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

### FORM 6-K

**Report of Foreign Private Issuer** Pursuant to Rule 13a-16 or 15d-16 **Under the Securities Exchange Act of 1934** 

For the month of November 2022

**Commission File Number 001-38367** 

# **SOL-GEL TECHNOLOGIES LTD.**

(Translation of registrant's name into English)

7 Golda Meir Street Ness Ziona 7403650, Israel

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F 🖂 Form 40-F  $\Box$ 

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b) (1):

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

### INFORMATION CONTAINED IN THIS REPORT ON FORM 6-K

On November 10, 2022, Sol-Gel Technologies Ltd. (the "Company") issued a press release reporting third quarter 2022 financial results and corporate update.

Attached hereto is the following exhibit:

Exhibit 99.1: Registrant's press release entitled: "Sol-Gel Technologies Reports Third Quarter 2022 Financial Results and Provides Corporate Update".

Exhibit 99.1 (other than the three paragraphs immediately preceding the heading "Third Quarter 2022 and Recent Corporate Developments") is hereby incorporated by reference into the Company's Registration Statement on Form S-8 (Registration No. 333-223915) and its Registration Statements on Form F-3 (Registration Nos. 333-230564 and 333-264190).

#### 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.

#### SOL-GEL TECHNOLOGIES LTD.

Date: November 21, 2022

By: /s/ Gilad Mamlok

Gilad Mamlok Chief Financial Officer

## Sol-Gel Technologies Reports Third Quarter 2022 Financial Results and Provides Corporate Update

- · Growth trends for TWYNEO and EPSOLAY continue to improve, demonstrating robust uptake by prescribers
- Sol-Gel's cash runway expected to extend through the end of the first quarter of 2024

NESS ZIONA, Israel, November 10, 2022 (GLOBE NEWSWIRE) -- Sol-Gel Technologies, Ltd. (NASDAQ: SLGL), a dermatology company focused on identifying, developing, commercializing or partnering branded and generic topical drug products for the treatment of skin diseases, announced today financial results for the third quarter ended September 30, 2022 and provided a corporate update.

Alon Seri-Levy, PhD, Chief Executive Officer of Sol-Gel, stated, "We are very pleased with the continued growth trajectory for both TYWNEO and EPSOLAY and the effective commercial efforts of our partner, Galderma. We continue to see prescriber adoption, have received positive feedback from the dermatology community, and are pleased to report that royalty growth is now in line with volume growth."

"We are now realizing a royalty stream from net sales of both of our partnered products and are turning our attention to building out our pipeline and to identifying new revenue-generating opportunities for our products in international markets."

#### Third Quarter 2022 and Recent Corporate Developments

- · Continuous improvements in growth trends, prescriber uptake and payer coverage for newly launching brands, TWYNEO and EPSOLAY.
- In October, Sol-Gel announced the appointment of Michael Glezin to the position of Vice President, Business Development.

#### **Third Quarter Financial Results**

Revenue was \$0.3 million for the quarter ending September 30, 2022, which was received from the Sol-Gel's commercial partner, Galderma, resulting from the sales of EPSOLAY and TWYNEO, and recorded as license revenue. This compares to \$8.8 million of revenue for the same period in 2021, which consisted of \$7.5 million in Galderma licensing revenue and \$1.3 million in collaboration revenue from partner Padagis.

Research and development expenses were \$2.0 million for the quarter ending September 30, 2022, compared to \$6.0 million for the same period in 2021. The decrease of \$4.0 million was mainly attributed to a decrease of \$2.3 million in expenses related to TWYNEO and EPSOLAY and a decrease of \$1.8 million in research and development expenses related to the development of Sol-Gel's proprietary assets.

General and administrative expenses were \$1.8 million for the quarter ending September 30, 2022, compared to \$2.1 million for the same period in 2021. The decrease of \$0.3 million was mainly attributed to a decrease in professional services.

Sol-Gel reported a loss of \$3.4 million for the third quarter of 2022 compared to net income of \$1.3 million for the same period in 2021.

As of September 30, 2022, Sol-Gel had \$25.5 million in cash, cash equivalents and deposits, and \$9.8 million in marketable securities for a total balance of \$35.3 million. the Company expects that its existing cash resources together with cash receipts from its previously announced agreements with Galderma regarding EPSOLAY and TWYNEO and the generics sale agreement with Padagis, will enable funding of operational and capital expenditure requirements through the first quarter of 2024.

## **About EPSOLAY**

EPSOLAY is a topical cream containing benzoyl peroxide, 5%, for the treatment of inflammatory lesions of rosacea in adults. EPSOLAY utilizes a proprietary technology to encapsulate benzoyl peroxide within silica-based microcapsules to create a barrier between the medication and the skin. The silica-based shell is designed to slowly release benzoyl peroxide over time to provide a favorable efficacy and safety profile.

Visit www.epsolay.com for further information, including full Prescribing Information.

### **About TWYNEO**

TWYNEO is a topical cream containing a fixed-dose combination of tretinoin, 0.1% and benzoyl peroxide, 3% cream for the treatment of acne vulgaris in adults and pediatric patients 9 years of age and older. TWYNEO is the first acne treatment that contains a fixed-dose combination of benzoyl peroxide and tretinoin. Tretinoin and benzoyl peroxide are widely prescribed separately for acne vulgaris; however, benzoyl peroxide causes degradation of the tretinoin molecule, thereby potentially reducing its effectiveness if used at the same time or combined in the same formulation. TWYNEO uses silica (silicon dioxide) core shell structures to separately micro-encapsulate tretinoin crystals and benzoyl peroxide crystals enabling inclusion of the two active ingredients in the cream.

Visit www.twyneo.com for further information, including full Prescribing Information.

#### **About Sol-Gel Technologies**

Sol-Gel is a dermatology company focused on identifying, developing and commercializing branded and generic topical drug products for the treatment of skin diseases. Sol-Gel leveraged its proprietary microencapsulation technology platform for TWYNEO, which is approved for the treatment of acne vulgaris in adults and pediatric patients nine years of age and older; and EPSOLAY, which is approved for the treatment of inflammatory lesions of rosacea in adults. Both drugs are exclusively licensed to Galderma for U.S. commercialization. Founded in 1981, Galderma is the world's largest independent dermatology company.

The Company's pipeline also includes topical drug candidates SGT-210, SGT-310 and SGT-510 under investigation for the treatment of plaque psoriasis and other dermatologic indications.

For additional information, please visit www.sol-gel.com.

#### **Forward-Looking Statements**

This press release contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. All statements contained in this press release that do not relate to matters of historical fact should be considered forwardlooking statements, including, but not limited to, statements regarding the benefits we expect to receive under our agreement with Galderma; expected net sales and royalty income in line with volume growth of EPSOLAY and/or TWYNEO; and our expected cash runway. These forward-looking statements include information about possible or assumed future results of our business, financial condition, results of operations, liquidity, plans and objectives. In some cases, you can identify forward-looking statements by terminology such as "believe," "may," "estimate," "continue," "anticipate," "intend," "should," "plan," "expect," "predict," "potential," or the negative of these terms or other similar expressions. Forward-looking statements are based on information we have when those statements are made or our management's current expectations and are subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in or suggested by the forward-looking statements. Important factors that could cause such differences include, but are not limited to, the risk that we will not receive all of the anticipated benefits under our agreement with Galderma, the risk that EPSOLAY and/or TWYNEO will not provide treatment to the number of patients anticipated, risks that our cash runway will be shorter than expected, risks relating to the effects of COVID-19 (coronavirus) as well as the following factors: (i) the adequacy of our financial and other resources, particularly in light of our history of recurring losses and the uncertainty regarding the adequacy of our liquidity to pursue our complete business objectives; (ii) our ability to complete the development of our product candidates; (iii) our ability to find suitable co-development partners; (iv) our ability to obtain and maintain regulatory approvals for our product candidates in our target markets, the potential delay in receiving such regulatory approvals and the possibility of adverse regulatory or legal actions relating to our product candidates even if regulatory approval is obtained; (v) our ability to commercialize our pharmaceutical product candidates; (vi) our ability to obtain and maintain adequate protection of our intellectual property; (vii) our ability to manufacture our product candidates in commercial quantities, at an adequate quality or at an acceptable cost; (viii) our ability to establish adequate sales, marketing and distribution channels; (ix) acceptance of our product candidates by healthcare professionals and patients; (x) the possibility that we may face third-party claims of intellectual property infringement; (xi) the timing and results of clinical trials that we may conduct or that our competitors and others may conduct relating to our or their products; (xii) intense competition in our industry, with competitors having substantially greater financial, technological, research and development, regulatory and clinical, manufacturing, marketing and sales, distribution and personnel resources than we do; (xiii) potential product liability claims; (xiv) potential adverse federal, state and local government regulation in the United States, Europe or Israel; and (xv) loss or retirement of key executives and research scientists. These and other important factors discussed in the Company's Annual Report on Form 20-F filed with the Securities and Exchange Commission ("SEC") on April 4, 2022, as amended, and our other reports filed with the SEC could cause actual results to differ materially from those indicated by the forward-looking statements made in this press release. Except as required by law, we undertake no obligation to update any forward-looking statements in this press release.

For further information, please contact:

#### **Investors:**

Irina Koffler Investor relations, LifeSci Advisors <u>ikoffler@lifesciadvisors.com</u> +1 917 734 7387

### **Sol-Gel Technologies**

Gilad Mamlok

# SOL-GEL TECHNOLOGIES LTD. CONSOLIDATED BALANCE SHEETS

(U.S. dollars in thousands, except share and per share data)

(Unaudited)

Bank deposits   21,448   17,00     Marketable securities   1,709   9,77     Receivables from collaborative arrangements   13,065   10,72     Prepaid expenses and other current assets   800   1,41     TOTAL CURRENT ASSETS   57,107   47,53     NON-CURRENT ASSETS   7,402     Restricted long-term deposits and cash   1,298   1,298     Property and equipment, net   1,501   77     Operating lease right-of-use assets   1,501   98     Funds in respect of employce rights upon retirement   830   77     TOTAL ASSETS   \$ 69,189   \$ 51,22     Liabilities and shareholders' equity   CURRENT LIABILITIES:   2,66   \$ 10     CURRENT LIABILITIES:   781   66   6   10     Operating leases liabilities   781   68   10   19     Liability for employce rights upon retirement   1,093   1,20   2,55     CURRENT LIABILITIES:   11,692   2,55   11,692   2,55     Liability for employce rights upon retirement   1,093   1,02   1,03   1,02     TOTAL CURRENT LIABILITIES<		December 31, 2021		September 30, 2022	
Cash and cash equivalents   \$ 20,085   \$ 8,50     Bark deposits   21,448   17,00     Marketable securities   17,09   9,77     Receivables from collaborative arrangements   13,065   10,77     Prepaid expenses and other current assets   800   1,47     TOTAL CURRENT ASSETS   57,107   47,55     Long-term receivables from collaborative arrangements   7,402   1,298     Property and equipment, net   1,051   77     Operating lease right-of-use assets   1,501   99     Funds in respect of employee rights upon retirement   830   77     TOTAL CONCURRENT ASSETS   12,082   3,77     TOTAL NON-CURRENT ASSETS   12,082   3,77     TOTAL NON-CURRENT ASSETS   12,082   3,77     COTAL NON-CURRENT ASSETS   12,082   3,77     CURRENT LIASSETS   5 69,189   \$ 51,28     Labilities and shareholders' equity   12,082   3,77     CURRENT LIASSETS   \$ 10,014   1,77     Current maturities of operating leases liabilities   781   66     TOTAL CURRENT LIABILITIES   \$ 11,692   2,55					
Bank deposits   21,448   17,00     Marketable scourities   1,709   9,73     Receivables from collaborative arrangements   13,065   10,72     Prepaid expenses and other current assets   800   1,44     TOTAL CURRENT ASSETS   \$7,107   47,53     NON-CURRENT ASSETS:   1,298   1,298     Long-term receivables from collaborative arrangements   7,402     Restricted long-term deposits and cash   1,051   77     Operating lease right-of-use assets   1,501   99     Funds in respect of employee rights upon retirement   830   77     TOTAL ASSETS   \$69,189   \$1,22     Liabilities and shareholders' equity   CURRENT LABILITIES:   781   66     CURRENT LIABILITIES:   781   66   10     CURRENT LIABILITIES:   11,692   2,55     Operating leases liabilities   781   66   10     TOTAL CURRENT LIABILITIES:   11,093   1,003   1,21     Current maturities of operating leases liabilities   781   66   10     TOTAL CURRENT LIABILITIES:   11,692   2,55   1,093   1,22 </th <th></th> <th><b>^</b></th> <th><b>2</b>0.00<b>-</b></th> <th><b>^</b></th> <th>0.501</th>		<b>^</b>	<b>2</b> 0.00 <b>-</b>	<b>^</b>	0.501
Marketable securities     1,709     9,75       Receivables from collaborative arrangements     13,065     10,77       TOTAL CURRENT ASSETS     57,107     47,55       NON-CURRENT ASSETS:     57,107     47,55       Long-term receivables from collaborative arrangements     7,402     74       Restricted long-term deposits and cash     1,298     1,298       Propert quad equipment, net     1,051     77       Operating lease right-of-use assets     1,501     98       Funds in respect of employee rights upon retirement     830     77       TOTAL ASSETS     2,082     3,72       TOTAL ASSETS     5     69,189     5       Liabilities and sharcholders' equity     2     3,72     3,72       CURRENT LIABILITIES:     5     66     5     10       Other accounts payable     5     766     5     11       Other accounts payable     11,692     2,55     2,55       LONG-TERM LIABILITIES:     11,692     2,55     10       Operating leases liabilities     810     19     10,02 <tr< td=""><td>•</td><td>\$</td><td>,</td><td>\$</td><td>8,501</td></tr<>	•	\$	,	\$	8,501
Receivables from collaborative arrangements   13,065   10,75     Prepaid expenses and other current assets   800   1,41     TOTAL CURRENT ASSETS   57,107   47,55     NON-CURRENT ASSETS   7,402     Restricted long-term deposits and cash   1,298   1,298     Property and equipment, net   1,051   77     Operating lease right-0-icus assets   1,501   98     Funds in respect of employee rights upon retirement   830   77     TOTAL NON-CURRENT ASSETS   12,082   3,73     TOTAL ASSETS   \$ 69,189   \$ 51,28     Liabilities and shareholders' equity   2   2     CURRENT LABILITIES:   781   66     Accounts payable   \$ 766   \$ 10     Other accounts payable   \$ 766   \$ 10     Other accounts payable   \$ 766   \$ 10     Other accounts payable   \$ 766   \$ 11     Operating leases liabilities   781   66     TOTAL CURRENT LABILITIES   11,692   2,55     Operating leases liabilities   11,093   1,003     TOTAL LONG-TERM LIABILITIES   19,003   1,21	•				17,000
Prepaid expenses and other current assets     800     1.47       TOTAL CURRENT ASSETS     57,107     47,55       NON-CURRENT ASSETS:     1,298     1,228       Restricted long-term deposits and cash     1,298     1,228       Property and equipment, net     1,051     77       Operating lease right-of-use assets     1,501     99       Funds in respect of employeer rights upon retirement     830     73       TOTAL NON-CURRENT ASSETS     12,082     3,72       TOTAL ASSETS     \$ 69,189     \$ 51,22       Liabilities and shareholders' equity     2     781       CURRENT LIABILITIES     \$ 766     \$ 10       Accounts payable     \$ 766     \$ 10       Otra L CURRENT LIABILITIES     781     68       Operating leases liabilities     11,692     2,55       LONG-TERM LIABILITIES     \$ 100     10       Operating leases liabilities     \$ 10,903     1,21       Operating leases liabilities     \$ 10,903     1,22       CURRENT LIABILITIES     \$ 10,903     1,22       Operating leases liabilities     \$ 10,903 <td></td> <td></td> <td></td> <td></td> <td>9,799</td>					9,799
TOTAL CURRENT ASSETS57,10747,55NON-CURRENT ASSETS: Long-term receivables from collaborative arrangements7,4027,402Restricted long-term deposits and cash1,2981,221Property and equipment, net1,0517,7Operating lease right-of-use assets1,50199Funds in respect of employee rights upon retirement8307TOTAL NON-CURRENT ASSETS12,0823,73TOTAL ASSETS\$ 69,189\$ 51,22Liabilities and shareholders' equity000\$ 766CURRENT LIABILITIES: Accounts payable\$ 766\$ 10Other accounts payable\$ 766\$ 11CURRENT LIABILITIES: Operating leases liabilities11,6922,55LONG-TERM LIABILITIES: Operating leases liabilities\$ 11,6922,55LONG-TERM LIABILITIES: Operating leases liabilities\$ 10,9031,02COMMITMENTS\$ 13,595\$ 3,81SHAREHOLDERS' EQUITY: Ordinary Shares, NIS 0.1 par value – authorized: 50,000,008 as of December 31, 2021 and 					,
NON-CURRENT ASSETS:   7,402     Long-term receivables from collaborative arrangements   7,402     Restricted long-term deposits and cash   1,298   1,29     Property and equipment, net   1,051   77     Operating lease right-of-use assets   1,501   98     Funds in respect of employee rights upon retirement   830   77     TOTAL NON-CURRENT ASSETS   12,082   3,73     TOTAL ASSETS   \$ 69,189   \$ 51,22     Liabilities and shareholders' equity   CURRENT LIABILITIES:   3     Accounts payable   10,145   1,77     Current maturities of operating leases liabilities   781   66     TOTAL CURRENT LIABILITIES:   11,692   2,55     Long-TERM LIABILITIES   11,692   2,55     Liability for employee rights upon retirement   1,093   1,00     TOTAL LONG-TERM LIABILITIES   11,692   2,55     Liability for employee rights upon retirement   1,093   1,00     TOTAL LONG-TERM LIABILITIES   1,903   1,00     TOTAL LONG-TERM LIABILITIES   5,0,000,000 as of December 31, 2021 and September 30, 2022, respectively.   638   63     Ordinary Sha	· ·				1,472
Long-term receivables from collaborative arrangements7,402Restricted long-term deposits and cash1,2981,228Property and equipment, net1,05177Operating lease right-of-use assets1,50198Funds in respect of employee rights upon retirement83077TOTAL NON-CURRENT ASSETS12,0823,73TOTAL ASSETS\$ 69,189\$ 51,28CURRENT LIABILITIES:23,73Accounts payable\$ 766\$ 10Other accounts payable10,1451,74Current maturities of operating leases liabilities78166TOTAL CURRENT LIABILITIES:78166Operating leases liabilities78166TOTAL LONG-TERM LIABILITIES81019Liability for employee rights upon retirement1,0931,00TOTAL LONG-TERM LIABILITIES1,9031,00TOTAL LONG-TERM LIABILITIES1,9031,21COMMITMENTS1,9031,21COMMITMENTS5 13,595\$ 3,81SHAREHOLDERS' EQUITY:63863Ordinary Shares, NIS 0.1 par value – authorized: 50,000,000 as of December 31, 2021 and September 30, 2022, issued and outstanding: 23,000,782 and 23,129,469638as of December 31, 2021 and September 30, 2022, respectively.63863Additional paid-in capital203,007,82 and 23,129,469233,098as of December 31, 2021 and September 30, 2022, respectively.63863Additional paid-in capital213,097,82 and 23,129,469233,098Additio	TOTAL CURRENT ASSETS		57,107	_	47,555
Restricted long-term deposits and cash   1,298   1,298     Property and equipment, net   1,051   77     Operating lease right-of-use assets   1,501   99     Funds in respect of employee rights upon retirement   830   77     TOTAL NON-CURRENT ASSETS   12,082   3,73     TOTAL ASSETS   \$ 69,189   \$ 51,28     Liabilities and shareholders' equity   20   3,73     CURRENT LIABILITIES:   \$ 69,189   \$ 51,28     Accounts payable   \$ 766   \$ 10     Other accounts payable   \$ 766   \$ 10     CUrrent maturities of operating leases liabilities   781   66     TOTAL CURRENT LIABILITIES:   \$ 11,692   2,55     Operating leases liabilities   \$ 11,692   2,55     Liability for employee rights upon retirement   1,003   1,02     Liability for employee rights upon retirement   1,003   1,02     COMITTMENTS   \$ 13,595   \$ 3,81     SHAREHOLDERS' EQUITY:   \$ 13,595   \$ 3,81     Ordinary Shares, NIS 0, 1 par value – authorized: 50,000,000 as of December 31, 2021 and September 30, 2022, respectively.   638   65     as of D	NON-CURRENT ASSETS:				
Property and equipment, net   1,051   72     Operating lease right-of-use assets   1,501   98     Funds in respect of employee rights upon retirement   830   72     TOTAL NON-CURRENT ASSETS   12,082   3,77     TOTAL ASSETS   \$ 69,189   \$ 51,28     Liabilities and shareholders' equity   CURRENT LABILITIES:   74     Accounts payable   \$ 10,145   1,77     Current maturities of operating leases liabilities   781   66     TOTAL LORENT LIABILITIES:   781   66     Current maturities of operating leases liabilities   11,692   2,55     DOFATEM LIABILITIES:   11,692   2,55     LONG-TERM LIABILITIES:   11,692   2,55     Operating leases liabilities   810   19     Liability for employee rights upon retirement   1,093   1,02     TOTAL LONG-TERM LIABILITIES   \$ 13,595   \$ 3,81     SHAREHOLDERS' EQUITY:   0   3   3     Ordinary Shares, NIS 0.1 par value – authorized: 50,000,000 as of December 31, 2021 and September 30, 2022, respectively.   638   66     as of December 31, 2021 and September 30, 2022, respectively.   638   6	Long-term receivables from collaborative arrangements		7,402		-
Operating lease right-of-use assets     1,501     94       Funds in respect of employee rights upon retirement     830     73       TOTAL NON-CURRENT ASSETS     12,082     3,73       TOTAL ASSETS     \$ 69,189     \$ 51,28       Liabilities and shareholders' equity     \$ 766     \$ 10       CURRENT LIABILITIES:     \$ 766     \$ 10       Accounts payable     10,145     1,77       Current maturities of operating leases liabilities     781     68       TOTAL CURRENT LIABILITIES:     11,692     2,55       LONG-TERM LIABILITIES     11,692     2,55       LONG-TERM LIABILITIES:     11,093     1,003       Operating leases liabilities     810     15       Liability for employee rights upon retirement     1,093     1,003       Liability for employee rights upon retirement     1,093     1,01       COMMITMENTS     \$ 13,595     \$ 3,81       SHAREHOLDERS' EQUITY:     638     66       Ordinary Shares, NIS 0.1 par value – authorized: 50,000,000 as of December 31, 2021 and September 30, 2022, issued and outstanding: 23,000,782 and 23,129,469     638     663       as of Decemb	Restricted long-term deposits and cash		1,298		1,287
Funds in respect of employee rights upon retirement     830     73       TOTAL NON-CURRENT ASSETS     12,082     3,73       TOTAL ASSETS     \$ 69,189     \$ 51,28       Liabilities and shareholders' equity     \$ 69,189     \$ 51,28       CURRENT LIABILITIES:     \$ 766     \$ 10       Accounts payable     \$ 766     \$ 10       Other accounts payable     \$ 766     \$ 10       Current maturities of operating leases liabilities     781     68       TOTAL CURRENT LIABILITIES     781     68       TOTAL CURRENT LIABILITIES     11,692     2,55       Liabilities and shareholders' equity     11,692     2,55       CONG-TERM LIABILITIES     11,093     1,02       Liability for employee rights upon retirement     1,093     1,02       Liability for employee rights upon retirement     1,903     1,21       COMMITMENTS     1,903     1,21       TOTAL LIABILITIES     \$ 13,595     \$ 3,81       SHAREHOLDERS' EQUITY:     5     3,81       Ordinary Shares, NIS 0.1 par value – authorized: 50,000,000 as of December 31, 2021 and September 30, 2022, respectively.     638	Property and equipment, net		1,051		728
TOTAL NON-CURRENT ASSETS12,0823,73TOTAL ASSETS\$ 69,189\$ 51,28Liabilities and shareholders' equityCURRENT LIABILITIES:Accounts payable\$ 766\$ 16Other accounts payable10,1451,77Current maturities of operating leases liabilities78166TOTAL CURRENT LIABILITIES:78166Operating leases liabilities78166TOTAL CURRENT LIABILITIES:11,6922,59LONG-TERM LIABILITIES:1,0931,02Operating leases liabilities81016Liability for employee rights upon retirement1,0931,02COMMITMENTS1,9031,21TOTAL LIABILITIES\$ 13,595\$ 3,81SHAREHOLDERS' EQUITY:\$ 13,595\$ 3,81Ordinary Shares, NIS 0.1 par value – authorized: 50,000,000 as of December 31, 2021 and September 30, 2022; issued and outstanding: 23,000,782 and 23,129,469 as of December 31, 2021 and September 30, 2022, respectively.638663Additional paid-in capital233,098234,11233,098234,11Accumulated deficit(178,142)(187,22(187,22)TOTAL SHAREHOLDERS' EQUITY55,59447,47	Operating lease right-of-use assets		1,501		988
TOTAL ASSETS\$69,189\$51,28Liabilities and shareholders' equityCURRENT LIABILITIES: Accounts payable\$766\$16Other accounts payable10,1451,7710,1451,77Current maturities of operating leases liabilities78168TOTAL CURRENT LIABILITIES11,6922,55LONG-TERM LIABILITIES: Operating leases liabilities81019Liability for employee rights upon retirement1,0931,02LONG-TERM LIABILITIES1,9031,21COMMITMENTS1,9031,21COMMITMENTS53,81SHAREHOLDERS' EQUITY:63863Ordinary Shares, NIS 0.1 par value – authorized: 50,000,000 as of December 31, 2021 and September 30, 2022; issued and outstanding: 23,000,782 and 23,129,469 as of December 31, 2021 and September 30, 2022, respectively.63863Additional paid-in capital Accumulated deficit(178,142)(187,28TOTAL SHAREHOLDERS' EQUITY55,59447,47	Funds in respect of employee rights upon retirement		830		730
Liabilities and shareholders' equity     CURRENT LIABILITIES:     Accounts payable     Other accounts payable     Current maturities of operating leases liabilities     TOTAL CURRENT LIABILITIES     Operating leases liabilities     TOTAL CURRENT LIABILITIES:     Operating leases liabilities     Stabilities     Liability for employee rights upon retirement     1,093     Liability for employee rights upon retirement     1,093     1,003     Ordan L LIABILITIES     Operating leases liabilities     Stabilities     Stabilities     Stability for employee rights upon retirement     1,093     1,093     1,003     1,21     COMMITMENTS     TOTAL LIABILITIES     Starener Countries     Starener Countries     Ordinary Shares, NIS 0.1 par value – authorized: 50,000,000 as of December 31, 2021 and September 30, 2022; issued and outstanding: 23,000,782 and 23,129,469     as of December 31, 2021 and September 30, 2022, respectively.     638   63     Additional paid-in capital   233,098   234,111     Accumulated deficit<	TOTAL NON-CURRENT ASSETS		12,082	_	3,733
Liabilities and shareholders' equity     CURRENT LIABILITIES:     Accounts payable     Other accounts payable     Current maturities of operating leases liabilities     TOTAL CURRENT LIABILITIES     Operating leases liabilities     TOTAL CURRENT LIABILITIES:     Operating leases liabilities     Stabilities     Liability for employee rights upon retirement     1,093     Liability for employee rights upon retirement     1,093     1,003     Ordan L LIABILITIES     Operating leases liabilities     Stabilities     Stabilities     Stability for employee rights upon retirement     1,093     1,093     1,003     1,21     COMMITMENTS     TOTAL LIABILITIES     Starener Countries     Starener Countries     Ordinary Shares, NIS 0.1 par value – authorized: 50,000,000 as of December 31, 2021 and September 30, 2022; issued and outstanding: 23,000,782 and 23,129,469     as of December 31, 2021 and September 30, 2022, respectively.     638   63     Additional paid-in capital   233,098   234,111     Accumulated deficit<	TOTAL ASSETS	\$	69.189	\$	51,288
CURRENT LIABILITIES: Accounts payable\$ 766\$ 16Other accounts payable10,1451,74Current maturities of operating leases liabilities78168TOTAL CURRENT LIABILITIES: Operating leases liabilities11,6922,59LONG-TERM LIABILITIES: Operating leases liabilities81015Liability for employee rights upon retirement1,0931,003Liability for employee rights upon retirement1,0931,013COMMITMENTS1,9031,21Commitments\$ 13,595\$ 3,81SHAREHOLDERS' EQUITY:63863Ordinary Shares, NIS 0.1 par value – authorized: 50,000,000 as of December 31, 2021 and September 30, 2022; issued and outstanding: 23,000,782 and 23,129,469 as of December 31, 2021 and September 30, 2022, respectively.63863Additional paid-in capital Accumulated deficit233,098234,111Accumulated deficit(178,142)(187,28)TOTAL SHAREHOLDERS' EQUITY55,59447,47			.,	-	
Accounts payable\$766\$16Other accounts payable10,1451,74Current maturities of operating leases liabilities78168TOTAL CURRENT LIABILITIES11,6922,55Operating leases liabilities81015Liability for employee rights upon retirement1,0931,003TOTAL LONG-TERM LIABILITIES19031,003COMMITMENTS1,9031,21COMMITMENTS\$13,595SHAREHOLDERS' EQUITY:638638Ordinary Shares, NIS 0.1 par value – authorized: 50,000,000 as of December 31, 2021 and September 30, 2022; issued and outstanding: 23,000,782 and 23,129,469 as of December 31, 2021 and September 30, 2022, respectively.638638Additional paid-in capital233,098234,11(178,142)Accumulated deficit(178,142)(187,28)47,47TOTAL SHAREHOLDERS' EQUITY55,59447,47					
Other accounts payable10,1451,74Current maturities of operating leases liabilities78168TOTAL CURRENT LIABILITIES11,6922,59LONG-TERM LIABILITIES11,6922,59Uortal constraints81019Liability for employee rights upon retirement1,0931,02TOTAL LONG-TERM LIABILITIES1,9031,21COMMITMENTS1,9031,21COMMITMENTS13,595\$ 3,81SHAREHOLDERS' EQUITY:50,000,000 as of December 31, 2021 and September 30, 2022; issued and outstanding: 23,000,782 and 23,129,469 as of December 31, 2021 and September 30, 2022, respectively.63863Additional paid-in capital233,098234,11(178,142)(187,28)TOTAL SHAREHOLDERS' EQUITY55,59447,47		¢	766	¢	167
Current maturities of operating leases liabilities78166TOTAL CURRENT LIABILITIES11,6922,59LONG-TERM LIABILITIES: Operating leases liabilities81019Liability for employee rights upon retirement1,0931,02TOTAL LONG-TERM LIABILITIES1,9031,21COMMITMENTS1,9031,21COMMITMENTS13,595\$ 3,81SHAREHOLDERS' EQUITY:\$ 13,595\$ 3,81Ordinary Shares, NIS 0.1 par value – authorized: 50,000,000 as of December 31, 2021 and September 30, 2022; issued and outstanding: 23,000,782 and 23,129,469 as of December 31, 2021 and September 30, 2022, respectively.63863Additional paid-in capital Accumulated deficit(178,142)(187,28)TOTAL SHAREHOLDERS' EQUITY55,59447,47		Φ		φ	
TOTAL CURRENT LIABILITIES11,6922,55LONG-TERM LIABILITIES: Operating leases liabilities81019Liability for employee rights upon retirement1,0931,02TOTAL LONG-TERM LIABILITIES1,9031,21COMMITMENTS1,9031,21TOTAL LIABILITIES\$ 13,595\$ 3,81SHAREHOLDERS' EQUITY:00Ordinary Shares, NIS 0.1 par value – authorized: 50,000,000 as of December 31, 2021 and September 30, 2022; issued and outstanding: 23,000,782 and 23,129,469 as of December 31, 2021 and September 30, 2022, respectively.63863Additional paid-in capital233,098234,11(187,25)Accumulated deficit(178,142)(187,25)47,47			,		689
Operating leases liabilities81015Liability for employee rights upon retirement1,0931,02TOTAL LONG-TERM LIABILITIES1,9031,21COMMITMENTS13,595\$3,81TOTAL LIABILITIES\$13,595\$SHAREHOLDERS' EQUITY:0000Ordinary Shares, NIS 0.1 par value – authorized: 50,000,000 as of December 31, 2021 and September 30, 2022; issued and outstanding: 23,000,782 and 23,129,469 as of December 31, 2021 and September 30, 2022, respectively.63863Additional paid-in capital Accumulated deficit(178,142)(187,28TOTAL SHAREHOLDERS' EQUITY55,59447,47				_	2,597
Operating leases liabilities81015Liability for employee rights upon retirement1,0931,02TOTAL LONG-TERM LIABILITIES1,9031,21COMMITMENTS13,595\$3,81TOTAL LIABILITIES\$13,595\$SHAREHOLDERS' EQUITY:0000Ordinary Shares, NIS 0.1 par value – authorized: 50,000,000 as of December 31, 2021 and September 30, 2022; issued and outstanding: 23,000,782 and 23,129,469 as of December 31, 2021 and September 30, 2022, respectively.63863Additional paid-in capital Accumulated deficit(178,142)(187,28TOTAL SHAREHOLDERS' EQUITY55,59447,47					
Liability for employee rights upon retirement1,0931,023TOTAL LONG-TERM LIABILITIES1,9031,21COMMITMENTS\$13,595\$TOTAL LIABILITIES\$13,595\$SHAREHOLDERS' EQUITY:Ordinary Shares, NIS 0.1 par value – authorized: 50,000,000 as of December 31, 2021 and September 30, 2022; issued and outstanding: 23,000,782 and 23,129,469 as of December 31, 2021 and September 30, 2022, respectively.638632Additional paid-in capital233,098234,11Accumulated deficit(178,142)(187,28)TOTAL SHAREHOLDERS' EQUITY55,59447,47					
TOTAL LONG-TERM LIABILITIES1,9031,21COMMITMENTS\$ 13,595\$ 3,81TOTAL LIABILITIES\$ 13,595\$ 3,81SHAREHOLDERS' EQUITY:\$ 13,595\$ 3,81Ordinary Shares, NIS 0.1 par value – authorized: 50,000,000 as of December 31, 2021 and September 30, 2022; issued and outstanding: 23,000,782 and 23,129,469 as of December 31, 2021 and September 30, 2022, respectively.63863Additional paid-in capital Accumulated deficit233,098234,11Accumulated deficit(178,142)(187,28)TOTAL SHAREHOLDERS' EQUITY55,59447,47					193
COMMITMENTS TOTAL LIABILITIES\$ 13,595\$ 3,81SHAREHOLDERS' EQUITY: Ordinary Shares, NIS 0.1 par value – authorized: 50,000,000 as of December 31, 2021 and September 30, 2022; issued and outstanding: 23,000,782 and 23,129,469 as of December 31, 2021 and September 30, 2022, respectively.638638Additional paid-in capital Accumulated deficit233,098234,11Accumulated deficit(178,142)(187,28)TOTAL SHAREHOLDERS' EQUITY55,59447,47					1,024
TOTAL LIABILITIES\$ 13,595\$ 3,81SHAREHOLDERS' EQUITY:Ordinary Shares, NIS 0.1 par value – authorized: 50,000,000 as of December 31, 2021 and September 30, 2022; issued and outstanding: 23,000,782 and 23,129,469 as of December 31, 2021 and September 30, 2022, respectively.638638Additional paid-in capital Accumulated deficit233,098234,11Accumulated deficit(178,142)(187,28)TOTAL SHAREHOLDERS' EQUITY55,59447,47	TOTAL LONG-TERM LIABILITIES		1,903		1,217
SHAREHOLDERS' EQUITY: Ordinary Shares, NIS 0.1 par value – authorized: 50,000,000 as of December 31, 2021 and September 30, 2022; issued and outstanding: 23,000,782 and 23,129,469 as of December 31, 2021 and September 30, 2022, respectively.638638Additional paid-in capital Accumulated deficit233,098234,11Accumulated deficit(178,142)(187,28)TOTAL SHAREHOLDERS' EQUITY55,59447,47	COMMITMENTS				
Ordinary Shares, NIS 0.1 par value – authorized: 50,000,000 as of December 31, 2021 and September 30, 2022; issued and outstanding: 23,000,782 and 23,129,469 as of December 31, 2021 and September 30, 2022, respectively.638638Additional paid-in capital Accumulated deficit233,098234,11TOTAL SHAREHOLDERS' EQUITY55,59447,47	TOTAL LIABILITIES	\$	13,595	\$	3,814
Ordinary Shares, NIS 0.1 par value – authorized: 50,000,000 as of December 31, 2021 and September 30, 2022; issued and outstanding: 23,000,782 and 23,129,469 as of December 31, 2021 and September 30, 2022, respectively.638638Additional paid-in capital Accumulated deficit233,098234,11TOTAL SHAREHOLDERS' EQUITY55,59447,47	SHAREHOLDERS' EOUITY:				
Additional paid-in capital   233,098   234,11     Accumulated deficit   (178,142)   (187,28)     TOTAL SHAREHOLDERS' EQUITY   55,594   47,47	Ordinary Shares, NIS 0.1 par value – authorized: 50,000,000 as of December 31, 2021 and				
Accumulated deficit     (178,142)     (187,28)       TOTAL SHAREHOLDERS' EQUITY     55,594     47,47			638		638
TOTAL SHAREHOLDERS' EQUITY 55,594 47,47			233,098		234,116
	Accumulated deficit		(178,142)		(187,280)
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY \$ 69,189 \$ 51,28	TOTAL SHAREHOLDERS' EQUITY		55,594		47,474
	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$	69,189	\$	51,288

## SOL-GEL TECHNOLOGIES LTD. CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(U.S. dollars in thousands, except share and per share data)

(Unaudited)

	Nine months ended September 30			Three months ended September 30				
	2021		2022		2021			2022
COLLABORATION REVENUES	\$	2,965		-	\$	1,336		-
LICENSE REVENUES	\$	7,500	\$	3,783	\$	7,500	\$	261
TOTAL REVENUE		10,465		3,783		8,836		261
RESEARCH AND DEVELOPMENT EXPENSES		15,388		8,465		5,989		2,042
GENERAL AND ADMINISTRATIVE EXPENSES		6,625		5,357		2,129		1,844
OTHER INCOME, net		554		-		554		-
OPERATING INCOME (LOSS)		(10,994)		(10,039)		1,272		(3,625)
FINANCIAL INCOME, net		184		901		14		218
NET INCOME (LOSS) FOR THE PERIOD	\$	(10,810)	\$	(9,138)	\$	1,286	\$	(3,407)
BASIC INCOME (LOSS) PER ORDINARY SHARE		(0.47)		(0.40)		0.06	_	(0.15)
DILUTED INCOME (LOSS) PER ORDINARY SHARE		(0.47)		(0.40)		0.05	_	(0.15)
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING USED IN COMPUTATION OF INCOME (LOSS) PER SHARE :							_	
BASIC		23,043,701		23,128,469		23,097,379		23,129,469
DILUTED		23,043,701		23,128,469		23,682,601	_	23,129,469