

NASUS PHARMA LTD.

INVESTMENT POLICY

As adopted on: August 14, 2025

I. Purpose

The purpose of this policy (the “**Policy**”) is to establish guidelines for the investment of excess cash balances of Nasus Pharma Ltd. (the “**Company**”). Excess cash balances are defined as cash not required for daily operating needs.

II. Investment Objectives

The objectives of this Policy are:

1. Preservation of Capital;
2. Providing liquidity in accordance with this Policy and the cash flow requirements of the Company: Investment in bonds that offer excellent liquidity (size of issue, spread bid/ask, no proprietary offering);
3. Obtaining a fair rate of return (relative to market conditions from time to time) outperform benchmark: Striving to obtain higher returns with less risk;
4. Maximize current income: Higher coupon bonds for the reduction of volatility;
5. Diversification: Reduction of risk and improvement of returns; and
6. U.S. Investment Company Act of 1940 compliance: Ensuring that the Company is not deemed to be an “investment company”.

III. Responsibilities

1. The audit committee of the Company’s Board of Directors (the “**Audit Committee**”) shall be the corporate body with ultimate oversight under this Policy (subject to the oversight of the Board, as defined below, as required under applicable law). The Audit Committee shall review and approve this Policy before its initial implementation.
2. The Audit Committee, working with the Chief Financial Officer of the Company (the “**CFO**”), shall oversee the implementation of and adherence to this Policy.
3. Subject to consultation with the Audit Committee, the CFO shall be responsible for the day-to-day implementation of and adherence to this Policy.
4. The CFO will review this Policy at least annually and propose modifications as necessary. To the extent applicable, the CFO shall perform financial statement calculations required under this Policy at least semi-annually.

5. Any changes to this Policy shall be brought to the attention of and be subject to approval of the Audit Committee.
6. The Company may employ the services of one or more investment management firms or advisors (an “**Investment Manager**”) to direct or manage a portion or all of the investment activities of the Company consistent with the guidelines set forth in this Policy. The engagement of any Investment Manager shall be approved by the Audit Committee.
7. The Company shall not (directly or through majority-owned or controlled subsidiaries) engage in, or hold itself out as being engaged in, the business of investing, reinvesting or trading in securities.

IV. Investment Parameters

1. Credit Quality

All portfolio holdings are subject to the following minimum credit rating by at least one major rating agency: (Moody’s, Standard & Poor’s, Fitch).

- All U.S. bank deposits must be in a FDIC Insured bank (U.S. Government backed);
- All Israeli bank deposits must be in a large Israeli bank.
- Commercial papers - A1 (S&P);
- Corporate Bonds - A (S&P);
- Floating Rate Securities - A (S&P);
- Municipal Securities - AA (S&P);
- Any investment in a money market must be rated “AAA”; and
- Any investment in Israeli banks must be rated “BBB” and higher.

2. Concentration Limits

Investments in any one issuer shall not exceed US \$2 million or 10% of the total cash, cash equivalents and marketable securities of the Company at any given time.

3. Investment Limitations—Research and Development

To the extent that the Company is deemed to be a research and development company (i.e., research and development expenses are a substantial percentage of total expense for the past four fiscal quarters) then the following limitations shall apply:

- All investments must be made for the purpose of conserving capital and liquidity until the funds are used in the Company’s primary business, except that:

- Up to 10% of the Company’s assets may be invested in securities for other purposes; or
 - Up to 25% of the Company’s assets may be invested in securities for other purposes, provided that at least 75% of such investments are investments made pursuant to a collaborative research and development arrangement involving the Company and the investee.
- The net income derived from the Company’s investments in securities, for the last four fiscal quarters combined, may not exceed twice the amount of the Company’s research and development expenses for the same period; and
 - Expenses related to the Company’s investment advisory and management activities, investment research and custody, for the last four fiscal quarters, combined, may not exceed 5% of the Company’s total expenses for the same period.
4. Investment Limitations—General

In the event the Company does not qualify as a research and development company (above) or under another exemption under the Investment Company Act of 1940, then the value of its investment securities may not exceed 40% of the Company’s total assets (exclusive of U.S. Government Securities, cash and cash equivalents), on an unconsolidated basis.

5. Notwithstanding anything to the contrary herein, the Company’s board of directors (the “**Board**”), in its sole discretion, may approve *ad-hoc* investments which exceed the limitations set forth in this Policy, provided that the Board determines that it is advisable and in the best interest of the Company; and *provided further* that investments by the Company which are in the ordinary course of its business and/or are entered into for the *bona fide* purpose of enhancement of the Company’s portfolio of technologies and products (including those of its subsidiaries), shall not be deemed to be an “investment of excess cash balances”.

V. Allowable Securities

The following instruments are approved for inclusion in the Company’s investment portfolio:

1. U.S. Government Securities (US Treasury and US Government Agency; Obligations), which carry the direct or implied guarantee of the U.S. government including notes, discount notes, medium term notes and floating rate notes;
2. Government Bonds nominated in USD in highly rated countries (at least A2/A by Moody’s/ S&P);
3. Money Market Funds that offer the Company the ability to effect daily purchases and redemptions, and that maintain a constant net asset value (“NAV”) of at least \$1.00. These money market funds must be AAA rated by at least two of the major rating agencies;

4. Bank Deposits in insured banks by the US Government through the Federal Deposit Insurance Corporation (FDIC) are acceptable. Israeli Bank deposits are permissible; and
5. Corporate Debt Securities, including commercial paper, corporate notes and corporate bonds. (Corporate debt securities and many non-U.S. government bonds are treated as investment securities for the calculation under Section IV-4 of this Policy.)

VI. Maximum Maturity and Liquidity

1. Any investment held in the Company's investment portfolio should not exceed a maximum maturity of 24 months. In addition, the average term (duration) of all instruments held in the Company's investment portfolio, as a whole, should not exceed 18 months.
2. This Policy prohibits investment by the Company in any illiquid issues.

VII. Communication Regarding Investment Downgrades

1. Any Investment Manager engaged by the CFO for purposes of effecting investments on behalf of the Company should be instructed by the CFO to contact him or her immediately upon the occurrence of any of the following:
 - Any adverse or unfavorable shifts in the marketplace;
 - If an issuer of any security held by the Company is placed on "Credit Watch with Negative Implications" and/or on "Negative Outlook" with the possibility of a credit rating downgrade to follow;
 - A decline in any securities credit rating below the minimum credit quality standards stated in this Policy; or
 - Such other changes relating to the Company's investment portfolio that the CFO may deem appropriate for the investment manager or designated investment advisory firm to update the Company.
2. The CFO shall report to the Audit Committee as promptly as practicable if an existing investment within the Company's investment portfolio falls below the specified credit quality standards or no longer complies with the other criteria stated in this Policy.

VIII. Prohibition Against Speculative Activities

Any investment not specifically mentioned as an "allowable security" in the Policy is not eligible to be purchased or held in the Company's investment Portfolio.

Examples of non-eligible investments are:

- SIV Commercial Paper

- Auction Rate Securities
- Variable Rate Demand Notes
- Collateralized Debt Obligations
- Asset Backed / Mortgage-Backed Securities

IX. Investment Manager

1. The Company's Investment Manager, if any, will meet the CFO no less than annually and be available for regular telephone contact.
2. The Investment Manager, if any, will provide an electronic platform (clear analytics), so the Company will have immediate access to view the portfolio as well as monthly statements.

X. Custody of Assets

1. The Company's assets must be held in segregated accounts. The assets may not be comingled with the bank's assets or with the assets of any other bank client.
2. The Company's assets must be held in a custody account that is Securities Investor Protection Corporation insured.
