

**U. S. Securities and Exchange Commission**  
Washington, D. C. 20549

**FORM 10-Q**

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

For the quarterly period ended September 30, 2022

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

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File No. 001-37370

**MY SIZE, INC.**

(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction of  
incorporation or organization)

51-0394637  
(I.R.S. Employer  
I.D. No.)

HaYarden 4, POB 1026, Airport City, Israel, 7010000  
(Address of principal executive offices)

+972-3-600-9030  
Registrant's telephone number, including area code:

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

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common Stock, \$0.001 par value per share	MYSZ	Nasdaq Capital Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Sections 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, 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	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input checked="" type="checkbox"/>	Smaller reporting company	<input checked="" type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

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 is a shell company (as defined in Rule 12b-2 of the Exchange Act) Yes  No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: as of November 8, 2022, 36,126,284 shares of common stock, par value \$0.001 per share were issued and outstanding.

MY SIZE, INC.  
INDEX TO QUARTERLY REPORT ON FORM 10-Q  
FOR THE QUARTER ENDED SEPTEMBER 30, 2022

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**PART I**  
**FINANCIAL INFORMATION**

Item 1. Financial Statements.

**My Size Inc. and Subsidiaries**

**Condensed Consolidated  
Interim  
Financial Statements  
As of September 30, 2022  
(unaudited)  
U.S. Dollars in Thousands**

**Condensed Consolidated Interim Financial Statements as of September 30, 2022 (Unaudited)**

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**Condensed Consolidated Interim Balance Sheets (Unaudited)**

U.S. dollars in thousands (except share data and per share data)

	September 30, 2022 <u>(Unaudited)</u>	December 31, 2021 <u>(Audited)</u>
<b>Assets</b>		
<b>Current Assets:</b>		
Cash and cash equivalents	4,360	10,670
Restricted cash	262	273
Inventory, net	1,059	-
Account receivables	386	40
Other receivables and prepaid expenses	651	579
<b>Total current assets</b>	<u>6,718</u>	<u>11,562</u>
Long term deposit	28	-
Property and equipment, net	144	112
Right-of-use asset	659	776
Intangible asset	294	-
Goodwill	268	-
Investment in marketable securities	80	108
<b>Total non-current assets</b>	<u>1,473</u>	<u>996</u>
<b>Total assets</b>	<u>8,191</u>	<u>12,558</u>
<b>Liabilities and stockholders' equity</b>		
<b>Current liabilities:</b>		
Account payables	596	453
Right of use liability	177	138
Bank overdraft and short-term loans	195	-
Trade payables	749	635
Other payables	390	-
Derivatives	28	2
<b>Total current liabilities</b>	<u>2,135</u>	<u>1,228</u>
Long term loans	86	-
Deferred tax liabilities	68	-
Long term right of use liability	368	473
<b>Total non-current liabilities</b>	<u>522</u>	<u>473</u>
<b>Total liabilities</b>	<u>2,657</u>	<u>1,701</u>
<b>COMMITMENTS AND CONTINGENCIES</b>		
<b>Stockholders' equity:</b>		
Stock Capital -		
Common stock of \$0.001 par value - Authorized: 200,000,000 shares; Issued and outstanding: 25,726,284 and 23,982,503 as of September 30, 2022 and December 31, 2021, respectively		
	26	24
Additional paid-in capital	57,213	56,430
Accumulated other comprehensive loss	(584)	(406)
Accumulated deficit	(51,121)	(45,191)
<b>Total stockholders' equity</b>	<u>5,534</u>	<u>10,857</u>
<b>Total liabilities and stockholders' equity</b>	<u>8,191</u>	<u>12,558</u>

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

**Condensed Consolidated Interim Statements of Comprehensive Loss (Unaudited)**

U.S. dollars in thousands (except share data and per share data)

	Nine-Months Ended September 30,		Three-Months Ended September 30,	
	2022	2021	2022	2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
<b>Revenues</b>	1,931	88	726	31
<b>Cost of revenues</b>	(1,607)	-	(877)	-
<b>Gross profit</b>	324	88	(151)	31
<b>Operating expenses</b>				
Research and development	(1,152)	(3,842)	(350)	(462)
Sales and marketing	(2,526)	(1,798)	(672)	(521)
General and administrative	(2,378)	(2,303)	(802)	(1,074)
Total operating expenses	(6,056)	(7,943)	(1,824)	(2,057)
Operating loss	(5,732)	(7,855)	(1,975)	(2,026)
Financial income (expenses), net	(198)	50	(51)	18
Net loss	(5,930)	(7,805)	(2,026)	(2,008)
<b>Other comprehensive income (loss):</b>				
Foreign currency translation differences	(178)	(8)	(300)	8
<b>Total comprehensive loss</b>	<b>(6,108)</b>	<b>(7,813)</b>	<b>(2,326)</b>	<b>(2,000)</b>
Basic and diluted loss per share	(0.23)	(0.62)	(0.08)	(0.13)
Basic and diluted weighted average number of shares outstanding	25,300,239	12,546,022	25,639,095	15,044,184

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

**Condensed Consolidated Interim Statements of Changes in Stockholders' Equity (Unaudited)**

U.S. dollars in thousands (except share data and per share data)

	Common stock		Additional paid-in capital	Accumulated other comprehensive loss	Accumulated deficit	Total stockholders' equity
	Number	Amount				
Balance as of January 1, 2022	23,982,503	24	56,430	(406)	(45,191)	10,857
Stock-based compensation related to options granted to employees and consultants	-	-	327	-	-	327
Issuance of shares in Business Combination (*)	1,743,781	2	456	-	-	458
Total comprehensive loss	-	-	-	(178)	(5,930)	(6,108)
Balance as of September 30, 2022	<u>25,726,284</u>	<u>26</u>	<u>57,213</u>	<u>(584)</u>	<u>(51,121)</u>	<u>5,534</u>

(\*) See note 6 a.

	Common stock		Additional paid-in capital	Accumulated other comprehensive loss	Accumulated deficit	Total stockholders' equity
	Number	Amount				
Balance as of January 1, 2021	7,232,836	7	37,164	(424)	(34,671)	2,076
Stock-based compensation related to options granted to employees and consultants	-	-	350	-	-	350
Exercise of options granted to employees (*)	4,458	*	-	-	-	-
Restricted shares issued to shareholder	2,500,000	3	2,615	-	-	2,618
Issuance of shares, net of issuance cost of \$768	4,580,491	4	5,031	-	-	5,035
Exercise of warrants	751,802	1	821	-	-	822
Total comprehensive loss	-	-	-	(8)	(7,805)	(7,813)
Balance as of September 30, 2021	<u>15,069,587</u>	<u>15</u>	<u>45,981</u>	<u>(432)</u>	<u>(42,476)</u>	<u>3,088</u>

(\*) Represents an amount less than \$1

	Common stock		Additional paid-in capital	Accumulated other comprehensive loss	Accumulated deficit	Total stockholders' equity
	Number	Amount				
Balance as of July 1, 2022	25,551,906	26	57,048	(284)	(49,095)	7,695
Stock-based compensation related to options granted to employees and consultants	-	-	165	-	-	165
Issuance of shares in Business Combination (*) (**)	174,378	-	-	-	-	-
Total comprehensive loss	-	-	-	(300)	(2,026)	(2,326)
Balance as of September 30, 2022	<u>25,726,284</u>	<u>26</u>	<u>57,213</u>	<u>(584)</u>	<u>(51,121)</u>	<u>5,534</u>

(\*) See note 6 a.

(\*\*) Represents an amount less than \$1

	Common stock		Additional paid-in capital	Accumulated other comprehensive loss	Accumulated deficit	Total stockholders' equity
	Number	Amount				
Balance as of July 1, 2021	15,038,327	15	45,838	(440)	(40,468)	4,945
Stock-based compensation related to options granted to employees and consultants	-	-	118	-	-	118
Exercise of options granted to employees *	4,458	*	-	-	-	-
Exercise of warrants	26,802	*	25	-	-	25
Total comprehensive loss	-	-	-	8	(2,008)	(2,000)
Balance as of September 30, 2021	<u>15,069,587</u>	<u>15</u>	<u>45,981</u>	<u>(432)</u>	<u>(42,476)</u>	<u>3,088</u>

(\*) Represents an amount less than \$1

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

**Condensed Consolidated Interim Statements of Cash Flows (Unaudited)**

U.S. dollars in thousands

	Nine-Months Ended September 30,	
	2022	2021
	(Unaudited)	(Unaudited)
<b>Cash flows from operating activities:</b>		
Net loss	(5,930)	(7,805)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	116	31
Noncash lease expenses	30	32
Revaluation of derivatives	26	(1)
Revaluation of investment in marketable securities	28	(46)
Expenses arising from restricted shares issued to compensate waiver by a shareholder	-	2,618
Financing expenses	32	-
Stock based compensation	327	350
(Increase) in account receivables	(281)	(9)
Decrease in other receivables and prepaid expenses	140	359
(Increase) in inventory	(288)	-
Increase in other payables	390	-
(Decrease) in deferred tax liabilities	(19)	-
(Decrease) Increase in trade payables	(503)	176
Increase in account payables	74	311
Net cash used in operating activities	<u>(5,858)</u>	<u>(3,984)</u>
<b>Cash flows from investing activities:</b>		
Acquisition of a subsidiary, net of cash acquired	(300)	-
Change in restricted deposits	-	184
Purchase of property and equipment	(27)	(12)
Net cash provided by (used in) investing activities	<u>(327)</u>	<u>172</u>
<b>Cash flows from financing activities:</b>		
Proceeds from issuance of shares, net of issuance costs	-	5,035
Short term loans	18	-
Repayment of short-term loans	(15)	-
Repayment of long-term loans	(42)	-
Proceeds from Exercise of warrants	-	822
Net cash provided by (used in) financing activities	<u>(39)</u>	<u>5,857</u>
Effect of exchange rate fluctuations on cash and cash equivalents	(97)	(10)
Increase (decrease) in cash, cash equivalents and restricted cash (*)	(6,321)	2,035
Cash, cash equivalents and restricted cash at the beginning of the period	10,943	1,774
Cash, cash equivalents and restricted cash at the end of the period	<u>4,622</u>	<u>3,809</u>
Non cash activities:		
Shares issued in Acquisition of a subsidiary	457	-
Restricted shares issued to shareholder	-	2,618

(\*) \$6,310 relates to change in cash and cash equivalents and \$11 to change in restricted cash.

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



**Notes to Condensed Consolidated Interim Financial Statements (Unaudited)****U.S. dollars in thousands (except share data and per share data)**

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**Note 1 - General**

- a. My Size, Inc. is developing unique measurement technologies based on algorithms with applications in a variety of areas, from the apparel e-commerce market to the courier services market and to the Do It Yourself smartphone and tablet apps market. The technology is driven by proprietary algorithms which are able to calculate and record measurements in a variety of novel ways.

Following the acquisition of Orgad International Marketing Ltd. (“Orgad”) in February 2022 (see note 6), the Company also operates an omnichannel e-commerce platform.

The Company has five subsidiaries, My Size Israel 2014 Ltd (“My Size Israel”), Topspin Medical (Israel) Ltd., and Orgad all of which are incorporated in Israel, and My Size LLC which was incorporated in the Russian Federation and Naiz Bespoke Technologies, S.L., a limited liability company incorporated under the laws of Spain (see note 9). References to the Company include the subsidiaries unless the context indicates otherwise.

- b. During the nine-month period ended September 30, 2022, the Company has incurred significant losses and negative cash flows from operations and has an accumulated deficit of \$51,121. The Company has financed its operations mainly through fundraising from various investors.

The Company’s management expects that the Company will continue to generate losses and negative cash flows from operations for the foreseeable future. Based on the projected cash flows and cash balances as of September 30, 2022, management is of the opinion that its existing cash will be sufficient to fund operations for a period less than 12 months. As a result, there is substantial doubt about the Company’s ability to continue as a going concern.

Management’s plans include the continued commercialization of the Company’s products and securing sufficient financing through the sale of additional equity securities, debt or capital inflows from strategic partnerships. Additional funds may not be available when the Company needs them, on terms that are acceptable to it, or at all. If the Company is unsuccessful in commercializing its products and securing sufficient financing, it may need to cease operations.

The financial statements include no adjustments for measurement or presentation of assets and liabilities, which may be required should the Company fail to operate as a going concern.

- c. In late 2019, a novel strain of COVID-19, also known as coronavirus, was reported in Wuhan, China. While initially the outbreak was largely concentrated in China, it spread globally. Many countries around the world, including Israel, have from time to time implemented significant governmental measures to control the spread of the virus, including temporary closure of businesses, severe restrictions on travel and the movement of people, and other material limitations on the conduct of business. While the COVID-19 pandemic did not materially adversely affect the Company’s consolidated financial results and operations during the three and nine months ended September 30, 2022, the COVID-19 pandemic affected the Company’s operations in 2020 and 2021. The pandemic may continue to have an impact on the Company’s business, operations, and financial results and conditions, directly and indirectly, including, without limitation, impacts on the health of the Company’s management and employees, its operations, marketing and sales activities, and on the overall economy. The extent to which COVID-19 impacts the Company’s operations will depend on future developments, which are highly uncertain and cannot be predicted with confidence, including the duration and severity of the outbreak, and the actions that may be required to contain COVID-19 or treat its impact.

**Note 2 - Significant Accounting Policies**

- a. Unaudited condensed consolidated financial statements:

The accompanying unaudited condensed consolidated interim financial statements included herein have been prepared by the Company in accordance with the rules and regulations of the United States Securities and Exchange Commission (“SEC”). The unaudited condensed consolidated financial statements are comprised of the financial statements of the Company. In management’s opinion, the interim financial data presented includes all adjustments necessary for a fair presentation. All intercompany accounts and transactions have been eliminated. Certain information required by U.S. generally accepted accounting principles (“GAAP”) has been condensed or omitted in accordance with rules and regulations of the SEC. Operating results for the nine months ended September 30, 2022 are not necessarily indicative of the results that may be expected for any future period or for the year ending December 31, 2022.

These unaudited condensed consolidated financial statements should be read in conjunction with the Company’s audited consolidated financial statements and the notes thereto for the year ended December 31, 2021.

**Notes to Condensed Consolidated Interim Financial Statements (Unaudited)****U.S. dollars in thousands (except share data and per share data)**

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**Note 2 - Significant Accounting Policies (cont.)**

## b. Significant Accounting Policies:

The significant accounting policies followed in the preparation of these unaudited interim condensed consolidated financial statements are identical to those applied in the preparation of the latest annual financial statements, except the following new policies which were adopted following the business combination (see note 6):

## 1. Inventories

Inventories are measured at the lower of cost or net realizable value. The cost of inventories comprises of the costs incurred in bringing the inventories to their present location and condition. Net realizable value is the estimated selling price in the ordinary course of business. At the point of the loss recognition, a new, lower-cost basis for that inventory is established, and subsequent changes in facts and circumstances do not result in the restoration or increase in that newly established cost basis.

## 2. Revenue Recognition

Since the acquisition of Orgad (see note 6 - Business combination), the Company's revenues are comprised of two main categories: (1) selling products to customers, and (2) licensing cloud-enabled software subscriptions, associated software maintenance and support.

Revenue from sale of products

Revenue from sale of products is recognized at the time the related performance obligation is satisfied by transferring a promised good to a customer. Revenue is recognized net of allowances for refunds and any taxes collected from customers, which are subsequently remitted to governmental authorities. Refunds are estimated at contract inception and updated at the end of each reporting period if additional information becomes available. Revenue is recognized when control of the product is transferred to the customer.

The Company maintains a returns policy that allows its customers to return product within a specified period of time. The estimate of the provision for returns is based upon historical experience with actual returns.

Revenue from licensing

The Company recognizes revenue in accordance with ASC Topic 606, Revenues from Contracts with Customers ("ASC 606"). A contract with a customer exists only when: the parties to the contract have approved it and are committed to perform their respective obligations, the Company can identify each party's rights regarding the distinct goods or services to be transferred ("performance obligations"), the Company can determine the transaction price for the goods or services to be transferred, the contract has commercial substance and it is probable that the Company will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer.

**Notes to Condensed Consolidated Interim Financial Statements (Unaudited)**

U.S. dollars in thousands (except share data and per share data)

**Note 2 - Significant Accounting Policies (cont.)***Principal versus Agent Considerations*

The Company follows the guidance provided in ASC 606 for determining whether it is a principal or an agent in arrangements with customers, by assessing whether the nature of the Company's promise is a performance obligation to provide the specified goods (principal) or to arrange for those goods to be provided by the other party (agent). With regard to products being sold by Orgad through Amazon, this determination involves judgment. The Company determined it is a principal, as it has determined that it controls the promised product before it is transferred to the end customers, it is primarily responsible for fulfilling the promise to provide the goods, and it has discretion in establishing prices. Therefore, the revenues are recorded on a gross basis.

## 3. Business combinations

The Company applies the provisions of ASC 805, "Business Combination" and allocates the fair value of purchase consideration to the tangible assets acquired, liabilities assumed, and intangible assets acquired based on their estimated fair values. The excess of the fair value of purchase consideration over the fair values of these identifiable assets and liabilities is recorded as goodwill. When determining the fair values of assets acquired and liabilities assumed, the Company estimated the future expected cash flows from acquired platform from a market participant perspective, useful lives and discount rates. In addition, management makes significant estimates and assumptions, which are uncertain, but believed to be reasonable.

Significant estimates in valuing certain intangible assets include but are not limited to future expected cash flows from acquired platforms from a market participant perspective, useful lives and discount rates. 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.

Acquisition-related costs are recognized separately from the acquisition and are expensed as incurred.

## 4. Goodwill

Goodwill represents the excess of the purchase price over the fair value of the net tangible and intangible assets acquired in a business combination. Under ASC 350, "Intangible - Goodwill and Other", goodwill is not amortized, but rather is subject to an annual impairment test.

ASC 350 requires goodwill to be tested for impairment at the reporting unit level at least annually, the fourth quarter, or between annual tests in certain circumstances, and written down when impaired. Goodwill is tested for impairment by comparing the fair value of the reporting unit with its carrying value.

ASC 350 allows an entity to first assess qualitative factors to determine whether it is necessary to perform the two-step quantitative goodwill impairment test. If the qualitative assessment does not result in a more likely than not indication of impairment, no further impairment testing is required. If it does result in a more likely than not indication of impairment, the two-step impairment test is performed. Goodwill is not deductible for income tax purposes. Goodwill is allocated to the fashion and equipment e-commerce platform segment.

Alternatively, ASC 350 permits an entity to bypass the qualitative assessment for any reporting unit and proceed directly to performing the first step of the goodwill impairment test. There were no impairment charges to goodwill during the period presented.

**Notes to Condensed Consolidated Interim Financial Statements (Unaudited)**

U.S. dollars in thousands (except share data and per share data)

**Note 2 - Significant Accounting Policies (cont.)**

5. Intangible assets

Intangible assets consist of identifiable intangible assets that the Company has acquired from previous business combinations. Intangible assets are recorded at costs, net of accumulated amortization. The Company amortizes its intangible assets reflecting the pattern in which the economic benefits of the intangible assets are consumed. When a pattern cannot be reliably determined, the Company uses a straight-line amortization method.

The estimated useful lives of the company's intangible assets are as follows:

Selling Platform	<b>years</b>
	3

Each period the Company evaluates the estimated remaining useful lives of its intangible assets and whether events or changes in circumstances warrant a revision to the remaining period of amortization

c. Use of estimates:

The preparation of consolidated financial statements in conformity with GAAP requires us to make estimates and assumptions that affect the amounts reported and disclosed in the financial statements and the accompanying notes. Actual results could differ materially from these estimates.

**Notes to Condensed Consolidated Interim Financial Statements (Unaudited)**

U.S. dollars in thousands (except share data and per share data)

**Note 3 - Financial Instruments**

The carrying amounts of cash and cash equivalents, accounts receivable, other receivables, trade payables and accounts payable approximate their fair value due to the short-term maturities of such instruments.

The Company holds share certificates in iMine Corporation (“iMine”) formerly known as Diamante Minerals, Inc., a publicly traded company on the OTCQB.

Due to sales restrictions on the sale of the iMine shares, the fair value of the shares was measured on the basis of the quoted market price for an otherwise identical unrestricted equity instrument of the same issuer that trades in a public market, adjusted to reflect the effect of the sales restrictions and is therefore, ranked as Level 2 assets.

	<b>September 30, 2022</b>		
	<b>Fair value hierarchy</b>		
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Financial assets			
Investment in marketable securities (*)	-	80	-

	<b>September 30, 2022</b>		
	<b>Fair value hierarchy</b>		
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Financial liabilities			
Derivatives	-	28	-

**Notes to Condensed Consolidated Interim Financial Statements (Unaudited)**

U.S. dollars in thousands (except share data and per share data)

**Note 3 - Financial Instruments (Cont.)**

	<b>December 31, 2021</b>		
	<b>Fair value hierarchy</b>		
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
<b>Financial assets</b>			
Investment in marketable securities (*)	-	108	-

(\*) For the nine and three-month periods ended September 30, 2022 and 2021, the recognized gain (loss) (based on quoted market prices with a discount due to security restrictions on iMine shares) of the marketable securities was \$(28) and \$(17), and \$46 and \$24 respectively.

	<b>December 31, 2021</b>		
	<b>Fair value hierarchy</b>		
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
<b>Financial liabilities</b>			
Derivatives	-	2	-

**Note 4 - Stock Based Compensation**

The stock-based expense equity awards recognized in the financial statements for services received is related to Cost of Revenues, Research and Development, Sales and Marketing and General and Administrative expenses as shown in the following table:

	<b>Nine months ended</b>		<b>Three months ended</b>	
	<b>September 30,</b>		<b>September 30,</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
Stock-based compensation expense – Cost of revenues	67	-	39	-
Stock-based compensation expense - Research and development	22	103	4	33
Stock-based compensation expense - Sales and marketing	115	164	57	71
Stock-based compensation expense - General and administrative	123	83	65	14
	<u>327</u>	<u>350</u>	<u>165</u>	<u>118</u>

**Options issued to consultants:**

In July 2019, the Company entered into a three-year agreement with a consultant (“Consultant14”) to provide services to the Company including assisting the Company to promote, market and sell the Company’s technology to potential customers. Pursuant to such agreement and in partial consideration for such consulting services, the Company agreed to issue to Consultant14 options to purchase up to 2,667 shares of the Company’s common stock upon execution of the agreement. The options are exercisable at \$15.00 per share and shall vest in 3 equal instalments every twelve months starting July 2019. Unexercised options shall expire 4 years from the effective date.

**Notes to Condensed Consolidated Interim Financial Statements (Unaudited)**

U.S. dollars in thousands (except share data and per share data)

**Note 4 - Stock Based Compensation (Cont.)**

In addition, the Company agreed to issue to Consultant 14 options to purchase up to 22,233 shares of the Company's common stock upon execution of the agreement. The options are exercisable at \$1.08 per share and shall vest in 4 equal instalments every six months starting September 2020. Unexercised options shall expire 5 years from the effective date.

During the nine and three-month period ended September 30, 2022 and 2021, an amount of \$7 and \$10, and none and \$3 respectively, were recorded by the Company as stock-based equity awards with respect to Consultant 14.

**Stock Option Plan for Employees:**

In March 2017, the Company adopted the My Size, Inc. 2017 Equity Incentive Plan (the "2017 Employee Plan") pursuant to which the Company's Board of Directors may grant stock options to officers and key employees. The total number of options which may be granted to directors, officers, employees under this plan, is limited to 5,770,000 options. Stock options can be granted with an exercise price equal to or less than the stock's fair market value at the date of grant.

On May 25, 2020, the compensation committee of the Board of Directors of the Company reduced the exercise price of outstanding options of employees and directors of the Company for the purchase of an aggregate of 140,237 shares of common stock of the Company (with exercise prices ranging between \$18.15 and \$9.15) to \$1.04 per share, which was the closing price for the Company's common stock on May 22, 2020, and extended the term of the foregoing options for an additional one year from the original date of expiration. The incremental compensation cost resulting from the repricing was \$53, and the expenses during the nine-month period ended September 30, 2022 and 2021 were \$2 and \$1.

On August 10, 2020, the Company's shareholders approved an increase in the shares available for issuance under the 2017 Employee Plan from 200,000 to 1,450,000 shares. As a result, and pursuant to approval of the Company's compensation committee that was contingent on the foregoing shareholder approval, the number of shares available for issuance under the Company's 2017 Consultant Incentive Plan was reduced from 466,667 to 216,667 shares. On December 30, 2021, the Company's shareholders approved an increase in the shares available for issuance under the 2017 Equity Incentive Plan from 1,450,000 shares to 5,770,000 shares.

On September 29, 2022, the Compensation Committee of the Company approved grants of restricted share awards under the Company's 2017 Equity Incentive Plan to Ronen Luzon (CEO), Or Kles (CFO), Billy Pardo (COO), Ilia Turchinsky (CTO) and Ezequiel Javier Brandwain (CCO), pursuant to which were issued 2,500,000 restricted shares, 600,000 restricted shares, 600,000 restricted shares, 400,000 restricted shares and 300,000 restricted shares, respectively. Each restricted share awarded under section 102 Capital Gain Restricted Stock Award Agreement (the "Agreement"). The restricted shares shall vest in three equal installments on January 1, 2023, January 1, 2024 and January 1, 2025 for Ronen Luzon, Or Kles, Billy Pardo and Ilia Turchinsky and on January 27, 2023, January 27, 2024 and January 27, 2025 for Ezequiel Javier Brandwain, conditioned upon continuous employment with the Company, and subject to accelerated vesting upon a change in control of the Company.

On the same day, the Company granted five-year options to purchase up to 250,000 ordinary shares to other employees of the Company at an exercise price of \$0.21 per share. The options vest in over three years in three equal portions from the vesting commencement date.

The fair value of each option award is estimated on the date of grant using the Binomial option-pricing model that used the weighted average assumptions in the following table. The risk free rate for the expected term of the option is based on the U.S. Treasury yield curve in effect at the time of grant.

	2022 grants
Dividend yield	0%
Expected volatility	96.52%
Risk-free interest	4.06%
Contractual term of up to (years)	5
Suboptimal exercise multiple (NIS)	5

During the nine and three-month period ended September 30, 2022, the Company granted 4,650,000 restricted stock and stock options under the 2017 Employee Plan, no options were exercised and options to purchase 51,873 shares of common stock, expired.

The total stock option compensation expense during the nine and three-month period ended September 30, 2022 and 2021 which was recorded was \$53 and \$234, and \$9 and \$312, respectively.

**Notes to Condensed Consolidated Interim Financial Statements (Unaudited)**

U.S. dollars in thousands (except share data and per share data)

**Note 5 - Contingencies and Commitments**

- a. On August 7, 2018, the Company commenced an action against North Empire LLC (“North Empire”) in the Supreme Court of the State of New York, County of New York for breach of a Securities Purchase Agreement (the “Agreement”) in which it is seeking damages in an amount to be determined at trial, but in no event less than \$616 thousands. On August 2, 2018, North Empire filed a Summons with Notice against the Company, also in the same Court, in which they allege damages in an amount of \$11.4 million arising from an alleged breach of the Agreement. On September 6, 2018 North Empire filed a Notice of Discontinuance of the action it had filed on August 2, 2018. On September 27, 2018, North Empire filed an answer and asserted counterclaims in the action commenced by the Company against them, alleging that the Company failed to deliver stock certificates to North Empire causing damage to North Empire in the amount of \$10,958,589. North Empire also filed a third-party complaint against the Company’s CEO and now former Chairman of the Board asserting similar claims against them in their individual capacities. On October 17, 2018, the Company filed a reply to North Empire’s counterclaims. On November 15, 2018, the Company’s CEO and now former Chairman of the Board filed a motion to dismiss North Empire’s third-party complaint. On January 6, 2020, the Court granted the motion and dismissed the third-party complaint. Discovery has been completed and both parties have filed motions for summary judgment in connection with the claims and counterclaims. On December 30, 2021, the Court denied both My Size and North Empire’s motions for summary judgment, arguing there were factual issues to be determined at trial. On January 26, 2022, the Company filed a notice of appeal of the summary judgment decision. The Company filed its appellant brief on or about October 26, 2022. On February 3, 2022, the Company filed a motion to reargue the Court’s decision denying the Company’s motion for summary judgment. On or about March 31, 2022, North Empire filed its opposition papers to the Company’s motion to reargue. On or about September 12, 2022 the Court issued its decision and order denying the Company’s motion to reargue. North Empire is due to file its opposing brief on or about December 7, 2022.

The Company believes it is more likely than not that the counterclaims will be denied.

- b. On July 5, 2021, the Company was served with a legal complaint filed by Fidelity Venture Capital Ltd. and Dror Atzmon in the Magistrate’s Court in Tel Aviv for a monetary award in an amount of NIS 1,436,679 (approximately \$450) and a declaratory relief. The plaintiffs allege that the Company breached its contractual obligations to pay them for services allegedly rendered to the Company by the plaintiffs under a certain consulting agreement dated July 2, 2014, in an amount of NIS 819,000 (approximately \$256). Additionally, the plaintiffs allege that the Company should compensate them for losses allegedly incurred by them following their investment in the Company’s shares issued under a certain private offering. In the alternative, the plaintiffs move that the court will declare the investment agreement void with full restitution of plaintiffs’ original investment in an amount of NIS 1,329,650 (approximately \$415). The Company filed its statement of defense on October 25, 2021. The first court preliminary hearing was held on March 1, 2022. Following the first preliminary hearing and the Court’s comments and recommendation, the plaintiffs filed a motion to strike out the claim without prejudice. On March 8, 2022 the Court ordered dismissal without prejudice of the claim. The Court also ruled that to the extent the plaintiffs will not move within 7 days to revise their motion do dismiss their claim “with prejudice”, the Company will be entitled to request an order for costs. On April 11, 2022 the Court ordered the plaintiffs to pay the Company’s costs in the amount of NIS 15,000, within 30 days.



**Notes to Condensed Consolidated Interim Financial Statements (Unaudited)**

U.S. dollars in thousands (except share data and per share data)

**Note 6 – Business Combination**Acquisition of Orgad

On February 7, 2022, the Company acquired 100% of the shares and voting interests in Orgad an omnichannel e-commerce platform. The acquisition was designed to create an additional revenue stream for the Company by becoming a direct e-commerce seller while leveraging the synergies between MySizeID and Orgad's e-commerce platform.

The results of operations of Orgad have been included in the consolidated financial statements since the acquisition date of February 7, 2022. Orgad revenues included in the Company's consolidated statement of operations from February 7, 2022 through September 30, 2022 were \$1,797 and for the three-month period ended September 30, 2022 were \$685. If the acquisition had occurred on January 1, 2021, management estimates that the consolidated pro forma revenues for the year would have been \$2,768, and the net loss would have been \$2,272.

(a) Consideration transferred

The following table summarizes the acquisition date fair value of each major class of consideration:

	USD
	Thousands
Cash (*)	300
Issuance of shares of common stock (1,743,781 shares) (**)	457
Total consideration transferred	757

(\*) The cash payment is subject to working capital adjustments.

(\*\*) Quoted price as of the acquisition date

In addition, the Company agreed to pay to the former owners of Orgad, on the two-year and the three-year anniversary of the closing, \$350,000 in each of these years provided that in the case of the second and third instalments certain revenue targets are met and subject further to certain downward post-closing adjustment. Furthermore, 1,743,781 shares of common stock will be issued in eight equal quarterly instalments until the lapse of two years from closing. Additional earn-out payments of 10% of the operating profit of Orgad for the years 2022 and 2023 will also be paid. All of these payments are subject to the former owners being actively engaged with Orgad at the date such payment is due, and therefore were not taken as part of the consideration for the business combination.

During the nine and three-month period ended September 30, 2022 an amount of \$328 and \$201 was recorded in respect of the cash instalments respectively, and \$267 and \$156 in respect of stocks issuance, respectively.

(b) Identifiable assets acquired and liabilities assumed

Under the preliminary purchase price allocation, the Company allocated the purchase price to tangible and identified intangible assets acquired and liabilities assumed based on the preliminary estimates of their fair values, which were determined using generally accepted valuation techniques based on estimates and assumptions made by management at the time of the acquisition. Such estimates are subject to change during the measurement period which is not expected to exceed one year. The purchase price allocation was not finalized due to examination of the net working capital of Orgad at the acquisition date. Any adjustments to the preliminary purchase price allocation identified during the measurement period will be recognized in the period in which the adjustments are determined.

**Notes to Condensed Consolidated Interim Financial Statements (Unaudited)**

U.S. dollars in thousands (except share data and per share data)

**Note 6 – Business Combination (Cont.)**

The following table summarizes the preliminary fair value of assets acquired and liabilities assumed as of the acquisition date:

	Thousands USD
Cash and Cash Equivalent	0
Trade receivables	89
Other receivables	239
Inventory	864
Fixed assets	55
Long-term deposits	31
Selling platform (*)	378
Goodwill	268
Short-term credit	(181)
Trade payables	(660)
Other payables	(101)
Long-term loan	(138)
Deferred Taxes	(87)
Total net assets acquired	<u>757</u>

(\*) The estimated useful life of the selling platform is three years. During the nine and three-month period ended September 30, 2022 an amount of \$84 and \$32 was recorded in respect of amortization expenses.

(c) Acquisition-related costs

The Company incurred transaction costs of approximately \$55 and none during the nine-month and three-month period ended September 30, 2022 which were included in general and administrative expenses in the consolidated statements of income (loss), (the total amount recorded during the first quarter of the year).

**Notes to Condensed Consolidated Interim Financial Statements (Unaudited)**

U.S. dollars in thousands (except share data and per share data)

**Note 7 – Operating Segments**

As a result of the business combination in the reporting period (see note 6), the Company has two reportable segments: (i) fashion and equipment e-commerce platform, and (ii) SaaS based innovative artificial intelligence driven measurement solutions. The fashion and equipment e-commerce platform which represent Orgad's activity that was acquired by the Company, mainly operates on Amazon. The SaaS based innovative artificial intelligence driven measurement solutions, or SaaS Solutions operating segment consists of My Size Inc and My Size Israel.

Information related to the operations of the Company's reportable operating segments is set forth below:

	<b>Fashion and equipment e-commerce platform</b>	<b>SaaS Solutions</b>	<b>Total</b>
<b>For the nine months ended September 30, 2022</b>			
Revenue	1,797	134	1,931
Operating (loss) income	(215)	(5,517)	(5,732)
<b>For the three months ended September 30, 2022</b>			
Revenue	685	41	726
Operating (loss) income	(286)	(1,689)	(1,975)
	<b>Fashion and equipment e-commerce platform</b>	<b>SaaS Solutions</b>	
<b>For September 30, 2022:</b>			
Assets		1,697	6,494

**Note 8 – Significant events during the reporting period**

- In July 2022, Amazon deactivated Orgad's Amazon U.S. store as a result of complaints submitted due to an error in the listed manufacturer of certain products on Orgad's store. Orgad resolved the complaints and the account was reinstated during September. During the deactivation period, Orgad generated revenues through other sales channels.
- In August 2022, the Company established a joint venture ("JV") in Brazil with Santista Têxtil. The Company holds 51% and Santista Têxtil holds 49% of the JV. The purpose of the JV is to serve the Brazilian market according to the business plan that was set. Both parties agree to make an initial investment in the JV of 1 million BRL per the holding percentage. As of the reporting date, the JV is in process of establishing its operation.

**Note 9 – Subsequent events**

On October 7, 2022, the Company entered into Share Purchase Agreement (the "Agreement") with the five shareholders of Naiz Fit (the "Sellers"), pursuant to which the Sellers agreed to sell to the Company all of the issued and outstanding shares of Naiz Bespoke Technologies, S.L., a limited liability company incorporated under the laws of Spain ("Naiz"). The acquisition of Naiz was completed on October 11, 2022.

In consideration of the purchase of the shares of Naiz, the agreement provides that the Sellers are entitled to receive (i) an aggregate amount of 6,000,000 shares (the "Equity Consideration") of the Company's common stock (the "Shares"), representing in the aggregate, immediately prior to the issuance of such shares at the closing of the transaction, not more than 19.9% of the issued and outstanding Shares and (ii) up to US\$2,050,000 in cash (the "Cash Consideration").

The Company shall make an additional cash payment (the "Shortfall Value") of \$459,240 to the Sellers within 45 days of the Company's receipt of Naiz's 2025 audited financial statements; provided that certain revenue targets are met.

The Cash Consideration will be paid to the Sellers in five installments, according to the following payment schedule: (i) US\$500,000 at closing, (ii) up to US\$500,000 within 45 days of the Company's receipt of Naiz's 2022 audited financial statements, (iii) up to US\$350,000 within 45 days of the Company's receipt of Naiz's unaudited financial statements for the six months ended June 30, 2023, (iv) up to US\$350,000 within 45 days of the Company's receipt of Naiz's unaudited financial statements for the six months ended December 31, 2023, and (v) up to US\$350,000 within 45 days of the Company's receipt of Naiz's 2024 audited financial statements; provided that in the case of the second, third, fourth and fifth installments certain revenue targets are met.

The payment of the second, third, fourth and fifth cash installments are further subject to the continuing employment or involvement of two of the shareholders which holds key position by or with Naiz at the date such payment is due (except if a Key Person is terminated from Naiz due to a Good Reason (as defined in the Agreement)).

The required information for purchase price allocation in accordance with the FASB ASC Topic 805 is not fully presented because the initial accounting of the business combination not yet completed as of the date of the financial statements, due to the short period since acquisition and since the acquiree accounting records are not yet final.



## **Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.**

*The following discussion and analysis provide information that we believe to be relevant to an assessment and understanding of our results of operations and financial condition for the periods described. This discussion should be read together with our condensed consolidated interim financial statements and the notes to the financial statements, which are included in this Quarterly Report on Form 10-Q. This information should also be read in conjunction with the information contained in our Annual Report on Form 10-K for the year ended December 31, 2021, filed with the Securities and Exchange Commission on March 31, 2022, or the Annual Report, including the consolidated annual financial statements as of December 31, 2021, and their accompanying notes included therein.*

*This Quarterly Report on Form 10-Q contains certain 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. Any statements in this Quarterly Report on Form 10-Q about our expectations, beliefs, plans, objectives, assumptions or future events or performance are not historical facts and are forward-looking statements. These statements are often, but not always, made through the use of words or phrases such as "believe," "will," "expect," "anticipate," "estimate," "intend," "plan" and "would." For example, statements concerning financial condition, possible or assumed future results of operations, growth opportunities, industry ranking, plans and objectives of management, markets for our common stock and future management and organizational structure are all forward-looking statements. Forward-looking statements are not guarantees of performance. They involve known and unknown risks, uncertainties and assumptions that may cause actual results, levels of activity, performance or achievements to differ materially from any results, levels of activity, performance or achievements expressed or implied by any forward-looking statement.*

*Any forward-looking statements are qualified in their entirety by reference to the risk factors discussed throughout this Quarterly Report on Form 10-Q. Some of the risks, uncertainties and assumptions that could cause actual results to differ materially from estimates or projections contained in the forward-looking statements include but are not limited to:*

- *our history of losses and needs for additional capital to fund our operations and our inability to obtain additional capital on acceptable terms, or at all;*
- *our ability to continue as a going concern;*
- *risks related to the COVID-19 pandemic;*
- *the new and unproven nature of the measurement technology markets;*
- *our ability to achieve customer adoption of our products;*
- *our dependence on assets we purchased from a related party and the risk that such assets may in the future be repurchased;*
- *our ability to enhance our brand and increase market awareness;*
- *our ability to introduce new products and continually enhance our product offerings;*
- *the success of our strategic relationships with third parties;*
- *information technology system failures or breaches of our network security;*
- *competition from competitors;*
- *our reliance on key members of our management team;*
- *current or future litigation; and*
- *the impact of the political and security situation in Israel on our business.*

*The foregoing list sets forth some, but not all, of the factors that could affect our ability to achieve results described in any forward-looking statements. You should read this Quarterly Report on Form 10-Q and the documents that we reference herein and have filed as exhibits to the Quarterly Report on Form 10-Q completely and with the understanding that our actual future results may be materially different from what we expect. You should assume that the information appearing in this Quarterly Report on Form 10-Q is accurate as of the date hereof. Because the risk factors referred to on page 12 of our Annual Report, could cause actual results or outcomes to differ materially from those expressed in any forward-looking statements made by us or on our behalf, you should not place undue reliance on any forward-looking statements. Further, any forward-looking statement speaks only as of the date on which it is made, and we undertake no obligation to update any forward-looking statement to reflect events or circumstances after the date on which the statement is made or to reflect the occurrence of unanticipated events. New factors emerge from time to time, and it is not possible for us to predict which factors will arise. In addition, we cannot assess the impact of each factor on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements.*

*Unless the context otherwise requires, all references to “we,” “us,” “our” or “the Company” in this Quarterly Report on Form 10-Q are to My Size, Inc. a Delaware corporation, and its subsidiaries, including MySize Israel 2014 Ltd, Topspin Medical (Israel) Ltd, Orgad International Marketing Ltd., or Orgad, My Size LLC and Naiz Bespoke Technologies, S.L taken as a whole.*

## **Overview**

We are a creator of mobile device measurement solutions that has developed innovative solutions designed to address shortcomings in multiple verticals, including the e-commerce fashion/apparel, shipping/parcel and do it yourself, or DIY, industries. Utilizing our sophisticated algorithms within our proprietary technology, we can calculate and record measurements in a variety of novel ways, and most importantly, increase revenue for businesses across the globe.

Our solutions can be utilized to accurately take measurements of a variety of items via a mobile device. By downloading the application to a smartphone, the user is then able to run the mobile device over the surface of an item the user wishes to measure. The information is then automatically sent to a cloud-based server where the dimensions are calculated through our proprietary algorithms, and the accurate measurements (+ or - 2 centimeters) are then sent back to the user’s mobile device. We believe that the commercial applications for this technology are significant in many areas.

Currently, we are mainly focusing on the e-commerce fashion/apparel industry. In addition, our solutions address the shipping/parcel and DIY uses markets.

While we rollout our products to major retailers and apparel companies, there is a lead time for new customers to ramp up before we can recognize revenue. This lead time varies between customers, especially when the customer is a tier 1 retailer, where the integration process may take longer. Generally, first we integrate our product into a customer’s online platform, which is followed by piloting and implementation, and, assuming we are successful, commercial roll-out, all of which takes time before we expect it to impact our financial results in a meaningful way. While we have begun generating initial sales revenue, we do not expect to generate meaningful revenue during the upcoming quarters. Because of the numerous risks and uncertainties associated with the success of our market penetration and our dependence on the extent to which MySizeID is adopted and utilized, we are unable to predict the extent to which we will recognize revenue. We may be unable to successfully develop or market any of our current or proposed products or technologies, those products or technologies may not generate any revenues, and any revenues generated may not be sufficient for us to become profitable or thereafter maintain profitability.

## Orgad Acquisition

On February 7, 2022, My Size Israel 2014 Ltd, or My Size Israel, entered into a Share Purchase Agreement, or the Orgad Agreement, with Amar Guy Shalom and Elad Brefeld, or the Orgad Sellers, pursuant to which the Orgad Sellers agreed to sell to My Size Israel all of the issued and outstanding equity of Orgad.

Orgad operates an omnichannel e-commerce platform engaged in online retailing in the global market. It operates as a third-party seller on Amazon.com, eBay and others. Orgad currently manages more than 1,000 stock-keeping units, or SKUs, mainly in fashion, apparel and shoes, but is capable of managing tens of thousands of SKUs.

The Orgad Sellers are the sole title and beneficial owners of 100% of the shares of Orgad. In consideration of the shares of Orgad, the Orgad Sellers are entitled to receive (i) up to \$1,000,000 in cash, or the Orgad Cash Consideration, (ii) an aggregate of 2,790,049 shares, or the Orgad Equity Consideration, of our common stock, and (iii) earn-out payments of 10% of the operating profit of Orgad for the years 2022 and 2023. The transaction closed on the same day.

The Orgad Cash Consideration is payable to the Orgad Sellers in three installments, according to the following payment schedule: (i) \$300,000 which we paid upon closing, (ii) \$350,000 payable on the two-year anniversary of the closing, and (iii) \$350,000 payable on the three-year anniversary of the closing, provided that in the case of the second and third installments certain revenue targets are met and subject further to certain downward post-closing adjustment.

The Equity Consideration is payable to the Orgad Sellers according to the following payment schedule: (i) 1,395,025 shares were issued at closing, and (ii) 1,395,024 shares will be issued in eight equal quarterly installments until the lapse of two years from closing, subject to certain downward post-closing adjustment.

The payment of the second and third cash installments, the equity installments and the earn out are further subject in each case to the Orgad Sellers being actively engaged with Orgad at the date such payment is due (except if the Orgad Sellers resign due to reasons relating to material reduction of salary or adverse change in their position with Orgad or its affiliates).

In connection with the Orgad Agreement, each of the Orgad Sellers entered into employment agreements with Orgad and six-month lock-up agreements with us.

## Naiz Bespoke Technologies Acquisition

On October 7, 2022, My Size, Inc., or My Size, entered into a Share Purchase Agreement, or the Naiz Agreement, with Borja Cembrero Saralegui, or Borja, Aritz Torre Garcia, or Aritz, Whitehole, S.L., or Whitehole, Twinbel, S.L., or Twinbel and EGI Acceleration, S.L., or EGI. Each of Borja, Aritz, Whitehole, Twinbel and EGI shall be referred to as the Naiz Sellers herein. Pursuant to the Naiz Agreement, the Naiz Sellers agreed to sell to My Size all of the issued and outstanding equity of Naiz, a limited liability company incorporated under the laws of Spain. The acquisition of Naiz was completed on October 11, 2022.

In consideration of the purchase of the shares of Naiz, the Naiz Agreement provided that the Naiz Sellers are entitled to receive (i) an aggregate of 6,000,000 shares, or the Naiz Equity Consideration, of My Size common stock, or the Shares, representing in the aggregate, immediately prior to the issuance of such shares at the closing of the transaction, not more than 19.9% of the issued and outstanding Shares and (ii) up to US\$2,050,000 in cash, the Naiz Cash Consideration.

The Naiz Equity Consideration was issued to the Naiz Sellers at closing of the transaction of which 2,365,800 shares of My Size common stock were issued to Whitehole constituting 6.6% of our outstanding shares following such issuance. The Naiz Agreement also provides that, in the event that the actual value of the Naiz Equity Consideration (based on the average closing price of the Shares on the Nasdaq Capital Market over the 10 trading days prior to the closing of the transaction, or the Equity Value Averaging Period) is less than US\$1,650,000, My Size shall make an additional cash payment, or the Shortfall Value to the Naiz Sellers within 45 days of our receipt of Naiz's 2025 audited financial statements; provided that certain revenue targets are met. Following the Equity Value Averaging Period, it was determined that the Shortfall Value is US\$459,240.

The Naiz Cash Consideration is payable to the Naiz Sellers in five installments, according to the following payment schedule: (i) US\$500,000 at closing, (ii) up to US\$500,000 within 45 days of My Size's receipt of Naiz's 2022 audited financial statements, (iii) up to US\$350,000 within 45 days of My Size's receipt of Naiz's unaudited financial statements for the six months ended June 30, 2023, (iv) up to US\$350,000 within 45 days of My Size's receipt of Naiz's unaudited financial statements for the six months ended December 31, 2023, and (v) up to US\$350,000 within 45 days of My Size's receipt of Naiz's 2024 audited financial statements; provided that in the case of the second, third, fourth and fifth installments certain revenue targets are met.

The payment of the second, third, fourth and fifth cash installments are further subject to the continuing employment or involvement of Borja and Aritz, or the Key Persons, by or with Naiz at the date such payment is due (except if a Key Person is terminated from Naiz due to a Good Reason (as defined in the Naiz Agreement)).

The Naiz Agreement contains customary representations, warranties and indemnification provisions. In addition, the Naiz Sellers will be subject to non-competition and non-solicitation provisions pursuant to which they agree not to engage in competitive activities with respect to My Size's business.

In connection with the Naiz Agreement, (i) each of the Naiz Sellers entered into six-month lock-up agreements, or the Lock-Up Agreement, with My Size, (ii) Whitehole, Twinbel and EGI entered into a voting agreement, or the Voting Agreement, with My Size and (iii) each of the Key Persons entered into employment agreements and services agreements with Naiz.

The Lock-Up Agreement provides that each Naiz Seller will not, for the six-month period following the closing of the transaction, (i) offer, pledge, sell, contract to sell, sell any option, warrant or contract to purchase, purchase any option, warrant or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, directly or indirectly, any Shares or any securities convertible into or exercisable or exchangeable for Shares in each case, that are currently or hereafter owned of record or beneficially (including holding as a custodian) by such Naiz Seller, or publicly disclose the intention to make any such offer, sale, pledge, grant, transfer or disposition; or (ii) enter into any swap, short sale, hedge or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of such Naiz Seller's Shares regardless of whether any such transaction described in clause (i) or this clause (ii) is to be settled by delivery of Shares or such other securities, in cash or otherwise. The Lock-Up Agreement also contains an additional three-month "dribble-out" provision that provides following the expiration of the initial six-month lock-up period, without My Size's prior written consent (which My Size shall be permitted to withhold at its sole discretion), each Naiz Seller shall not sell, dispose of or otherwise transfer on any given day a number of Shares representing more than the average daily trading volume of the Shares for the rolling 30 day trading period prior to the date on which such Seller executes a trade of the Shares.



The Voting Agreement provides that the voting of any Shares held by each of Whitehole, Twinbel and EGI, or the Naiz Acquisition Stockholders, will be exercised exclusively by a proxy designated by My Size's board of directors from time to time, or the Proxy, and that each Naiz Acquisition Stockholder will irrevocably designate and appoint the then-current Proxy as its sole and exclusive attorney-in-fact and proxy to vote and exercise all voting right with respect to the Shares held by each Naiz Acquisition Stockholder. The Voting Agreement also provides that, if the voting power held by the Proxy, taking into account the proxies granted by the Naiz Acquisition Stockholders and the Shares owned by the Proxy, represents 20% or more of the voting power of My Size's stockholders that will vote on an item, or the Voting Power, then the Proxy shall vote such number of Shares in excess of 19.9% of the Voting Power in the same proportion as the Shares that are voted by My Size's other stockholders. The Voting Agreement will terminate on the earliest to occur of (i) such time that such Naiz Acquisition Stockholder no longer owns the Shares, (ii) the sale of all or substantially all of the assets of My Size or the consolidation or merger of My Size with or into any other business entity pursuant to which stockholders of My Size prior to such consolidation or merger hold less than 50% of the voting equity of the surviving or resulting entity, (iii) the liquidation, dissolution or winding up of the business operations of My Size, and (iv) the filing or consent to filing of any bankruptcy, insolvency or reorganization case or proceeding involving My Size or otherwise seeking any relief under any laws relating to relief from debts or protection of debtors.

### Operations in Russia

In addition to our Israel operations, we have operations in Russia through our wholly owned subsidiary, My Size LLC. Specifically, we undertake some of our sales and marketing using personnel located in Russia. To date, the invasion of Ukraine by Russia has not had a material impact on our business.

### Results of Operations

The table below provides our results of operations for the periods indicated.

	Three months ended September 30		Nine months ended September 30	
	2022	2021	2022	2021
	(dollars in thousands)		(dollars in thousands)	
Revenues	\$ 726	\$ 31	\$ 1,931	\$ 88
Cost of revenues	(877)	-	(1,607)	-
Gross profit	(151)	31	324	88
Research and development expenses	(350)	(462)	(1,152)	(3,842)
Sales and marketing	(672)	(521)	(2,526)	(1,798)
General and administrative	(802)	(1,074)	(2,378)	(2,303)
Operating loss	(1,975)	(2,026)	(5,732)	(7,855)
Financial income (expenses), net	(51)	18	(198)	50
Net loss	\$ (2,026)	\$ (2,008)	\$ (5,930)	\$ (7,805)

### Nine and Three Months Ended September 30, 2022 Compared to Nine and Three Months Ended September 30, 2021

#### Revenues

We started to generate revenue in 2019 and we expect to incur additional losses to increase our sales and marketing efforts and to perform further research and development activities. Our revenues for the nine months ended September 30, 2022 amounted to \$1,931,000 compared to \$88,000 for the nine months ended September 30, 2021. Our revenues for the three months ended September 30, 2022 amounted to \$726,000 compared to \$31,000 for the three months ended September 30, 2021. The increase was primarily attributable to \$1,797,000 in revenue generated from Orgad from February 7, 2022, the date of closing of the Orgad acquisition, or the Acquisition Date, through to the end of the third quarter 2022 and to \$685,000 in revenue generated from Orgad for the three months ended September 30, 2022.

### ***Cost Of Revenues***

Our cost of revenues expenses for the nine and three months ended September 30, 2022 amounted to \$1,607,000 and \$877,000, respectively, compared to none for the nine and three months ended September 30, 2021. The cost of revenues includes cash and equity liabilities expenses in the amount of \$149,000 and \$89,000 for the nine and three months ended September 30, 2022 respectively. The increase in comparison with the corresponding period was due to the cost of goods of the revenues generated from Orgad's operations.

### ***Research and Development Expenses***

Our research and development expenses for the nine months ended September 30, 2022 amounted to \$1,152,000 compared to \$3,842,000 for the nine months ended September 30, 2021. The decrease in comparison with the corresponding period primarily resulted from share-based payment in the amount of \$2,618,000 that was recorded in the corresponding period attributed to the share issuance to Shoshana Zigdon under the Amendment to Purchase Agreement dated May 26, 2021, and a decrease in shared based expenses to employees.

Our research and development expenses for the three months ended September 30, 2022 amounted to \$350,000 compared to \$462,000 for the three months ended September 30, 2021. The decrease in comparison with the corresponding period primarily resulted from share-based payment to employees.

### ***Sales and Marketing Expenses***

Our sales and marketing expenses for the nine months ended September 30, 2022 amounted to \$2,526,000 compared to \$1,798,000 for the nine months ended September 30, 2021. The increase in comparison with the corresponding period was mainly due to the hiring of new employees and expenses associated with Orgad activities, offset by a reduction in share-based payment expenses to employees and consultants.

Our sales and marketing expenses for the three months ended September 30, 2022 amounted to \$672,000 compared to \$521,000 for the three months ended September 30, 2021. The increase in comparison with the corresponding period was mainly due to expenses associated with Orgad activities, offset by a reduction in share-based payment expenses to employees and consultants.

### ***General and Administrative Expenses***

Our general and administrative expenses for the nine months ended September 30, 2022 amounted to \$2,378,000 compared to \$2,303,000 for the nine months ended September 30, 2021. The increase in comparison with the corresponding period was mainly due to expenses associated with Orgad activities offset by a decrease in insurance expenses and professional services expenses.

Our general and administrative expenses for the three months ended September 30, 2022 amounted to \$802,000 compared to \$1,074,000 for the three months ended September 30, 2021. The decrease in comparison with the corresponding period was mainly due to a decrease in insurance offset by an increase in expenses associated with Orgad activities.

### ***Operating Loss***

As a result of the foregoing, for the nine months ended September 30, 2022, our operating loss was \$5,732,000 a decrease of \$2,123,000 compared to our operating loss for the nine months ended September 30, 2021 of \$7,855,000.

As a result of the foregoing, for the three months ended September 30, 2022, our operating loss was \$1,975,000 a decrease of \$51,000 compared to our operating loss for the three months ended September 30, 2021 of \$2,026,000.

### ***Financial Income (Expenses), Net***

Our financial expense, net for the nine months ended September 30, 2022 amounted to \$198,000 compared to financial income of \$50,000 for the nine months ended September 30, 2021. During the nine months ended September 30, 2022, we had financial expenses mainly from exchange rate differences and revaluation of investment in marketable securities whereas in the corresponding period we had financial income primarily due revaluation of investment in marketable securities.

Our financial expense, net for the three months ended September 30, 2022 amounted to \$51,000 compared to financial income of \$18,000 for the three months ended September 30, 2021. During the three months ended September 30, 2022, we had financial income mainly from exchange rate differences and revaluation of investment in marketable securities whereas in the corresponding period we had financial expenses primarily due revaluation of investment in marketable securities and exchange rate differences offset in income from revaluation of derivative.

### ***Net Loss***

As a result of the foregoing, our net loss for the nine months ended September 30, 2022 was \$5,930,000, compared to a net loss of \$7,805,000 for the nine months ended September 30, 2021. The decrease in the net loss was mainly due to the reasons mentioned above.

As a result of the foregoing, our net loss for the three months ended September 30, 2022 was \$2,026,000, compared to a net loss of \$2,008,000 for the three months ended September 30, 2021. The decrease in the net loss was mainly due to the reasons mentioned above.

### **Liquidity and Capital Resources**

Since our inception, we have funded our operations primarily through public and private offerings of debt and equity in the State of Israel and in the U.S.

As of September 30, 2022, we had cash, cash equivalents, and restricted cash of \$4,622,000 compared to \$10,943,000 of cash, cash equivalents and restricted cash as of December 31, 2021. This decrease primarily resulted from our operating activities, the acquisition of Orgad, and resources that were deployed to grow Orgad's business.

Cash used in operating activities amounted to \$5,858,000 for the nine months ended September 30, 2022, compared to \$3,984,000 for the nine months ended September 30, 2021. The increase in cash used in operating activities was mainly due to the acquisition of Orgad and working capital.

Net cash used in investing activities was \$327,000 for the nine months ended September 30, 2022, compared to cash provided by investing activities of \$172,000 for the nine months ended September 30, 2021. The increase from the corresponding period was mainly due to the acquisition of Orgad offset by changes in restricted deposits that occurred in the nine months ended September 30, 2022.

Net cash used in financing activities was \$39,000 for the nine months ended September 30, 2022, compared to cash provided by financing activities of \$5,857,000 for the nine months ended September 30, 2021. The cash flow from financing activities for the nine months ended September 30, 2021 resulted from the public offerings that occurred in January 2021 and March 2021 and from proceeds that were received from an investor for warrants that were exercised.

We do not have any material commitments for capital expenditures during the next twelve months.

We expect that we will continue to generate losses and negative cash flows from operations for the foreseeable future. Based on the projected cash flows and cash balances as of September 30, 2022, we believe our existing cash will be sufficient to fund operations for a period less than 12 months. As a result, there is substantial doubt about our ability to continue as a going concern. We will need to raise additional capital, which may not be available on reasonable terms or at all. Additional capital would be used to accomplish the following:

- finance our current operating expenses;
- pursue growth opportunities;
- hire and retain qualified management and key employees;
- respond to competitive pressures;
- comply with regulatory requirements; and
- maintain compliance with applicable laws.

Current conditions in the capital markets are such that traditional sources of capital may not be available to us when needed or may be available only on unfavorable terms. Our ability to raise additional capital, if needed, will depend on conditions in the capital markets, economic conditions, the impact of the COVID-19 pandemic, the Russian invasion of Ukraine, and a number of other factors, many of which are outside our control, and on our financial performance. Accordingly, we cannot assure you that we will be able to successfully raise additional capital at all or on terms that are acceptable to us. If we cannot raise additional capital when needed, it may have a material adverse effect on our business, results of operations and financial condition.

To the extent that we raise additional capital through the sale of equity or convertible debt securities, the issuance of such securities could result in substantial dilution for our current stockholders. The terms of any securities issued by us in future capital transactions may be more favorable to new investors, and may include preferences, superior voting rights and the issuance of warrants or other derivative securities, which may have a further dilutive effect on the holders of any of our securities then-outstanding. We may issue additional shares of our common stock or securities convertible into or exchangeable or exercisable for our common stock in connection with hiring or retaining personnel, option or warrant exercises, future acquisitions or future placements of our securities for capital-raising or other business purposes. The issuance of additional securities, whether equity or debt, by us, or the possibility of such issuance, may cause the market price of our common stock to decline and existing stockholders may not agree with our financing plans or the terms of such financings. In addition, we may incur substantial costs in pursuing future capital financing, including investment banking fees, legal fees, accounting fees, securities law compliance fees, printing and distribution expenses and other costs. We may also be required to recognize non-cash expenses in connection with certain securities we issue, such as convertible notes and warrants, which may adversely impact our financial condition. Furthermore, any additional debt or equity financing that we may need may not be available on terms favorable to us, or at all. If we are unable to obtain such additional financing on a timely basis, we may have to curtail our development activities and growth plans and/or be forced to sell assets, perhaps on unfavorable terms, or we may have to cease our operations, which would have a material adverse effect on our business, results of operations and financial condition.

We have not entered into any transactions with unconsolidated entities in which we have financial guarantees, subordinated retained interests, derivative instruments or other contingent arrangements that expose us to material continuing risks, contingent liabilities or any other obligations under a variable interest in an unconsolidated entity that provides us with financing, liquidity, market risk or credit risk support.

### **Critical Accounting Estimates**

Our management's discussion and analysis of our financial condition and results of operations is based on our financial statements, which we have prepared in accordance with U.S. generally accepted accounting principles issued by the Financial Accounting Standards Board, or FASB. The preparation of these financial statements requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported expenses during the reporting periods. Actual results may differ from these estimates under different assumptions or conditions.

Our significant accounting policies were revenue from contracts with customers which are more fully described in the notes to our financial statements appearing elsewhere in this Quarterly Report on Form 10-Q. We believe that these accounting policies discussed are critical to our financial results and to the understanding of our past and future performance, as these policies relate to the more significant areas involving management's estimates and assumptions. We consider an accounting estimate to be critical if: (1) it requires us to make assumptions because information was not available at the time or it included matters that were highly uncertain at the time we were making our estimate; and (2) changes in the estimate could have a material impact on our financial condition or results of operations.

**Item 3. Quantitative and Qualitative Disclosure About Market Risk.**

Not required for a smaller reporting company.

**Item 4. Controls and Procedures.****Disclosure Controls and Procedures**

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in our reports under the Securities Exchange Act of 1934, as amended, or the Exchange Act, and the rules and regulations thereunder, is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and that such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate, to allow for timely decisions regarding required disclosure. In designing and evaluating the disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and management is required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

As required by Rule 13a-15(b) under the Exchange Act, our management, under the supervision and with the participation of our principal executive officer and principal financial officer, has evaluated the effectiveness of the design and operation of our disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of September 30, 2022. Based upon such evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures as of September 30, 2022 were effective.

Our Chief Executive Officer and Chief Financial Officer do not expect that our disclosure controls and procedures or our internal controls will prevent all error or fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints and the benefits of controls must be considered relative to their costs. Due to the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected.

**Changes in Internal Controls**

During the most recent fiscal quarter, no change has occurred in our internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

## Part II – Other Information

### Item 1. Legal Proceedings.

From time to time, we may become involved in various lawsuits and legal proceedings which arise in the ordinary course of business. However, litigation is subject to inherent uncertainties, and an adverse result in these or other matters may arise from time to time that may harm our business.

#### *North Empire LLC*

On August 7, 2018, we commenced an action against North Empire LLC (“North Empire”) in the Supreme Court of the State of New York, County of New York for breach of a Securities Purchase Agreement (the “Agreement”) in which we are seeking damages in an amount to be determined at trial, but in no event less than \$616,000. On August 2, 2018, North Empire filed a Summons with Notice against the Company, also in the same Court, in which they allege damages in an amount of \$11.4 million arising from an alleged breach of the Agreement. On September 6, 2018 North Empire filed a Notice of Discontinuance of the action it had filed on August 2, 2018. On September 27, 2018, North Empire filed an answer and asserted counterclaims in the action commenced by us against them, alleging that we failed to deliver stock certificates to North Empire causing damage to North Empire in the amount of \$10,958,589. North Empire also filed a third-party complaint against our CEO and now former Chairman of the Board asserting similar claims against them in their individual capacities. On October 17, 2018, we filed a reply to North Empire’s counterclaims. On November 15, 2018, our CEO and now former Chairman of the Board filed a motion to dismiss North Empire’s third-party complaint. On January 6, 2020, the Court granted the motion and dismissed the third-party complaint. Discovery has been completed and both parties have filed motions for summary judgment in connection with the claims and counterclaims. On December 30, 2021, the Court denied both My Size and North Empire’s motions for summary judgment, arguing there were factual issues to be determined at trial. On January 26, 2022, we filed a notice of appeal of the summary judgment decision. The Company filed its appellant brief on or about October 26, 2022. On February 3, 2022, we filed a motion to reargue the Court’s decision denying our motion for summary judgment. On or about March 31, 2022, North Empire filed its opposition papers to our motion to reargue. On or about May 20, 2022, we filed our reply papers, in further support of its motion to reargue. On or about September 12, 2022 the Court issued its decision and order denying our motion to reargue. North Empire is due to file its opposing brief on or about December 7, 2022.

### Item 1A. Risk Factors.

Not required for a smaller reporting company.

### Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

None.

### Item 3. Defaults Upon Senior Securities.

None.

### Item 4. Mine Safety Disclosures.

Not applicable.

### Item 5. Other Information.

None.

**Item 6. Exhibits.**

<b>Exhibit Number</b>	<b>Description of Exhibits</b>
10.1*	<a href="#">Form of Section 102 Capital Gain Restricted Stock Award Agreement under the Company's 2017 Equity Incentive Plan.</a>
31.1*	<a href="#">Certification of Principal Executive Officer pursuant to 18 U.S.C Section 1350, as adopted Section 302 of the Sarbanes-Oxley Act of 2002.</a>
31.2*	<a href="#">Certification of Principal Financial Officer pursuant to 18 U.S.C Section 1350, as adopted Section 302 of the Sarbanes-Oxley Act of 2002.</a>
32.1*	<a href="#">Certification of Principal Executive Officer pursuant to 18 U.S.C Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</a>
32.2*	<a href="#">Certification of Principal Financial Officer pursuant to 18 U.S.C Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</a>
101.INS*	Inline XBRL Instance Document
101.SCH*	Inline XBRL Taxonomy Schema
101.CAL*	Inline XBRL Taxonomy Calculation Linkbase
101.DEF*	Inline XBRL Taxonomy Definition Linkbase
101.LAB*	Inline XBRL Taxonomy Label Linkbase
101.PRE*	Inline XBRL Taxonomy Presentation Linkbase
104*	Cover Page Interactive Data File (formatted as Inline XBRL document and contained in Exhibit 101)

\* Filed herewith

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934 the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

**My Size, Inc.**

Date: November 14, 2022

By: /s/ Ronen Luzon

Ronen Luzon  
Chief Executive Officer  
(Principal Executive Officer)

Date: November 14, 2022

By: /s/ Or Kles

Or Kles  
Chief Financial Officer  
(Principal Financial and Accounting Officer)



## SECTION 102 CAPITAL GAIN RESTRICTED STOCK AWARD AGREEMENT

MY SIZE, INC.

## 2017 EQUITY INCENTIVE PLAN

1. Grant of Award. Pursuant to the My Size, Inc. 2017 Equity Incentive Plan, and the Israel Grantees Sub-plan thereto (together the "*Plan*") for key employees, key contractors, and outside directors of My Size, Inc., a Delaware corporation (the "*Company*"), and its Subsidiaries (collectively, the "*Group*") and in consideration of your service to the Company,

[\*]  
(the "*Participant*")

has been granted a Restricted Stock Award (the "*Award*") in accordance with Section 9(a) of the Plan. The number of shares of Common Shares awarded under this Section 102 Capital Gain Restricted Stock Award Agreement (this "*Agreement*") is [\*] shares (the "*Awarded Shares*"). The "*Date of Grant*" of this Award is [\*]. To receive this Award, the Participant must sign this Agreement and return it to the Company by [\*]. By signing this Agreement, the Participant agrees to be bound by the terms and conditions herein, the Plan and any and all conditions established by the Company in connection with Awards issued under the Plan, and the Participant further acknowledges and agrees that this Award does not confer any legal or equitable right (other than those rights constituting the Award itself) against the Company directly or indirectly, or give rise to any cause of action at law or in equity against the Company. The Company has designated the Awarded Shares as approved 102 incentives (i.e. shares of Common Shares issued pursuant to Section 102(b) of the Israeli Income Tax Ordinance (New Version), 5721-1961 (the "*Ordinance*") and held in trust by a trustee for the benefit of the Participant ("*Approved 102 Incentives*")), and has classified them as Capital Gain Incentives that qualify for tax treatment in accordance with the provisions of Section 102(b)(3) of the Ordinance. Capitalized terms used but not defined herein shall have the respective meanings given to them in the Plan.

2. Subject to Plan. This Agreement is subject to the terms and conditions of the Plan, and the terms of the Plan shall control to the extent not otherwise inconsistent with the provisions of this Agreement. To the extent the terms of the Plan are inconsistent with the provisions of this Agreement, this Agreement shall control. The capitalized terms used herein that are defined in the Plan shall have the same meanings assigned to them in the Plan. This Agreement is subject to any rules promulgated pursuant to the Plan by the Administrator and communicated to the Participant in writing.

3. Vesting. Except as specifically provided in this Agreement and subject to certain restrictions and conditions set forth in the Plan, the Awarded Shares shall vest as follows:

- a. One-third (1/3) of the total Awarded Shares (rounded down to the nearest whole share) shall vest on the first anniversary of the Date of Grant, provided that the Participant has continuously provided services to the Group as an employee through that date.
- b. An additional one-third (1/3) of the total Awarded Shares (rounded down to the nearest whole share) shall vest on the second anniversary of the Date of Grant, provided that the Participant has continuously provided services to the Group as an employee through that date.
- c. The remaining Awarded Shares shall vest on the third anniversary of the Date of Grant, provided that the Participant has continuously provided services to the Group as an employee through that date.

Notwithstanding the foregoing, if the Participant's Termination of Service is due to death, total and permanent disability, as determined in the Committee's sole discretion, resignation for Good Reason or by action of the Company without Cause (as defined in this Section 3 below) at any time during the twelve month period beginning on a Change in Control (as defined in the Plan), the total Awarded Shares not previously vested shall thereupon immediately become fully vested as of the Termination Date.

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For purposes hereof, the following capitalized terms shall have the meanings set forth below:

**“Cause”** shall mean, unless otherwise defined in an employment agreement with respect to the termination of the Participant’s employment with the Company (in which case such cause definition and process shall apply in lieu of this paragraph), the occurrence of one or more of the following events, as determined by the Committee in its good faith: (i) misconduct or material failure or refusal to perform (other than by reason of disability or an approved leave of absence), or substantial negligence in the performance of, his or her duties and responsibilities to the Company or any member of the Group; (ii) the Participant’s material breach of any restrictive covenant agreement between the Participant and any member of the Group; (iii) the Participant’s commission of an act or acts constituting a felony or any crime involving moral turpitude or that has or reasonably could be expected to have an adverse effect on any member of the Group, including economically or reputationally; (iv) the Participant’s commission of fraud, embezzlement, theft or other act involving dishonesty; (v) other conduct by the Participant that is or could be reasonably expected to be materially harmful to the business interests or reputation of any member of the Group; (vi) the Participant’s breach of a fiduciary duty owed to the Company or a member of the Group, including acting in conflict with the business interests of any member of the Group; or (vii) the Participant’s material breach of this Agreement or an employment policy or code of conduct of member of the Group. If, within six months following the Participant’s Termination of Service for any reason other than for Cause, it is discovered that the Participant’s employment or service could have been terminated for Cause, such Participant’s employment or service shall, at the discretion of the Committee, be deemed to have been terminated for Cause for all purposes under the Plan, and the Participant shall be required to repay to the Company all amounts received by the Participant and his or her permitted transferees in connection with Awarded Shares following such Termination that would have been forfeited under the Plan had such Termination been for Cause.

**“Good Reason”** shall mean, unless otherwise defined in an employment agreement with respect to the termination of the Participant’s employment with the Company (in which case such good reason definition and process shall apply in lieu of this paragraph), that the Participant has complied with and completed all steps of the “Good Reason Process” (hereinafter defined) following the occurrence of any of the following events without the Participant’s written consent (each a **“Good Reason Condition”**): (i) a material diminution in the Participant’s responsibilities, authority or duties (provided that Participant shall not be deemed to have a material diminution in Participant’s responsibilities, authority or duties solely by reason of the Company ceasing to be a public company on or following the date of a Change in Control); (ii) a diminution in the Participant’s base salary greater than five (5%), except for across-the-board salary reductions based on the Company’s financial performance similarly affecting all or substantially all senior management employees of the Company; or (iii) a requirement that the Participant work primarily from an office or geographic location that is beyond a thirty (30) mile radius from the office or geographic location at which the Executive primarily provides services to the Company.

**“Good Reason Process”** means and consists of the following steps: (i) a Participant reasonably determines in good faith that a Good Reason Condition has occurred; (ii) a Participant notifies the Company in writing of the first occurrence of the Good Reason Condition within ninety (90) days of Participant learning of the first occurrence of such condition; (iii) the Participant cooperates in good faith with the Company’s efforts, for a period of not less than thirty (30) days following such notice (the **“Cure Period”**), to remedy the Good Reason Condition; (iv) notwithstanding such efforts, the Good Reason Condition continues to exist; and (v) the Participant terminates such employment with the Company within thirty (30) days after the end of the Cure Period. If the Company cures the Good Reason Condition during the Cure Period, Good Reason shall be deemed not to have occurred.

**“Termination of Service”** occurs when a Participant who is (i) an employee of the Company or any Subsidiary ceases to serve as an employee of the Company and its Subsidiaries, for any reason; (ii) an outside director of the Company or a Subsidiary ceases to serve as a director of the Company and its Subsidiaries for any reason; or (iii) a contractor of the Company or a Subsidiary ceases to serve as a contractor of the Company and its Subsidiaries for any reason. Except as may be necessary or desirable to comply with applicable federal or state law, a “Termination of Service” shall not be deemed to have occurred when a Participant who is an employee becomes an outside director or contractor or vice versa. Notwithstanding the foregoing provisions of this definition of “Termination of Service”, in the event an Award issued under the Plan is subject to Section 409A of the Code, then, in lieu of the foregoing definition and to the extent necessary to comply with the requirements of Section 409A of the Code, the definition of “Termination of Service” for purposes of such Award shall be the definition of “separation from service” provided for under Section 409A of the Code and the regulations or other guidance issued thereunder.

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4. Forfeiture of Awarded Shares. Awarded Shares that are not vested in accordance with Section 3 shall be forfeited on the date of the Participant's Termination of Service with the Group (the "**Termination Date**"). Upon forfeiture, all of the Participant's rights with respect to the forfeited Awarded Shares shall cease and terminate, without any further obligations on the part of the Company or the Group.

5. Restrictions on Awarded Shares. Subject to the provisions of the Plan and the terms of this Agreement, from the Date of Grant until the date the Awarded Shares are vested in accordance with Section 3 and are no longer subject to forfeiture in accordance with Section 4 (the "**Restriction Period**"), the Participant shall not be permitted to sell, transfer, pledge, or assign any of the Awarded Shares or to grant any right thereto. Except for these limitations, the Administrator may in its sole discretion, remove any or all of the restrictions on such Awarded Shares whenever it may determine that, by reason of changes in Applicable Laws or other changes in circumstances arising after the date of this Agreement, such action is appropriate.

6. Legend. Awarded Shares electronically registered in a Participant's name or a trustee's name for the benefit of the Participant shall note that such shares are Restricted Stock. If certificates for Awarded Shares are issued, the following legend shall be placed on all such certificates:

On the face of the certificate:

"Transfer of this stock is restricted in accordance with conditions printed on the reverse of this certificate."

On the reverse:

"The shares of stock evidenced by this certificate are subject to and transferable only in accordance with that certain My Size, Inc. 2017 Equity Incentive Plan, a copy of which is on file at the principal office of the Company in Tel-Aviv, Israel and that certain Restricted Stock Award Agreement dated as of [ \* ], by and between the Company and [ \* ]. No transfer or pledge of the shares evidenced hereby may be made except in accordance with and subject to the provisions of said Plan and Award Agreement. By acceptance of this certificate, any holder, transferee or pledgee hereof agrees to be bound by all of the provisions of said Plan and Award Agreement."

The following legend shall be inserted on a certificate, if issued, evidencing Common Shares issued under the Plan if the shares were not issued in a transaction registered under the applicable federal and state securities laws:

"Shares of stock represented by this certificate have been acquired by the holder for investment and not for resale, transfer or distribution, have been issued pursuant to exemptions from the registration requirements of applicable state and federal securities laws, and may not be offered for sale, sold or transferred other than pursuant to effective registration under such laws, or in transactions otherwise in compliance with such laws, and upon evidence satisfactory to the Company of compliance with such laws, as to which the Company may rely upon an opinion of counsel satisfactory to the Company."

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All Awarded Shares owned by the Participant or registered in the trustee's name for the benefit of the Participant shall be subject to the terms of this Agreement and shall be represented by a certificate or certificates bearing the foregoing legend.

7. Israeli Tax Ordinance.

a. The Company has designated the Awarded Shares as Approved 102 Incentives and held in trust by a trustee for the benefit of the Participant), and has classified them as Capital Gain Incentives that qualify for tax treatment in accordance with the provisions of Section 102(b)(3) of the Ordinance.

b. The Awarded Shares including all rights attaching thereto, and other shares received with respect thereto (including cash dividends, stock dividends, and bonus shares), will be allocated or issued to a trustee nominated by the Company and approved in accordance with the provisions of Section 102 of the Ordinance (the "*Trustee*"), and will be held by the Trustee for the benefit of the Participant for a period of, and will not be delivered to the Participant prior to the expiration of, at least twenty four (24) months from the Date of Grant (the "*Trust Period*"). Notwithstanding, any cash dividend attributed to the Awarded Shares shall be paid to the Participant subject to the applicable full withholding tax which will be deducted by the Company and/or Trustee.

c. All rights attaching to the Awarded Shares and all rights or shares received by the Participant with respect thereto (including, cash dividends, stock dividends, or bonus shares), will be subject to the same taxation treatment applicable to the Awarded Shares.

d. The Trustee shall not sell or transfer to the Participant any of the Awarded Shares or any right or share received by the Participant with respect thereto prior to the full payment by the Participant of his/her tax liabilities arising from or relating to the Awarded Shares or any right or share related thereto.

8. Delivery of Certificates. Subject to other provisions of the Plan, including those of the Israeli Plan regarding the Israeli tax laws applicable to the Awarded Shares being Approved 102 Incentives, the Company shall deliver certificates for the Awarded Shares free of restriction under this Agreement promptly after, and only after, the Restriction Period has expired without forfeiture pursuant to Section 5. In connection with the issuance of a certificate for Restricted Stock, the Participant shall endorse such certificate in blank or execute a stock power in a form satisfactory to the Company in blank and deliver such certificate and executed stock power to the Company.

9. Clawback. Notwithstanding Section 3, if the Participant is an executive officer (as defined under U.S. Securities and Exchange Commission rules) of the Company at any time after the Date of Grant and the Company is required to restate its financial statements, then the Committee may, in its sole and absolute discretion, at any time within two years following such restatement, require the Participant to, and the Participant shall immediately upon notice of such Committee determination, return to the Company any Awarded Shares and pay to the Company in cash the amount of any proceeds received by the Participant from the disposition or transfer of, and any dividends or other distributions of cash or property received by the Participant with respect to, any Awarded Shares, in each case during the period commencing two years before the beginning of the restated financial period and ending on the date of such Committee determination. In addition, any portion of the Awarded Shares that is not vested or has not been exercised by the Participant on the date that the Committee makes such determination shall be immediately and irrevocably forfeited. The Committee shall have the authority and discretion to make any determination regarding the specific implementation of this Section 9 with respect to the Participant. In addition to this Section 9, this Agreement, the Awarded Shares shall be fully subject to the terms and conditions of any "clawback" or compensation recovery policy that may later be adopted by the Company in its discretion or imposed under Applicable Laws, each as may be amended and in effect from time to time.

10. Rights of a Stockholder. Except as provided in Sections 5 and 6 above and the provisions of the Israeli Plan regarding the Israeli tax laws applicable to the Awarded Shares being Approved 102 Incentives, the Participant shall have, with respect to his Awarded Shares, all of the rights of a stockholder of the Company, including the right to vote the shares, and the right to receive any dividends thereon. Without derogating from Section 7(c) above and subject to any law, any stock dividends paid with respect to Awarded Shares shall at all times be treated as Awarded Shares and shall be subject to all restrictions placed on Awarded Shares.

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11. Adjustment to Number of Awarded Shares. The number of Awarded Shares shall be subject to adjustment in accordance with Section 12 of the Plan.

12. Participant's Representations. Notwithstanding any of the provisions hereof, the Participant hereby agrees that he or she will not acquire any Awarded Shares, and that the Company will not be obligated to issue any Awarded Shares to the Participant hereunder, if the issuance of such shares shall constitute a violation by the Participant or the Company of any provision of any law or regulation of any governmental authority. Any determination in this connection by the Company shall be final, binding, and conclusive. The rights and obligations of the Company and the rights and obligations of the Participant are subject to all Applicable Laws, rules, and regulations.

13. Participant's Acknowledgments.

a. The Participant acknowledges that copies of the Plan and the agreement between the Company and the Trustee have been made available for his or her review by the Company, and represents that he or she is familiar with the terms and provisions thereof, and hereby accepts this Award subject to all the terms and provisions thereof; and

b. The Participant shall comply with all terms and conditions set forth in Section 102(b) of the Ordinance the applicable rules and regulations promulgated thereunder, as amended from time to time; and

c. The Participant is familiar with, and understands the provisions of, Section 102 of the Ordinance in general, and the tax arrangement under the Section 102(b)(3) in particular, and its tax consequences; the Participant agrees that the Restricted Stock Award and the Awarded Shares (or otherwise in relation to the Restricted Stock Award), will be held by a trustee appointed pursuant to Section 102 of the Ordinance for at least the duration of the Trust Period. The Participant understands that any release of the Restricted Stock Award and the Awarded Shares from trust, or any sale of such share prior to the termination of the Trust Period, will result in taxation at marginal tax rates, in addition to deductions of appropriate social security, health tax contributions or other compulsory payments; and

d. The Participant agrees to the trust agreement signed between the Company, and the Trustee appointed pursuant to Section 102 of the Ordinance and shall sign all documents requested by the Company or the Trustee, in accordance with and under the trust agreement; and

e. The Participant hereby agrees to accept as binding, conclusive, and final all decisions or interpretations of the Administrator, as appropriate, upon any questions arising under the Plan or this Agreement.

14. Law Governing. This Agreement shall be governed by, construed, and enforced in accordance with the laws of the State of Israel (excluding any conflict of laws rule or principle of Israeli law that might refer the governance, construction, or interpretation of this Agreement to the laws of another state).

15. No Right to Continue Service or Employment. Nothing herein shall be construed to confer upon the Participant the right to continue in the employ or to provide services to the Company or the Group, whether as an employee, or interfere with or restrict in any way the right of the Company or the Group to discharge the Participant as an employee at any time.

16. Legal Construction. In the event that any one or more of the terms, provisions, or agreements that are contained in this Agreement shall be held by a court of competent jurisdiction to be invalid, illegal, or unenforceable in any respect for any reason, the invalid, illegal, or unenforceable term, provision, or agreement shall not affect any other term, provision, or agreement that is contained in this Agreement and this Agreement shall be construed in all respects as if the invalid, illegal, or unenforceable term, provision, or agreement had never been contained herein.

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17. Covenants and Agreements as Independent Agreements. Each of the covenants and agreements that is set forth in this Agreement shall be construed as a covenant and agreement independent of any other provision of this Agreement. The existence of any claim or cause of action of the Participant against the Company, whether predicated on this Agreement or otherwise, shall not constitute a defense to the enforcement by the Company of the covenants and agreements that are set forth in this Agreement.

18. Entire Agreement. This Agreement together with the Plan supersede any and all other prior understandings and agreements, either oral or in writing, between the parties with respect to the subject matter hereof and constitute the sole and only agreements between the parties with respect to the said subject matter. All prior negotiations and agreements between the parties with respect to the subject matter hereof are merged into this Agreement. Each party to this Agreement acknowledges that no representations, inducements, promises, or agreements, orally or otherwise, have been made by any party or by anyone acting on behalf of any party, which are not embodied in this Agreement or the Plan and that any agreement, statement or promise that is not contained in this Agreement or the Plan shall not be valid or binding or of any force or effect.

19. Parties Bound. The terms, provisions, and agreements that are contained in this Agreement shall apply to, be binding upon, and inure to the benefit of the parties and their respective heirs, executors, administrators, legal representatives, and permitted successors and assigns, subject to the limitation on assignment expressly set forth herein. No person shall be permitted to acquire any Awarded Shares without first executing and delivering an agreement in the form satisfactory to the Company making such person or entity subject to the restrictions on transfer contained herein.

20. Modification. The Company may amend or modify this Award in any manner to the extent that the Company would have had the authority under the Plan initially to grant such Award, provided that no such amendment or modification shall materially and adversely impair the Participant's rights under this Agreement without the Participant's written consent. Other than as provided in the preceding sentence, this Agreement may be amended, modified or supplemented only by an instrument in writing signed by both parties hereto.

21. Headings. The headings that are used in this Agreement are used for reference and convenience purposes only and do not constitute substantive matters to be considered in construing the terms and provisions of this Agreement.

22. Gender and Number. Words of any gender used in this Agreement shall be held and construed to include any other gender, and words in the singular number shall be held to include the plural, and vice versa, unless the context requires otherwise.

23. Notice. Any notice required or permitted to be delivered hereunder shall be deemed to be delivered only when actually received by the Company or by the Participant, as the case may be, at the addresses set forth below, or at such other addresses as they have theretofore specified by written notice delivered in accordance herewith:

a. Notice to the Company shall be addressed and delivered as follows:

My Size, Inc.  
HaYarden 4  
POB 1026  
Airport City, Israel 7010000  
Attn: Or Kles

b. Notice to the Participant shall be addressed and delivered as set forth on the signature page.

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24. Tax Requirements. **The Participant is hereby advised to consult immediately with his or her own tax advisor regarding the tax consequences of this Agreement.** Notwithstanding anything to the contrary, the Company shall be under no duty to ensure, and no representation or commitment is made, that the Restricted Stock Award qualify or will qualify under any particular tax treatment (such as Section 102(b) or any other treatment), nor shall the Company be required to take any action for the qualification of any Restricted Stock Award under such tax treatment. If the Participant do not qualify under any particular tax treatment it could result in adverse tax consequences to the Participant. By signing below, the Participant agrees that the Company and its respective employees, directors, officers and shareholders shall not be liable for any tax, penalty, interest or cost incurred by the Participant as a result of such determination, nor will any of them have any liability of any kind or nature in the event that, for any reason whatsoever, a Restricted Stock Award does not qualify for any particular tax treatment. The Company or, if applicable, any Subsidiary (for purposes of this Section 24, the term "**Company**" shall be deemed to include any applicable Subsidiary), shall have the right to deduct from all amounts paid in cash or other form in connection with the Plan, any federal, state, local, or other taxes required by the Israeli law and other applicable laws to be withheld in connection with this Award. The Participant may elect to have the Company withhold an additional amount up to the maximum statutory amount in accordance with Company procedures, provided such withholding does not trigger liability accounting under applicable accounting rules. The Company may, in its sole discretion, also require the Participant receiving shares of Common Shares issued under the Plan to pay the Company the amount of any taxes that the Company is required to withhold in connection with the Participant's income arising with respect to this Award. Such payments shall be required to be made when requested by Company and may be required to be made prior to the delivery of any certificate representing shares of Common Shares. Such payment may be made by (i) the delivery of cash to the Company in an amount that equals or exceeds (to avoid the issuance of fractional shares under (iii) below) the required tax withholding obligations of the Company; (ii) if the Company, in its sole discretion, so consents in writing, the actual delivery by the Participant to the Company of shares of Common Shares that the Participant has not acquired from the Company within six (6) months prior thereto, which shares so delivered have an aggregate Fair Market Value that equals or exceeds (to avoid the issuance of fractional shares under (iii) below) the required tax withholding payment; (iii) if the Company, in its sole discretion, so consents in writing, the Company's withholding of a number of shares to be delivered upon the vesting of this Award, which shares so withheld have an aggregate Fair Market Value that equals (but does not exceed) the required tax withholding payment; or (iv) any combination of (i), (ii), or (iii). The Company may, in its sole discretion, withhold any such taxes from any other cash remuneration otherwise paid by the Company to the Participant.

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*[Remainder of Page Intentionally Left Blank.  
Signature Page Follows]*

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IN WITNESS WHEREOF, the Company has caused this Agreement to be executed by its duly authorized officer, and the Participant, to evidence his or her consent and approval of all the terms hereof, has duly executed this Agreement, as of the date specified in Section 1 hereof.

**COMPANY:**

**MY SIZE, INC.**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**PARTICIPANT:**

\_\_\_\_\_  
Signature

Name: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

Date of Signature  
\_\_\_\_\_

\_\_\_\_\_



**Certification pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 and pursuant to Rule 13a-14(a) and Rule 15d-14 under the Securities Exchange Act of 1934**

I, Ronen Luzon certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of My Size, 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)) 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, including its consolidated subsidiaries, 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 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 evaluations: 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 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: November 14, 2022

By: /s/ Ronen Luzon

Ronen Luzon  
Chief Executive Officer  
(Principal Executive Officer)

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**Certification pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 302 of the  
Sarbanes-Oxley Act of 2002 and pursuant to Rule 13a-14(a) and Rule 15d-14 under the  
Securities Exchange Act of 1934**

I, Or Kles, certify that:

- 1 I have reviewed this Quarterly Report on Form 10-Q of My Size, 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)) 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, including its consolidated subsidiaries, 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 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 evaluations: 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 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: November 14, 2022

By: /s/ Or Kles

Or Kles  
Chief Financial Officer  
(Principal Financial and Accounting Officer)

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**CERTIFICATIONS PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002  
(18 U.S.C. SECTION 1350)**

In connection with the Quarterly Report of My Size, Inc. (the "Company") on Form 10-Q for the quarter ended September 30, 2022 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Ronen Luzon, Chief Executive Officer of the Company, certify pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Company's Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Date: November 14, 2022

By: */s/ Ronen Luzon*

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Ronen Luzon  
Chief Executive Officer  
(Principal Executive Officer)

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**CERTIFICATIONS PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002  
(18 U.S.C. SECTION 1350)**

In connection with the Quarterly Report of My Size, Inc. (the "Company") on Form 10-Q for the quarter ended September 30, 2022 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Or Kles, Chief Financial Officer of the Company, certify pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Company's Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Date: November 14, 2022

By: */s/ Or Kles*

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Or Kles  
Chief Financial Officer  
(Principal Financial and Accounting Officer)

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