

**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 **June 30, 2025**

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
*State or Other Jurisdiction of
Incorporation or Organization*

94-3078125
*(I.R.S. Employer
Identification No.)*

**175 Derby St., Bld. 27
Hingham, MA 02043**
(Address of principal executive offices)

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

(Former name, former address and former fiscal year, if changed since last report)

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: 45,545,939 shares of Common Stock, \$0.01 par value at August 10, 2025.

MICROBOT MEDICAL INC. AND SUBSIDIARY

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MICROBOT MEDICAL INC.**Interim Condensed Consolidated Balance Sheets**

U.S. dollars in thousands

(Except share and per share data)

	Notes	As of June 30, 2025 Unaudited	As of December 31, 2024 Audited
ASSETS			
Current assets:			
Cash and cash equivalents		\$ 4,082	\$ 3,114
Marketable securities	2	28,592	2,356
Restricted cash		53	49
Prepaid expenses and other current assets		164	300
Total current assets		<u>32,891</u>	<u>5,819</u>
Property and equipment, net		75	80
Operating right-of-use assets		165	132
Total assets		<u>\$ 33,131</u>	<u>\$ 6,031</u>
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities:			
Accounts payable		\$ 503	\$ 165
Lease liabilities		102	70
Accrued liabilities		2,122	2,225
Total current liabilities		<u>2,727</u>	<u>2,460</u>
Non-current liabilities:			
Long-term lease liabilities		47	41
Total liabilities		<u>2,774</u>	<u>2,501</u>
Shareholders' equity:			
Common stock; \$0.01 par value; 120,000,000 and 60,000,000 shares authorized as of June 30, 2025 and December 31, 2024, respectively; 37,958,316 and 19,399,513 shares issued and outstanding as of June 30, 2025 and December 31, 2024, respectively.		380	195
Additional paid-in capital		127,022	94,279
Accumulated deficit		(97,045)	(90,944)
Total shareholders' equity		<u>30,357</u>	<u>3,530</u>
Total liabilities and shareholders' equity		<u>\$ 33,131</u>	<u>\$ 6,031</u>

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

MICROBOT MEDICAL INC.

Interim Condensed Consolidated Statements of Comprehensive Loss
U.S. dollars in thousands

	For the Three Months Ended		For the Six Months Ended	
	June 30,		June 30,	
	2025	2024	2025	2024
	Unaudited		Unaudited	
Research and development, net	\$ (2,111)	\$ (1,417)	\$ (3,570)	\$ (2,586)
General and administrative	(1,612)	(1,094)	(3,174)	(2,309)
Operating loss	(3,723)	(2,511)	(6,744)	(4,895)
Other income (see Note 3G)	-	-	316	-
Financing income, net	223	46	327	59
Net loss	\$ (3,500)	\$ (2,465)	\$ (6,101)	\$ (4,836)
Basic and diluted net loss per share	\$ (0.10)	\$ (0.17)	\$ (0.18)	\$ (0.33)
Basic and diluted weighted average common shares outstanding	36,488,014	14,846,584	33,801,734	14,451,279

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

MICROBOT MEDICAL INC.

Interim Condensed Consolidated Statements of Shareholders' Equity

Unaudited - U.S. dollars in thousands

(Except share and per share data)

	<u>Common Stock</u>		<u>Additional Paid-In Capital</u>	<u>Accumulated Deficit</u>	<u>Total Shareholders' Equity</u>
	<u>Shares</u>	<u>Amount</u>			
Balances, December 31, 2023 (Audited)	11,707,317	\$ 118	\$ 83,884	\$ (79,501)	\$ 4,501
Issuance of common stock and warrants, net (1)	1,685,682	17	2,380	-	2,397
Issuance of common stock relating to settlement agreement (2)	1,005,965	10	1,101	-	1,111
Share-based compensation	-	-	529	-	529
Net loss	-	-	-	(2,371)	(2,371)
Balances, March 31, 2024	<u>14,398,964</u>	<u>145</u>	<u>87,894</u>	<u>(81,872)</u>	<u>6,167</u>
Issuance of common stock and warrants, net (3)	1,566,669	16	2,006	-	2,022
Share-based compensation	-	-	331	-	331
Net loss	-	-	-	(2,465)	(2,465)
Balances, June 30, 2024	<u><u>15,965,633</u></u>	<u><u>\$ 161</u></u>	<u><u>\$ 90,231</u></u>	<u><u>\$ (84,337)</u></u>	<u><u>\$ 6,055</u></u>

(1) Net of issuance costs of \$333.

(2) See Note 3F.

(3) Net of issuance costs of \$328.

	<u>Common Stock</u>		<u>Additional Paid-In Capital</u>	<u>Accumulated Deficit</u>	<u>Total Shareholders' Equity</u>
	<u>Shares</u>	<u>Amount</u>			
Balances, December 31, 2024 (Audited)	19,399,513	\$ 195	\$ 94,279	\$ (90,944)	\$ 3,530
Issuance of common stock and warrants, net (4)	13,891,840	139	25,778	-	25,917
Issuance of common stock under the at-the-market offering, net (5)	842,606	8	989	-	997
Issuance of common stock upon exercise of warrants, net (6)	610,517	6	846	-	852
Share-based compensation	-	-	256	-	256
Net loss	-	-	-	(2,601)	(2,601)
Balances, March 31, 2025	<u>34,744,476</u>	<u>348</u>	<u>122,148</u>	<u>(93,545)</u>	<u>28,951</u>
Issuance of common stock upon exercise of warrants, net (7)	3,213,840	32	4,474	-	4,506
Shares pending issuance on exercise of warrants (8)	-	-	163	-	163
Share-based compensation	-	-	237	-	237
Net loss	-	-	-	(3,500)	(3,500)
Balances, June 30, 2025	<u><u>37,958,316</u></u>	<u><u>\$ 380</u></u>	<u><u>\$ 127,022</u></u>	<u><u>\$ (97,045)</u></u>	<u><u>\$ 30,357</u></u>

(4) Net of issuance costs in the amount of \$2,683.

(5) Net of issuance costs in the amount of \$65.

(6) Net of issuance costs in the amount of \$64.

(7) Net of issuance costs in the amount of \$340, of which \$93 had not been paid as of June 30, 2025.

(8) Net of issuance costs in the amount of \$12. See Note 4C and Note 6.

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

MICROBOT MEDICAL INC.

Interim Condensed Consolidated Statements of Cash Flows

U.S. dollars in thousands

	For the Six Months Ended June 30,	
	2025	2024
	Unaudited	Unaudited
Operating activities:		
Net loss	\$ (6,101)	\$ (4,836)
<i>Adjustments to reconcile net loss to net cash flows used in operating activities:</i>		
Depreciation of property and equipment	27	42
Interest income and unrealized gains from marketable securities	(119)	-
Share-based compensation	493	784
<i>Changes in assets and liabilities:</i>		
Prepaid expenses and other assets	161	(215)
Other payables and accrued liabilities	92	(387)
Insurance recovery related to legal settlement and legal expenses received in cash	-	1,335
Legal settlement paid in cash	-	(1,100)
Net cash flows used in operating activities	<u>(5,447)</u>	<u>(4,377)</u>
Investing activities:		
Purchases of property and equipment	(22)	(18)
Purchases of marketable securities	(31,918)	(5,120)
Proceeds from sales of marketable securities	5,801	2,540
Proceeds from maturities of marketable securities	-	2,500
Net cash flows used in investing activities	<u>(26,139)</u>	<u>(98)</u>
Financing activities:		
Issuance of common stock and warrants, net	32,558	4,471
Net cash flows provided by financing activities	<u>32,558</u>	<u>4,471</u>
Increase (decrease) in cash, cash equivalents and restricted cash	972	(4)
Cash, cash equivalents and restricted cash at beginning of period	3,163	2,517
Cash, cash equivalents and restricted cash at end of period	<u>\$ 4,135</u>	<u>\$ 2,513</u>
Supplemental disclosure of non-cash investing and financing activities:		
Right-of-use assets obtained in exchange for lease liabilities	\$ 89	\$ 37
Issuance expenses not paid	\$ 93	\$ 52
Legal settlement settled through issuance of common stock	\$ -	\$ 1,111
Accrued bonus settled through grant of stock-option awards	\$ -	\$ 76
Deferred issuance expenses	<u>\$ 30</u>	<u>\$ 138</u>
Supplemental disclosure of cash flow information:		
Cash and cash equivalents	\$ 4,082	\$ 2,465
Restricted cash	53	48
Cash, cash equivalents and restricted cash	<u>\$ 4,135</u>	<u>\$ 2,513</u>

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

MICROBOT MEDICAL INC.

**Notes to Interim Unaudited Condensed Consolidated Financial Statements
U.S. dollars in thousands**

(Except share and per share data)

NOTE 1 – GENERAL

A. Description of business

Microbot Medical Inc. (the “Company”) is a pre-commercial, clinical-stage medical device company specializing in the research, design and development of next generation robotic endoluminal surgery devices 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.

The Company incorporated on August 2, 1988 in the State of Delaware under the name Cellular Transplants, Inc. The original Certificate of Incorporation was restated on February 14, 1992 to change the name of the Company to Cyto Therapeutics, Inc. On May 24, 2000, the Certificate of Incorporation as restated was further amended to change the name of the Company to StemCells, Inc.

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” or “Subsidiary”). 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 Subsidiary are sometimes collectively referred to as the “Company” as the context may require.

B. Risk Factors

To date, the Company has not generated revenues from its operations. As of June 30, 2025, the Company had cash equivalents and marketable securities balance of approximately \$32,674, excluding restricted cash. Due to continuing research and development and pre-commercialization activities, the Company expects to continue to incur additional losses for the foreseeable future. Notwithstanding these conditions, the Company’s management has concluded that the available funds as of the balance sheet date, combined with the capital raises completed as described in Note 4, are sufficient to fund the Company’s operations for more than twelve months from the issuance date of these financial statements.

The Company expects to raise additional funds through future issuances of either debt and/or equity securities, including upon the cash exercise of outstanding investment options, and 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.

Israel-Hamas War

On October 7, 2023, the State of Israel, where our research and development and other operations are primarily based, suffered a surprise attack by hostile forces from Gaza, which led to Israeli military operation at first in Gaza and then in Lebanon. These military operations and related activities, such as the recent collapse of the Assad regime in Syria and Israel’s subsequent military operations in Syria, and the recent escalation of military operations by and against the Houthis in Yemen and the Iranian regime, are on-going as of the issuance date of these financial statements, although there have been temporary cease fires and lulls in military operations from time to time.

The Company has considered various ongoing risks relating to the military operations and related matters, including:

- That some of our Israeli subcontractors, vendors, suppliers and other companies in which the Company relies, are currently only partially active, as instructed by the relevant authorities; and
- A slowdown in the number of international flights in and out of Israel.

The Company is closely monitoring how the military operations and related activities could adversely affect our anticipated milestones and our Israel-based activities to support future clinical and regulatory milestones, including our ability to import materials that are required to construct the Company’s devices and to ship them outside of Israel. As of the issuance date of these financial statements, the Company has determined that there have not been any materially adverse effects on its business or operations, but the Company continues to monitor the situation, as any collapse of a cease-fire with any nation or group hostile to Israel from time to time, or any future escalation or change could result in a material adverse effect on the ability of the Company’s Israeli office to support its clinical and regulatory activities. The Company does not have any specific contingency plans in the event of any such escalation or change.

C. Unaudited Interim Financial Statements

The accompanying unaudited interim condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States (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). These interim consolidated condensed financial statements should be read in conjunction with the Company’s latest audited financial statements.

Operating results for the three and six-month period ended June 30, 2025, are not necessarily indicative of the results that may be expected for the year ending December 31, 2025.

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 Company’s latest annual audited financial statements, except if noted below.

Basis of presentation:

The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (“US GAAP”).

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.

Fair value of financial instruments:

The carrying values of cash and cash equivalents, restricted cash, prepaid expenses and other current assets, 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 following tables summarize the Company's financial assets subject to fair value measurement and the level of inputs used in such measurements as of June 30, 2025, and December 31, 2024:

	As of June 30, 2025			
	Total	Level 1	Level 2	Level 3
Marketable securities:				
Money market mutual funds	\$ 28,592	\$ 28,592	\$ -	\$ -
	<u>\$ 28,592</u>	<u>\$ 28,592</u>	<u>\$ -</u>	<u>\$ -</u>

	As of December 31, 2024			
	Total	Level 1	Level 2	Level 3
Marketable securities:				
Money market mutual funds	\$ 2,356	\$ 2,356	\$ -	\$ -
	<u>\$ 2,356</u>	<u>\$ 2,356</u>	<u>\$ -</u>	<u>\$ -</u>

The Company's financial assets are measured at fair value on a recurring basis by level within the fair value hierarchy. The Company's money market funds are classified as Level 1. Other than that, the Company doesn't have any other financial assets or financial liabilities marked to market at fair value as of June 30, 2025 and December 31, 2024.

Share-based compensation:

The Company applies ASC 718-10, "Share-Based Payment" ("ASC 718-10"), which requires the measurement and recognition of compensation expenses for all share-based payment awards made to employees and directors including stock options under the Company's stock plans based on estimated fair values.

ASC 718-10 requires companies to estimate the fair value of stock options using an option-pricing model, which is recognized as an expense over the requisite service periods in the Company's statement of comprehensive loss, based on a straight-line method. The Company recognizes compensation cost for an equity classified award with only service conditions that has a graded vesting schedule on a straight-line basis over the requisite service period for the entire award, provided that the cumulative amount of compensation cost recognized at any date at least equals the portion of the grant date fair value of such award that is vested at that date.

The Company recognizes the expense for an equity classified awards subject to performance-based milestone vesting over the remaining service period when management determines that achievement of the milestone is probable. Management evaluates when the achievement of a performance-based milestone is probable based on the expected satisfaction of the performance conditions at each reporting date. If no explicit service period is determined, the Company estimates the implicit service period based on the timing the employee is expected to achieve the related performance condition. When no future services are required to be performed by the grantee in exchange for an award of equity instruments, and if such award does not contain a performance condition, the cost of the award is expensed on the grant date.

The Company estimates the implicit service period based on the timing the employee is expected to achieve the related performance condition. When no future services are required to be performed by the grantee in exchange for an award of equity instruments, and if such award does not contain a performance condition, the cost of the award is expensed on the grant date.

The Company estimates the fair value of stock options granted as share-based payment awards using a Black-Scholes options pricing model. The option-pricing model requires a number of assumptions, of which the most significant are expected volatility and the expected option term (the time from the grant date until the options are exercised or expire). Expected volatility is estimated based on the standard deviation of the Company's closing prices according to the expected life (SAB107) for each of the grants. The Company has historically not paid dividends and has no foreseeable plans to issue dividends. The risk-free interest rate is based on the yield from governmental zero-coupon bonds with an equivalent term.

For stock options that qualify as “plain-vanilla,” the expected term is calculated using the simplified method. For stock options that do not qualify as “plain-vanilla,” the Company’s management estimated that the expected stock option term is the contractual term of the options. Changes in the determination of each of the inputs can affect the fair value of the stock options granted and the results of operations of the Company.

Recently adopted accounting pronouncements:

In November 2023, the FASB issued ASU 2023-07, “Segment Reporting (Topic 280), Improvements to Reportable Segment Disclosures” (“ASU 2023-07”) to improve reportable segment disclosure requirements through enhanced disclosures about significant segment expenses on an interim and annual basis. All disclosure requirements of ASU 2023-07 are required also for entities with a single reportable segment. The ASU was effective for the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2024, and subsequent interim periods. As part of the Annual Report for the year ended December 31, 2024, the Company adopted ASU 2023-07, which was applied retrospectively to all prior periods presented. Refer to Note 5 herein for further details regarding this adoption.

Accounting pronouncements not yet effective:

In November 2024, the FASB issued ASU 2024-03, “Income Statement–Reporting Comprehensive Income–Expense Disaggregation Disclosures (Subtopic 220- 40): Disaggregation of Income Statement Expenses” (“ASU 2024-03”), which requires the disaggregation of certain expenses in the financial statements notes, to provide enhanced transparency into the expense captions presented on the face of the consolidated statement of comprehensive loss.

The ASU is effective for annual fiscal years beginning after December 15, 2026, and interim periods within fiscal years beginning after December 15, 2027. Early adoption is permitted. Adoption of this ASU should be applied on a prospective basis, although retrospective application is permitted. The Company is currently evaluating the impact that ASU 2024-03 will have on its related disclosures.

NOTE 3 - COMMITMENTS AND CONTINGENCIES

A. Government grants:

Microbot Israel has received grants from the IIA for participation in research and development since 2013 through June 30, 2025, totaling approximately \$1,878. See also Note 6.

In addition, as a result of the agreement with Nitiloop, on October 6, 2022, Microbot Israel took over the liability to repay Nitiloop’s IIA grants in the aggregate amount of approximately \$925.

In relation to the IIA grants described above, the Company is obligated to pay royalties amounting to 3.0% - 5% of its future sales of the products up to grant amount plus interest. The grants are linked to the exchange rate of the dollar to the New Israeli Shekel and bears interest of Secured Overnight Financing Rate (“SOFR”) per year (SOFR is a benchmark interest rate which replaced LIBOR).

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. The grants are received from the Government on a project- by-project basis.

On December 11, 2022, the Company received approval for a grant from the Ministry of Economy, in the amount of NIS 300,000 (approximately \$83), for participation in expenses related to the LIBERTY® Endovascular Robotic Surgical System in the U.S. market. As of June 30, 2025, the Company received approximately \$50 of such grant. In relation with the Ministry of Economy grant, the Company is obligated to pay royalties amounting to 3% of future sales of the LIBERTY® Endovascular Robotic Surgical System up to the grant amount plus interest.

B. 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 amended, the “License Agreement”) with respect to its then Self-Cleaning Shunt (“SCS”) project and TipCat assets, which also governed certain technology relating to the Company’s LIBERTY® Endovascular Robotic Surgical System. 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 License Agreement.

In October 2022 the Company suspended the SCS project and as a result of the Company’s May 2023 implementation of its core-business focus program and cost reduction plan, the Company returned the licensed intellectual property for the TipCat back to TRDF in June 2023 and returned the licensed intellectual property for the SCS (ViRob) back to TRDF in July 2023. As a result, as of the date of these financial statements, the License Agreement is limited to the certain technology relating to the Company’s LIBERTY® Endovascular Robotic Surgical System.

C. 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 having an aggregate offering price of up to \$10,000 at market prices or as otherwise agreed with Wainwright. The Company entered into an amendment, dated July 1, 2024, to the ATM Agreement with Wainwright dated June 10, 2021, relating to the offer and sale of shares of the Company’s common stock having an aggregate offering price of up to approximately \$4,820 from time to time through Wainwright, acting as sales agent. The compensation to Wainwright for sales of the shares is a placement fee of 3.0% of the gross sales price of the shares of common stock sold pursuant to this ATM Agreement. See also Note 4B below.

D. Engagement letters with H.C. Wainwright:

In connection with registered direct and private placement offerings, the Company entered into engagement letters (the “Engagement Letters”) with Wainwright on October 3, 2022, on May 16, 2023, on October 24, 2023, and on May 29, 2024 which was amended most recently on February 9, 2025, in each case pursuant to which Wainwright agreed to serve as the exclusive placement agent for the issuance and sale of securities of the Company.

As compensation for such placement agent services, the Company has agreed to pay Wainwright an aggregate cash fee equal to 7.0% of the gross proceeds received by the Company from offerings contemplated by the Engagement Letters, plus a management fee equal to 1.0% of the gross proceeds received by the Company from such offerings, as well as other reimbursable expenses. The Company has also agreed to issue to Wainwright or its designees preferred investment options upon the closing of such offerings, equal to five (5.0%) percent of the aggregate number of such shares of common stock in such offerings. In addition, upon exercise for cash of any investment options by an investor, the Company has agreed to pay Wainwright a cash fee equal to 7.0% of the gross proceeds from such exercise and to issue to Wainwright or its designees additional preferred investment options equal to five (5.0%) percent of the aggregate number of shares of common stock issued upon such exercise See also Note 4C below.

E. Acquisition of Nitiloop’s assets:

On October 6, 2022, Microbot Israel purchased substantially all of the assets, including intellectual property, devices, components and product related materials (the “Assets”), of Nitiloop Ltd., an Israeli limited liability company (“Nitiloop”). The Assets include intellectual property and technology in the field of intraluminal revascularization devices with anchoring mechanism and integrated microcatheter (the “Technology”) and the products or potential products incorporating the Technology owned by Nitiloop and designated by Nitiloop as “NovaCross”, “NovaCross Xtreme” and “NovaCross BTK” and any enhancements, modifications and improvements thereof (“Devices”). Microbot Israel did not assume any material liabilities of Nitiloop other than obligations Nitiloop has to the IIA and relating to certain renewal/maintenance fees for a European patent application.

In consideration for the acquisition of the Assets, Microbot Israel shall pay royalties to Nitiloop, which shall not, in the aggregate, exceed \$8,000, as follows:

Royalties at a rate of 3% of net revenue generated as a result of sales, license or other exploitation of the Devices; and

Royalties at a rate of 1.5% of net revenue generated from the sale, license or other exploitation of commercialization of the technology as part of an integrated product.

F. Litigation resulting from the 2017 financing:

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., (the “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 “Lawsuit”). The complaint alleged, among other things, that the Company breached multiple representations and warranties contained in the Securities Purchase Agreement (the “SPA”) related to the Company’s June 8, 2017, equity financing (the “2017 Financing”), of which the Plaintiffs participated, and fraudulently induced Plaintiffs into signing the SPA. The complaint sought rescission of the SPA and return of the Plaintiffs’ \$6,750 purchase price with respect to the 2017 Financing.

On January 26, 2024 (the “Effective Date”), the Company entered into a settlement agreement and release with the Plaintiffs (the “Settlement Agreement”), effectively resolving the Lawsuit.

Pursuant to the Settlement Agreement, the Company paid \$2,154 consisting of a cash payment of \$1,100, covered by the Company’s insurance company, and 1,005,965 shares of restricted common stock which were subsequently registered for resale. Furthermore, the Company’s insurance company is responsible for covering legal expenses incurred by the Company in relation to the legal proceedings of the Lawsuit. In February 2024, the Plaintiffs filed a stipulation discontinuing the Lawsuit with prejudice.

The Company concluded the Settlement Agreement gave rise to loss contingencies in the scope of ASC Subtopic 450-20, Contingencies – Loss Contingencies, and as of December 31, 2023, the Company recorded a contingent liability, as the Company deemed it both probable and reasonably estimable.

The Company determined that the loss contingency should be recognized as non-operating losses, offset by loss recoveries received from the Company’s insurance company.

As a result of the Settlement Agreement and the insurance recovery received from the insurance company, as of December 31, 2023, the Company recorded a current liability and a current asset on its consolidated balance sheet totaling \$2,211 and \$1,335, respectively. Within this asset, \$1,100 represents the recovery of the cash payment of the settlement amount, and \$235 represents recovery of legal expenses. A net non-operating loss of \$1,111 from legal settlement was reflected in the Company’s consolidated statement of comprehensive loss for the year ended December 31, 2023. In the first quarter of 2024, the Company received \$1,335 from the insurance company. Additionally, during the first quarter of 2024, the Company paid the settlement amount by transferring \$1,100 in cash to the Plaintiffs and issuing 1,005,965 shares of the Company’s common stock, thereby settling the liability recorded as of December 31, 2023.

G. Mona litigation:

In March 2025, an appellate court held in favor of the Company with respect to a 2019 action against Alliance Investment Management, Ltd. (“Alliance”), later amended to add Joseph Mona (“Mona”) as a defendant, in the Southern District of New York under Section 16(b) of the Securities Exchange Act of 1934 (the “Exchange Act”), to compel Alliance and/or Mona to disgorge short swing profits realized from purchases and sales of the Company’s securities within a period of less than six months. As a result, the Company received a judgment in the amount of approximately \$316, net of legal fees and expenses. The amount received was recorded as other income in the Company’s interim condensed consolidated statement of comprehensive loss. A subsequent petition by the defendant to the United States Supreme Court for review to overturn the appellate court’s ruling has been denied.

H. Contingent bonus commitments based on future capital raising

As of June 30, 2025, the Company recorded accrued bonuses to the CEO and other executives, in the aggregate amount of \$357.

I. Employment-Related Matter

On June 17, 2025, the Company received a demand letter from legal counsel representing a former employee in connection with an employment-related matter. Based on its initial assessment, the Company believes the claims are without merit. As of the balance sheet date, no legal proceedings have been initiated in connection with this matter, and there can be no assurance as to whether litigation will be commenced or, if commenced, whether the outcome could have a material effect on the Company's financial statements

NOTE 4 - SHARE CAPITAL

A. Registered direct and private placement offerings

On January 6, 2025, the Company entered into Securities Purchase Agreements with institutional investors, pursuant to which the Company agreed to issue and sell, in a registered direct offering priced at-the-market under the rules of the Nasdaq Stock Market, an aggregate of 4,000,001 shares of the Company's common stock, par value \$0.01 per share, at an offering price of \$1.75 per share, for aggregate gross proceeds from the offerings of approximately \$7,000 before deducting the placement agent fee and related offering expenses of approximately \$690. In a concurrent private placement, the Company agreed to issue to the investors series G preferred investment options to purchase up to 8,000,002 shares of common stock at an exercise price of \$1.75 per share. Each Series G preferred investment option is exercisable immediately and will expire two years from the initial exercise date. The Company also issued to Wainwright or its designees preferred investment options to purchase up to 200,000 shares of common stock which have the same terms as investors' preferred investment options except for an exercise price equal to \$2.1875 per share.

On January 7, 2025, the Company entered into Securities Purchase Agreements with institutional investors, pursuant to which the Company agreed to issue and sell, in a registered direct offering priced at-the-market under the rules of the Nasdaq Stock Market, an aggregate of 3,788,550 shares of the Company's common stock, par value \$0.01 per share, at an offering price of \$2.27 per share, for aggregate gross proceeds from the offerings of approximately \$8,600 before deducting the placement agent fee and related offering expenses of approximately \$818. In a concurrent private placement, the Company agreed to issue to the investors series H preferred investment options to purchase up to 7,577,100 shares of common stock at an exercise price of \$2.10 per share. Each Series H preferred investment option is exercisable immediately and will expire two years from the initial exercise date. The Company also issued to Wainwright or its designees preferred investment options to purchase up to 189,428 shares of common stock which have the same terms as investors' preferred investment options except for an exercise price equal to \$2.8375 per share.

On February 9, 2025, the Company entered into Securities Purchase Agreements with institutional investors, pursuant to which the Company agreed to issue and sell, in a registered direct offering priced at-the-market under the rules of the Nasdaq Stock Market, an aggregate of 6,103,289 shares of the Company's common stock, par value \$0.01 per share, at an offering price of \$2.13 per share, for aggregate gross proceeds from the offerings of approximately \$13,000 before deducting the placement agent fee and related offering expenses of approximately \$1,176. In a concurrent private placement, the Company agreed to issue to the investors series I preferred investment options to purchase up to 12,206,578 shares of common stock at an exercise price of \$2.13 per share. Each Series I preferred investment option is exercisable on the later of (i) the date on which the amendment to the Company's articles of incorporation that increases the number of authorized shares of common stock to an amount of shares of common stock sufficient for the exercise in full of the series I preferred investment options is filed and accepted with the State of Delaware law (such date, the "Authorized Share Increase Date") and (ii) the date on which approval as may be required by the applicable rules and regulations of the Nasdaq Stock Market (or any successor entity) from the stockholders of the Company with respect to the issuance of all the series I preferred investment options and the shares of common stock issuable upon the exercise thereof, is received and deemed effective under Delaware law (the "Initial exercise date"), and will expire two years from the initial exercise date. Net cash settlements are not permitted under any event under the Securities Purchase Agreements.

The Company also issued to Wainwright or its designees preferred investment options to purchase up to 305,164 shares of common stock which have the same terms as investors' preferred investment options except for an exercise price equal to \$2.6625 per share.

On June 10, 2025, at the Company's annual meeting of stockholders, an amendment to the Company's articles of incorporation was approved, increasing the number of authorized shares of common stock to 120,000,000. The amendment was subsequently filed with and accepted by the State of Delaware law and became effective on that date. Refer to Note 4G.

As a result, the Series I preferred investment options to purchase up to 12,206,578 shares of common stock at an exercise price of \$2.13 per share, and the placement agent preferred investment options to purchase up to 305,164 shares of common stock at an exercise price of \$2.6625 per share, each of which was issued on February 11, 2025, became immediately exercisable until their two year anniversary.

B. At-the-market offerings

On July 1, 2024, the Company filed with the SEC a prospectus supplement relating to the offer, issuance and sale of up to \$4,820 of the Company's shares of common stock pursuant to the ATM Agreement. During the year 2024, the Company issued 3,433,880 shares of the Company's common stock pursuant to the ATM Agreement, for total gross proceeds of approximately \$3,756 before deducting sales agent commissions and other offering expenses of \$239.

In January 2025, the Company issued 842,606 shares of the Company's common stock pursuant to the ATM Agreement, for total gross proceeds of approximately \$1,062 before deducting sales agent commissions and other offering expenses of \$65. The Company is no longer selling its securities pursuant to the ATM Agreement and has not as of the filing of these financial statements entered into a new or replacement ATM agreement.

C. Exercise of Investment Options

In January 2025, the Company raised approximately \$916 in gross proceeds from the exercise of an aggregate of 610,517 outstanding Series E preferred investment options. As a result of these exercises, and in accordance with the Company's engagement letters with its placement agent, as mentioned in Note 3D, the Company paid a cash fee of approximately \$64 to its placement agent and issued an aggregate of 30,526 placement agent options.

In April 2025, the Company raised approximately \$2,300 in gross proceeds from the exercise of an aggregate of 1,533,336 outstanding Series E and Series F preferred investment options. As a result of these exercises, and in accordance with the Company's engagement letters with its placement agent, as mentioned in Note 3D, the Company paid a cash fee of approximately \$161 to its placement agent and is obligated to issue an aggregate of 76,667 placement agent options.

In May 2025, the Company raised approximately \$1,400 in gross proceeds from the exercise of an aggregate of 933,330 outstanding Series F preferred investment options. As a result of these exercises, and in accordance with the Company's engagement letters with its placement agent, as mentioned in Note 3D, the Company paid a cash fee of approximately \$98 to its placement agent and is obligated to issue an aggregate of 46,667 placement agent options.

In June 2025, the Company raised approximately \$1,321 in gross proceeds from the exercise of 847,174 outstanding Series E, F, and G preferred investment options. In connection with these exercises, the Company issued 747,174 shares, while 100,000 shares related to investment options exercised on June 30, 2025, were pending issuance as of that date. See Note 6 below. As a result of these exercises, and in accordance with the Company's engagement letters with its placement agent, as mentioned in Note 3D, the Company is obligated to pay a cash fee of approximately \$93 to its placement agent and to issue an aggregate of 42,359 placement agent options.

D. Equity classification

The common stock of the Company are recognized as equity under the requirements of ASC Topic 505 Equity.

The Company analyzed the accounting treatment for all of the outstanding preferred investment options. Based on the Company's analysis all such warrants were classified as equity.

The Company analyzed the accounting treatment for all of the outstanding preferred investment options issued to Wainwright. Since the Company did not identify any features causing liability classification according to ASC 718, it concluded that all such preferred investment options are equity-classified awards.

E. Employee Stock Option Grants

During the year ended December 31, 2024:

- The Company granted the CEO, its executives and management, fully vested options to purchase an aggregate of 80,000 and 50,000 shares of the Company's common stock, respectively, at an exercise price per share of \$1.2684.

- The Company granted the CEO and certain executives, options to purchase an aggregate of 80,000 and 52,500 shares of the Company's common stock, respectively, at an exercise price per share of \$1.25. The vesting of these options is subject to the achievement of specified performance conditions. For the year ended December 31, 2024, the Company recorded an expense of \$38, reflecting management's assessment that the specified performance milestones for 35,625 of the 132,500 options were achieved by their due date.
- The Company granted the CEO, its executives, and certain employees, options to purchase an aggregate of 80,000 and 115,000 shares of the Company's common stock, respectively, at an exercise price per share of \$1.2684, with a vesting period of three years.
- The Company granted an advisor options to purchase an aggregate of 25,000 shares of the Company's common stock, at an exercise price per share of \$0.881, with a vesting period of three years.

With respect to the CEO's 2023 annual bonus, during February 2024, the Company paid 25% of the CEO's total 2023 bonus - amounting to approximately \$99, through the grant of fully vested options to purchase an aggregate of 79,567 shares of the Company's common stock with an exercise price per share of \$1.25.

During the six months ended June 30, 2025, the Company granted the CEO, executives and certain employees, and certain board members, 228,000, 348,875 and 70,000 options, respectively. In addition, in February 2025, the Company determined that 35,625 out of 132,500 performance-based options granted in February 2024 had met their milestones and been vested, while the remainder 96,875 options which did not meet their milestones had been forfeited.

On June 10, 2025, at the Company's annual meeting of stockholders, an amendment to the Company's 2020 Omnibus Performance Award Plan (as amended) was approved. This amendment increased the number of shares of common stock authorized and reserved for issuance under the plan by 2,591,019 shares.

F. Warrants:

The remaining outstanding warrants and terms as of June 30, 2025, and December 31, 2024, are as follows:

Issuance date	Outstanding and exercisable as of June 30, 2025	Outstanding and exercisable as of December 31, 2024	Exercise Price	Exercisable Through
Warrant to underwriters October 2022	51,125	51,125	\$ 6.11	October 21, 2027
Warrant to underwriters May 2023	32,778	32,778	\$ 2.75	November 23, 2026
Warrant to underwriters May 2023	60,476	60,476	\$ 2.75	November 24, 2026
Warrant to underwriters June 2023	35,088	35,088	\$ 2.67	June 2, 2028
Warrant to underwriters June 2023	31,231	31,231	\$ 4.06	June 28, 2028
Warrant series E January 2024	104,103	1,685,682	\$ 1.50	July 3, 2029
Warrant to underwriters January 2024	84,284	84,284	\$ 2.03	July 3, 2029
Warrant series F June 2024	990,560	3,133,338	\$ 1.50	June 3, 2026
Warrant to underwriters June 2024	78,333	78,333	\$ 1.88	June 3, 2026
Warrant series G January 2025	7,800,002	-	\$ 1.75	January 7, 2027
Warrant to underwriters January 2025	200,000	-	\$ 2.19	January 7, 2027
Warrant series H January 2025	7,577,100	-	\$ 2.10	January 10, 2027
Warrant to underwriters January 2025	189,428	-	\$ 2.84	January 10, 2027
Warrant to underwriters January 2025	30,526	-	\$ 1.88	July 8, 2030
Warrant series I February 2025	12,206,578	-	\$ 2.13	June 10, 2027
Warrant to underwriters February 2025	305,164	-	\$ 2.66	June 10, 2027

G. Increase in Authorized Shares:

On June 10, 2025, following the stockholders approval obtained at the 2025 annual meeting of stockholders of the Company, the Company filed with the State of Delaware a certificate of amendment to the Company's restated certificate of incorporation, as amended, which increased the total number of shares of common stock authorized for issuance to 120,000,000 shares, with a corresponding increase in the total authorized shares from 61,000,000 to 121,000,000. Immediately thereafter, the Company had 121,000,000 shares of authorized stock, consisting of (i) 120,000,000 shares of common stock, and (ii) 1,000,000 shares of undesignated preferred stock.

NOTE 5 – SEGMENT REPORTING

Segment information is prepared on the same basis that the Company's chief operating decision maker ("CODM"), the Chief Executive Officer, manages the business, makes business decisions and assesses performance. The Company has one operating and reportable segment, which is the development of robotic devices for endoluminal surgery. See Note 1A for further details.

The CODM assesses performance for this segment and decides how to allocate resources based on net loss. The measure of segment assets is reported on the balance sheet as cash and cash equivalents and marketable securities. The chief executive officer performs the assessment of segment performance by using the reported measure of segment loss to monitor actual results.

The table below summarizes the significant expense categories regularly reviewed by the CODM for the three and six months ended June 30, 2025, and 2024:

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2025	2024	2025	2024
<i>Significant segment expenses:</i>				
Payroll and payroll related	\$ 1,576	\$ 1,117	\$ 3,124	\$ 2,184
Materials and subcontractors	665	380	943	644
Share-based compensation	237	330	493	784
Other segment items (*)	1,022	638	1,541	1,224
Net loss	<u>\$ 3,500</u>	<u>\$ 2,465</u>	<u>\$ 6,101</u>	<u>\$ 4,836</u>

(*) Other segment items included within net loss include professional services, patents, overhead and depreciation, travel expenses, insurance expenses, financial income, net, other income and other miscellaneous expenses net of grants received. See the consolidated financial statements for other financial information regarding the Company's operating segment.

NOTE 6 – SUBSEQUENT EVENTS

During the period July 1, 2025 to August 8, 2025, the Company raised approximately \$13,275 in gross proceeds from the exercise of an aggregate of 7,697,623 outstanding Series G and F preferred investment options. In connection with these exercises, the Company issued 7,487,623 shares, while 210,000 shares were pending issuance as of August 8, 2025. As a result of these exercises, and in accordance with the Company's engagement letters with its placement agent, as mentioned in Note 3D, the Company is obligated to pay a cash fee of approximately \$929 to its placement agent and to issue an aggregate of 384,881 placement agent options.

On July 1, 2025, the Company issued 100,000 shares of common stock in connection with the exercise of a preferred investment option on June 30, 2025.

In July 2025 the IIA approved a new grant in the amount of approximately NIS 2.2 million (approximately \$630,000) to further finance the development of the manufacturing process of the LIBERTY[®] Endovascular Robotic Surgical System.

The One Big Beautiful Bill Act ("OBBBA") was enacted on July 4, 2025, extending key provisions of 2017 Tax Act. The Company continues to evaluate the impact on its financial position. The OBBBA is not currently expected to have a material impact on the Company's results of operations.

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, 2024. 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, 2024.

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-commercial, clinical stage 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 robotic technologies with the goal of redefining surgical robotics while improving surgical outcomes for patients.

Using our LIBERTY[®] Endovascular Robotic Surgical System, we are developing the first ever fully disposable robot for various endovascular interventional procedures.

Technological Platforms

LIBERTY[®] Endovascular Robotic Surgical System

The LIBERTY[®] Endovascular Robotic Surgical 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 reduce the use of consumables.

The LIBERTY[®] Endovascular Robotic Surgical System 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, when compared to other robotic systems.

We believe the addressable markets for the LIBERTY[®] Endovascular Robotic Surgical System in its current version includes the peripheral interventional radiology market, with future versions expected to include the Interventional Cardiology and Interventional Neuroradiology markets.

The unique characteristics of the LIBERTY[®] Endovascular Robotic Surgical System - compact, mobile, disposable and remotely controlled – also may open the opportunity of expanding telerobotic interventions to patients with limited access to life-saving procedures.

The LIBERTY[®] Endovascular Robotic Surgical System has been designed to have the following attributes:

- Compact size - Eliminates the need for large capital equipment in dedicated cath-lab rooms with dedicated staff.
- Fully disposable - To our knowledge, the first fully disposable, robotic system for endovascular procedures.
- One & Done[®] - Has the potential to be compatible with Microbot's NitiLoop's NovaCross[®] products or possibly other instruments that combines guidewire and microcatheter into a single device. We are currently evaluating this combination in different applications.
- State of the art maneuverability - Provides linear and rotational control of its guidewire, as well as linear and rotational control of a guide catheter, and the linear motion for an additional microcatheter ("over the wire") device.
- Compatibility with a wide range of commercially-available guidewires, microcatheters and guide-catheters.
- Enhanced operator safety and comfort - Aims to reduce exposure to ionizing radiation and reduce physical strain due to the need for heavy lead vests otherwise to be worn during procedures.
- Ease of use - Its intuitive remote controls aims to simplify advanced procedures while shortening the physician's learning curve.
- Telemedicine capability – May serve as a platform for supporting tele-catheterization, carried out remotely by highly trained specialists. The Company's research collaboration with Corewell Health[™] has demonstrated the feasibility of using the LIBERTY[®] Endovascular Robotic System between separate and remote facilities in a coronary simulation model. The project assesses the feasibility of using LIBERTY[®] to perform simulated cardiovascular interventional procedures across two sites within the Corewell Health[™] system located 5 miles apart. The telesurgery feature of LIBERTY[®] is still being evaluated and is not covered under the Company's pending 510(k) premarket submission with the U.S. Food and Drug Administration ("FDA").

On August 17, 2020, Microbot announced the successful conclusion of its feasibility animal study using the LIBERTY[®] Endovascular Robotic Surgical 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.

On May 3, 2023, we announced that the LIBERTY[®] Endovascular Robotic Surgical System has surpassed its 100th catheterization during multiple preclinical studies, with a 95% success rate of reaching pre-determined vascular targets, such as distal branches of hepatic, gastric, splenic, mesenteric, renal and hypogastric arteries. Moreover, all of the procedures were completed without notable signs of intraoperative injury.

On June 29, 2023, we announced the successful completion of a two-day preclinical study held by leading key opinion leaders at a New York-based research lab, where they performed dozens of catheterizations, including the utilization of the LIBERTY[®] Endovascular Robotic Surgical System's remote operation capabilities, to pre-determined vascular targets, with a 100% success rate of reaching the intended target with no observable on-site complications.

In October 2023, we announced the successful initial outcomes from our pivotal preclinical study with the LIBERTY[®] Endovascular Robotic Surgical System. The pivotal study was conducted by three leading interventional radiologists that utilized the LIBERTY[®] Endovascular Robotic Surgical System to reach a total of 48 animal targets. A total of 6 LIBERTY[®] Endovascular Robotic Surgical Systems were used in the study. All 6 LIBERTY[®] Endovascular Robotic Surgical Systems performed flawlessly, with 100% usability and technical success. No acute adverse events or complications were visually observed intra-operative. In December 2023, we announced that the final histopathology and lab report supplements our previous findings, and that the results of the study will support our Investigational Device Exemption (“IDE”) submission to the FDA to commence a human clinical study. On January 29, 2024, the Company submitted an IDE application with the U.S. Food and Drug Administration, in order to commence its pivotal clinical trial in humans.

On December 10, 2024, we announced that we submitted a 510(k) premarket notification to the FDA for our LIBERTY[®] Endovascular Robotic System. The 510(k) submission follows the successful completion of our multi-center, single-arm, human trial to evaluate the performance and safety of LIBERTY[®] in human subjects undergoing Peripheral Vascular Interventions.

We anticipate FDA marketing clearance during the third quarter of 2025, with U.S. commercialization activities expected to commence after the clearance. However, we can give no assurance that we will meet this projected milestone, if ever.

On August 13, 2024, we announced that we received ISO 13485:2016 certification for our quality management system. Receiving ISO 13485 certification indicates that a company has developed and implemented robust policies and procedures for the development and manufacture of regulated medical products. This is a certification ensuring compliance with the Quality Management System (QMS) requirements of the EU Medical Devices Regulation (MDR 2017/745) and supporting our future CE Mark approval, and to ultimately allow us to market the LIBERTY[®] Endovascular Robotic Surgical System in Europe as well as other regions who accept the CE Mark. We anticipate CE Mark approval in the second half of 2026. However, we can give no assurance that we will meet this or any other projected milestones, if ever. In addition, in view of the recent revision published by the FDA regarding the quality system management regulation and its incorporation by reference of the ISO 13485 standard, we believe it will help streamline our transition into this revised FDA regulation.

The Company entered into an agreement with Emory University, which will allow the parties to evaluate and explore the potential for a future collaboration in connection with autonomous robotics in endovascular procedures. Under the terms of the agreement, Emory University will assume the responsibility of exploring the feasibility of integrating the LIBERTY[®] Endovascular Robotic Surgical System with an imaging system to create an autonomous robotic system for endovascular procedures.

NovaCross[®]

On October 6, 2022, we purchased substantially all of the assets, including intellectual property, devices, components and product related materials of Nitiloop Ltd., an Israeli limited liability company. The assets include intellectual property and technology in the field of intraluminal revascularization devices with anchoring mechanism and integrated microcatheter, and the products or potential products incorporating the technology owned by Nitiloop and designated by Nitiloop as “NovaCross”, “NovaCross Xtreme” and “NovaCross BTK” and any enhancements, modifications and improvements.

Israel-Hamas War

On October 7, 2023, the State of Israel, where our research and development and other operations are primarily based, suffered a surprise attack by hostile forces from Gaza, which led to Israeli military operation at first in Gaza and then in Lebanon. These military operations and related activities, such as the recent collapse of the Assad regime in Syria and Israel’s subsequent military operations in Syria, and the recent escalation of military operations by and against the Houthis in Yemen and the Iranian regime, are on-going as of the issuance date of these financial statements, although there have been temporary cease fires and lulls in military operations from time to time.

The Company has considered various ongoing risks relating to the military operations and related matters, including:

- That some of our Israeli subcontractors, vendors, suppliers and other companies in which the Company relies, are currently only partially active, as instructed by the relevant authorities; and
- A slowdown in the number of international flights in and out of Israel.

The Company is closely monitoring how the military operations and related activities could adversely affect our anticipated milestones and our Israel-based activities to support future clinical and regulatory milestones, including our ability to import materials that are required to construct the Company's devices and to ship them outside of Israel. As of the filing date of this Quarterly Report on Form 10-Q, the Company has determined that there have not been any materially adverse effects on its business or operations, but the Company continues to monitor the situation, as any collapse of a cease-fire with any nation or group hostile to Israel from time to time, or any future escalation or change could result in a material adverse effect on the ability of the Company's Israeli office to support its clinical and regulatory activities. The Company do not have any specific contingency plans in the event of any such escalation or change.

Financial Operations Overview

Research and Development Expenses, net

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, net of government grants. 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, legal services, and insurance expenses.

Microbot expects that its general and administrative expenses will increase over the long-term, as it expands its operating activities, 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 condensed consolidated financial statements, which have been prepared in accordance with U.S. generally accepted accounting principles, or GAAP. The preparation of these condensed 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 condensed 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 Accounting Standards Codification (“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 Six Months Ended June 30, 2025 and 2024

The following table sets forth the key components of Microbot’s results of operations for the three and six month periods ended June 30, 2025 and 2024 (in thousands):

	Three Months Ended June 30,			Six Months Ended June 30,		
	2025	2024	Change	2025	2024	Change
Research and development, net	\$ (2,111)	\$ (1,417)	\$ (694)	\$ (3,570)	\$ (2,586)	\$ (984)
General and administrative	(1,612)	(1,094)	(518)	(3,174)	(2,309)	(865)
Other income	-	-	-	316	-	316
Financing income, net	223	46	177	327	59	268

Research and Development Expenses. The increase for the three and six months ended June 30, 2025, compared to the same periods in 2024, was primarily due to higher costs associated with outsourcing the manufacturing of the Company’s LIBERTY product, increased payroll and related expenses due to salary increases and bonuses during the 2025 periods, and the absence of government grant deductions that had reduced expenses in the comparable 2024 periods.

General and Administrative Expenses. The increase in general and administrative expenses for the three and six months ended June 30, 2025, compared to the same periods in 2024, was primarily due to higher payroll and related costs due to salary increases and bonuses, and recruiting fees associated with new hires.

Financing Income. The increase in financing income, net for the three and six months ended June 30, 2025, compared to same periods in 2024, was primarily due to interest income earned on marketable securities, following the investments of capital raised during the 2025 periods.

Liquidity and Capital Resources

To date, Microbot has not generated revenues from operations. Microbot has incurred losses since inception and negative cash flows from operating activities for all periods presented. As of June 30, 2025, Microbot had a net working capital of approximately \$30.2 million, consisting primarily of cash and cash equivalents and marketable securities. This compares to net working capital of approximately \$3.4 million as of December 31, 2024. Microbot anticipates that it will continue to incur net losses for the foreseeable future as it continues research and development efforts of its primary product candidate, continues increasing its commercialization capabilities, 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 June 30, 2025, Microbot has raised cash proceeds of approximately \$110.5 million and incurred a total cumulative loss of approximately \$96.9 million.

Since January 1, 2025, we have raised the following amounts:

- An aggregate of approximately \$1.1 million in January 2025, before fees and expenses of \$65,452, through our ATM Agreement;
- In January 2025, an aggregate of approximately \$15.6 million in gross proceeds, before fees and expenses of approximately \$1.4 million, from institutional investors;
- In January 2025, approximately \$916,000 in gross proceeds from the exercise of certain outstanding Series E preferred investment options, before fees and expenses of \$64,164;
- In February 2025, an aggregate of approximately \$13.0 million in gross proceeds, before fees and expenses of approximately \$1.2 million, from institutional investors;
- In April 2025, approximately \$2.3 million in gross proceeds from the exercise of outstanding Series E and Series F preferred investment options, before fees and expenses of \$161;
- In May 2025, approximately \$1.4 million in gross proceeds from the exercise of outstanding Series F preferred investment options, before fees and expenses of \$98; and
- In June 2025, approximately \$1.3 million in gross proceeds from the exercise of outstanding Series E, F and G preferred investment options, before fees and expenses of \$93.
- In July 2025, approximately \$12.2 million in gross proceeds from the exercise of outstanding Series F and G preferred investment options, before fees and expenses of \$854.
- In August 2025, approximately \$1.1 million in gross proceeds from the exercise of outstanding Series G preferred investment options, before fees and expenses of \$75.

Microbot Israel obtained from the Israeli Innovation Authority (“IIA”) grants for participation in research and development for the years 2013 through June 30, 2025, in the total amount of approximately \$1.9 million. In July 2025 the IIA approved a new grant in the amount of approximately NIS 2.2 million (approximately \$630,000) to further finance the development of the manufacturing process of the LIBERTY[®] Endovascular Robotic Surgical System. On October 6, 2022, Microbot Israel entered into an agreement with Nitiloop Ltd. to acquire substantially all of its assets. Nitiloop received grants from the IIA in the aggregate amount of approximately \$925,000 and Microbot Israel took over the liability to repay such grants.

Microbot Israel is obligated to pay royalties amounting to 3%-5% of its future sales up to the amount of the grants. The grants are linked to the exchange rate of the dollar to the New Israeli Shekel and bears interest at an annual rate of SOFR, a benchmark interest rate which replaced LIBOR. Under the terms of the grants 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 grants, if the applicable project fails, is unsuccessful or aborted before any sales are generated. The financial risk is assumed completely by the IIA.

On March 2, 2023, the Company announced that it received approval for a grant from the Ministry of Economy in the amount of approximately NIS 300,000 to further finance the marketing activities of the LIBERTY[®] Endovascular Robotic Surgical System in the U.S. market.

In relation to the Ministry of Economy grant, the Company is obligated to pay royalties amounting to 3% of future sales of the LIBERTY[®] Endovascular Robotic Surgical System up to the grant amount plus interest.

To the extent available, Microbot intends to continue to raise capital through future public and private issuances of debt and/or equity securities, including upon the cash exercise of its outstanding investment options, to fund its commercial activities and working capital and general business purposes. 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, at the times it needs it or on terms acceptable to it, if at all, and will need additional funds to continue the commercialization process for the LIBERTY[®] Endovascular Robotic Surgical System.

As of the filing date of this Quarterly Report on Form 10-Q, management believes we have sufficient funds for our operations for in excess of one year.

Cash Flows

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

	Six Months Ended June 30,	
	2025	2024
Net cash used in operating activities	\$ (5,447)	\$ (4,377)
Net cash used in investing activities	(26,139)	(98)
Net cash provided by financing activities	32,558	4,471
Increase (decrease) in cash, cash equivalents and restricted cash	\$ 972	\$ (4)

The increase in net cash flows used in operating activities in 2025 compared with 2024 was primarily from an increase in research and development expenses relating to the LIBERTY[®] Endovascular Robotic Surgical System as we shift to commercialization of the product and due to an increase in salary and bonus expenses.

The increase in net cash flows used in investing activities in 2025 compared with 2024 was mainly due to an increase in the acquisition of marketable securities.

The increase in 2025 in net cash flows provided by financing activities in 2025 compared with 2024 was due to increased capital raising activities pursuant to its issuance of common stock and investment options, as well as the exercise of certain outstanding investment options.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Interest Rate Risk

Microbot's cash and cash equivalents as of June 30, 2025 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 research and development expenses. 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 June 30, 2025. 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 June 30, 2025, 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.

See Note 3G to the unaudited financial statements for the fiscal quarter ended June 30, 2025.

Item 1A. Risk Factors.

Not required for a smaller reporting company.

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

On July 15, 2025 the Company issued an aggregate of 783,336 shares of its common stock, upon the exercise of outstanding Series F preferred investment options, by the holders of such Series F options. The exercise price per share of the Series F options was \$1.5, generating gross proceeds to the Company, before deducting placement agent fees and expenses, of approximately \$1.2 million. Such shares were issued pursuant to the exemption provided in Section 4(a)(2) under the Securities Act of 1933, as amended, as transactions by an issuer not involving any public offering.

From July 1st until August 5, 2025, the Company issued an aggregate of 6,704,287 shares of its common stock, upon the exercise of outstanding Series G preferred investment options, by the holders of such Series G options. The exercise price per share of the Series G options was \$1.75, generating gross proceeds to the Company, before deducting placement agent fees and expenses, of approximately \$11.7 million. Such shares were issued pursuant to the exemption provided in Section 4(a)(2) under the Securities Act of 1933, as amended, as transactions by an issuer not involving any public offering.

The Company did not have any share repurchase activity for the three months ended June 30, 2025.

Except for the above and as previously disclosed in the Company's Current Reports on Form 8-K filed from time to time with the Securities and Exchange Commission, the Company did not have any unregistered sales of its equity securities during the three months ended June 30, 2025

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

During the three and six months ended June 30, 2025, no director or officer, as defined in Rule 16a-1(f) under the Securities Exchange Act of 1934, as amended, of the Company adopted or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K.

Item 6. Exhibits

- 2.1 [Agreement and Plan of Merger and Reorganization, dated as of August 15, 2016, by and among StemCells, Inc., C&RD Israel Ltd. and Microbot Medical Ltd. \(incorporated by reference to the Company's Current Report on Form 8-K filed on August 15, 2016\).](#)
- 3.1 [Restated Certificate of Incorporation of the Company \(incorporated by reference to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2006 and filed on March 15, 2007\).](#)
- 3.2 [Certificate of Amendment to the Restated Certificate of Incorporation of the Company \(incorporated by reference to the Company's Current Report on Form 8-K filed on November 29, 2016\).](#)
- 3.3 [Certificate of Amendment to the Restated Certificate of Incorporation \(incorporated by reference to the Company's Current Report on Form 8-K filed on September 4, 2018\).](#)
- 3.4 [Amended and Restated By-Laws of the Company \(incorporated by reference to the Company's Current Report on Form 8-K filed on May 3, 2016\).](#)
- 3.5 [Certificate of Elimination \(incorporated by reference to the Company's Current Report on Form 8-K filed on December 12, 2018\).](#)
- 3.6 [Certificate of Amendment to the Restated Certificate of Incorporation \(incorporated by reference to the Company's Current Report on Form 8-K filed on September 11, 2019\).](#)
- 3.7 [Amendment to Section 5 of the Amended and Restated By-Laws of the Company \(incorporated by reference to the Company's Current Report on Form 8-K filed on May 3, 2021\).](#)
- 3.8 [Amendment to Section 2.5 of the Amended and Restated By-Laws \(incorporated by reference to the Company's Current Report on Form 8-K filed on April 14, 2025\).](#)
- 3.9 [Certificate of Amendment to Certificate of Incorporation \(incorporated by reference to the Registrant's Current Report on Form 8-K filed on June 11, 2025\).](#)
- 4.1 [Description of the Company's Securities.](#)
- 4.2 [Form of Series A Warrant \(incorporated by reference to the Registrant's Current Report on Form 8-K filed on October 25, 2022\).](#)
- 4.3 [Form of Wainwright Warrant \(incorporated by reference to the Registrant's Current Report on Form 8-K filed on October 25, 2022\).](#)
- 4.4 [Form of Wainwright Warrant \(incorporated by reference to the Registrant's Current Report on Form 8-K filed on May 23, 2023\).](#)
- 4.5 [Form of Wainwright Warrant \(incorporated by reference to the Registrant's Current Report on Form 8-K filed on May 24, 2023\).](#)
- 4.6 [Form of Warrant Amendment Agreement \(incorporated by reference to the Registrant's Current Report on Form 8-K filed on May 24, 2023\).](#)
- 4.7 [Form of Series C Warrant \(incorporated by reference to the Registrant's Current Report on Form 8-K filed on June 6, 2023\).](#)
- 4.8 [Form of Wainwright Warrant \(incorporated by reference to the Registrant's Current Report on Form 8-K filed on June 6, 2023\).](#)
- 4.9 [Form of Series D Warrant \(incorporated by reference to the Registrant's Current Report on Form 8-K filed on June 28, 2023\).](#)
- 4.10 [Form of Wainwright Warrant \(incorporated by reference to the Registrant's Current Report on Form 8-K filed on June 28, 2023\).](#)
- 4.11 [Form of Inducement Investment Option \(incorporated by reference to the Registrant's Current Report on Form 8-K filed on January 2, 2024\).](#)
- 4.12 [Form of Placement Agent Investment Option \(incorporated by reference to the Registrant's Current Report on Form 8-K filed on January 2, 2024\).](#)
- 4.13 [Form of Series F Preferred Investment Option \(incorporated by reference to the Registrant's Current Report on Form 8-K filed on June 4, 2024\).](#)
- 4.14 [Form of Placement Agent Investment Option \(incorporated by reference to the Registrant's Current Report on Form 8-K filed on June 4, 2024\).](#)
- 4.15 [Form of Series G Preferred Investment Option \(incorporated by reference to the Registrant's Current Report on Form 8-K filed on January 7, 2025\).](#)
- 4.16 [Form of Placement Agent Investment Option \(incorporated by reference to the Registrant's Current Report on Form 8-K filed on January 7, 2025\).](#)
- 4.17 [Form of Series H Preferred Investment Option \(incorporated by reference to the Registrant's Current Report on Form 8-K filed on January 10, 2025\).](#)
- 4.18 [Form of Placement Agent Investment Option \(incorporated by reference to the Registrant's Current Report on Form 8-K filed on January 10, 2025\).](#)
- 4.19 [Form of Series I Preferred Investment Option \(incorporated by reference to the Registrant's Current Report on Form 8-K filed on February 11, 2025\).](#)
- 4.20 [Form of Placement Agent Investment Option \(incorporated by reference to the Registrant's Current Report on Form 8-K filed on February 11, 2025\).](#)
- 10.1 [Form of Securities Purchase Agreement, dated as of January 6, 2025, by and among Microbot Medical Inc. and the purchasers party thereto \(incorporated by reference to the Registrant's Current Report on Form 8-K filed on January 7, 2025\).](#)
- 10.2 [Form of Securities Purchase Agreement, dated as of January 7, 2025, by and among Microbot Medical Inc. and the purchasers party thereto \(incorporated by reference to the Registrant's Current Report on Form 8-K filed on January 10, 2025\).](#)
- 10.3 [Addendum #2 to Employment Agreement, dated as of February 5, 2025, with Simon Sharon \(incorporated by reference to the Registrant's Current Report on Form 8-K filed on February 7, 2025\).](#)
- 10.4 [Addendum #2 to Employment Agreement, dated as of February 5, 2025, with Rachel Vaknin \(incorporated by reference to the Registrant's Current Report on Form 8-K filed on February 7, 2025\).](#)
- 10.5 [Amendment to Employment Agreement, dated as of February 5, 2025, with Juan Diaz-Cartelle \(incorporated by reference to the Registrant's Current Report on Form 8-K filed on February 7, 2025\).](#)
- 10.6 [Form of Securities Purchase Agreement, dated as of February 9, 2025, by and among the Company and the purchasers party thereto \(incorporated by reference to the Registrant's Current Report on Form 8-K filed on February 11, 2025\).](#)
- 31.1 [Certification of Harel Gadot, Chairman, President and Chief Executive Officer](#)
- 31.2 [Certification of Rachel Vaknin, 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 Rachel Vaknin, 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.

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 12th day of August, 2025.

MICROBOT MEDICAL INC.

By: /s/ Harel Gadot

Name: Harel Gadot

Title: Chairman, President and Chief Executive Officer
(Principal Executive Officer)

By: /s/ Rachel Vaknin

Name: Rachel Vaknin

Title: Chief Financial Officer
(Principal Financial and Accounting Officer)

**DESCRIPTION OF THE REGISTRANT'S SECURITIES
REGISTERED PURSUANT TO SECTION 12 OF THE
SECURITIES EXCHANGE ACT OF 1934**

The following description of the common stock of Microbot Medical Inc. (referred to as "the Company", "we", "us" and "our" unless specified otherwise) is based upon relevant provisions of the Company's Restated Certificate of Incorporation, as amended (the "Certificate of Incorporation"), the Company's Amended and Restated Bylaws (the "Bylaws") and applicable provisions of law. We have summarized certain portions of the Certificate of Incorporation and Bylaws below. The summary is not complete and is subject to, and is qualified in its entirety by express reference to, the provisions of our Certificate of Incorporation and Bylaws.

Authorized Capital Stock

The Company is authorized to issue up to 121,000,000 shares of capital stock, consisting of 120,000,000 share of Common Stock, with a par value of \$0.01 per share (the "Common Stock"), and 1,000,000 shares of Undesignated Preferred Stock with a par value of \$0.01 per share.

Listing

Our common stock is listed on the NASDAQ Capital Market under the symbol "MBOT."

Description of Common Stock

Voting Rights. Holders of Common Stock are entitled to one vote for each share held on all matters submitted to a vote of stockholders, and do not have cumulative voting rights. Except as otherwise provided by statute or by the Certificate of Incorporation, any corporate action, other than the election of directors to be taken by vote of the shareholders, shall be authorized by a majority of votes cast, while directors shall be elected by a plurality of the votes cast. Unless otherwise provided in the Certificate of Incorporation or Bylaws, any action required or permitted to be taken by stockholders for or in connection with any corporate action may be taken without a meeting, without prior notice and without a vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present. No written consent shall be effective to take the corporate action referred to therein unless written consents signed by a number of stockholders sufficient to take such action are delivered to the Company in the manner specified in the Bylaws within sixty days of the earliest dated consent so delivered.

Dividends. Holders of Common Stock are entitled to receive proportionately any dividends as may be declared by the Board of Directors of the Company (the "Board"), out of funds that we may legally use to pay dividends, subject to any preferential dividend rights of any outstanding series of preferred stock or series of preferred stock that we may designate and issue in the future.

Liquidation. In the event of our liquidation or dissolution, the holders of Common Stock are entitled to receive proportionately our net assets available for distribution to stockholders after the payment of all debts and other liabilities and subject to the prior rights of any outstanding preferred stock.

Preemptive and Redemption Rights. Holders of Common Stock have no preemptive, subscription, redemption or conversion rights. There are no redemption or sinking fund provisions applicable to Common Stock.

Preferred Stock

Pursuant to the Certificate of Incorporation, the Board has the authority, without further action by the stockholders, to issue from time to time up to 1,000,000 shares of preferred stock, in one or more series. The Board will determine the rights, preferences, privileges and restrictions of the preferred stock, including dividend rights, conversion rights, voting rights, terms of redemption, liquidation preferences, sinking fund terms and the number of shares constituting any series or the designation of any series, any or all of which may be greater than or senior to the rights of the Common Stock. The issuance of preferred stock could adversely affect the voting power of holders of Common Stock and reduce the likelihood that such holders will receive dividend payments and payments upon liquidation, and the likelihood that holders of preferred stock will receive dividend payments and payments upon liquidation may have the effect of delaying, deterring or preventing a change in control, which could depress the market price of the Common Stock.

Anti-Takeover Provisions

General

The Certificate of Incorporation and Bylaws contain certain provisions that may be deemed to have an anti-takeover effect and may delay, deter or prevent a tender offer or take-over attempt that a stockholder might consider in its best interest, including those attempts that might result in a premium over the market price for the shares held by stockholders.

Staggered Board

The Certificate of Incorporation provides for the Board of Directors to be divided into three classes serving staggered terms.

At each annual meeting of stockholders, directors elected to succeed those directors whose terms expire are elected for a three-year term of office. All directors elected to the classified Board will serve until the election and qualification of their respective successors or their earlier resignation or removal. The Board is authorized to create new directorships and to fill such positions so created and is permitted to specify the class to which any such new position is assigned. The person filling such position would serve for the term applicable to that class. The Board (or its remaining members) is also empowered to fill vacancies on the Board occurring for any reason for the remainder of the term of the class of directors in which the vacancy occurred.

Notification of Nominations

Our Bylaws provide, subject to the rights of the holders of any class or series of preferred stock voting separately by class or series, that nominations for the election of directors may be made by any stockholder entitled to vote for the election of directors. A stockholder entitled to vote for the election of directors at a meeting may nominate persons for election as directors by giving timely proper written notice to the Company accompanied by a petition signed by at least 100 record holders of capital stock of the Company which shows the class and number of shares held by each person and which represent in the aggregate 1% or more of the outstanding shares entitled to vote in the election of directors. To be timely, proper notice shall be received at the principal executive offices of the Company not less than 60 days nor more than 90 days prior to the meeting; provided, however, that in the event that less than 70 days' notice or prior public disclosure of the date of the meeting is given or made to the stockholders, to be timely, notice by the stockholder must be received at the principal executive offices not later than the close of business on the tenth day following the day on which such notice of the date of the meeting was mailed or such public disclosure was made.

Quorum

At any meeting of the stockholders, a quorum as to any matter shall consist of one-third of the votes entitled to be cast on the matter, except where a larger quorum is required by law, by the Certificate of Incorporation or the By-Laws.

Amendment of Bylaws

The By-Laws may be adopted, amended or repealed by vote of a majority of the directors then in office or by vote of 80% of the stock outstanding and entitled to vote. Any by-law, whether adopted, amended or repealed by the stockholders or directors, may be amended or reinstated by the stockholders or the directors.

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: August 12, 2025

/s/ Harel Gadot

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

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

I, Rachel Vaknin, 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: August 12, 2025

/s/ Rachel Vaknin

Chief Financial Officer

(Principal Financial And Accounting Officer)

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 June 30, 2025 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: August 12, 2025

/s/ Harel Gadot

Harel Gadot

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

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, Rachel Vaknin, 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 June 30, 2025 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: August 12, 2025

/s/ Rachel Vaknin

Rachel Vaknin

Chief Financial Officer

(Principal Financial and Accounting Officer)
