SPO GLOBAL INC.
CONSOLIDATED BALANCE SHEETS
U.S. dollars in thousands (except share and per share data)

		June 30, 2015		December 31, 2014
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	$	100	$	2
Accounts receivable		-		139
Prepaid expenses and other accounts receivable		145		300
		245		441
LONG TERM ASSETS				
Severance pay fund		166		159
PROPERTY AND EQUIPMENT, NET		27		31
Total assets	$	438	$	631
LIABILITIES AND STOCKHOLDERS' DEFICIENCY				
Current Liabilities				
Short-term loans	$	2,256	$	2,185
Trade payables		46		67
Employees and Payroll accruals		951		848
Accrued expenses and other liabilities		552		512
		3,805		3,612
Long-Term Liabilities				
Accrued severance pay		267		258
		267		258
COMMITMENTS AND CONTINGENT LIABILITIES				
STOCKHOLDERS' DEFICIENCY				
Preferred stock $0.01 par value Authorized - 2,000,000 shares, issued and outstanding - 100 Series A shares at March 31, 2015 and December 31, 2014, respectively	(*)	-	(*)	-
Common stock $0.01 par value- Authorized - 100,000,000 shares, issued and outstanding - 7,039,679 and 6,418,368 shares as at March 31, 2015 and December 31, 2014, respectively		70		64
Additional paid-in capital		18,973		18,974
Accumulated deficit		(22,677)		(22,277)
		(3,634)		(3,239)
Total liabilities and stockholders' deficiency	$	438	$	631

(*) Less than $1

These financial statements have not been subjected to an audit or review or compilation engagement, and no assurance is provided on them.

SPO GLOBAL INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
U.S. dollars in thousands (except share and per share data)

	Three Months ended June 30,		Six Months ended June 30,	
	2015	2014	2015	2014
Revenues	$ 122	$ 22	$ 527	$ 50
Cost of revenues	115	-	409	2
Gross profit	7	22	118	48
Operating expenses				
Research and development	0	-	5	6
Selling and marketing	1	16	18	32
General and administrative	111	115	250	236
Total operating expenses	112	131	273	274
Operating loss	(105)	(109)	(155)	(226)
Bad debts	(47)	-	(47)	-
Financial expense, net	(129)	(92)	(198)	(148)
Net loss for the period	$ (281)	$ (201)	$ (400)	$ (374)
Basic and diluted loss per share	$ (0.04)	$ (0.03)	$ (0.06)	$ (0.07)
Weighted average number of shares outstanding used in computation of basic loss per share	7,039,679	5,931,176	6,915,717	5,726,514

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SPO GLOBAL INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
U.S. dollars in thousands (except share and per share data)

	Six Months ended June 30, 2015		Six Months ended June 30, 2014	
Cash Flows from Operating Activities				
Net Loss for the period	$	(400)	$	(374)
Adjustments to reconcile loss to net cash provided by (used in) operating activities:				
Depreciation		4		2
Non-cash expenses related to convertible debt		33		28
Non-cash expense related to warrants to issue shares		2		-
Changes in assets and liabilities:				
Increase in accrued interest payable on loans		77		58
Decrease in accounts receivable		139		-
Decrease (increase) in prepaid expenses and other receivables		155		(152)
(Decrease) in trade payables		(21)		(1)
Increase in accrued severance pay, net		2		8
Increase in accrued expenses and other liabilities		143		107
Net cash provided by (used in) operating activities		134		(324)
Cash Flows from Financing Activities				
Proceeds from loans		200		175
Payments of loans		(236)		-
Net cash provided by (used in) financing activities		(36)		175
Increase (decrease) in cash and cash equivalents		98		(149)
Cash and cash equivalents at the beginning of the period		2		286
Cash and cash equivalents at the end of the period	$	100	$	137
Non cash transactions				
Conversion of convertible debt to shares	$	3	$	13
Supplemental Disclosure of Cash Flow Information:				
Cash paid during the period for:				
Interest	$	53	$	59

These financial statements have not been subjected to an audit or review or compilation engagement, and no assurance is provided on them.

SPO GLOBAL INC.
NOTES TO THE FINANCIAL STATEMENTS
U.S. dollars in thousands (except share data)

NOTE 1 GENERAL

SPO Global Inc. (hereinafter referred to as "SPO" or the "Company") is engaged in the design, development and marketing of non-invasive pulse oximetry technologies to measure blood oxygen saturation and heart rate. The applications are marketed in the following sectors; professional medical care, homecare, sports, safety and search & rescue.

The Company was originally incorporated under the laws of the State of Delaware in September 1981 under the name "Applied DNA Systems, Inc." On November 16, 1994, the Company changed its name to "Nu-Tech Bio-Med, Inc." On December 23, 1998, the Company changed its name to "United Diagnostic, Inc." Effective April 21, 2005, the Company acquired (the "Acquisition Transaction") 100% of the outstanding capital stock of SPO Medical Equipment Ltd., a company incorporated under the laws of the State of Israel ("SPO Ltd."), pursuant to a Capital Stock Exchange Agreement dated as of February 28, 2005 between the Company, SPO Ltd. and the shareholders of SPO Ltd., as amended and restated on April 21, 2005 (the "Exchange Agreement"). In exchange for the outstanding capital stock of SPO Ltd., the Company issued to the former shareholders of SPO Ltd. a total of 5,769,106 shares of the Company's common stock, par value $0.01 per share ("Common Stock"), representing approximately 90% of the Common Stock then issued and outstanding after giving effect to the Acquisition Transaction. As a result of the Acquisition Transaction, SPO Ltd. became a wholly owned subsidiary of the Company as of April 21, 2005 and, subsequent to the Acquisition Transaction, the Company changed its name to "SPO Medical Inc." Upon consummation of the Acquisition Transaction, the Company effectuated a forward subdivision of the Company's Common Stock issued and outstanding on a 2.65285:1 basis.

The merger between UNDI and the SPO Ltd was accounted for as a reverse merger. As the shareholders of SPO Ltd received the largest ownership interest in the Company, SPO Ltd was determined to be the "accounting acquirer" in the reverse acquisition. As a result, the historical financial statements of the Company were replaced with the historical financial statements of the SPO Ltd.

The Company and its subsidiary, SPO Ltd., are collectively referred to as the "Company". In January 2010, the Company restructured its operations to focus primarily on licensing its core technology for non-medical market applications. Following the restructure, the Company ceased its previous operations associated with the distribution of the PulseOx line in the medical field. In February 2011, the Company transferred research and development activities to subcontractors, thereby ceasing all internal research and development activities.

Effective October 4, 2013, the Company changed its corporate name to “SPO Global Inc”.

The Company implemented a 1-for-20 reverse stock split on October 7, 2013. All share and per share amounts and calculations in these financial statements have been retroactively adjusted to reflect the effects of the reverse stock split.

NOTE 2 GOING CONCERN

As reflected in the accompanying financial statements, the Company’s operations for the period ended June 30, 2015, resulted in a net loss of $400 and the Company’s balance sheet reflects a net stockholders’ deficit of $3,634. The Company’s ability to continue operating as a “going concern” is dependent on its ability to raise sufficient additional working capital. These matters raise substantial doubt about the Company’s ability to continue as a going concern. The financial statements have been prepared on a going concern basis, which contemplates realization of assets and liquidation of liabilities in the ordinary course of business. As disclosed in previous filings with the Securities and Exchange Commission, management has been attempting to raise additional cash from current and potential stockholders and plans to continue these efforts. There can be no assurance that this capital will be available and if it is not, the Company may be forced to substantially curtail or cease operations. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

NOTE 3 SIGNIFICANT ACCOUNTING POLICIES

The accompanying unaudited condensed consolidated interim financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America for interim financial information and with Rule 8-03 of Regulation S-X. These financial statements reflect all adjustments, consisting of normal recurring adjustments and accruals, which are, in the opinion of management, necessary for a fair presentation of the financial position of the Company as of June 30, 2015 and the results of operations and cash flows for the interim periods indicated in conformity with generally accepted accounting principles applicable to interim periods. Accordingly, certain information and footnote disclosures normally included in annual financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted. Operating results for the six months ended June 30, 2015, are not necessarily indicative of the results that may be expected for the year ending December 31, 2015.

NOTE 4 PROPERTY AND EQUIPMENT, NET

	June 30, 2015	December 31, 2014
Cost:		
Office furniture, equipment, and molds	$ 14	$ 21
Automobile	$ 23	$ 23
Less accumulated depreciation:	$ 10	$ 13
Property and Equipment, net	$ 27	$ 31

Depreciation expense for the period ended June 30, 2015 amounted to $4. The Company disposed of fully depreciated office furniture and equipment in the amount of approximately $7.

NOTE 5 LOANS

On May 15, 2015, the Company entered into a convertible loan agreement with an investor pursuant to which the Company received a loan in the principal amount of $125 to be used for order financing. The principle amount of the loan is repayable by November 30, 2015. The note bears interest at a per annum rate of 8%. The principal and accrued interest is convertible to common stock of the Company at a conversion price of $0.10. The loan may be pre-paid, at the option of the Company, without notice or penalty. If the loan is not repaid by the scheduled maturity date, the principle amount of the loan shall begin to accrue interest at a rate of 10% per annum from the maturity date until repayment in full. Warrants to purchase 125,000 shares with an exercise price of $0.15 were issued in conjunction with the financing. The fair value of the warrants was calculated using Black-Scholes and the following assumptions, estimated life of 3 years, volatility of 175%, risk free interest rate of 0.01%, and dividend yield of 0%.

On May 21, 2015, the Company entered into a convertible loan agreement with an investor pursuant to which the Company received a loan in the principal amount of $75 to be used for order financing. The principle amount of the loan is repayable by October 1, 2015. The note bears interest at a per annum rate of 8%. The principal and accrued interest is convertible to common stock of the Company at a conversion price of $0.10. The loan may be pre-paid, at the option of the Company, without notice or penalty. If the loan is not repaid by the scheduled maturity date, the principle amount of the loan shall begin to accrue interest at a rate of 10% per annum from the maturity date until repayment in full. Warrants to purchase 75,000 shares with an exercise price of $0.15 were issued in conjunction with the financing. The fair value of the warrants was calculated using Black-Scholes and the following assumptions, estimated life of 3 years, volatility of 175%, risk free interest rate of 0.01%, and dividend yield of 0%.

NOTE 6 CAPITAL TRANSACTIONS

During the period ended June 30, 2015, the Company issued 621,311 shares of its common stock upon conversion of $3 in principal of convertible promissory notes.