our ordinary shares has been at \$1.00 per share or greater and accordingly, we have regained compliance with Listing Rule 5550(a)(2) and the matter is closed.

There can be no assurance that our ordinary shares will maintain a high enough per share trading price to maintain Nasdaq listing in the future. The market price of our ordinary shares will also be based on our performance and other factors, some of which are unrelated to the number of shares outstanding. These factors include the status of the market for our ordinary shares at the time, our reported results of operations in future periods, and general economic, market and industry conditions.

Increase of Authorized and Registered Share Capital and Amendment to Articles of Association

At a meeting of our shareholders held on April 2, 2018, our shareholders approved an increase of our authorized and registered share capital by NIS 12,500,000 and to amend our articles of association accordingly. Following such increase, which became effective as of April 4, 2018, our authorized and registered share capital is NIS 24,000,000.

Appointment of New Chief Executive Officer

On February 26, 2018, Alex Ovadia was appointed as our Chief Executive Officer. Mr. Ovadia succeeded William (Bill) Densel, our former Chief Executive Officer.

Risks Associated with Our Business and this Offering

An investment in our securities involves a high degree of risk. Prior to making a decision about investing in our securities, you should carefully consider the risks described in the section entitled "Risk Factors" in this prospectus and in the documents incorporated by reference herein, as well as any updates thereto contained in subsequent filings with the SEC or any free writing prospectus. If any of these risks were to occur, our business, financial condition or results of operations would likely suffer. In that event, the value of our securities could decline, and you could lose all or part of your investment. The risks and uncertainties we describe are not the only ones facing us. Additional risks not

presently known to us or that we currently deem immaterial may also impair our business, financial condition or results of operations.

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Emerging Growth Company under the JOBS Act

As a company with less than \$1.07 billion in revenues during our last fiscal year, we qualify as an “emerging growth company” under the Jumpstart Our Business Startups Act of 2012, or the JOBS Act. As an emerging growth company, we have elected to take advantage of reduced reporting requirements and are relieved of certain other significant requirements that are otherwise generally applicable to public companies. As an emerging growth company:

- we may present only two years of audited financial statements and only two years of related Management’s Discussion and Analysis of Financial Condition and Results of Operations;

- we are exempt from the requirement to obtain an attestation and report from our auditors on whether we maintained effective internal control over financial reporting under the Sarbanes-Oxley Act;

- we are permitted to provide less extensive disclosure about our executive compensation arrangements;

- we are permitted to utilize the extended transition period provided in Section 7(a)(2)(B) of the Securities Act of 1933, as amended, for complying with new or revised accounting standards available to private companies;

- we are not required to comply with any requirement that may be adopted by the Public Company Accounting Oversight Board regarding mandatory audit firm rotation; and

- we are not required to give our shareholders non-binding advisory votes on executive compensation or golden parachute arrangements.

We may take advantage of any or all of these provisions until December 31, 2020 (the last day of the fiscal year following the fifth anniversary of our initial public offering) if we continue to be an emerging growth company. We would cease to be an emerging growth company if we have \$1.07 billion or more in annual gross revenues, have \$700 million or more in aggregate worldwide market value of our shares held by non-affiliates as of any June 30 or issue more than \$1.0 billion of non-convertible debt over a three-year period.

Going Concern

Our auditors have included a “going concern” explanatory paragraph in their report on our consolidated financial statements for the fiscal year ended December 31, 2017, expressing substantial doubt that we can continue as an ongoing business for the next twelve months. Our consolidated financial statements do not include any adjustments that may result from the outcome of this uncertainty. If we cannot secure the financing needed to continue as a viable business, our shareholders may lose some or all of their investment in us.

Corporate Information

We are incorporated in Israel. Our principal executive offices are located at Check-Cap Building, 29 Abba Hushi Avenue, P.O. Box 1271, Isfiya, 3009000, Israel. Our telephone number is +972-4-8303400 and our website is located at www.check-cap.com (the information contained therein or linked thereto shall not be considered incorporated by reference in this prospectus). Our U.S. agent is Puglisi & Associates, located at 850 Library Avenue, Suite 204, Newark, Delaware 19711.

The Offering

This prospectus relates to the resale of up to 142,042 ordinary shares, par value NIS 2.40 per share, of the Company, that may be sold from time to time by the Selling Shareholders named in this prospectus.

Ordinary shares outstanding immediately prior to the offering	Approximately 1,609,133 shares
Ordinary shares offered by the Selling Shareholders	Up to 142,042 ordinary shares
Ordinary shares to be outstanding immediately after the offering, assuming full exercise for cash of the November 2017 Warrants ⁽¹⁾	Approximately 1,751,175 ordinary shares

We will not receive any of the proceeds from the sale of the ordinary shares by the Selling Shareholders. However, to the extent that the November 2017 Warrants are exercised for cash, we would receive proceeds from any such exercise of the November 2017 Warrants, up to an aggregate of approximately \$2,130,600 (assuming that all November 2017 Warrants are exercised for cash).

Use of Proceeds

We intend to use any proceeds received from the exercise of the November 2017 Warrants to advance the ongoing clinical development of our C-Scan® system, and for general corporate purposes. See “Reasons for the Offer and Use of Proceeds” beginning on page 8 of this prospectus.

Transfer Agent and the Registrar

American Stock Transfer & Trust Company

Risk Factors

Investment in our securities involves a high degree of risk. See “Risk Factors” on page 5 of this prospectus and under similar sections in the documents we incorporate by reference into this prospectus for a discussion of factors you should consider carefully before making an investment decision.

Nasdaq Symbol

“CHEK”

(1) The number of ordinary shares to be outstanding after this offering is based on 1,609,133 ordinary shares outstanding as of April 20, 2018, and excludes:

910,518 ordinary shares issuable upon the exercise of outstanding warrants, with a weighted average exercise price of \$59.81 per ordinary share;

158,684 ordinary shares issuable upon the exercise of outstanding options, with a weighted average exercise price of \$45.03 per ordinary share, granted under our option and equity incentive plans;

29,326 restricted stock units issued to employees, consultants and directors;

118,249 ordinary shares that are available for future option grants under our 2015 Equity Incentive Plan and 2015 US Sub-Plan to the 2015 Equity Incentive Plan (the “2015 Plan”);

Except as otherwise indicated, information in this prospectus reflects or assumes:

• a one-for-12 reverse share split of our ordinary shares, which occurred on April 4, 2018.

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RISK FACTORS

Before deciding to invest in our securities, you should consider carefully the discussion of risks and uncertainties affecting us and our securities contained in our Annual Report on Form 20-F for the fiscal year ended December 31, 2017 (the "2017 Annual Report") and the other information contained or incorporated by reference in this prospectus. As a result of these risks and uncertainties, our business, financial condition and results of operations could be materially and adversely affected, and the value of our securities could decline. The risks and uncertainties we discuss in the documents incorporated by reference are those that we currently believe may materially affect our company. Additional risks and uncertainties not presently known to us or that we currently deem immaterial also may materially and adversely affect our business, financial condition and results of operations. Please also consider the following additional risks specifically pertaining to the offering.

Risks Relating to This Offering

Our ordinary shares could be delisted from the Nasdaq Capital Market.

Nasdaq has established certain standards for the continued listing of a security on the Nasdaq Capital Market. The standards for continued listing include, among others, that the minimum bid price for the listed securities be at least \$1.00 per share. Under these rules, an issuer is not in compliance with the requirement if the listed security fails to maintain a minimum bid price of \$1.00 per share for a continuous period of 30 business days. On January 18, 2018, we received a notification from Nasdaq stating that the bid price for our ordinary shares had closed below the minimum \$1.00 per share for 30 consecutive business days, and therefore, we are not in compliance with the Nasdaq rules for continued listing. In accordance with the Nasdaq Listing Rules, we were provided a compliance period of 180 calendar days, or until July 17, 2018, to regain compliance. To regain compliance, at any time during such 180 day period, our ordinary shares must have a closing bid price of at least \$1.00 for a minimum of ten consecutive business days.

On April 4, 2018, we effected a reverse share split of our ordinary shares at a ratio of 1-for-12. One of the primary intents for the reverse share split was that the anticipated increase in the price of our ordinary shares immediately following and resulting from a reverse share split due to the reduction in the number of issued and outstanding ordinary shares would help us meet the closing bid price criteria for continued listing under the Nasdaq Listing Rules. On April 18, 2018, Nasdaq provided us confirmation that for the last 10 consecutive business days, from April 4 to April 17, 2018, the closing bid price of our ordinary shares has been at \$1.00 per share or greater and accordingly, we have regained compliance with Listing Rule 5550(a)(2) and the matter is closed.

There can be no assurance that our ordinary shares will maintain a high enough per share trading price to maintain Nasdaq listing in the future. The market price of our ordinary shares will also be based on our performance and other factors, some of which are unrelated to the number of shares outstanding. These factors include the status of the market for our ordinary shares at the time, our reported results of operations in future periods, and general economic, market and industry conditions.

If we are delisted from Nasdaq, our ordinary shares may be eligible for trading on an over-the-counter market in the United States. In the event that we are not able to obtain a listing on another U.S. stock exchange or quotation service for our ordinary shares, it may be extremely difficult or impossible for shareholders to sell their ordinary shares in the United States. Moreover, if we are delisted from Nasdaq, but obtain a substitute listing for our ordinary shares in the United States, it will likely be on a market with less liquidity, and therefore experience potentially more price volatility than experienced on Nasdaq. Shareholders may not be able to sell their ordinary shares on any such substitute U.S. market in the quantities, at the times, or at the prices that could potentially be available on a more liquid trading market. As a result of these factors, if our ordinary shares are delisted from Nasdaq, the price of our ordinary shares is likely to decline. A delisting of our ordinary shares from Nasdaq could also adversely affect our ability to obtain financing for our operations and/or result in a loss of confidence by investors, or employees.

Since we have broad discretion in how we use any proceeds we may receive from the exercise of the November 2017 Warrants, we may use the proceeds in ways with which you disagree.

Our management will have significant flexibility in applying any proceeds we may receive from the exercise of the November 2017 Warrants. You will be relying on the judgment of our management with regard to the use of these net proceeds, and you will not have the opportunity, as part of your investment decision, to influence how the proceeds are being used. It is possible that these proceeds will be invested in a way that does not yield a favorable, or any, return for us. The failure of our management to use such funds effectively could have a material adverse effect on our business, financial condition, prospects, financial condition, operating results and cash flow.

Future sales of our ordinary shares may cause the prevailing market price of our shares to decrease.

The issuance and sale of additional ordinary shares or securities convertible into or exercisable for ordinary shares could reduce the prevailing market price for our ordinary shares as well as make future sales of equity securities by us less attractive or not feasible. The sale of ordinary shares issued upon the exercise of our outstanding options and warrants could further dilute the holdings of our then existing shareholders.

There has been and may continue to be significant volatility in the volume and price of our ordinary shares on the Nasdaq Capital Market.

The market price of our ordinary shares has been and may continue to be highly volatile. Factors, including timing, progress and results of current and future preclinical studies and clinical trials and our research and development programs; regulatory matters, concerns about our financial position, operations results, litigation, government regulation, developments or disputes relating to agreements, patents or proprietary rights, technological innovations or new products and services by competitors and general economic, political and other external factors, may have a significant impact on the market volume and price of our stock. Unusual trading volume in our shares occurs from time to time.

We have not paid and do not intend to pay dividends on our ordinary shares in the foreseeable future. Any return on investment may be limited to the value of our securities.

We have not paid dividends on our ordinary shares since inception, and do not anticipate paying any dividends on our ordinary shares in the foreseeable future. Our board of directors has discretion to declare and pay dividends on our ordinary shares and will make any determination to do so based on a number of factors, such as our operating results, financial condition, current and anticipated cash needs and other business and economic factors that our board of directors may deem relevant. In addition, we are only permitted to pay dividends out of “profits,” as defined by the Israeli Companies Law, 1999 (the “Israeli Companies Law”), provided that there is no reasonable concern that the dividend distribution will prevent us from meeting our existing and foreseeable obligations, as they become due. We intend to reinvest earnings, if any, in the development and expansion of our business. Accordingly, you will need to rely on sales of your ordinary shares after price appreciation, which may never occur, in order to realize a return on your investment. You should not rely on an investment in us if you require dividend income from your investments.

Additional financing or future equity issuances may result in future dilution to our shareholders.

We expect that we will need to raise additional funds in the future to complete the development and commercialization of our C-Scan system, to finance internal growth, to make acquisitions or for other reasons. Any required additional financing may not be available on terms acceptable to us, or at all. If we raise additional funds by issuing equity securities, you may experience significant dilution of your ownership interest and the newly issued securities may have rights senior to those of the holders of our ordinary shares. Alternatively, if we raise additional funds by obtaining loans from third parties, the terms of those financing arrangements may include negative covenants or other restrictions on our business that could impair our operational flexibility, and would also require us to fund

additional interest expense. If we raise additional funds through collaborations, licensing arrangements or other structured financing transactions, we may relinquish rights to certain of our technologies or products, grant security interests in our assets or grant licenses to third parties on terms that are unfavorable to us. If adequate additional financing is not available when required or is not available on acceptable terms, we may be unable to successfully commercialize our product or continue our research and development.

In addition, to the extent that outstanding stock options or warrants have been or may be exercised or other shares issued, you may experience further dilution.

The trading market for our ordinary shares is not always active, liquid and orderly, which may inhibit the ability of our shareholders to sell ordinary shares.

Prior to our initial public offering in February 2015, there was no public market for our ordinary shares. Since that time, the trading market for our ordinary shares has not always been active, liquid or orderly. The lack of an active market at times may impair your ability to sell your shares at the time you wish to sell them or at a price that you consider reasonable. The lack of an active market may also reduce the fair market value of your shares. An inactive market may also impair our ability to raise capital by selling shares. The decline in the number of outstanding ordinary shares which resulted from the reverse share split effected on April 4, 2018, may also result in a less active trading market for our ordinary shares.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus and the documents incorporated herein by reference contain statements that may be deemed to be “forward-looking statements” within the meaning of the federal securities laws. These statements relate to anticipated future events, future results of operations and/or future financial performance. In some cases, you can identify forward-looking statements by their use of terminology such as “anticipate,” “believe,” “could,” “estimate,” “expect,” “target,” “future,” “intend,” “may,” “ought to,” “plan,” “possible,” “potentially,” “predicts,” “project,” “should,” “will,” “would,” negative or other similar terms. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. The forward-looking statements in this prospectus and the documents incorporated herein by reference include, without limitation, statements relating to:

- our goals, targets and strategies;
- the timing and conduct of the clinical trials for our C-Scan system, including statements regarding the timing, progress and results of current and future preclinical studies and clinical trials, and our research and development programs;
- timing or likelihood of regulatory filings, approvals and required licenses for our C-Scan system;
- our future business development, results of operations and financial condition;
- our ability to adequately protect our intellectual property rights and enforce such rights and to avoid violation of the intellectual property rights of others;
- our plans to develop, launch and commercialize our C-Scan system and any future products;
- the timing, cost or other aspects of the commercial launch of our C-Scan system;
- our estimates regarding expenses, future revenues, capital requirements and our need for additional financing and strategic partnerships;
- our estimates regarding the market opportunity, clinical utility, potential advantages, and market acceptance of our C-Scan system;
- the impact of government laws and regulations;
- our ability to recruit and retain qualified clinical, regulatory and research and development personnel;
- the availability of reimbursement or other forms of funding for our products from government and commercial payors;
- difficulties in maintaining commercial scale manufacturing capacity and capability and our ability to generate growth;
- our failure to comply with regulatory guidelines;
- uncertainty in industry demand and patient wellness behavior;
- general economic conditions and market conditions in the medical device industry;

- future sales of large blocks of our securities, which may adversely impact our share price; and
- depth of the trading market in our securities.

The preceding list is not intended to be an exhaustive list of all of our forward-looking statements. Forward-looking statements reflect our current views with respect to future events and are based on assumptions and subject to risks and uncertainties.

You should not unduly rely on any forward-looking statements. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee that future results, levels of activity, performance and events and circumstances reflected in the forward-looking statements will be achieved or will occur. Except as required by law, we undertake no obligation to update publicly any forward-looking statements for any reason after the date of this prospectus, to conform these statements to actual results or to changes in our expectations.

REASONS FOR THE OFFER AND USE OF PROCEEDS

We are required under the terms of the Securities Purchase Agreement entered into with the Selling Shareholders to file a registration statement on Form F-1, of which this prospectus is a part, to cover the resale of the ordinary shares issuable upon the exercise of the November 2017 Warrants.

The ordinary shares being offered by this prospectus are solely for the account of the Selling Shareholders. We will not receive any of the proceeds from the sale of the ordinary by the Selling Shareholders. However, to the extent that the November 2017 Warrants are exercised for cash, we would receive proceeds from any exercise of the November 2017 Warrants, up to an aggregate of approximately \$2,130,600 (assuming that all November 2017 Warrants are exercised for cash). We intend to use any proceeds received from the exercise of the November 2017 Warrants to advance the ongoing clinical development of our C-Scan® system and for general corporate purposes.

DIVIDEND POLICY

We have never declared or paid dividends on our ordinary shares and currently do not intend to pay cash dividends on our ordinary shares in the foreseeable future. We currently intend to retain all of our future earnings, if any, to finance the growth and development of our business.

Our ability to distribute dividends also may be limited by future contractual obligations and by Israeli law. The Israeli Companies Law restricts our ability to declare dividends. Unless otherwise approved by a court, we can distribute dividends only from “profits” (as defined by the Israeli Companies Law), and only if there is no reasonable concern that the dividend distribution will prevent us from meeting our existing and foreseeable obligations as they become due. Subject to the foregoing, payment of future dividends, if any, will be at the discretion of our board of directors and will depend on various factors, such as our financial condition, operating results, current and anticipated cash needs and other business and economic factors that our board of directors may deem relevant. See “Description of Share Capital—Dividend and Liquidation Rights.” The payment of dividends may be subject to Israeli withholding taxes. See Item 10E of the 2017 Annual Report, “Additional Information—Taxation—Israeli Tax Considerations and Government Programs—Taxation of Our Shareholders—Taxation of Non-Israeli Shareholders on Receipt of Dividends” which is incorporated herein by reference. Furthermore, if we pay a dividend out of income attributed to our Benefited Enterprise that was generated during the tax exemption period, we may be subject to tax on the grossed-up amount of such distributed income at the corporate tax rate which would have been applied to our Benefited Enterprise’s income had we not enjoyed the exemption. See Item 10E of the 2017 Annual Report, “Additional Information—Taxation – Israeli Tax Considerations and Government Programs — Law for the Encouragement of Capital Investments, 5719-1959 — Tax Benefits Subsequent to the 2005 Amendment” which is incorporated herein by reference.

CAPITALIZATION AND INDEBTEDNESS

The following table sets forth our capitalization and indebtedness as of December 31, 2017:

· on an actual basis; and

· on as adjusted basis to give effect to the amendment of our articles of association to increase our authorized and registered share capital by NIS 12,500,000.

	As of December 31, 2017	
	As Actual	adjusted
	(in thousands of \$)	
	(Unaudited)	
Shareholders' equity:		
Ordinary share capital, 4,791,667 shares authorized, 1,605,434 shares issued, 10,000,000 actual and _____ shares issued, as adjusted	\$974	\$
Additional Paid in Capital*	\$57,643	\$
Accumulated deficit	\$(52,712)	\$
Total shareholders' equity	\$5.905	\$
Total capitalization	\$5.905	\$

* Does not include any potential proceeds from the exercise of November 2017 Warrants issued in the private placement that was consummated simultaneously with the registered direct offering, with an exercise price of \$15.00.

The number of issued and outstanding shares as of December 31, 2017 in the table excludes: