
Section 1: 6-K (REPORT OF FOREIGN PRIVATE ISSUER)

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

Form 6-K

Report of Foreign Private Issuer
Pursuant to Rule 13a-16 or 15d-16
under the Securities Exchange Act of 1934

For the month of: February 2018 (Report No. 5)

Commission file number: 001-37600

NANO DIMENSION LTD.
(Translation of registrant's name into English)

2 Ilan Ramon
Ness Ziona 7403635 Israel
(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulations S-T Rule 101(b)(1): _____

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulations S-T Rule 101(b)(7): _____

CONTENTS

This Report of Foreign Private Issuer on Form 6-K consists of (i) the Registrant's Unaudited Condensed Consolidated Interim Financial Statements as of September 30, 2017, which is attached hereto as Exhibit 99.1; and (ii) the Registrant's Management's Discussion and Analysis of Financial Condition and Results of Operations for the nine months ended September 30, 2017, which is attached hereto as Exhibit 99.2.

This Form 6-K (including exhibits thereto) are incorporated by reference into the registration statements on Form F-3 (File No. 333-217173) and Form S-8 (File No. 333-214520) of the Registrant, filed with the Securities and Exchange Commission, to be a part thereof from the date on which this report is submitted, to the extent not superseded by documents or reports subsequently filed or furnished.

Exhibit No.

99.1	<u>Nano Dimension Ltd.'s Unaudited Condensed Consolidated Interim Financial Statements as of September 30, 2017.</u>
99.2	<u>Nano Dimension Ltd.'s Management's Discussion and Analysis of Financial Condition and Results of Operations for the nine months ended September 30, 2017.</u>

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.

Nano Dimension Ltd.
(Registrant)

Date: February 15, 2018

By: /s/ Yael Sandler
Name: Yael Sandler
Title: Chief Financial Officer

[\(Back To Top\)](#)

**Section 2: EX-99.1 (UNAUDITED CONDENSED CONSOLIDATED
INTERIM FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2017)**

Exhibit 99.1

Unaudited Condensed Consolidated Interim
Financial Statements
as of September 30, 2017

Unaudited Condensed Consolidated Interim Financial Statements as of September 30, 2017

Table of Contents

	Page
Unaudited condensed consolidated interim financial statements	
Unaudited condensed consolidated interim statements of financial position	3
Unaudited condensed consolidated interim statements of profit or loss and other comprehensive income	4
Unaudited condensed consolidated interim statements of changes in equity	5
Unaudited condensed consolidated interim statements of cash flows	6
Notes to the unaudited condensed consolidated interim financial statements	7

Nano Dimension Ltd.
Unaudited Condensed Consolidated Interim Statements of Financial Position

	September 30,		Convenience translation into US dollars (NIS 3.529 = \$1)	December 31,
	2016	2017	September 30, 2017	2016
	Thousand NIS	Thousand NIS	Thousand USD	Thousand NIS
Assets				
Cash	53,524	42,265	11,976	47,599
Restricted deposits	--	1,146	325	500
Inventory	--	6,874	1,948	--
Trade receivables	--	6	1	149
Other receivables	1,173	2,042	579	2,979
Total current assets	54,697	52,333	14,829	51,227
Restricted deposits	425	425	120	425
Property plant and equipment, net	5,321	16,469	4,667	7,712
Intangible assets	27,717	24,087	6,825	26,095
Total non-current assets	33,463	40,981	11,612	34,232
Total assets	88,160	93,314	26,441	85,459
Liabilities				
Trade payables	1,328	6,857	1,943	2,612
Other payables	4,527	5,937	1,682	4,954
Total current liabilities	5,855	12,794	3,625	7,566
Liability in respect of government grants	2,234	2,921	828	2,420
Other long-term liabilities	--	1,098	311	1,255
Total non-current liabilities	2,234	4,019	1,139	3,675
Total liabilities	8,089	16,813	4,764	11,241
Equity				
Share capital	5,304	6,662	1,888	5,446
Share premium	112,402	167,572	47,483	118,820
Treasury shares	(5,260)	(5,260)	(1,491)	(5,260)
Warrants	3,435	1,167	331	4,375
Capital reserve from transactions with controlling shareholders	1,866	1,866	529	1,866
Capital reserve for share-based payments	18,091	23,535	6,669	19,575
Accumulated loss	(55,767)	(119,041)	(33,732)	(70,604)
Total equity	80,071	76,501	21,677	74,218
Total liabilities and equity	88,160	93,314	26,441	85,459

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

Nano Dimension Ltd.
Unaudited Condensed Consolidated Interim Statements of Profit or Loss and Other Comprehensive Income

	For the nine months ended September 30,		
	2017	2017	2016
	Thousand NIS	Thousand USD Convenience translation into US dollars (NIS 3.529 = \$1)	Thousand NIS
Revenues	1,459	414	--
Cost of revenues	492	140	--
Cost of revenues - amortization of intangible	2,006	568	--
Total cost of revenues	2,498	708	--
Gross loss	(1,039)	(294)	--
Research and development expenses, net	30,930	8,765	6,108
Sales, marketing and general and administrative expenses	13,621	3,860	12,975
Operating loss	(45,590)	(12,919)	(19,083)
Finance income	44	12	--
Finance expense	2,891	819	550
Total comprehensive loss	(48,437)	(13,726)	(19,633)
Basic and diluted loss per share (in NIS/USD)	(0.88)	(0.25)	(0.52)

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

Nano Dimension Ltd.
Unaudited Condensed Consolidated Interim Statements of Changes in Equity

	Share capital	Share premium	Treasury shares	Warrants	Capital reserve from transactions with controlling shareholders	Capital reserve for share- based payments	Accumulated loss	Total equity
	Thousand NIS	Thousand NIS	Thousand NIS	Thousand NIS	Thousand NIS	Thousand NIS	Thousand NIS	Thousand NIS
For the nine months ended								
September 30, 2017:								
Balance as of January 1, 2017	5,446	118,820	(5,260)	4,375	1,866	19,575	(70,604)	74,218
Issuance of ordinary shares, net	1,168	43,596	--	--	--	--	--	44,764
Exercise of warrants and options	48	1,952	--	(11)	--	(1,256)	--	733
Expiration of warrants and options	--	3,204	--	(3,197)	--	(7)	--	--
Share-based payments	--	--	--	--	--	5,223	--	5,223
Net loss	--	--	--	--	--	--	(48,437)	(48,437)
Balance as of September 30, 2017	6,662	167,572	(5,260)	1,167	1,866	23,535	(119,041)	76,501
Balance as of September 30, 2017-								
Convenience translation into US dollars (NIS 3.529 = \$1)								
Thousand USD	1,888	47,483	(1,491)	331	529	6,669	(33,732)	21,677

	Share capital	Share premium	Treasury shares	Warrants	Capital reserve from transactions with controlling shareholders	Capital reserve for share- based payments	Accumulated loss	Total equity
	Thousand NIS	Thousand NIS	Thousand NIS	Thousand NIS	Thousand NI	Thousand NIS	Thousand NIS	Thousand NIS
For the nine months ended September 30, 2016:								
Balance as of January 1, 2016	3,863	63,054	(5,260)	6,934	1,866	12,681	(36,134)	47,004
Issuance of ordinary shares, net	925	39,184	-	-	-	-	-	40,109
Exercise of warrants and options	516	10,164	-	(3,499)	-	(1,529)	-	5,652
Share-based payments	-	-	-	-	-	6,939	-	6,939
Net loss	-	-	-	-	-	-	(19,633)	(19,633)
Balance as of September 30, 2016	5,304	112,402	(5,260)	3,435	1,866	18,091	(55,767)	80,071

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

Nano Dimension Ltd.
Unaudited Condensed Consolidated Interim Statements of Cash Flows

	For the nine months ended September 30,		
	2017	2017	2016
	Thousand NIS	Thousand USD (Unaudited) Convenience translation into US dollars (NIS 3.529 = \$1)	Thousand NIS
Cash flow from operating activities:			
Net loss	(48,437)	(13,726)	(19,633)
Adjustments:			
Depreciation and amortization	3,204	908	496
Financing expenses	2,821	799	580
Revaluation of liability in respect of government grants	(45)	(13)	36
Loss from disposal of property plant and equipment	-	-	21
Share-based payments	5,733	1,625	5,115
Changes in assets and liabilities:			
Increase in inventory	(6,874)	(1,948)	-
Decrease (increase) in other receivables	705	200	(286)
Decrease in trade receivables	143	41	-
Increase in other payables	259	73	2,406
Increase (decrease) in trade payables	5,052	1,431	(52)
Decrease in other long term liabilities	(160)	(45)	-
Net cash used in operating activities	(37,599)	(10,655)	(11,317)
Cash flow from investing activities:			
Decrease (increase) in restricted bank deposits	(646)	(183)	503
Development expenditure capitalized as intangible assets	-	-	(13,975)
Acquisition of property plant and equipment	(10,735)	(3,042)	(2,200)
Net cash used in investing activities	(11,381)	(3,225)	(15,672)
Cash flow from financing activities:			
Proceeds from issuance of ordinary shares, net	44,228	12,532	40,109
Exercise of warrants and options	733	208	5,652
Amounts recognized in respect of government grants liability, net	1,506	427	1,521
Net cash provided by financing activities	46,467	13,167	47,282
Increase (decrease) in cash and cash equivalents	(2,513)	(713)	20,293
Cash and cash equivalents at beginning of the period	47,599	13,488	33,811
Effect of exchange rate fluctuations on cash and cash equivalents	(2,821)	(799)	(580)
Cash and cash equivalents at end of period	42,265	11,976	53,524
Non-cash transactions:			
Property plant and equipment acquired on credit	206	58	49
Intangible assets acquired on credit	-	-	135

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

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

Note 1 – General**A. Reporting entity**

Nano Dimension Ltd. (the “Company”) is an Israeli resident company incorporated in Israel. The address of the Company’s registered office is 2 Ilan Ramon St., Ness Ziona, Israel. The unaudited condensed consolidated interim financial statements of the Company as of September 30, 2017, comprise the Company and its subsidiaries in Israel and in the United States (together referred to as the “Group”). The Company engages, by means of the subsidiary Nano Dimension Technologies Ltd. (“Nano-Technologies”), in the development of a three-dimensional (3D) printer and nanotechnology based conductive and dielectric inks, which are supplementary products to the 3D printer. The ordinary shares of the Company are registered for trade on the Tel Aviv Stock Exchange. In addition, since March 2016, the Company’s American Depositary Shares (“ADSs”) have been trading on the Nasdaq Capital Market.

B. Since August 25, 2014, the Company has devoted substantially all of its financial resources to develop its products and has financed its operations primarily through the issuance of equity securities. The amount of the Company’s future net losses will depend, in part, on completing the development of its products, the rate of its future expenditures, its ability to generate significant revenues from the sale of its products, and its ability to obtain funding through the issuance of securities, strategic collaborations or grants. To date, the Group has just begun to commercialize its products and has generated insignificant revenues, mainly from operating leases of its 3D printers. The Group’s ability to generate revenue and achieve profitability depends on its ability to successfully complete the development of, and to commercialize, its products. The Group was able to obtain funding thus far and believes it has enough resources to fund its operations in the foreseeable future.

C. Material events in the reporting period

On May 17, 2017, the Company announced that it signed a private placement agreement with Ayalim Trust Funds, an Israeli institutional investor. As a part of these transactions, the Company issued an aggregate of 3,430,000 ordinary shares at a price per share of NIS 4.2. The total (gross) consideration to the Company was approximately NIS 14.4 million (approximately \$4 million).

On June 1, 2017, the Company announced that it signed private placement agreements with Israeli and other non-U.S. investors. As a part of these transactions, the Company issued an aggregate of 4,044,050 ordinary shares at a price per share of NIS 4.2. The total (gross) consideration to the Company was approximately NIS 17 million (approximately \$4.7 million).

On June 14, 2017, the Company announced that it signed private placement agreements with several Israeli investors. As a part of these transactions, the Company issued an aggregate of 4,078,759 ordinary shares at a price per share of NIS 4.2. The total (gross) consideration to the Company was approximately NIS 17.13 million (approximately \$4.8 million).

The total (net) consideration to the Company for the above mentioned placements was approximately NIS 44.2 million (approximately \$12.5 million).

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

Note 2 - Basis of Preparation

A. Statement of compliance

These unaudited condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting* and do not include all of the information required for full annual financial statements. They should be read in conjunction with the financial statements as of and for the year ended December 31, 2016 (the "Annual Financial Statements").

These condensed consolidated interim financial statements were authorized for issue by the Company's Board of Directors on February 13, 2018.

B. Use of estimates and judgments

The preparation of financial statements in conformity with International Financial Reporting Standards ("IFRS") requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgments made by management in applying the Group's accounting policies and the principal assumptions used in the estimation of uncertainty were the same as those that applied to the Annual Financial Statements.

C. Convenience translation into U.S. dollars

For the convenience of the reader, the reported NIS figures as of September 30, 2017 and for the nine month period then ended, have been presented in dollars, translated at the representative rate of exchange as of September 30, 2017 (NIS 3.529 = \$1.00). The dollar amounts presented in these financial statements should not be construed as representing amounts that are receivable or payable in dollars or convertible into dollars, unless otherwise indicated.

Below are details regarding the exchange rate of the U.S. dollar ("Dollar" or "\$"):

	<u>Dollar</u>
September 30, 2017	3.529
December 31, 2016	3.845
September 30, 2016	3.758
Change in percentages:	
Nine month ended September 30, 2017	(8.22)
Year ended December 31, 2016	(1.46)
Nine month ended September 30, 2016	(3.69)

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

Note 3 - Significant Accounting Policies

The accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its annual financial statements.

Presented hereunder is a description of the changes in accounting policies applied in these condensed consolidated interim financial statements:

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is based on the first-in first-out (FIFO) principle, and includes expenditure incurred in acquiring the inventories and the costs incurred in bringing them to their existing location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

A. New standards and interpretations not yet adopted**IFRS 16, Leases**

Further to that mentioned in the disclosure on new standards and interpretations not yet adopted in the note regarding significant accounting policies in the Annual Financial Statements, the Group has not yet commenced examining the effects of adopting IFRS 16 on the financial statements and has no plans for early application.

Note 4 - Contingent Liabilities

Presented hereunder are details of material changes in contingent liabilities and provisions, if any.

On March 19, 2015, a claim was filed seeking damages in the amount of NIS 20,000,000 against the Company, Nano-Technologies, shareholders of the Company, officers and employees of the Group (together, the "Defendants"). The claim was filed by a third party (the "Plaintiff") alleging that commercial secrets and technology that were developed by the Original Defendants in the field of 3-D printing were misappropriated, allegedly, through an officer and an additional employee of the Group that were employed by the Plaintiff in the past. In addition, the Plaintiff sought, among others, to order the Defendants, if the claim was accepted, to cease to make use of the allegedly misappropriated know-how and technology, and assign the rights to certain patents and patent applications owned by the Group to the Plaintiff.

On March 20, 2017, the Company announced that the Company and the Plaintiff reached a settlement agreement. As a part of the settlement agreement, the parties agreed that the legal proceedings will end, and the lawsuit against the Company will be dismissed, without any material effect on the Company's activity. On March 19, 2017, the court approved the dismissal of the lawsuit.

Note 5 - Share-Based Payments

During the reporting period, the Company issued 125,000 restricted ordinary shares (25,000 ADSs) to service providers and options to purchase 1,457,334 ordinary shares to employees, directors and service providers. The total aggregate fair value of the ordinary shares and options as of the grant date was NIS 4,803,776.

The grant date fair value of the options granted was measured based on the Black-Scholes option pricing model.

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

Note 5 - Share-Based Payments (cont'd)

The following are the data used in determining the fair value of the options:

Range of share price (NIS)	4.66 – 4.77
Range of exercise price (NIS)	1.65 - 7.63
Range of expected share price volatility	40.30% - 55.29%
Range of estimated life (years)	1.5 – 7
Range of vesting period (years)	0 - 3
Range of weighted average of risk-free interest rate	0.98% - 1.55%
Expected dividend yield	--

Note 6 – Events after the Reporting Period

After the reporting period, in November 2017, the Company issued options to purchase 710,000 ordinary shares to employees at exercise prices between NIS 3.43 and NIS 5.5 per share.

After the reporting period, in January 2018, the Company issued options to purchase 825,000 ordinary shares to officers of the Company at an exercise price of NIS 5.5 per share.

[\(Back To Top\)](#)

Section 3: EX-99.2 (MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS)

Exhibit 99.2

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

For the Nine Months Ended September 30, 2017

Cautionary Statement Regarding Forward-Looking Statements

Certain information included herein may be deemed to be “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995 and other securities laws. Forward-looking statements are often characterized by the use of forward-looking terminology such as “may,” “will,” “expect,” “anticipate,” “estimate,” “continue,” “believe,” “should,” “intend,” “project” or other similar words, but are not the only way these statements are identified. These forward-looking statements may include, but are not limited to, statements relating to our objectives, plans and strategies, expansion of marketing and channel activities, converting prospects to customers, statements that contain projections of expected market size, results of operations or of financial condition, expected capital needs and expenses, statements relating to the research, development, completion and use of our products, and all statements (other than statements of historical facts) that address activities, events or developments that we intend, expect, project, believe or anticipate will or may occur in the future. Forward-looking statements are not guarantees of future performance and are subject to risks and uncertainties. We have based these forward-looking statements on assumptions and assessments made by our management in light of their experience and their perception of historical trends, current conditions, expected future developments and other factors they believe to be appropriate.

Important factors that could cause actual results, developments and business decisions to differ materially from those anticipated in these forward-looking statements include, among other things:

- the overall global economic environment;
- the impact of competition and new technologies;
- general market, political and economic conditions in the countries in which we operate;
- projected capital expenditures and liquidity;

- changes in our strategy; and
- litigation.

The foregoing list is intended to identify only certain of the principal factors that could cause actual results to differ. For a more detailed description of the risks and uncertainties affecting our company, reference is made to our Annual Report on Form 20-F for the year ended December 31, 2016, or our Annual Report, which is on file with the Securities and Exchange Commission, or the SEC, and the other risk factors discussed from time to time by our company in reports filed or furnished to the SEC.

Except as otherwise required by law, we undertake no obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

General

Introduction

Unless indicated otherwise by the context, all references in this report to “*Nano Dimension*”, the “*Company*”, “*we*”, “*us*” or “*our*” are to Nano Dimension Ltd. and its subsidiaries. When the following terms and abbreviations appear in the text of this report, they have the meanings indicated below:

- “*dollars*” or “*\$*” means United States dollars; and
- “*NIS*” means New Israeli Shekels.

You should read the following discussion and analysis in conjunction with our unaudited consolidated financial statements for the nine months ended September 30, 2017 and notes thereto, and together with our audited consolidated financial statements for the year ended December 31, 2016 and notes thereto filed with the SEC as part of our Annual Report.

Overview

We are a leading additive electronics provider. We manufacture proprietary three dimensional, or 3D, printers and inks. With our unique 3D printing technology, we are targeting the growing demand for electronic devices that require increasingly sophisticated features and rely on encapsulated sensors, antennas and printed circuit boards. Additive manufacturing industry analysts predict that 3D printed electronics is likely to be the next high-growth application for product innovation, with its market size forecasted to reach \$2.8 billion by 2025.

We began commercializing our first professional grade DragonFly 2020 Pro 3D printer during the fourth quarter of 2017, after successfully completing a year-long beta program with tier-1 users and partners. The first of its kind 3D printer uses our proprietary inks and integrated software to quickly create functional electronics such as multilayered printed circuit boards (PCBs), sensors, conductive geometries, antennas, molded connected devices and other devices for rapid prototyping and custom additive manufacturing of smart products.

Traditionally, electronic circuitry is developed through a back-and-forth process that involves design, trial and error and third-party manufacturer outsourcing. We believe that the traditional process for developing complex and advanced electronics is outdated and in need of a modern technological solution. Until now, 3D printing technology has been unable to offer a solution for the electronics and professional PCB prototype market, mainly because of the difficulty of printing multiple layers of electrically conductive and dielectric materials at high resolution that is suitable for professional electronics. We are the first to develop an integrated solution that includes a 3D printer, inkjet technology and software, that together delivers groundbreaking nano-technology. Our integrated solution is redefining and shaping how connected products are designed and made.

Our DragonFly 2020 Pro 3D printer uses proprietary liquid nano-conductive and dielectric inks that are designed specifically to print multilayered circuitry and 3D electronics. We believe that our DragonFly 2020 Pro 3D printer will obviate the reliance on third-party manufacturers during the development, short run manufacturing and prototyping of smart products, such as multilayered PCBs, sensors, conductive geometries, antennas, molded connected devices and other devices.

As a part of scaling our sales operations, we have recently opened two Customer Experience Centers (CECs), one in Israel and one in the United States. The new CECs are designed to accelerate the adoption of additive manufacturing for electronics development and will also serve as customer and reseller training facilities and sales support centers. We also intend to expand our marketing and channel activities in 2018, including doubling our resellers network and forming alliances with industry leaders.

Financial Highlights

- Total revenues for the nine months ended September 30, 2017 were NIS 1,459,000 (\$414,000), compared to zero in the nine months ended September 30, 2016. The fourth quarter of 2016 was the first quarter in which Nano Dimension generated revenues.
- Net loss for the nine months ended September 30, 2017 was NIS 48,437,000 (\$13,726,000), or NIS 0.88 (\$0.25) per ordinary share, compared to NIS 19,633,000 (\$5,224,000), or NIS 0.52 (\$0.14) per ordinary share, in the nine months ended September 30, 2016. The increase is mainly attributed to the increase in research and development, or R&D, expenses as a result of the cessation of the capitalization of development costs in the fourth quarter of 2016. During the fourth quarter of 2016, we started delivering our products to beta customers and as such, we started to amortize the intangible assets arising from capitalization of development expenses. In subsequent periods, capitalized development expenditure is measured at cost less accumulated amortization and accumulated impairment losses. The estimated useful lives of the capitalized development costs for the current period is 10 years.
- Cash totaled NIS 42,265,000 (\$11,976,000) as of September 30, 2017, compared to NIS 47,599,000 (\$12,379,000) on December 31, 2016. The decrease compared to December 31, 2016 mainly reflects the cash used during the nine months ended September 30, 2017 for operations and acquisition of property plant and equipment, less the proceeds received from private placements that occurred in the second quarter of 2017.
- Shareholders' equity totaled NIS 76,501,000 (\$21,677,000) as of September 30, 2017, compared to NIS 74,218,000 (\$19,302,000) as of December 31, 2016.

Critical Accounting Policies

The preparation of financial statements requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. A comprehensive discussion of our critical accounting policies is included in the “Management’s Discussion and Analysis of Financial Condition and Results of Operations” section in our Annual Report.

Results of Operations

The following discussion of our unaudited results of operations for the nine month periods ended September 30, 2017 and 2016, included in the following table, which presents selected financial information data, is based upon our unaudited statements of operations contained in our financial statements for those periods, and the related notes.

Unless otherwise indicated, U.S. dollar convenience translations of NIS amounts presented hereunder for the nine month periods ended September 30, 2017 are translated using the rate of NIS 3.529 to \$1.00, the exchange rate reported by the Bank of Israel on September 30, 2017.

	Nine months ended September 30,		
	2017	2017	2016
	Thousands NIS (Unaudited)	Thousands USD (Unaudited) Convenience translation into US dollars (NIS 3.529 = \$1)	Thousands NIS (Unaudited)
Revenues	1,459	414	--
Cost of revenues	492	140	--
Cost of revenues - amortization of intangible	2,006	568	--
Total cost of revenues	2,498	708	--
Gross loss	(1,039)	(294)	--
Research and development expenses, net	30,930	8,765	6,108
Sales, marketing and general and administrative expenses	13,621	3,860	12,975
Operating loss	(45,590)	(12,919)	(19,083)
Finance income	44	12	--
Finance expense	2,891	819	550
Total comprehensive loss	(48,437)	(13,726)	(19,633)
Basic and diluted loss per share (in NIS/USD)	(0.88)	(0.25)	(0.52)
Basic and diluted loss per ADS (in NIS/USD)	(4.42)	(1.25)	(2.6)

Nine Months Ended September 30, 2017 Compared with Nine Months Ended September 30, 2016

Revenues. Our revenues are derived primarily from lease of printers to beta customers and from ink deliveries to those customers. Total revenues for the nine months ended September 30, 2017 were NIS 1,459,000 (\$414,000), compared to zero in the nine months ended September 30, 2016. The fourth quarter of 2016 was the first quarter in which Nano Dimension generated revenues.

Cost of Revenues. Cost of revenues consists of depreciation of the leased printers, cost of maintenance, and ink costs, as well as amortization of intangible assets. In the fourth quarter of 2016, we began to amortize the intangible asset arising from capitalization of development expenses. The estimated useful lives of the capitalized development costs for the current period is 10 years. Our cost of revenues for the nine months ended September 30, 2017 were NIS 2,498,000 (\$708,000), compared to zero in the nine months ended September 30, 2016. Cost of revenues for the nine months ended September 30, 2017 consists of NIS 492,000 (\$140,000) in respect of depreciation of the leased printers, cost of maintenance, and ink costs, and an additional NIS 2,006,000 (\$568,000) in respect of amortization of intangible assets. We did not have cost of revenues in prior years.

Research and Development. R&D, expenses consist primarily of salaries of employees engaged in on-going research and development activities, materials, rent, and other related costs. R&D expenses for the nine months ended September 30, 2017 were NIS 30,930,000 (\$8,765,000), compared to NIS 6,108,000 (\$1,625,000) in the nine months ended September 30, 2016. The increase is mostly a result of the cessation of the capitalization of development costs in the fourth quarter of 2016. The R&D expenses for the nine months ended September 30, 2017 are presented net of government grants in the amount of NIS 535,000 (\$152,000).

Sales, marketing and general and administrative. Sales, marketing and general and administrative expenses consist primarily of professional services expenses, salaries of sales, marketing and general and administrative employees, travel and related expenses, directors fees, and other administrative costs. Sales, marketing and general and administrative expenses for the nine months ended September 30, 2017 were NIS 13,621,000 (\$3,860,000), compared to NIS 12,975,000 (\$3,453,000) in the nine months ended September 30, 2016. The increase resulted primarily from an increase in payroll and related expenses.

Finance income and Finance expense. Finance income and expenses consist of bank fees, revaluation of liability in respect of government grants, and exchange rate differences. Finance expenses, net, for the nine months ended September 30, 2017 were NIS 2,847,000 (\$807,000), compared to NIS 550,000 (\$146,000) in the nine months ended September 30, 2016. The increase resulted primarily from an increase in exchange rate differences.

Operating Loss. Based on the foregoing, we recorded an operating loss of NIS 45,590,000 (\$12,919,000) for the nine months ended September 30, 2017, compared to NIS 19,083,000 (\$5,078,000) in the nine months ended September 30, 2016.

Net Loss. Net loss for the nine months ended September 30, 2017 was NIS 48,437,000 (\$13,726,000), or NIS 0.88 (\$0.25) per ordinary share, compared to NIS 19,633,000 (\$5,224,000), or NIS 0.52 (\$0.14) per ordinary share, in the nine months ended September 30, 2016. The increase is mainly attributed to the increase in R&D expenses as described above.

Liquidity and Capital Resources

From August 2014 through September 30, 2017, we have funded our operations principally with NIS 150,828,000 (\$40,256,000) from the issuance of ordinary shares and warrants. As of September 30, 2017, we had NIS 42,265,000 (\$11,976,000) in cash and cash equivalents.

The table below presents our cash flows:

	Nine Month Periods Ended September 30,		
	2017	2017	2016
	Thousands NIS (Unaudited)	Thousands USD (Unaudited) Convenience translation into US dollars (NIS 3.529 = \$1)	Thousands NIS (Unaudited)
Net cash used in operating activities	(37,599)	(10,655)	(11,317)
Net cash used in investing activities	(11,381)	(3,225)	(15,672)
Net cash provided by financing activities	46,467	13,167	47,282

Net cash used in operating activities of NIS 37,599,000 (\$10,655,000) during the nine months ended September 30, 2017 consists primarily of net loss, increase in trade payables and increase in inventory. The increase compared to NIS 11,317,000 (\$3,011,000) in the nine months ended September 30, 2016 is mainly as a result of the cessation of the capitalization of development costs in the fourth quarter of 2016 and increase in inventory during the nine months ended September 30, 2017.

Net cash used in investing activities of NIS 11,381,000 (\$3,225,000) during the nine months ended September 30, 2017 primarily reflects acquisition of property plant and equipment. The decrease compared to NIS 15,672,000 (\$4,170,000) in the nine months ended September 30, 2016 is mainly as a result of as a result of the cessation of the capitalization of development costs in the fourth quarter of 2016.

Net cash provided by financing activities of NIS 46,467,000 (\$13,167,000) during the nine months ended September 30, 2017 consisted primarily of NIS 44,228,000 (\$12,532,000) of net proceeds from the issuance of ordinary shares. The net cash provided by financing activities in the nine months ended September 30, 2016 of NIS 47,282,000 (\$12,582,000) consisted primarily of net proceeds from the issuance of ordinary shares.

Outlook

We have financed our operations to date primarily through proceeds from issuance of our ordinary shares. We have incurred losses and generated negative cash flows from operations since 2012. To date, we have generated insignificant revenues from the sale and lease of our products. In the second half of 2017, we ended our beta plan and started commercial sales of our 3D printer and ink products.

In light of our cash balances and other factors, including our ability to generate cash from operations, we believe that our existing capital resources will be adequate to satisfy our working capital and capital expenditure requirements for a period of no less than the next 12 months. However, we expect that we will require additional capital to support our commercialization efforts.

In addition, our operating plans may change as a result of many factors that may currently be unknown to us, and we may need to seek additional funds sooner than planned. Our future capital requirements will depend on many factors, including:

- the progress and costs of our research and development activities;
- the progress in the launch of the commercial version of our DragonFly 2020 3D printer;
- the costs of manufacturing our 3D printer and ink products;
- the costs of filing, prosecuting, enforcing and defending patent claims and other intellectual property rights;
- the potential costs of contracting with third parties to provide marketing and distribution services for us or for building such capacities internally; and
- the magnitude of our general and administrative expenses.

Until we can generate significant recurring revenues, we expect to satisfy our future cash needs through debt or equity financings. We cannot be certain that additional funding will be available to us on acceptable terms, if at all. If funds are not available, we may be required to delay, reduce the scope of, or eliminate research or development plans for, or commercialization efforts with respect to our products. This may raise substantial doubts about our ability to continue as a going concern.