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

Form 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.**

For the quarterly period ended September 30, 2021

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.**

For the transition period from ____ to _____

Commission file number: 000-19871

MICROBOT MEDICAL INC.
(Name of Registrant in Its Charter)

Delaware	**94-3078125**
State or Other Jurisdiction of Incorporation or Organization)	***(I.R.S. Employer Identification No.)***

25 Recreation Park Drive, Unit 108
Hingham, MA 02043
(Address of principal executive offices)

(781) 875-3605
(Registrant's Telephone Number, Including Area Code)

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

Title of Each Class	Trading Symbol(s)	Name of exchange on which registered
Common Stock	MBOT	NASDAQ Capital Market

Indicate by check whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (Section 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer", "smaller reporting company", and "emerging growth company" in Rule 12b-2 of the Exchange Act).

Large accelerated filer ☐	Accelerated filer ☐	
Non-accelerated filer ☒	Smaller reporting company ☒	Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: 7,108,133 shares of Common Stock, $0.01 par value at November 10, 2021.

MICROBOT MEDICAL INC. AND SUBSIDIARIES

Index

MICROBOT MEDICAL INC.
Interim Consolidated Balance Sheets
U.S. dollars in thousands
(Except share and per share data)

	Notes	As of September 30, 2021 Unaudited	As of December 31, 2020 Audited
ASSETS			
Current assets:			
Cash and cash equivalents		$ 13,428	$ 19,650
Marketable securities		4,999	4,998
Restricted cash		84	84
Prepaid expenses and other assets		277	521
Total current assets		18,788	25,253
Property and equipment, net		228	251
Operating right-of-use assets	3	685	775
Total assets		$ 19,701	$ 26,279
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current liabilities:			
Accounts payable		$ 489	$ 275
Lease liabilities	3	267	187
Accrued liabilities		639	883
Total current liabilities		1,395	1,345
Non-current liabilities:			
Long-term lease liabilities	3	436	626
Total liabilities		1,831	1,971
Commitments and contingencies	4		
Stockholders' equity:			
Common stock; $0.01 par value; 60,000,000 shares authorized as of September 30, 2021 and December 31, 2020, 7,108,133 shares issued and outstanding as of September 30, 2021 and December 31, 2020	5	72	72
Additional paid-in capital		69,532	68,516
Accumulated deficit		(51,734)	(44,280)
Total stockholders' equity		17,870	24,308
Total liabilities and stockholders' equity		$ 19,701	$ 26,279

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

MICROBOT MEDICAL INC.
Interim Consolidated Statements of Comprehensive loss
U.S. dollars in thousands
(Except share and per share data)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2021	2020	2021	2020
	Unaudited		Unaudited	
Research and development	$ 1,389	$ 1,037	$ 3,897	$ 2,397
General and administrative	1,163	1,378	3,523	4,065
Operating loss	(2,552)	(2,415)	(7,420)	(6,462)
Financing expenses, net	(3)	(57)	(34)	(70)
Net loss	$ (2,555)	$ (2,472)	$ (7,454)	$ (6,532)
Basic and diluted net loss per share	$ (0.36)	$ (0.35)	$ (1.05)	$ (0.92)
Basic and diluted weighted average common shares outstanding	7,108,133	7,105,591	7,108,133	7,120,795

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

MICROBOT MEDICAL INC.
Interim Consolidated Statements of Shareholder's Equity
U.S. dollars in thousands
(Except share data)

	Common Stock		Additional Paid-In	Treasury	Accumulated	Total Stockholders'
	Shares	Amount	Capital	Shares	Deficit	Equity
Balances, December 31, 2020 (Audited)	7,108,133	$ 72	$ 68,516	$ -	$ (44,280)	$ 24,308
Share-based compensation	-	-	1,016	-	-	1,016
Net loss	-	-	-	-	(7,454)	(7,454)
Balances, September 30, 2021 (Unaudited)	7,108,133	$ 72	$ 69,532	$ -	$ (51,734)	$ 17,870
Balances, June 30, 2021 (Unaudited)	7,108,133	$ 72	$ 69,225	$ -	$ (49,179)	$ 20,118
Share-based compensation	-	-	307	-	-	307
Net loss	-	-	-	-	(2,555)	(2,555)
Balances, September 30, 2021 (Unaudited)	7,108,133	$ 72	$ 69,532	$ -	$ (51,734)	$ 17,870
Balances, December 31, 2019 (Audited)	7,185,628	$ 72	$ 69,954	$ (3,375)	$ (35,111)	$ 31,540
Exercise of options	5,838	1	(1)	-	-	-
Cancellation of treasury Common Stock	(83,333)	(1)	(3,374)	3,375	-	-
Share-based compensation	-	-	1,468	-	-	1,468
Net loss	-	-	-	-	(6,532)	(6,532)
Balances, September 30, 2020 (Unaudited)	7,108,133	$ 72	$ 68,047	$ -	$ (41,643)	$ 26,476
Balances, June 30, 2020 (Unaudited)	7,103,260	$ 71	$ 67,489	$ -	$ (39,171)	$ 28,389
Share-based compensation	-	-	559	-	-	559
Exercise of options	4,873	1	(1)	-	-	-
Net loss	-	-	-	-	(2,472)	(2,472)
Balances, September 30, 2020 (Unaudited)	7,108,133	$ 72	$ 68,047	$ -	$ (41,643)	$ 26,476

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

MICROBOT MEDICAL INC.
Interim Consolidated Statements of Cash Flows
U.S. dollars in thousands

	For the Nine Months Ended September 30,	
	2021	2020
	Unaudited	
Operating activities:		
Net loss	$ (7,454)	$ (6,532)
Adjustments to reconcile net loss to net cash flows from operating activities:		
Depreciation and amortization	48	53
Non-cash and accrued interest	(1)	-
Share-based compensation expense	1,016	1,468
Changes in assets and liabilities:		
Prepaid expenses and other assets	133	292
Other payables and accrued liabilities	(209)	(663)
Net cash flows from operating activities	(6,467)	(5,382)
Investing activities:		
Purchases of property and equipment	(25)	(83)
Investment in convertible loan	-	(200)
Proceeds from sales of investment	270	-
Proceeds from sales of marketable security	-	2,521
Net cash flows from investing activities	245	2,238
Financing activities:		
Repayment of shareholders investment	-	(3,375)
Net cash flows from financing activities	-	(3,375)
Decrease in cash, cash equivalents and restricted cash	(6,222)	(6,519)
Cash, cash equivalents and restricted cash at beginning of period	19,734	33,129
Cash, cash equivalents and restricted cash at end of period	$ 13,512	$ 26,610
Supplemental disclosure of cash flow information:		
Interest paid from litigation	$ -	$ 236
Cash received from interest	$ 3	$ 31
Right-of-use asset and lease liability	$ 69	$ -

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

NOTE 1 - GENERAL

A. Description of business:

Microbot Medical Inc. (the "Company") is a pre-clinical medical device company specializing in the research, design and development of next generation micro-robotics assisted medical technologies targeting the minimally invasive surgery space. The Company is primarily focused on leveraging its micro-robotic technologies with the goal of redefining surgical robotics while improving surgical outcomes for patients.

On November 28, 2016, the Company consummated a transaction pursuant to an Agreement and Plan of Merger, dated August 15, 2016, with Microbot Medical Ltd., a private medical device company organized under the laws of the State of Israel ("Microbot Israel"). On the same day and in connection with the Merger, the Company changed its name from StemCells, Inc. to Microbot Medical Inc. On November 29, 2016, the Company's common stock began trading on the Nasdaq Capital Market under the symbol "MBOT".

The Company and its subsidiaries are collectively referred to as the "Company".

B. Use of estimates:

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions pertaining to transactions and matters whose ultimate effect on the financial statements cannot precisely be determined at the time of financial statements preparation. Although these estimates are based on management's best judgment, actual results may differ from these estimates.

C. Unaudited Interim Financial Statements:

The accompanying unaudited interim condensed consolidated financial statements have been prepared in accordance with U.S. GAAP for interim financial information and with the instructions to Form 10-Q and Article 10 of U.S. Securities and Exchange Commission ("SEC") regulations. Accordingly, they do not include all the information and footnotes required by GAAP for complete financial statements. In the opinion of management, all adjustments considered necessary for a fair presentation have been included (consisting only of normal recurring adjustments except as otherwise discussed).

Operating results for the three and nine-month periods ended September 30, 2021, are not necessarily indicative of the results that may be expected for the year ended December 31, 2021.

D. Risk Factors:

To date, the Company has not generated revenues from its operations. As of September 30, 2021, the Company had unrestricted cash, cash equivalents and marketable securities balances of $18,427, which management believes are sufficient to fund its operations for more than 12 months from the date of issuance of these financial statements and sufficient to fund its operations necessary to continue development activities of its current proposed products.

Due to continuing research and development activities, the Company expects to continue to incur additional losses for the foreseeable future. While management of the Company believes that it has sufficient funds for more than 12 months, the Company may seek to raise additional funds through future issuances of either debt and/or equity securities and possibly additional grants from the Israeli Innovation Authority and other government institutions. The Company's ability to raise additional capital in the equity and debt markets is dependent on a number of factors, including, but not limited to, the market demand for the Company's stock, which itself is subject to a number of development and business risks and uncertainties, as well as the uncertainty that the Company would be able to raise such additional capital at a price or on terms that are favorable to the Company.

An epidemic of the coronavirus disease ("COVID-19") is ongoing throughout the world. As the outbreak is still evolving, much of its impact remains unknown. As of this filing, it is impossible to predict the effect and potential spread of the coronavirus disease globally. The coronavirus disease may cause significant delays and disruptions to our pre-clinical studies.

Additionally, travel restrictions have been implemented with respect to certain countries in an effort to contain the coronavirus disease, and several countries have expanded screenings of travelers. As travel restrictions are increasingly implemented and extended to other countries, the Company and its contract research organizations may be unable to visit its clinical trial sites and monitor the data from its clinical trials on timely basis. The Company's employees may also face travel restrictions, which would impact its business. Furthermore, some of the Company's manufacturers and suppliers are in Europe and may be impacted by port closures and other restrictions resulting from the coronavirus outbreak, which may disrupt the Company's supply chain or limit its ability to obtain sufficient materials for our products.

The ultimate impact of the COVID-19 outbreaks or similar health epidemics are highly uncertain and subject to changes, and the Company cannot presently predict the scope and severity of any potential business shutdowns or disruptions. However, if the Company or any of the third parties with whom the Company's engages, including the suppliers, animal trial sites, contract research organizations, regulators, including the FDA health care providers and other third parties with whom the Company conducts business, were to experience shutdowns or other business disruptions, the Company's ability to conduct our business and operations could be materially and negatively impacted, which could prevent or delay the Company from obtaining approval for its devices.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies followed in the preparation of these unaudited interim condensed consolidated financial statements are identical to those applied in the preparation of the latest annual audited financial statements.

Fair value of financial instruments:

The carrying values of cash and cash equivalents, other receivables and other accounts payable and accrued liabilities approximate their fair value due to the short-term maturity of these instruments.

A fair value hierarchy is used to rank the quality and reliability of the information used to determine fair values. Financial assets and liabilities carried at fair value will be classified and disclosed in one of the following three categories:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2 - Inputs other than Level 1 that are observable, either directly or indirectly, such as unadjusted quoted prices for similar assets and liabilities, unadjusted quoted prices in the markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The Company's financial assets and liabilities subject to fair value measurements on a recurring basis and the level of inputs used in such measurements were as follows:

	As of September 30, 2021			
	Total	**Level 1**	**Level 2**	**Level 3**
Assets:				
Cash equivalents:				
Money market funds	$ 8,587	$ 8,587	$ -	$ -
Marketable securities:				
Other money market funds	$ 1,999	$ 1,999	$ -	$ -
US Treasury Bond	3,000	3,000	-	-
Total marketable securities:	$ 4,999	$ 4,999	$ -	$ -

	As of December 31, 2020			
	Total	Level 1	Level 2	Level 3
Assets:				
Cash equivalents:				
Money market funds	$ 8,585	$ 8,585	$ -	$ -
Marketable securities:				
Other money market funds	$ 2,000	$ 2,000	$ -	$ -
US Treasury Bond	2,998	2,998	-	-
Total marketable securities:	$ 4,998	$ 4,998	$ -	$ -
Other assets:				
Convertible loan investment	$ 270	$ -	$ -	$ 270

Contingencies:

Management records and discloses legal contingencies in accordance with ASC Topic 450 *Contingencies*. A provision is recorded when it is both probable that a liability has been incurred and the amount of the loss can be reasonably estimated. The Company monitors the stage of progress of its litigation matters to determine if any adjustments are required.

Recently issued accounting pronouncements:

In June 2016, the Financial Accounting Standards Board ("FASB") issued ASU No. 2016-13, "Financial Instruments – Credit Losses – Measurement of Credit Losses on Financial Instruments", which introduces a model based on expected losses to estimate credit losses for most financial assets and certain other instruments. In addition, for available-for-sale debt securities with unrealized losses, the losses will be recognized as allowances rather than reductions in the amortized cost of the securities. The ASU is effective for smaller reporting companies for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2022 (January 1, 2023 for the Company) with early adoption permitted. The Company is currently evaluating the impact this guidance may have on its consolidated financial statements and related disclosures.

In December 2019, the FASB issued ASU 2019-12, "Simplifying the Accounting for Income Taxes" which eliminates the need for an organization to analyze whether the following apply in a given period: (1) exception to the incremental approach for intraperiod tax allocation; (2) exceptions to accounting for basis differences when there are ownership changes in foreign investments; and (3) exceptions in interim period income tax accounting for year-to-date losses that exceed anticipated losses. The ASU also is designed to improve financial statement preparers' application of income tax-related guidance and simplify GAAP for (1) franchise taxes that are partially based on income, (2) transactions with a government that result in a step-up in the tax basis of goodwill, (3) separate financial statements of legal entities that are not subject to tax, and (4) enacted changes in tax laws in interim periods. The standard is effective for the Company on January 1, 2021 with early adoption permitted. The adoption of ASU 2019-12 on January 1, 2021 did not have a material impact on the Company's consolidated financial statements.

NOTE 3 - LEASES

We have lease agreements with lease and non-lease components, which we account for as a single lease component. Variable lease payments based on an index or rate are initially measured using the index or rate in effect at the lease commencement and included in the measurement of the lease liability; thereafter, changes to lease payments due to rate or index updates are recorded as rent expense in the period incurred. The effect of short-term leases on our ROU assets and lease liabilities was not material. Our lease agreements do not contain any material residual value guarantees or material restrictive covenants. In addition, we do not have any related party leases and our sublease transactions are de minimis.

Supplemental cash flow information related to operating leases was as follows:

	For the Nine Months Ended September 30,	
	2021	2020
Cash payments for operating leases	$ 233	$ 145

Undiscounted maturities of operating lease payments as of September 30, 2021 are summarized as follows:

2021(Remainder of the year)	$ 86
2022	301
2023	247
2024	155
Total future lease payments	789
Less imputed interest	(86)
Total lease liability balance	$ 703

Leases recorded on the balance sheet consist of the following:

	As of September 30, 2021	As of December 31, 2020
Assets:		
Operating lease right of use asset	$ 685	$ 775
Liabilities:		
Operating lease - current	267	187
Operating lease - non-current	436	626
	$ 703	$ 813

	As of September 30, 2021	As of December 31, 2020
Operating leases weighted average remaining lease term (in years)	2.7	4.0
Operating leases weighted average discount rate	9%	9%

NOTE 4 - COMMITMENTS AND CONTINGENCIES

Government Grants:

Microbot Israel has received grants from the Israeli Innovation Authority (“IIA”) for participation in research and development since 2013 through September 30, 2021 totaling approximately $1,500. In return, the Company is obligated to pay royalties amounting to 3.0%-3.5% of its future sales from commercialization of the funded research and development, up to the amount of the grants received.

The payment of royalties with respect to the repayment of the grants is contingent upon the successful completion of the Company’s research and development programs and generating sales. The Company has no obligation to repay these grants, if the project fails, is unsuccessful or aborted or if no sales are generated. The financial risk is assumed completely by the Government of Israel.

TRDF Agreement:

Microbot Israel signed an agreement with the Technion Research and Development Foundation ("TRDF") in June 2012 by which TRDF transferred to Microbot Israel a global, exclusive, royalty-bearing license. As partial consideration for the license, Microbot Israel shall pay TRDF royalties on net sales (between 1.5%-3.0%) and on sublicense income as detailed in the agreement.

Agreement with CardioSert Ltd.:

On January 4, 2018, Microbot Israel entered into an agreement with CardioSert Ltd. ("CardioSert") to acquire certain patent-protected technology owned by CardioSert (the "Technology").

Pursuant to the Agreement, Microbot Israel made an initial payment of $50 to CardioSert and had 90-days to elect to complete the acquisition. At the end of the 90-day period, at Microbot Israel's sole option, CardioSert shall assign and transfer the Technology to Microbot Israel and Microbot Israel shall pay to CardioSert additional amounts and securities as determined in the agreement.

On May 25, 2018, Microbot delivered an Exercise Notice to CardioSert Ltd., notifying it that Microbot elected to exercise the option to acquire the Technology owned by CardioSert and therefore made an additional cash payment of $250 and 6,738 shares of common stock estimated at $74.

The agreement may be terminated by Microbot Israel at any time for convenience upon 90-days' notice. The agreement may be terminated by CardioSert in case the first commercial sale does not occur by the third anniversary of the date of signing of the agreement except if Microbot Israel has invested more than $2,000 in certain development stages, or the first commercial sale does not occur within 50 months. In each of the above termination events, or in case of breach by Microbot Israel, CardioSert shall have the right to buy back the Technology from Microbot Israel for $1.00, upon 60 days prior written notice, but only 1 year after such termination. Additionally, the agreement may be terminated by either party upon breach of the other (subject to cure).

CardioSert agreed to assist Microbot Israel in the development of the Technology for a minimum of one year, for a monthly consultation fee of NIS 40,000 (or approximately US$ 12.4, based on an exchange rate of NIS 3.229 to the dollar) covering up to 60 consulting hours per month.

ATM Agreement:

On June 10, 2021, the Company entered into an At-the-Market Offering Agreement (the "ATM Agreement") with H.C. Wainwright & Co. LLC ("Wainwright"), as sales agent, in connection with an "at the market offering" under which the Company may offer and sell, from time to time in its sole discretion, shares of its common stock, par value $0.01 per share, having an aggregate offering price of up to $10,000 at market prices or as otherwise agreed with Wainwright. Any shares sold under the ATM Agreement from time to time will be offered and sold pursuant to the Company's Registration Statement on Form S-3, which was initially filed on November 25, 2020 and which was declared effective by the SEC on December 4, 2020, and the related prospectus as supplemented by a prospectus supplement that the Company filed on June 10, 2021.

The offer and sale of the shares pursuant to the ATM Agreement will terminate upon the earlier of (a) the issuance and sale of all of the shares of common stock subject to the ATM Agreement or (b) the termination of the ATM Agreement by Wainwright or the Company pursuant to the terms thereof. The Company has no obligation to sell any of the shares and may at any time suspend offers under the ATM Agreement or terminate the ATM Agreement.

Litigation:

Litigation Resulting from 2017 Financing

The Company lost its appeal of an adverse judgment in the lawsuit captioned Sabby Healthcare Master Fund Ltd. and Sabby Volatility Warrant Master Fund Ltd., Plaintiffs, against Microbot Medical Inc., Defendant, in the Supreme Court of the State of New York, County of New York (Index No. 654581/2017). As a result, the Securities Purchase Agreement (the "SPA") related to the Company's June 8, 2017 equity financing (the "Financing") was rescinded as it related to Sabby Healthcare Master Fund Ltd. and Sabby Volatility Warrant Master Fund Ltd. ("Sabby"), and the Company paid approximately $3,700 to Sabby in return for the 83,333 shares of common stock Sabby purchased pursuant to the SPA. Soon after, the Company was named as the defendant in a lawsuit captioned Empery Asset Master Ltd., Empery Tax Efficient, LP, Empery Tax Efficient II, LP, Hudson Bay Master Fund Ltd., Plaintiffs, against Microbot Medical Inc., Defendant, in the Supreme Court of the State of New York, County of New York (the "Court") (Index No. 651182/2020). The complaint alleges, among other things, that the Company breached multiple representations and warranties contained in the SPA, of which the Plaintiffs participated, and fraudulently induced Plaintiffs into signing the SPA. The complaint seeks rescission of the SPA and return of the Plaintiffs' $6,750 purchase price with respect to the Financing. The Company filed a Motion to Dismiss on March 16, 2020, which was denied by decision and order entered on February 17, 2021. At this time no estimation of the potential outcome of the litigation can be made.

The Company's management is unable to assess the likelihood that it would be successful in any trial with respect to the SPA or the Financing, having previously lost the Sabby lawsuit. Accordingly, no assurance can be given that if the Company goes to trial and ultimately loses, or if the Company decides to settle at any time, such an adverse outcome would not be material to the Company's consolidated financial position.

Alliance Litigation

On April 28, 2019, the Company brought an action against Alliance Investment Management, Ltd. ("Alliance"), later amended to include Joseph Mona ("Mona") as a defendant, in the Southern District of New York under Section 16(b) of the Securities Exchange Act of 1934, 15 U.S.C. 78p(b), to compel Alliance and Mona to disgorge short swing profits realized from purchases and sales of the Company's securities within a period of less than six months. The amount of profits was estimated in the complaint to be approximately $468.

Several motions were filed during 2019 and 2020. On December 18, 2020, the Magistrate Judge issued a Report & Recommendation, which recommended that: (i) judgment of $485 be entered in the Company's favor on its Section 16(b) claim against Mona; and (ii) Mona's Section 10(b) claim be dismissed with prejudice (except as to allegations regarding statements purportedly made by employees of Integra Consulting, an outside investor relations firm, which the Magistrate recommended be dismissed without prejudice).

On March 30, 2021, the Court issued an Order adopting the Magistrate Judge's Report & Recommendation; and on March 31, 2021, the Clerk entered Judgement against Joseph Mona and in favor of the Company in the amount of $484. On April 27, 2021, Mona filed an appeal of the Court's Judgment, which is pending before the U.S. Court of Appeals for the Second Circuit.

On May 3, 2021, the Company obtained a writ of execution to enforce the Judgment against Mona, given Mona's failure to post a bond or other security in the full amount of the Judgment pending the appeal as required by the Federal Rules of Civil Procedure.

On May 7, 2021, the Company filed a motion to permit the registration of the Judgment in districts outside the Southern District of New York in which Mona may have assets available to satisfy he Judgment. In June 2021, the Magistrate issued an order permitting Mona to file an Amended Counterclaim Complaint, and rejected the Company's request to execute on the Judgment. The Company filed a response to Mona's amended counterclaim on July 21, 2021, and is pursuing a renewed motion to execute on the Judgment and dismiss the counterclaim in view of case deficiencies revealed during discovery.

NOTE 5 - SHARE CAPITAL

Share Capital Developments:

As of September 30, 2021 and December 31, 2020, the Company had 7,108,133 shares of common stock issued and outstanding.

Employee Stock Option Grants:

During the nine months ended September 30, 2021, the Company granted to Mr. Harel Gadot, the Company's Chairman of the Board, President and CEO, and certain employees and consultants and directors, options to purchase an aggregate of 396,426 shares of the Company's common stock, at an exercise price per share of $6.72 - $8.48. The stock options vest over a period of 2 – 3 years as outlined in the option agreements evidencing such grants. As a result, the Company recognized compensation expenses for the nine months ended September 30, 2021 in the total amount of $503 included in general and administrative expenses and $59 included in research and development expenses.

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

Forward Looking Statements

The following discussion should be read in conjunction with our unaudited financial statements and related notes included in Item 1, "Financial Statements," of this Quarterly Report on Form 10-Q, as well as our Annual Report on Form 10-K for the fiscal year ended December 31, 2020. Certain information contained in this MD&A includes "forward-looking statements." Statements which are not historical reflect our current expectations and projections about our future results, performance, liquidity, financial condition and results of operations, prospects and opportunities and are based upon information currently available to us and our management and their interpretation of what is believed to be significant factors affecting our existing and proposed business, including many assumptions regarding future events. Actual results, performance, liquidity, financial condition and results of operations, prospects and opportunities could differ materially and perhaps substantially from those expressed in, or implied by, these forward-looking statements as a result of various risks, uncertainties and other factors, including those risks described in detail in the section entitled "Risk Factors" of our Annual Report on Form 10-K for the year ended December 31, 2020.

Forward-looking statements, which involve assumptions and describe our future plans, strategies, and expectations, are generally identifiable by use of the words "may," "should," "would," "will," "could," "scheduled," "expect," "anticipate," "estimate," "believe," "intend," "seek," or "project" or the negative of these words or other variations on these words or comparable terminology.

In light of these risks and uncertainties, and especially given the nature of our existing and proposed business, there can be no assurance that the forward-looking statements contained in this section and elsewhere in this Quarterly Report on Form 10-Q will in fact occur. Potential investors should not place undue reliance on any forward-looking statements. Except as expressly required by the federal securities laws, there is no undertaking to publicly update or revise any forward-looking statements, whether as a result of new information, future events, changed circumstances or any other reason.

Overview

Microbot is a pre-clinical medical device company specializing in the research, design and development of next generation robotic endoluminal surgery devices targeting the minimally invasive surgery space. Microbot is primarily focused on leveraging its micro-robotic technologies with the goal of redefining surgical robotics while improving surgical outcomes for patients.

Microbot's current technological platforms, ViRob™, TipCAT™ and LIBERTY™ (including certain CardioSert assets), are comprised of proprietary innovative technologies. Using the ViRob platform, Microbot is currently developing the Self Cleaning Shunt for the treatment of hydrocephalus and Normal Pressure Hydrocephalus, or NPH. Utilizing the LIBERTY and CardioSert platforms, Microbot is developing the first ever fully disposable robot for various endovascular interventional procedures. In addition, the Company is focused on the development of a Multi Generation Pipeline Portfolio utilizing all of its proprietary technologies.

Technological Platforms

LIBERTY

On January 13, 2020, Microbot unveiled what it believes is the world's first fully disposable robotic system for use in Endovascular Interventional procedures, such as cardiovascular, peripheral and neurovascular. The LIBERTY robotic system features a unique compact design with the capability to be operated remotely, reduce radiation exposure and physical strain to the physician, as well as the potential to eliminate the use of multiple consumables when used with its "One & Done" capabilities, which would be based in part on the CardioSert platform or possibly other guidewire/microcatheter technologies.

LIBERTY is designed to maneuver guidewires and over-the-wire devices (such as microcatheters) within the body's vasculature. It eliminates the need for extensive capital equipment requiring dedicated Cath-lab rooms as well as dedicated staff. In addition, when combined with CardioSert technology or possibly other guidewire/microcatheter technologies, it is being designed to streamline Cath-lab procedures with our proprietary "One & Done" tool that combines guidewire and microcatheter into a single device. With control over tip curvature and stiffness for maneuverability and access – and without the need for constant tool exchanges – the "One & Done" feature, when integrated into the LIBERTY device, may drastically reduce procedure time and costs while enhancing the operator experience.

On August 17, 2020, Microbot announced the successful conclusion of its feasibility animal study using the LIBERTY robotic system. The study met all of its end points with no intraoperative adverse events, which supports Microbot's objectives to allow physicians to conduct a catheter-based procedure from outside the catheterization laboratory (cath-lab), avoiding radiation exposure, physical strain and the risk of cross contamination. The study was performed by two leading physicians in the neuro vascular and peripheral vascular intervention spaces, and the results demonstrated robust navigation capabilities, intuitive usability and accurate deployment of embolic agents, most of which was conducted remotely from the cath-lab's control room.

We are continuously exploring and evaluating additional innovative guidewire/microcatheter technologies to be integrated and combined with the LIBERTY robotic platform.

We are continuing our feasibility animal trials with respect to the LIBERTY device, and have updated our timeline so that we are expecting a design freeze in the fourth quarter of 2021, pre-submission to the FDA in the first quarter of 2022, clinical trials to commence in the second half of 2022, and submission to the FDA in the first half of 2023.

ViRob

The ViRob is an autonomous crawling micro-robot which can be controlled remotely or within the body. Its miniature dimensions are expected to allow it to navigate and crawl in different natural spaces within the human body, including blood vessels, the digestive tract and the respiratory system as well as artificial spaces such as shunts, catheters, ports, etc. Its unique structure is expected to give it the ability to move in tight spaces and curved passages as well as the ability to remain within the human body for prolonged time. The SCS product was developed using the ViRob technology.

TipCAT

The TipCAT is a disposable self-propelled locomotive device that is specially designed to advance in tubular anatomies. The TipCAT is a mechanism comprising a series of interconnected balloons at the device's tip that provides the TipCAT with its forward locomotion capability. The device can self-propel within natural tubular lumens such as the blood vessels, respiratory and the urinary and GI tracts. A single channel of air/fluid supply sequentially inflates and deflates a series of balloons creating an inchworm like forward motion. The TipCAT maintains a standard working channel for treatments. Unlike standard access devices such as guidewires, catheters for vascular access and endoscopes, the TipCAT does not need to be pushed into the patient's lumen using external pressure; rather, it will gently advance itself through the organ's anatomy. As a result, the TipCAT is designed to be able to reach every part of the lumen under examination regardless of the topography, be less operator dependent, and greatly reduce the likelihood of damage to lumen structure. The TipCAT thus offers functionality features equivalent to modern tubular access devices, along with advantages associated with its physiologically adapted self-propelling mechanism, flexibility, and design.

CardioSert

On May 25, 2018, Microbot acquired a patent-protected technology from CardioSert Ltd., a privately-held medical device company based in Israel that was part of a technological incubator supported by the Israel Innovation Authorities. The CardioSert technology contemplates a combination of a guidewire and microcatheter, technologies that are broadly used for surgery within a tubular organ or structure such as a blood vessel or duct. The CardioSert technology features a unique guidewire delivery system with steering and stiffness control capabilities which when developed is expected to give the physician the ability to control the tip curvature, to adjust tip load to varying degrees of stiffness in a gradually continuous manner. The CardioSert technology was originally developed to support interventional cardiologists in crossing chronic total occlusions (CTO) during percutaneous coronary intervention (PCI) procedures and has the potential to be used in other spaces and applications, such as peripheral intervention, and neurosurgery.

Financial Operations Overview

Research and Development Expenses

Research and development expenses consist primarily of salaries and related expenses and overhead for Microbot's research, development and engineering personnel, prototype materials and research studies, obtaining and maintaining Microbot's patent portfolio. Microbot expenses its research and development costs as incurred.

General and Administrative Expenses

General and administrative expenses consist primarily of the costs associated with management salaries and benefits, professional fees for accounting, auditing, consulting and legal services, and allocated overhead expenses.

Microbot expects that its general and administrative expenses may increase in the future as it expands its operating activities, maintains and expands its patent portfolio and maintains compliance with exchange listing and SEC requirements. Microbot expects these potential increases will likely include management costs, legal fees, accounting fees, directors' and officers' liability insurance premiums and expenses associated with investor relations.

Income Taxes

Microbot has incurred net losses and has not recorded any income tax benefits for the losses. It is still in its development stage and has not yet generated revenues, therefore, it is more likely than not that sufficient taxable income will not be available for the tax losses to be fully utilized in the future.

Critical Accounting Policies and Significant Judgments and Estimates

Management's discussion and analysis of Microbot's financial condition and results of operations are based on its consolidated financial statements, which have been prepared in accordance with U.S. generally accepted accounting principles, or GAAP. The preparation of these consolidated financial statements requires Microbot to make estimates and judgments that affect the reported amounts of assets, liabilities, and expenses and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements. Microbot bases its estimates on historical experience, known trends and events, and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ materially from these estimates under different assumptions or conditions.

While Microbot's significant accounting policies are described in more detail in the notes to its consolidated financial statements, Microbot believes the following accounting policies are the most critical for fully understanding and evaluating its consolidated financial condition and results of operations.

Contingencies

Management records and discloses legal contingencies in accordance with ASC Topic 450 *Contingencies*. A provision is recorded when it is both probable that a liability has been incurred and the amount of the loss can be reasonably estimated. The Company monitors the stage of progress of its litigation matters to determine if any adjustments are required.

Fair Value of Financial Instruments

The Company measures the fair value of certain of its financial instruments on a recurring basis.

A fair value hierarchy is used to rank the quality and reliability of the information used to determine fair values. Financial assets and liabilities carried at fair value will be classified and disclosed in one of the following three categories:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2 - Inputs other than Level 1 that are observable, either directly or indirectly, such as unadjusted quoted prices for similar assets and liabilities, unadjusted quoted prices in the markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

Results of Operations

Comparison of Three and Nine Months Ended September 30, 2021 and 2020

The following table sets forth the key components of Microbot's results of operations for the three- and nine-month periods ended September 30, 2021 and 2020 (in thousands):

	Three months ended September 30,		Increase/	Nine months ended September 30,		Increase/
	2021	2020	(Decrease)	2021	2020	(Decrease)
Research and development expenses	$ 1,389	$ 1,037	$ 352	$ 3,897	$ 2,397	$ 1,500
General and administrative expenses	1,163	1,378	(215)	3,523	4,065	(542)
Financing expenses, net	3	57	(54)	34	70	(36)

Research and Development Expenses. Microbot's research and development expenses were approximately $1,389,000 and $3,897,000 for the three and nine months ended September 30, 2021, compared to approximately $1,037,000 and $2,397,000 for the same periods in 2020. The increase in research and development expenses for all periods presented was primarily due to increases in payroll due to new hires, as well as increases relating to professional services, materials and intellectual property with respect to the LIBERTY device. Microbot expects its research and development expenses to continue to increase over time as Microbot advances its development programs and begins pre-clinical and clinical trials for its product candidates.

General and Administrative Expenses. General and administrative expenses were approximately $1,163,000 and $3,523,000 for the three and nine months ended September 30, 2021, compared to approximately $1,378,000 and $4,065,000 for the same periods in 2020. The decrease in general and administrative expenses for all periods presented was primarily due to decrease in bonuses paid to our chief executive officer and share based compensation expense offset by increases in salaries and related expenses, insurance costs and professional services. Microbot believes its general and administrative expenses may increase over time as it advances its programs, increases its headcount and operating activities and incurs expenses associated with being a public company.

Financing Expenses. Financing expenses were approximately $3,000 and $34,000 for the three and nine months ended September 30, 2021, compared to approximately $57,000 and $70,000 for the same periods in 2020. The decrease in financial expenses for all periods presented was primarily due to reduced interest expense that was incurred in 2020 as a result of the adverse outcome in our Sabby litigation, but is no longer being incurred in 2021 as the related liability was settled during 2020.

Liquidity and Capital Resources

Microbot has incurred losses since inception and negative cash flows from operating activities for all periods presented. As of September 30, 2021, Microbot had a net working capital of approximately $17,393,000, consisting primarily of cash and cash equivalents and marketable securities. This compares to net working capital of approximately $23,908,000 as of December 31, 2020. Microbot anticipates that it will continue to incur net losses for the foreseeable future as it continues research and development efforts of its product candidates, hires additional staff, including clinical, scientific, operational, financial and management personnel, and continues to incur costs associated with being a public company.

Microbot has funded its operations through the issuance of capital stock, grants from the Israeli Innovation Authority, and convertible debt. Since inception (November 2010) through September 30, 2021, Microbot has raised net cash proceeds of approximately $54,770,000, and incurred a total cumulative loss of approximately $51,734,000. Microbot returned $3,375,000 (before interest) of such proceeds as a result of an adverse outcome in a litigation that concluded in the first quarter of 2020, and is now subject to an additional lawsuit seeking the return of an additional $6,750,000 of such proceeds.

Microbot Israel obtained from the Israeli Innovation Authority ("IIA") grants for participation in research and development for the years 2013 through September 30, 2021 in the total amount of approximately $1,500,000 and, in return, Microbot Israel is obligated to pay royalties amounting to 3%-3.5% of its future sales up to the amount of the grant. The grant is linked to the exchange rate of the dollar to the New Israeli Shekel and bears interest at an annual rate of USD LIBOR. Under the terms of the grant and applicable law, Microbot is restricted from transferring any technologies, know-how, manufacturing or manufacturing rights developed using the grant outside of Israel without the prior approval of the Israel Innovation Authority. Microbot has no obligation to repay the grant, if the SCS project fails, is unsuccessful or aborted before any sales are generated. The financial risk is assumed completely by the IIA.

Microbot believes that its net cash will be sufficient to fund its operations for at least 24 months and fund operations necessary to continue development activities of LIBERTY, the SCS and perhaps other product candidates. However, in the event we are unsuccessful in our current litigation with Empery and Hudson Bay, pursuant to which they are seeking the return of $6,750,000 in proceeds we received from them in a 2017 stock offering, we would have funds for less than 24 months.

Microbot plans to continue to fund its research and development and other operating expenses, other development activities relating to additional product candidates, and the associated losses from operations, through its existing cash and possibly additional grants from the Israeli Innovation Authority. Microbot intends to also raise capital through future issuances of debt and/or equity securities, including its existing $10 million registered At-The-Market offering and other registered offerings under its existing Registration Statement on Form S-3 for up to $75 million of securities, which it may draw down from time to time. These issuances may be opportunistic and even if the Company has enough funds at such time for operations for more than 12-24 months. The capital raises from issuances of convertible debt and equity securities could result in additional dilution to Microbot's shareholders. In addition, to the extent Microbot determines to incur additional indebtedness, Microbot's incurrence of additional debt could result in debt service obligations and operating and financing covenants that would restrict its operations. Microbot can provide no assurance that financing will be available in the amounts it needs or on terms acceptable to it, if at all. If Microbot is not able to secure adequate additional working capital when it becomes needed, it may be required to make reductions in spending, extend payment terms with suppliers, liquidate assets where possible and/or suspend or curtail planned research programs. Any of these actions could materially harm Microbot's business.

Cash Flows

The following table provides a summary of the net cash flow activity for each of the periods set forth below (in thousands):

	Nine months ended September 30,	
	2021	**2020**
Net cash flows from operating activities	$ (6,467)	$ (5,382)
Net cash flows from investing activities	245	2,238
Net cash flows from financing activities	-	(3,375)
Decrease in cash and cash equivalents and restricted cash	$ (6,222)	$ (6,519)

Comparison of the Nine Months Ended September 30, 2021 and 2020

Net cash flows from operating activities for the nine months ended September 30, 2021 were approximately $6,467,000, calculated by adjusting net loss from operations by approximately $987,000 to eliminate non-cash and expense items not involving cash flows such as depreciation and share based compensation expense, as well as other changes in current assets and liabilities resulting in non-cash adjustments in the consolidated statements of operations. Cash used in operating activities for the nine months ended September 30, 2020 was approximately $5,382,000, similarly adjusted by approximately $1,150,000.

Net cash flows from investing activities for the nine months ended September 30, 2021 was approximately $245,000 compared to approximately $2,238,000 for the nine months ended September 30, 2020, which consisted of proceeds from marketable securities of $2,521,000 offset by investing in a convertible loan in the amount of $200,000.

Net cash flows from financing activities for the nine months ended September 30, 2021 was $0 compared to approximately $3,375,000 for the nine months ended September 30, 2020, which consisted of the repayment of shareholders investments relating to the Sabby litigation.

Off-Balance Sheet Arrangements

Microbot has no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Interest Rate Risk

Microbot's cash and cash equivalents as of September 30, 2021 and December 31, 2020 consisted of readily available checking and money market funds. Microbot's primary exposure to market risk is interest income sensitivity, which is affected by changes in the general level of U.S. interest rates. However, because of the short-term nature of the instruments in Microbot's portfolio, a sudden change in market interest rates would not be expected to have a material impact on Microbot's financial condition and/or results of operations. Microbot does not believe that its cash or cash equivalents have significant risk of default or illiquidity. While Microbot believes its cash and cash equivalents do not contain excessive risk, Microbot cannot provide absolute assurance that in the future its investments will not be subject to adverse changes in market value. In addition, Microbot maintains significant amounts of cash and cash equivalents at one or more financial institutions that are in excess of federally insured limits.

Foreign Exchange Risks

Our financial statements are denominated in U.S. dollars and financial results are denominated in U.S. dollars, while a significant portion of our business is conducted, and a substantial portion of our operating expenses are payable, in currencies other than the U.S. dollar.

Exchange rate fluctuations may have an adverse impact on our future revenues, if any, or expenses as presented in the financial statements. We may in the future use financial instruments, such as forward foreign currency contracts, in its management of foreign currency exposure. These contracts would primarily require us to purchase and sell certain foreign currencies with or for U.S. dollars at contracted rates. We may be exposed to a credit loss in the event of non-performance by the counterparties of these contracts. In addition, these financial instruments may not adequately manage our foreign currency exposure. Our results of operations could be adversely affected if we are unable to successfully manage currency fluctuations in the future.

Effects of Inflation

Inflation generally affects Microbot by increasing its clinical trial costs. Microbot does not believe that inflation and changing prices had a significant impact on its results of operations for any periods presented herein.

Item 4. Controls and Procedures.

Disclosure Controls and Procedures

We maintain a system of disclosure controls and procedures (as defined in Rule 13a-15(e) under the Exchange Act). As required by Rule 13a-15(b) under the Exchange Act, management of the Company, under the direction of our Chief Executive Officer and Chief Financial Officer, reviewed and performed an evaluation of the effectiveness of design and operation of our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Exchange Act) as of September 30, 2021. Based on that review and evaluation, the Chief Executive Officer and Chief Financial Officer, along with the management of the Company, have determined that as of September 30, 2021, the disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and were effective to provide reasonable assurance that such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosures.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting, identified in connection with the evaluation of such internal control that occurred during our last fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II
OTHER INFORMATION

Item 1. Legal Proceedings.

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

Litigation Resulting from 2017 Financing

We were named as the defendant in a lawsuit captioned Empery Asset Master Ltd., Empery Tax Efficient, LP, Empery Tax Efficient II, LP, Hudson Bay Master Fund Ltd., Plaintiffs, against Microbot Medical Inc., Defendant, in the Supreme Court of the State of New York, County of New York (Index No. 651182/2020). The complaint alleges, among other things, that we breached multiple representations and warranties contained in the SPA, of which the Plaintiffs participated, and fraudulently induced Plaintiffs into signing the Securities Purchase Agreement (the "SPA") related to our June 8, 2017 equity financing (the "Financing"). The complaint seeks rescission of the SPA and return of the Plaintiffs' $6.75 million purchase price with respect to the Financing. We filed a Motion to Dismiss on March 16, 2020, which Motion was denied in February 2021. At this time no estimation of the potential outcome of the litigation can be made, and management is unable to assess the likelihood that we will succeed at trial with respect to the SPA or the Financing, having previously lost another lawsuit with respect to the Financing.

Alliance Litigation

On April 28, 2019, we brought an action against Alliance Investment Management, Ltd. ("Alliance"), later amended to include Joseph Mona ("Mona") as a defendant, in the Southern District of New York under Section 16(b) of the Securities Exchange Act of 1934, 15 U.S.C. 78p(b), to compel Alliance and Mona to disgorge short swing profits realized from purchases and sales of our securities within a period of less than six months. The case is Microbot Medical Inc. v. Alliance Investment Management, Ltd., No. 19-cv-3782-GBD (SDNY). The amount of profits was estimated in the complaint to be approximately $468,000.

On October 28, 2019, Alliance filed a motion for summary judgment requesting that the Court dismiss the claims against Alliance. On February 4, 2020, Mona answered the 16(b) claim we asserted against him by claiming various equitable defenses, and filed a counterclaim against Microbot under Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 promulgated thereunder, claiming a net loss on trading Microbot stock of $150,954.

On March 6, 2020, we filed a motion for judgment on the pleadings with respect to our 16(b) claim against Mona, together with a motion to dismiss Mona's 10(b) counterclaim.

On September 17, 2020, the Court issued a Memorandum Decision & Order that, among other things, granted Alliance's summary judgment motion. Our Section 16(b) claim against Mona remained pending following the Court's dismissal of the 16(b) claim against Alliance.

On December 18, 2020, the Magistrate Judge issued a Report & Recommendation, which recommended that: (i) judgment of $484,614.30 be entered in our favor on our Section 16(b) claim against Mona; and (ii) Mona's Section 10(b) claim be dismissed with prejudice (except as to allegations regarding statements purportedly made by employees of Integra Consulting, an outside investor relations firm, which the Magistrate recommended be dismissed without prejudice).

On March 30, 2021, the Court issued an Order adopting the Magistrate Judge's Report & Recommendation; and on March 31, 2021, the Clerk entered Judgement against Joseph Mona and in favor of Microbot in the amount of $484,614.30. On April 27, 2021, Mona filed an appeal of the Court's Judgment, which is pending before the U.S. Court of Appeals for the Second Circuit.

On May 3, 2021, Microbot obtained a writ of execution to enforce the Judgment against Mona, given Mona's failure to post a bond or other security in the full amount of the Judgment pending the appeal as required by the Federal Rules of Civil Procedure. On May 7, 2021, Microbot filed a motion to permit the registration of the Judgment in districts outside the Southern District of New York in which Mona may have assets available to satisfy the Judgment.

In June 2021, the Magistrate issued an order permitting Mona to file an Amended Counterclaim Complaint, and rejected our request to execute on the Judgment. We filed a response to Mona's amended counterclaim on July 21, 2021, and are pursuing a renewed motion to execute on the Judgment and dismiss the counterclaim in view of case deficiencies revealed during discovery.

Other than the foregoing, we are not currently a party in any legal proceeding or governmental regulatory proceeding nor are we currently aware of any pending or potential legal proceeding or governmental regulatory proceeding proposed to be initiated against us that would have a material adverse effect on us or our business.

Item 1A. Risk Factors.

Not required for a Smaller Reporting Company.

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

None

Item 3. Defaults Upon Senior Securities.

None

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

None.

Item 6. Exhibits

The exhibits listed below are hereby furnished to the SEC as part of this report:

31.1	Certification of Harel Gadot, Chairman, President and Chief Executive Officer
31.2	Certification of David Ben Naim, Chief Financial Officer
32.1	Certification of Harel Gadot, Chairman, President and Chief Executive Officer, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2	Certification of David Ben Naim, Chief Financial Officer, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.1	Inline XBRL Instance - The instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema.
101.CAL	Inline XBRL Taxonomy Extension Calculation.
101.DEF	Inline XBRL Taxonomy Extension Definition.
101.LAB	Inline XBRL Taxonomy Extension Labels.
101.PRE	Inline XBRL Taxonomy Extension Presentation.
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

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, this 15th day of November, 2021.

MICROBOT MEDICAL INC.

By: */s/ Harel Gadot*
Name: Harel Gadot
Title: Chairman, President and Chief Executive Officer
(Principal Executive Officer)

By: */s/ David Ben Naim*
Name: David Ben Naim
Title: Chief Financial Officer
(Principal Financial and Accounting Officer)

Exhibit 31.1

Certifications of Principal Executive Officer
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Harel Gadot, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Microbot Medical Inc.;

2. Based upon my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based upon my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b. Designed such internal controls over financial reporting, or caused such internal controls over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrants' board of directors (or persons performing the equivalent functions):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: November 15, 2021

/s/ Harel Gadot
Chairman, President and Chief Executive Officer

Exhibit 31.2

Certifications of Principal Financial Officer
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, David Ben Naim, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Microbot Medical Inc.;

2. Based upon my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based upon my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report.

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b. Designed such internal controls over financial reporting, or caused such internal controls over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrants' board of directors (or persons performing the equivalent functions):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

Dated: November 15, 2021

/s/ David Ben Naim
Chief Financial Officer

Exhibit 32.1

Certification of Principal Executive Officer
Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002

I, Harel Gadot, Chairman, President and Chief Executive Officer of Microbot Medical Inc., hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge, the quarterly report on Form 10-Q for the period ending September 30, 2021 of Microbot Medical Inc. (the "Form 10-Q") fully complies with the requirements of Section 13 (a) or 15 (d) of the Securities Exchange Act of 1934 and the information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of Microbot Medical Inc.

Dated: November 15, 2021

/s/ Harel Gadot

Harel Gadot
Chairman, President and Chief Executive Officer
(Principal Executive Officer)

Exhibit 32.2

Certification of Principal Financial Officer
Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002

I, David Ben Naim, Chief Financial Officer of Microbot Medical Inc., hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge, the quarterly report on Form 10-Q for the period ending September 30, 2021 of Microbot Medical Inc. (the "Form 10-Q") fully complies with the requirements of Section 13 (a) or 15 (d) of the Securities Exchange Act of 1934 and the information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of Microbot Medical Inc.

Dated: November 15, 2021

/s/ David Ben Naim

David Ben Naim
Chief Financial Officer
(Principal Financial Officer)