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 of the
Securities Exchange Act of 1934

For the month of August 2022

Commission File Number: 001-36581

Vascular Biogenics Ltd.
(Translation of registrant's name into English)

8 HaSatat St
Modi'in
Israel 7178106
(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover 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 Regulation S-T Rule 101(b)(1): ☐

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

On August 15, 2022, Vascular Biogenics Ltd ("VBL") issued a press release announcing financial results for the second quarter ended June 30, 2022, which press release is furnished as Exhibit 99.1 to this Report of Foreign Private Issuer on Form 6-K. Also filed as Exhibits 99.2 and 99.3 to this Report of Foreign Private Issuer on Form 6-K are VBL's unaudited condensed consolidated interim financial statements as of June 30, 2022 and for the three and six months ended June 30, 2022 and 2021 and a discussion of its operating and financial review and prospects for the second quarter ended June 30, 2022.

Exhibits 99.2 and 99.3 to this Report of Foreign Private Issuer on Form 6-K shall be incorporated by reference into VBL's registration statements on Form F-3 (File No. 333-251821 and 333-238834), filed with the Securities and Exchange Commission (the "SEC") on December 30, 2020 and April 19, 2021, respectively, to the extent not superseded by information subsequently filed or furnished (to the extent VBL expressly states that it incorporates such furnished information by reference) by VBL under the Securities Act of 1933, as amended (the "Act"), or the Securities Exchange Act of 1934, as amended (the "Exchange Act").

Exhibits

Exhibit No.	Description
99.1*	Press Release, dated August 15, 2022
99.2	Unaudited Condensed Consolidated Interim Financial Statements as of June 30, 2022 and for the Three and Six Months ended June 30, 2022 and 2021
99.3	Operating and Financial Review and Prospects
101.INS XBRL	Instance Document
101.SCH XBRL	Taxonomy Extension Schema Document
101.CAL XBRL	Taxonomy Extension Calculation Linkbase Document
101.DEF XBRL	Taxonomy Extension Definition Linkbase Document
101.LAB XBRL	Taxonomy Extension Label Linkbase Document
101.PRE XBRL	Taxonomy Extension Presentation Linkbase Document

* Furnished not filed

SIGNATURE

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.

VASCULAR BIOGENICS LTD.

Date: August 15, 2022

By: */s/ Dror Harats*
Name: Dror Harats
Title: Chief Executive Officer

Exhibit 99.1

VBL Therapeutics Announces Second Quarter 2022 Financial Results and Corporate Process to Explore Strategic Options

Exploring strategic options to maximize shareholder value; engaged Chardan as financial advisor

TEL AVIV, Israel and NEW YORK, August 15, 2022 (GLOBE NEWSWIRE) — VBL Therapeutics (Nasdaq: VBLT), a biotechnology company developing targeted medicines for immune-inflammatory diseases, today announced financial results for the second quarter ended June 30, 2022 and provided a corporate update.

"Following our announcement in July that the Phase 3 OVAL trial evaluating ofra-vec did not meet its primary endpoints, we began an internal strategic review of our development programs with the goal of maximizing shareholder value," said Dror Harats, M.D., Chief Executive Officer of VBL. "We have taken steps to preserve capital, including the workforce reduction announced earlier in August and ceasing development of ofra-vec in all indications. We see opportunities to create value from our assets including from our Monocyte Targeting Technology (MTT), which offers a novel and differentiated approach to targeting inflammation and our gene therapy manufacturing facility. Our VB-601 program, the first candidate from the MTT program, remains on track and we plan to enter the clinic with this program in the fourth quarter of 2022."

In August 2022, VBL retained Chardan to act as its financial advisor to explore and evaluate strategic options for maximizing shareholder value. Strategic alternatives that may be explored or evaluated as part of this process include the potential for an acquisition, merger, business combination or other strategic transaction or transactions involving VBL. VBL's board of directors has not set a timetable for the conclusion of this review, nor has it made any decisions related to any further actions or potential strategic options at this time. There can be no assurance, however, that this process will result in any such transaction.

Financial Results for the Second Quarter of 2022

- At June 30, 2022, VBL had cash, cash equivalents, short-term bank deposits and restricted bank deposits of $34.5 million. VBL expects that its cash, cash equivalents, short-term bank deposits, and restricted bank deposits will be sufficient to fund currently planned operating expenses and capital expenditures for at least the next 12 months. VBL's review of its strategic options and any transaction resulting from such review may impact this projection.
- For the quarter ended June 30, 2022, VBL reported a net loss of $9.4 million, or ($0.12) per basic share, compared to a net loss of $8.0 million, or ($0.12) per basic share, in the comparable period in 2021.
- For the quarter ended June 30, 2022, total operating expenses were approximately $9.6 million, consisting of $6.7 million in research and development expenses, net, and $2.9 million in general and administrative expenses. This compares with total operating expenses of $8.0 million in the second quarter ended June 30, 2021, which was comprised of $6.6 million in research and development expenses, net, and $1.5 million in general and administrative expenses.
- Subsequent to the end of the second quarter, VBL announced that the OVAL phase 3 study did not meet either primary endpoint. VBL evaluated these subsequent events and determined that no adjustments to the June 30, 2022 financial statements were required as they were not known or expected as of that date. As the results are considered a triggering event, VBL will perform an impairment test on all of its long-lived assets in the third quarter of 2022 that may result in an impairment charge on such assets and potential new liabilities arising from the triggering event.

About VBL Therapeutics

VBL Therapeutics (Nasdaq: VBLT) is developing targeted therapies for immune-inflammatory diseases. VBL's lead immunology product candidate VB-601 is a targeted antibody for immune-inflammatory applications expected to enter Phase 1 this year that has shown disease-modifying activity across multiple preclinical models including multiple sclerosis, rheumatoid arthritis and inflammatory bowel disease. At present, VBL is evaluating options for development of its assets and to maximize shareholder value, which may include partnering and other strategic options. To learn more about VBL, please visit vblrx.com or follow VBL on LinkedIn, Twitter, YouTube or Facebook.

Forward Looking Statements

This press release contains forward-looking statements. All statements other than statements of historical fact are forward-looking statements, which are often indicated by terms such as “anticipate,” “believe,” “could,” “estimate,” “expect,” “goal,” “intend,” “look forward to,” “may,” “plan,” “potential,” “predict,” “project,” “should,” “will,” “would” and similar expressions. These forward-looking statements may include, but are not limited to, statements regarding VBL’s evaluation of strategic alternatives and transactions to maximize shareholder value, VBL’s ability to preserve capital and sufficiency of cash on hand, as well as timing of the initiation of a first-in-human trial for VB-601, and the impairment testing to be conducted in the third quarter, among others. These forward-looking statements are not promises or guarantees and involve substantial risks and uncertainties. Among the factors that could cause actual results to differ materially from those described or projected herein include uncertainties associated generally with the development of pharmaceutical product candidates, and include risks associated with research and development, clinical trials and related regulatory reviews and approvals, the risk that historical clinical trial results may not be predictive of future trial results, that VBL’s financial resources do not last for as long as anticipated, that VBL may not realize the expected benefits of its intellectual property protection, that VBL may not identify any strategic alternatives or if so identified, be able to consummate any such transaction on terms acceptable to VBL and its shareholders, and adequacy of any impairments, among others. A further list and description of these risks, uncertainties and other risks can be found in VBL’s regulatory filings with the U.S. Securities and Exchange Commission (SEC), including in its annual report on Form 20-F for the year ended December 31, 2021, and subsequent filings with the SEC. Existing and prospective investors are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. VBL undertakes no obligation to update or revise the information contained in this press release, whether as a result of new information, future events or circumstances or otherwise.

CONTACT:

Daniel Ferry
LifeSci Advisors
+1 (617) 430-7576
daniel@lifesciadvisors.com

Exhibit 99.2

VASCULAR BIOGENICS LTD.
CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(UNAUDITED)

	June 30, 2022	December 31, 2021
	U.S. dollars in thousands	
ASSETS		
Current assets:		
Cash and cash equivalents	$ 15,060	$ 21,986
Short-term bank deposits	19,087	31,164
Other current assets	1,541	1,697
Total current assets	35,688	54,847
Non-current assets:		
Restricted bank deposits	360	362
Long-term prepaid expenses	147	182
Funds in respect of employee rights upon retirement	369	415
Property, plant and equipment, net	6,978	6,847
Operating lease right-of-use assets	1,777	2,008
Total non-current assets	9,631	9,814
Total assets	**$ 45,319**	**$ 64,661**
LIABILITIES, ORDINARY SHARES SUBJECT TO POSSIBLE REDEMPTION AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accruals:		
Trade	$ 3,336	$ 4,331
Other	4,525	4,408
Deferred revenue	482	658
Current maturity of operating leases liability	466	529
Total current liabilities	$ 8,809	$ 9,926
Non-current liabilities:		
Liability for employee rights upon retirement	527	546
Operating lease liability	1,389	1,823
Other non-current liability	220	188
Total non-current liabilities	2,136	2,557
Total liabilities	**$ 10,945**	**$ 12,483**
Ordinary shares subject to possible redemption, as of June 30, 2022 and December 31, 2021, zero and 615,366 shares, respectively, at redemption value (see note 4)	-	1,598
Shareholders' equity:		
Ordinary shares, NIS 0.01 par value; Authorized as of June 30, 2022 and December 31, 2021, 150,000,000 shares; issued and outstanding as of June 30, 2022 and December 31, 2021 69,348,939 and 68,711,584 shares, respectively (excluding -zero- and 615,366 shares subject to possible redemption, as of June 30, 2022 and December 31, 2021, respectively)	173	171
Additional paid in capital	316,136	309,355
Warrants	-	3,127
Accumulated deficit	(281,935)	(262,073)
Total equity	34,374	50,580
Total liabilities and equity	**$ 45,319**	**$ 64,661**

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

VASCULAR BIOGENICS LTD.
CONDENSED CONSOLIDATED STATEMENTS OF NET LOSS AND COMPREHENSIVE LOSS
(UNAUDITED)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	**2021**	**2022**	**2021**
	U.S. dollars in thousands			
Revenues	$ 64	$ 188	$ 177	$ 373
Cost of revenues	(34)	(89)	(89)	(179)
Gross profit	30	99	88	194
Research and development expenses, net	$ 6,721	$ 6,642	$ 14,181	$ 11,411
General and administrative expenses	2,923	1,481	6,085	3,154
Operating loss	9,614	8,024	20,178	14,371
Financial income	(205)	(3)	(351)	(87)
Financial expenses	25	7	35	27
Financial income, net	(180)	4	(316)	(60)
Net loss and comprehensive loss	$ 9,434	$ 8,028	$ 19,862	$ 14,311
	U.S. dollars			
Loss per share (see note 3)				
Basic and diluted	$ 0.12	$ 0.12	$ 0.26	$ 0.24
	Number of shares			
Weighted average shares outstanding				
Basic and diluted	77,398,939	68,092,953	77,392,922	60,075,863

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

VASCULAR BIOGENICS LTD.
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN
ORDINARY SHARES SUBJECT TO POSSIBLE REDEMPTION AND SHAREHOLDERS' EQUITY
(UNAUDITED)

	Ordinary shares in		Additional paid		Accumulated	Total	Ordinary shares subject to possible redemption	
	shares	Amount	capital	Warrants	deficit	equity	shares	Amount
	U.S. dollars in thousands							
Balance at January 1, 2021	48,187,463	$ 108	$ 252,561	$ 10,401	$ (232,153)	$ 30,917	-	-
Changes for the six months ended June 30, 2021								
Net loss					(14,311)	(14,311)		
Issuance of ordinary shares, net of issuance costs	8,731,790	26	29,693		-	29,719		
Exercised warrants	4,861,906	14	8,879	(1,845)		7,048		
Issuance of ordinary shares subject to possible redemption							615,366	1,598
Share based compensation			884	-	-	884		
Balance at June 30, 2021	61,421,159	$ 148	$ 292,017	$ 8,556	$ (246,464)	$ 54,257	615,366	$ 1,598

	Ordinary shares in		Additional paid		Accumulated	Total	Ordinary shares subject to possible redemption	
	shares	Amount	capital	Warrants	deficit	equity	shares	Amount
	U.S. dollars in thousands							
Balance at January 1, 2022	68,711,584	$ 171	$ 309,355	$ 3,127	$ (262,073)	$ 50,580	615,366	$ 1,598
Changes for the six months ended June 30, 2022								
Net loss					(19,862)	(19,862)		
Expired warrants			3,127	(3,127)	-	-		
Reclassification of redemption shares into ordinary shares	615,366	2	1,596		-	1,598	(615,366)	(1,598)
Share based compensation to employees and service provider	21,989	*	2,058	-	-	2,058		
				-				
Balance at June 30, 2022	**69,348,939**	**$ 173**	**$ 316,136**	$ -	**$ (281,935)**	**$ 34,374**	-	$ -

* less than one thousand dollars

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

VASCULAR BIOGENICS LTD.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

	Six Months Ended June 30,	
	2022	**2021**
	U.S. dollars in thousands	
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (19,862)	$ (14,311)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation	701	599
Interest (income) expenses	(31)	2
Net changes in operating leases	(266)	(48)
Interest expenses on finance lease	-	(2)
Exchange losses on cash and cash equivalents and restricted cash	141	35
Changes in accrued liability for employee rights upon retirement	27	(5)
Share-based compensation	2,058	884
Changes in operating assets and liabilities:		
Decrease in other current assets and long-term prepaid expenses	191	421
Decrease in trade receivables	-	129
Increase (decrease) in accounts payable:		
Trade	(995)	527
Other (including other non-current liability)	160	621
Decrease in deferred revenue	(176)	(325)
Net cash used in operating activities	$ (18,052)	$ (11,473)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property and equipment	$ (843)	$ (406)
Investment in short-term bank deposits	(3,000)	(25,108)
Maturity of short-term bank deposits	15,108	17,085
Net cash (used in) provided by investing activities	$ 11,265	$ (8,429)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from issuance of ordinary shares and warrants	-	31,921
Issuance costs	-	(2,202)
Proceeds from issuance of ordinary shares subject to possible redemption	-	1,598
Proceeds from exercised warrants	-	7,048
Finance lease payments	-	(104)
Net cash provided by financing activities	$ -	$ 38,261
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS AND RESTRICTED CASH	$ (6,787)	$ 18,359
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH AT BEGINNING OF PERIOD	22,348	13,697
EFFECT OF EXCHANGE RATE ON CASH AND CASH EQUIVALENTS AND RESTRICTED CASH	(141)	(35)
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH AT END OF PERIOD	$ 15,420	$ 32,021
SUPPLEMENTARY INFORMATION ON INVESTING AND FINANCING ACTIVITIES NOT INVOLVING CASH FLOWS:		
Right of use assets obtained in exchange for new operating lease liabilities	$ -	$ 230
Purchase of property and equipment in payables	$ (11)	$ -
RECONCILIATION OF CASH, CASH EQUIVALENTS, AND RESTRICTED CASH REPORTED IN THE STATEMENT OF FINANCIAL POSITION		
Cash and cash equivalents	15,060	31,660
Restricted bank deposits included in non-current assets	360	361
Total cash, cash equivalents, and restricted cash shown in the statement of cash flows	$ 15,420	$ 32,021
SUPPLEMENTARY DISCLOSURE ON CASH FLOWS		
Reclassification of ordinary shares subject to possible redemption into ordinary shares	$ 1,598	-
Interest received	$ 86	$ 66
Interest paid	$ -	$ (2)

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

NOTE 1 – GENERAL

Vascular Biogenics Ltd. ("VBL" or the "Company") is a biotechnology company developing targeted medicines for immune-inflammatory diseases. VBL's lead immunology product candidate, VB-601, is a targeted antibody for immune-inflammatory applications expected to enter Phase 1 trials in the fourth quarter of 2022, that has shown disease-modifying activity across multiple preclinical models including multiple sclerosis, rheumatoid arthritis and inflammatory bowel disease.

Since inception, VBL has incurred significant losses, and it expects to continue to incur significant expenses and losses for at least the next several years. As of June 30, 2022, VBL had an accumulated deficit of $281.9 million. VBL's losses may fluctuate significantly from quarter to quarter and year to year, depending on the timing of its clinical trials, the receipt of payments under any future collaboration agreements it may enter into, and its expenditures on other research and development activities.

As of June 30, 2022, VBL had cash, cash equivalents, short-term bank deposits and restricted bank deposits of $34.5 million. Based on its current cash resources, VBL believes its current cash will be sufficient to fund estimated operating expenses and capital expenditure requirements for at least 12 months from the date of the filing of these financial statements. As discussed below, VBL is undertaking a review of its strategic options and any transaction resulting from such review may impact this projection. VBL may seek to raise more capital to pursue additional activities, including through a combination of private and public equity offerings, debt, government grants, strategic collaborations and licensing arrangements. Additional financing may not be available when VBL needs it or may not be available on terms that are favorable to VBL.

In September 2021, VBL established VBL Inc., a U.S. based subsidiary of VBL, and began U.S. operations from this entity beginning in the fourth quarter of 2021.

On July 19, 2022, VBL announced top-line results from its Phase 3 OVAL clinical trial. The trial did not meet the primary endpoints of achieving a statistically significant improvement in progression-free survival ("PFS") or overall survival ("OS") and VBL discontinued the trial. VBL has conducted a strategic review of the ofra-vec program and plans to cease development of ofra-vec in all indications. VBL evaluated these subsequent events and determined that they were non-adjusting to the June 30, 2022 statements of financial position as they were not known or expected as of that date. As the results are considered a triggering event, VBL will perform an impairment test on all of its long-lived assets in the third quarter of 2022 that may result in an impairment charge on such assets and potential new liabilities arising from the triggering event.

On August 2, 2022, VBL announced an organizational streamlining designed to reduce operating expenses and preserve capital. As a result, VBL will reduce its workforce by approximately 35% of VBL's full-time employees. The reduction in workforce, which is expected to be completed in August 2022, is expected to reduce operating expenses and extend VBL's cash runway. As part of the organizational streamlining, Dr. Ron Cohen, Dr. Bennett Shapiro and Ms. Alison Finger resigned from VBL's board of directors, effective August 1, 2022. The resignations did not result from any disagreements with VBL on any matter relating to its operations, policies, or practices. This reduces the number of members of VBL's Board of Directors from nine to six.

In August 2022, VBL announced that it is exploring strategic alternatives to enhance shareholder value and engaged Chardan Capital Markets, LLC ("Chardan") as its exclusive financial advisor to assist in this process. No timetable has been established for the completion of this process, and VBL does not expect to disclose developments unless and until the board of directors has concluded that disclosure is appropriate or required.

NOTE 2 – BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The accompanying unaudited condensed consolidated financial statements of VBL have been prepared in accordance with accounting principles generally accepted in the United States ("GAAP") for interim financial information. Accordingly, they do not include all of the information and notes required by GAAP for annual financial statements. In the opinion of management, all adjustments (of a normal recurring nature) considered necessary for the fair statement of the results for the interim periods presented have been included. Operating results for the interim period are not necessarily indicative of the results that may be expected for the full year.

These unaudited condensed consolidated financial statements should be read in conjunction with the audited financial statements in the Annual Report on Form 20-F for the year ended December 31, 2021, filed by VBL with the U.S. Securities and Exchange Commission (the "Commission") on March 23, 2022. The comparative balance sheet at December 31, 2021 has been derived from the audited financial statements at that date.

NOTE 3 – SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and calculation methods applied in the preparation of the condensed consolidated interim financial statements are consistent with those applied in the preparation of the annual financial statements as of December 31, 2021 and for the year then ended.

Recently issued accounting pronouncements

In March 2020, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2020-04, *"Reference Rate Reform (Topic 848) - Facilitation of the Effects of Reference Rate Reform on Financial Reporting."* In addition, in January 2021, the FASB issued ASU 2021-01, *"Reference Rate Reform (Topic 848) - Scope."* The amendments in these ASUs apply to all entities that have contracts, hedging relationships, and other transactions that reference LIBOR or another reference rate expected to be discontinued because of reference rate reform. Together, these ASUs provide optional expedients and exceptions for applying GAAP to contracts, hedging relationships, and other transactions affected by reference rate reform if certain criteria are met. The expedients and exceptions provided by the amendments do not apply to contract modifications made and hedging relationships entered into or evaluated after December 31, 2022, except for hedging relationships existing as of December 31, 2022, that an entity has elected certain optional expedients for and that are retained through the end of the hedging relationship. These ASUs were effective upon issuance and may be applied prospectively to contract modifications and hedging relationships entered into or evaluated through December 31, 2022. The adoption of this standard did not have material impact on the Company's consolidated financial statements.

Net Loss Per Share

VBL complies with accounting and disclosure requirements of FASB Accounting Standards Codification ("ASC") Topic 260, *"Earnings Per Share."* Basic loss per share of common stock is computed by dividing the net loss by the weighted average number of ordinary shares (including fully vested restricted stock units ("RSUs"), performance stock units ("PSUs") and pre-funded warrants) outstanding during the period. Due to the existence of ordinary shares subject to possible redemption, the Company follows the two-class method in calculating loss per share. In computing diluted earnings per share, basic earnings per share are adjusted to take into account the potential dilution that could occur upon the exercise of options and non-vested RSUs and PSUs, using the treasury stock method.

Accretion associated with the ordinary shares subject to possible redemption is excluded from loss per ordinary share.

Potentially dilutive securities have been excluded from VBL's computation of net loss per share as such securities would have been anti-dilutive. There were 10,459,480 ordinary shares underlying outstanding options and warrants at June 30, 2022, and 17,077,735 ordinary shares underlying outstanding options and warrants at June 30, 2021.

NOTE 4 – SHAREHOLDERS' EQUITY

a. On February 11, 2022, VBL entered into an Open Market Sale Agreement^{SM} with Jefferies LLC ("Jefferies"), to offer and sell from time to time its ordinary shares, NIS 0.01 par value, having an aggregate offering price of up to $50.0 million (the "ATM Facility"). From February 11, 2022 through August 12, 2022, no shares were sold under the ATM Facility.

b. Effective February 13, 2022, the board of directors of VBL approved the adoption of the Inducement Plan (2022) to reserve an additional two million (2,000,000) of VBL's ordinary shares, NIS 0.01 par value per ordinary share, to be exclusively used for grants of awards to individuals who were not previously employees or non-employee directors of VBL (or following a bona fide period of non-employment with VBL), as an inducement material to each such individual's entry into employment with VBL within the meaning of Rule 5635(c)(4) of the Nasdaq Listing Rules (Rule 5635(c)(4)). The Inducement Plan (2022) was approved by the board of directors without shareholder approval pursuant to Nasdaq Listing Rule 5635(c)(4). The term of each option granted under this plan will be determined by the board of directors, but no option shall be exercisable more than 10 years from the date of its grant.

c. In February 2022, the 615,366 shares that were classified as redeemable shares in 2021 were no longer subject to redemption and were classified as shareholders' equity.

NOTE 5 – REVENUE

The revenues recognized for the six months ended June 30, 2022 comprise revenues from the exclusive license agreement for the development, commercialization, and supply of ofra-vec in Japan for all indications (the "NanoCarrier License"). The revenues are recognized according to ASC 606, "*Revenues from Contracts with Customers."*

VBL has identified two performance obligations in the NanoCarrier License: (1) Grant of the license and use of its IP; and (2) VBL's participation and consulting assistance services. In addition, there is a potential performance obligation regarding future manufacturing.

During the six months ended June 30, 2022, VBL recognized revenue of $0.2 million. In light of the determination to discontinue development of ofra-vec in all indications, we do not expect to generate additional revenues from the achievement of new milestones or royalties under this license agreement.

NOTE 6 – SUBSEQUENT EVENTS

See Note 1 for subsequent events to the June 30, 2022 financial statements.

OPERATING AND FINANCIAL REVIEW AND PROSPECTS

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our annual audited consolidated financial statements as of and for the year ended December 31, 2021 (included in our Annual Report of Foreign Private Issuer on Form 20-F for the year ended December 31, 2021 filed with the Securities and Exchange Commission or SEC, on March 23, 2022) and the unaudited condensed consolidated interim financial statements and related notes included in Exhibit 99.2 to this Form 6-K. This discussion contains forward-looking statements that involve risks, uncertainties and assumptions. See "—Cautionary Note Regarding Forward Looking Statements." Our actual results may differ materially from those anticipated in these forward-looking statements as a result of various factors. Our audited financial statements as of and for the year ended December 31, 2021 have been prepared in accordance with U.S. GAAP, and our unaudited condensed consolidated interim financial statements for the three and six months ended June 30, 2022, or the period, included in Exhibit 99.2 to this Form 6-K have been prepared in accordance with U.S. GAAP, "Interim Reporting," or ASC 270. Unless stated otherwise, comparisons included herein are made to the three month and six month period ended on June 30, 2021, or the parallel period. Unless the context requires otherwise, references in this Report on Form 6-K to the "Company", "VBL," "we," "us," and "our" refer to Vascular Biogenics Ltd. and its consolidated subsidiary.

Overview

We are a biopharmaceutical company developing targeted therapies for immune-inflammatory diseases. Our lead immunology product candidate, VB-601, is a targeted antibody for immune-inflammatory applications expected to enter Phase 1 this year that has shown disease-modifying activity across multiple preclinical models including multiple sclerosis, rheumatoid arthritis and inflammatory bowel disease. VB-601 was developed using our monocyte targeting technology, or MTT, and is designed to specifically inhibit monocyte migration.

Recent Developments

On July 19, 2022, we announced top-line results from our Phase 3 OVAL clinical trial. The trial did not meet the primary endpoints of achieving a statistically significant improvement in progression-free survival, or PFS, or overall survival, or OS, and we discontinued the trial. We have conducted a strategic review of the ofra-vec program and plan to cease development of ofra-vec in all indications.

On August 2, 2022, we announced an organizational streamlining designed to reduce operating expenses and preserve capital. As a result, we will reduce our workforce by approximately 35% of our full-time employees. The reduction in workforce, which is expected to be completed in August 2022, is expected to reduce operating expenses and extend our cash runway. As part of the organizational streamlining, Dr. Ron Cohen, Dr. Bennett Shapiro and Ms. Alison Finger resigned from our board of directors, effective August 1, 2022. The resignations did not result from any disagreements with us on any matter relating to our operations, policies, or practices. This reduced the number of members of our board of directors from nine to six.

In August 2022, we announced that we are exploring strategic alternatives to enhance shareholder value and engaged Chardan as our exclusive financial advisor to assist in this process. No timetable has been established for the completion of this process, and we do not expect to disclose developments unless and until our board of directors has concluded that disclosure is appropriate or required. If we pursue any such strategic transaction, it could impact our projected cash runway.

Financial Overview

Revenues and Cost of Revenues

Since inception, we have generated cumulative revenues of approximately $16.9 million primarily from an exclusive license agreement for the development, commercialization, and supply of ofra-vec in Japan for all indications. In light of the determination to discontinue development of ofra-vec in all indications, we do not expect to generate additional revenues from the achievement of new milestones or royalties under this license agreement. The generated revenues comprise upfront and milestone payments. The cost of revenues associated with these revenues was approximately $1.6 million.

We do not expect to receive any revenue from VB-601 or any product candidates that we develop unless and until we obtain regulatory approval and commercialize our products, meet regulatory milestones in relation to our existing collaborative agreements, or enter into new collaborative agreements with third parties.

Research and Development Expenses

Research and development expenses consist of costs incurred for the development of our platform technologies and product candidates. Those expenses include:

- employee-related expenses, including salaries and share-based compensation expenses for employees in research and development functions;
- expenses incurred in operating our laboratories and manufacturing facility;
- expenses incurred under agreements with clinical research organizations and investigative sites that conduct our clinical trials;
- expenses relating to outsourced and contracted services, such as external laboratories, consulting and advisory services;
- supply, development and manufacturing costs relating to clinical trial materials;
- maintenance of facilities, depreciation and other expenses, which include direct and allocated expenses for rent and insurance; and
- costs associated with preclinical and clinical activities.

Research and development activities are the primary focus of our business. Our research and development expenses are likely to decrease significantly with the termination of the OVAL study and ofra-vec program, partially offset by an increase of research and development expenses as we move our VB-601 product candidate into clinical development.

Research and development expenses are recognized as incurred. An intangible asset arising from the development of our product candidates is recognized if certain capitalization conditions are met. As of June 30, 2022, we did not have any capitalized development costs.

We have received grants from the Israeli Office of Chief Scientist, or OCS, which has later transformed to the Israeli Innovation Authority, or IIA, under the Israel Encouragement of Research and Development in Industry, or the Research Law, as part of the research and development programs for our platform technologies. The requirements and restrictions for such grants are found in the Research Law. These grants are subject to repayment through future royalty payments on any products resulting from these research and development programs, including ofra-vec. The total gross amount of grants actually received by us from the IIA, including accrued interest as of June 30, 2022, totaled $37.9 million.

Information on our liabilities and the restrictions that we are subject to under the Research Law in connection with the IIA grants that we have received is detailed in the 2021 Annual Report.

Under applicable accounting rules, grants from the IIA have been accounted for as an off-set against the related research and development expenses in our financial statements. As a result, our research and development expenses are shown on our financial statements net of the IIA grants.

General and Administrative Expenses

General and administrative expenses consist principally of salaries and related costs for personnel in executive and finance functions such as salaries, benefits and share-based compensation. Other general and administrative expenses include facility costs not otherwise included in research and development expenses, communication expenses, and professional fees for legal services, patents and portfolio maintenance, consulting, commercialization, auditing and accounting services.

Financial Expenses (Income), Net

Financial income is comprised of interest income generated from interest earned on our cash, cash equivalents and short-term bank deposits and gains and losses due to fluctuations in foreign currency exchange rates, mainly in the appreciation and depreciation of the NIS exchange rate against the U.S. dollar.

Financial expenses primarily consist of calculated interest expenses from our lease liabilities and gains and losses due to fluctuations in foreign currency exchange rates.

Taxes on Income

We have not generated taxable income since our inception and had carry forward tax losses as of December 31, 2021 of $222.0 million. We anticipate that we will be able to carry forward these tax losses indefinitely to future tax years. Accordingly, we do not expect to pay taxes in Israel until we have taxable income after the full utilization of our carry forward tax losses.

We recognize full valuation allowance because we do not expect taxable income.

Results of Operations

Comparison of the three and six-month periods ended June 30, 2022 and 2021 (in thousands):

	Three Months Ended June 30,		Increase (decrease)	Six Months Ended June 30,		Increase (decrease)
	2022	2021	$	2022	2021	$
	(in thousands) (unaudited)			(in thousands) (unaudited)		
Revenues	$ 64	$ 188	$ (124)	$ 177	$ 373	$ (196)
Cost of revenues	(34)	(89)	55	(89)	(179)	90
Gross profit	30	99	(69)	88	194	(106)
Expenses:						
Research and development, gross	6,709	6,771	(62)	14,195	11,540	2,655
Government grants	12	(129)	141	(14)	(129)	115
Research and development, net	6,721	6,642	79	14,181	11,411	2,770
General and administrative	2,923	1,481	1,442	6,085	3,154	2,931
Operating loss	9,614	8,024	1,590	20,178	14,371	5,807
Financial expense (income), net	(180)	4	(184)	(316)	(60)	(256)
Loss	$ 9,434	$ 8,028	$ 1,406	$ 19,862	$ 14,311	$ 5,551

Revenues

Comparison of three-month periods ending June 30, 2022 and 2021

Revenues for the three months ended June 30, 2022 were $0.1 million, compared to $0.2 million for the parallel period in 2021.

Cost of revenues was $0.1 million for each of the three months ended June 31, 2022 and 2021. Cost of revenues is attributed to the labor costs and other expenses related to the performance obligations that were delivered during the period.

Comparison of six-month periods ending June 30, 2022 and 2021

Revenues for the six months ended June 30, 2022 were $0.2 million, compared to $0.4 million for the parallel period in 2021.

Cost of revenues for the six months ended June 30, 2022 was $0.1 million compared to $0.2 million for the parallel period. Cost of revenues is attributed to the labor costs and other expenses related to the performance obligations that were delivered during the period.

Research and development expenses, net

Comparison of three-month periods ending June 30, 2022 and 2021

Research and development expenses are shown net of IIA grants. Research and development expenses, net, for the three months ended June 30, 2022 were approximately $6.7 million, compared to approximately $6.6 million in the parallel period, an increase of approximately $0.1 million. The increase in research and development expenses, net, in the three-month period was mainly related to an increase in expenses related to the recently terminated OVAL Phase 3 trial.

Comparison of six-month periods ending June 30, 2022 and 2021

Research and development expenses are shown net of IIA grants. Research and development expenses, net, for the six months ended June 31, 2022 were approximately $14.2 million, compared to approximately $11.4 million in the parallel period, an increase of approximately $2.8 million. The increase in research and development expenses, net, was mainly related to the increase in activity in the Phase 3 OVAL trial and chemistry, manufacturing and controls development for ofra-vec as well as increase in VB-601 activity.

General and administrative expenses

Comparison of three-month periods ending June 30, 2022 and 2021

General and administrative expenses for the three months ended June 30, 2022 were $2.9 million, compared to $1.5 million for the parallel period, an increase of $1.4 million. This increase is mainly attributed to share-based compensation expense and U.S. operational and professional costs incurred in the present period as we established our U.S. subsidiary in September 2021, compared to the parallel period.

Comparison of six-month periods ending June 30, 2022 and 2021

General and administrative expenses for the six months ended June 30, 2022 were $6.1 million, compared to $3.2 million for the parallel period, an increase of $2.9 million. This increase is mainly attributed to share-based compensation expense, legal and U.S. operational and professional costs incurred in the present period as we established our U.S. subsidiary in September 2021, compared to the parallel period.

Financial expenses (income), net

Comparison of three-month periods ending June 30, 2022 and 2021

Financial income, net, was approximately $0.2 million for three months ended June 30, 2022 compared to $4.0 thousand of expense for the parallel period. The increase was primarily attributable to favorable exchange rates.

Comparison of six-month periods ending June 30, 2022 and 2021

Financial income, net, was approximately $0.3 million for six months ended June 30, 2022 compared to $0.01 million for the parallel period. The increase was primarily attributable to favorable exchange rates.

Liquidity, Capital Resources, and Financial Condition

Since our inception and through June 30, 2022, we have raised an aggregate of $325.7 million to fund our operations, including $29.2 million from IIA grants. Our primary uses of cash have been to fund working capital requirements and research and development, and we expect these will continue to represent our primary uses of cash. We intend to use our cash resources, together with the proceeds from our previous offerings, to advance development programs, including into the clinic, working capital, and other general corporate purposes.

We expect to continue to incur significant operating losses for the foreseeable future and may never become profitable. Our losses may fluctuate significantly from quarter to quarter and year to year, depending on the timing of our clinical trials, the receipt of payments under any future collaborations we may enter into, and our expenditures on other research and development activities.

In December 2021, we announced that we were selected for €17.5 million of blended funding by the European Innovation Council, or EIC, Accelerator. The funding was to be comprised of a €2.5 million grant and an additional €15 million direct equity investment by the EIC. Although we worked diligently with the EIC, the funding process is lengthy, including establishing and arranging for implementation of the investment and finalization of documentation, and was subject to meeting the specific requirements of the program. In light of the unsuccessful OVAL study results, we do not expect to receive the €15 million direct investment, and may only receive a portion of the €2.5 million grant related to expenses incurred prior to the OVAL study readout, if at all.

On February 11, 2022, we terminated our at-the-market facility with Oppenheimer & Co. Inc. and entered into an at-the-market facility with Jefferies LLC, or Jefferies, pursuant to an Open Market Sale Agreement℠ with Jefferies, or the Jefferies ATM, providing for the offer and sale from time to time of our ordinary shares having an aggregate offering price of up to $50.0 million. We have not yet sold any ordinary shares under the Jefferies ATM.

On June 30, 2022, we had cash, cash equivalents, short-term bank deposits and restricted bank deposits totaling $34.5 million and working capital of $26.9 million. In August 2022, we announced an organizational streamlining designed to reduce operating expenses and preserve capital. As a result, we will reduce our workforce by approximately 35% of our full-time employees. We also announced that we are exploring strategic alternatives to enhance shareholder value and engaged Chardan as our exclusive financial advisor to assist in this process. The reduction in workforce, which is expected to be completed in August 2022, is expected to reduce operating expenses and extend our cash runway. Assuming successful implementation of this reduction, we expect that our cash and cash equivalents and short-term bank deposits will be sufficient to fund our current operating plans for at least the next 12 months. We have based this expectation on assumptions that may prove to be incorrect, and we may use our available capital resources sooner than we currently expect. For example, if we pursue any strategic transaction as a result of the review we are currently undertaking, it could impact this estimate. We are unable to estimate the amounts of increased capital outlays and operating expenses associated with completing the development of VB-601 and any other product candidates.

Our future capital requirements will depend on many factors, including:

- our assumptions regarding our recently announced workforce reduction and ability to realize the anticipated benefits therefrom;
- the results of our evaluation of strategic alternatives, including any transactions we may pursue;
- the costs, timing and outcome of regulatory review of product candidates we may pursue;
- the costs of future development activities for candidates we may pursue;
- the costs of preparing, filing and prosecuting patent applications, maintaining and enforcing our intellectual property rights and defending intellectual property-related claims;
- the extent to which we acquire or in-license other products and technologies; and
- our ability to establish any future collaboration arrangements on favorable terms, if at all.

Until such time, if ever, as we can generate substantial product revenue, we expect to finance our cash needs through a combination of equity offerings, debt financings, collaborations, strategic alliances and licensing arrangements. In any event, we will require additional capital to obtain regulatory approval for VB-601 and any other product candidates. We do not currently have any committed external source of funds. To the extent that we raise additional capital through the sale of equity or convertible debt securities, the ownership interest of our shareholders will be diluted, and the terms of these securities may include liquidation or other preferences that adversely affect your rights as a holder of our ordinary shares. Debt financing, if available, may involve agreements that include covenants limiting or restricting our ability to take specific actions such as incurring additional debt, making capital expenditures, declaring dividends, or entering into a strategic partnership. If we raise additional funds through collaborations, strategic alliances or licensing arrangements with third parties, we may have to relinquish valuable rights to our technologies, future revenue streams or research programs or grant licenses on terms that may not be favorable to us. If we are unable to raise additional funds through equity or debt financings or through strategic alliances when needed, we may be required to delay, limit, reduce or terminate our product development efforts or grant rights to develop and market our product candidates that we would otherwise prefer to develop and market ourselves. Failure to obtain additional financing will have a material, adverse impact on our business operations. There can be no assurance that we will be able to obtain the needed financing to achieve our goals on acceptable terms or at all.

Cash Flows

The following table sets forth the primary sources and uses of cash for each of the periods set forth below:

	Six Months Ended June 30,	
	2022	**2021**
	(in thousands) (unaudited)	
Cash used in operating activities	$ (18,052)	$ (11,473)
Cash provided by (used in) investing activities	11,265	(8,429)
Cash provided by financing activities	-	38,261
	$ (6,787)	$ (18,359)

Operating Activities

Net cash used in operating activities was approximately $18.1 million for the six months ended June 30, 2022 and was primarily the result of our $19.9 million net loss and a net increase in working capital of $0.8 million, partially offset by an aggregate of $2.6 million in non-cash charges.

Net cash used in operating activities for the parallel period was $11.5 million and consisted primarily of net loss of $14.3 million arising primarily from research and development activities, partially offset by net decrease in working capital of $1.4 million and by a net aggregate non-cash charges of $1.5 million.

Investing Activities

Net cash provided by investing activities was approximately $11.3 million for the six months ended June 30, 2022, and was primarily due to maturation of short-term bank deposits of $15.1 million, offset by investment in short-term bank deposits of $3.0 million and the purchase of fixed assets of $0.8 million.

Net cash used in investing activities in the parallel period was $8.4 million. This was primarily due to the maturation of short-term bank deposits of $17.1 million, offset by investment in short-term bank deposits of $25.1 million.

Financing Activities

There were no financing activities for the six months ended June 30, 2022. In the parallel period, $38.3 million net cash provided by financing activities was mainly due to the proceeds from the April underwritten public offering of ordinary shares and pre-funded warrants, as well as the sales of shares pursuant to our January 2021 purchase agreement and pursuant to our "at-the-market" offering program.

Quantitative and Qualitative Disclosures about Market Risk

We are exposed to market risks in the ordinary course of our business. Market risk represents the risk of loss that may impact our financial position due to adverse changes in financial market prices and rates. Our market risk exposure is primarily a result of foreign currency exchange rates. Approximately 37% of our expenses in the six months ended June 30, 2022 were denominated in New Israeli Shekels, or NIS. Changes of 5% in the US$/NIS exchange rate will increase or decrease the operating expenses by up to 2%.

Foreign Currency Exchange Risk

Fluctuations in exchange rates, especially the NIS against the U.S. dollar, may affect our results, as some of our assets are linked to NIS, as are some of our liabilities. In addition, the fluctuation in the NIS exchange rate against the U.S. dollar may impact our results, as a portion of our operating cost is NIS denominated.

Inflation Risk

We do not believe that inflation has had a material effect on our business, financial condition or results of operations in the last two fiscal years. If our costs were to become subject to significant inflationary pressures, we may not be able to fully offset such higher costs through hedging transactions. Our inability or failure to do so could harm our business, financial condition and results of operations.

Cautionary Note Regarding Forward-Looking Statements

This report on Form 6-K contains forward-looking statements that relate to future events or our future financial performance, which express the current beliefs and expectations of our management. Such statements involve a number of known and unknown risks, uncertainties and other factors that could cause our actual future results, performance or achievements to differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements. Forward-looking statements include all statements that are not historical facts and can be identified by words such as, but not limited to, "believe," "expect," "anticipate," "estimate," "intend," "plan," "targets," "likely," "will," "would," "could," and similar expressions or phrases. We have based these forward-looking statements largely on our management's current expectations and future events and financial trends that we believe may affect our financial condition, results of operations, business strategy and financial needs. Forward-looking statements include, but are not limited to, direct or implied statements about:

- implementation of our organizational streamlining and workforce reduction and anticipated savings therefrom;
- our cash runway;
- our intent to explore strategic transactions to maximize shareholder value;
- discontinuation of the OVAL trial and ofra-vec program;
- the initiation, timing, progress and results of our preclinical and clinical trials, including the Phase 1 trial for VB-601 and our research and development programs;
- our expectations about the availability and timing of data from our clinical trials;
- our ability to advance product candidates into, and successfully complete, clinical trials;
- our plans for pipeline expansion and future clinical trials;
- our ability to manufacture our product candidates in sufficient quantities for clinical trials and, if appropriate, commercialization;
- the timing or likelihood of regulatory filings and approvals, including data required to file for regulatory approval;
- the commercialization of our product candidates, if approved;
- potential advantages of our product candidates;
- the pricing and reimbursement of our product candidates, if approved;

- our ability to develop and commercialize additional product candidates based on our platform technologies;
- our business strategy;
- the implementation of our business model, strategic plans for our business, product candidates and technology;
- the scope and duration of protection we are able to establish and maintain for intellectual property rights covering our product candidates and technology;
- estimates of our expenses, future revenues, capital requirements and our needs for additional financing;
- our ability to establish and maintain collaborations and the benefits of such collaborations;
- our ability to maintain our level of grant funding or obtain additional grant funding;
- developments relating to our competitors and our industry;
- our anticipated loss of foreign private issuer status, and
- other risks and uncertainties, including those listed in "Item 3. Key Information-D. Risk Factors" in our annual report on Form 20-F for the year ended December 31, 2021.

These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performances or achievements expressed or implied by the forward-looking statements. These risks and uncertainties include, without limitation:

- We have been highly dependent on the success of ofra-vec in oncology applications, and the Phase 3 OVAL clinical trial has been discontinued after not meeting statistical significance in PFS or OS and we intend to cease development of ofra-vec. Such failure and discontinued internal development of ofra-vec has resulted in, and may result in future, workplace reduction measures, will decrease anticipated near-term revenues and profitability, and may cause reputational harm.
- We have undergone a workforce reduction to reduce operating expenses and extend our cash runway, but such efforts may not yield the anticipated fiscal benefits, which could have a material effect on our operations.
- We have incurred significant losses since our inception and anticipate that we will continue to incur significant losses for the foreseeable future.
- We have never generated any revenue from product sales and may never be profitable.
- We may need to raise additional funding, which may not be available on acceptable terms, or at all. Failure to obtain this necessary capital when needed may force us to delay, limit or terminate our product development efforts or other operations.
- We have received and may continue to receive Israeli or other governmental grants to assist in the funding of our research and development activities. If we lose our funding from these research and development grants, we may encounter difficulties in the funding of future research and development projects and implementing technological improvements, which would harm our operating results.
- We are unlikely to receive more than a portion of the €2.5 million grant, if at all, from the Horizon Europe EIC Accelerator Program, which funding is subject to a lengthy process, including finalization of agreements, prior to receipt, which we may not successfully achieve.
- We are exploring strategic alternatives to enhance shareholder value. We may not be successful in identifying any such transactions or if identified, we may not successfully consummate such transaction or it may not deliver the value to our shareholders that we anticipate.
- We are highly dependent on our technology in general, and we cannot be certain that any will receive regulatory approval or be commercialized. Any failure to successfully develop, obtain regulatory approval for and commercialize any product candidates, independently or in cooperation with a third party collaborator, or the experience of significant delays in doing so, would compromise our ability to generate revenue and become profitable.
- Our product candidates are based on novel technology, which makes it difficult to predict the time and cost of product candidate development and potential regulatory approval.
- We may find it difficult to enroll patients in our clinical trials, and patients could discontinue their participation in our clinical trials, which could delay or prevent clinical trials of our product candidates.
- We may encounter substantial delays in our clinical trials or we may fail to demonstrate safety and efficacy to the satisfaction of applicable regulatory authorities.
- The results from our clinical trials have not historically been, and in the future may not be, sufficiently robust to support the submission for marketing approval for our product candidates. Before we submit our product candidates for marketing approval, the U.S. Food and Drug Administration and the European Medicines Agency may require us to conduct additional clinical trials, or evaluate subjects for an additional follow-up period.
- Legislative and regulatory activity may exert downward pressure on potential pricing and reimbursement for any of our product candidates, if approved, that could materially affect the opportunity to commercialize.
- We expect to rely on third parties to conduct some or all aspects of our product manufacturing, protocol development, research and preclinical and clinical testing, and these third parties may not perform satisfactorily.
- We intend to at least partially rely on third-party manufacturers to produce commercial quantities of any of our product candidates that receives regulatory approval, but we have not entered into binding agreements with any such manufacturers to support commercialization. Additionally, these manufacturers do not have experience producing our product candidates at commercial levels and may not pass regulatory inspections or achieve the necessary regulatory approvals or produce our product candidates at the quality, quantities, locations and timing needed to support commercialization.
- Our future success depends on our ability to retain key employees, consultants, and advisors and to attract, retain and motivate qualified personnel.
- Pandemics, such as the ongoing COVID-19 pandemic, could have an adverse impact on our developmental programs and our financial condition.
- The market price of our ordinary shares may be highly volatile, and you may not be able to resell your shares at the purchase price.
- We are currently a "foreign private issuer" and intend to follow certain home country corporate governance practices, and our shareholders may not have the same protections afforded to shareholders of companies that are subject to all Nasdaq corporate governance requirements. Additionally, we cannot be certain if the reduced disclosure requirements applicable to our status as a foreign private issuer, will make our ordinary shares less attractive to investors.
- We expect to lose our foreign private issuer status as of December 31, 2022, which will require us to comply with the Exchange Act's domestic reporting regime beginning in 2023 and cause us to incur significant legal, accounting and other expenses, even if we are able to qualify as a "smaller reporting company."

Additional discussion of the risks, uncertainties and other factors described above, as well as other risks and uncertainties material to our business, can be found under "Item 3. Key Information-D. Risk Factors" in our annual report on Form 20-F for the year ended December 31, 2021, and we encourage you to refer to that additional discussion. You should not place undue reliance on these forward-looking statements, which represent our plans, objectives, estimates, expectations and intentions only as of the date of this filing. Our actual future results and the timing of events may be materially different from what we expect, and we cannot otherwise guarantee that any forward-looking statement will be realized. We hereby qualify all of our forward-looking

statements by these cautionary statements. We undertake no obligation, and specifically decline any obligation, to update publicly or revise any forward-looking statements, whether as a result of new information, future events or otherwise.