

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 August 2022
Commission File Number: 001-40842

VALENS SEMICONDUCTOR LTD.

(Exact name of registrant as specified in its charter)

8 Hanagar St. POB 7152

Hod Hasharon 4501309

Israel

(Address of principal executive office)

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

Form 20-F

Form 40-F

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

Yes

No

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):

Yes

No

EXPLANATORY NOTE

The information in the attached Exhibits 99.1 is being furnished and shall not be deemed “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that Section, nor shall it be deemed incorporated by reference in any filing made by the Company under the Securities Act of 1933, as amended, or the Exchange Act, except as otherwise set forth herein or as shall be expressly set forth by specific reference in such a filing.

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[Earnings Release dated August 10, 2022](#)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

VALENS SEMICONDUCTOR LTD.

By: /s/ Dror Heldenberg

Name: Dror Heldenberg

Title: Chief Financial Officer

Date: August 10, 2022



Valens Semiconductor Reports Second Quarter 2022 Results

Delivers Record Quarterly Revenues and Strong Gross Margin for Q2 Improves 2022 Guidance, Adjusted EBITDA Breakeven Expected Exiting 2023

HOD HASHARON, ISRAEL, August 10, 2022 – Valens Semiconductor Ltd. (NYSE: VLN), a premier provider of high-speed connectivity solutions for the audio-video and automotive markets, today reported financial results for the second quarter ended June 30, 2022.

“In Q2 2022, Valens Semiconductor reported its highest ever quarterly revenues of \$22.5 million, up 28.4% from Q2 2021, as we continued to meet the growing demand from customers in our audio-video and automotive markets,” said Gideon Ben-Zvi, CEO of Valens Semiconductor. “In audio video, the main trends we are seeing are the transition to higher resolutions and growing demand for high bandwidth video connectivity and camera imaging extensions, as organizations aim to enhance and optimize content transmission. It is clear that our audio-video distribution technology will continue to play an important role in fields such as work, education, medical, government and others. In our automotive business, revenues from our VA6000 from Mercedes Benz cars continue to ramp. We made strides advancing our rear-view camera for trucks project with Stoneridge, who will incorporate our VA6000 chipsets into a safety connectivity solution. With a sizable number of potential automotive customers and partners looking to integrate our VA7000 chipsets to support Advanced Driver-Assistance Systems (ADAS) into their platforms, we believe that we are on track to attain design wins by mid-year 2023.

“Considering our better than anticipated first half of the year and visibility into the second half of 2022, we are increasing our full year revenues, gross margin and adjusted EBITDA guidance. Through our ongoing conversations with prospective customers and partners, we are learning more about their priorities, plans and timing for use of our current and next generation solutions. To match their roadmaps, we recently realigned and optimized our automotive R&D efforts for the next two years, which we believe will also contribute to us reaching adjusted EBITDA breakeven towards the end of 2023. Now more than ever, Valens Semiconductor is well-positioned to create long-term value for our stakeholders.”

Key Financial and Business Highlights

- Record quarterly revenues of \$22.5 million, up 28.4% from Q2 2021 and up 4.0% from Q1 2022
- Q2 2022 GAAP gross margin was 70.2% compared to 71.2% in Q2 2021 (non-GAAP gross margin was 71.0% compared to 71.1% in Q2 2021)
- Q2 2022 GAAP Net Loss was \$(10.0) million, which included net financial expenses of \$3.6 million, primarily from devaluation of Israeli-shekel related cash balance, compared to Net Loss of \$(3.7) million in Q2 2021, and Adjusted EBITDA loss in the second quarter was \$(4.5) million, compared to \$(2.1) million in Q2 2021
- Strong balance sheet with working capital of \$168.3 million, and \$156.8 million in cash, cash equivalents and short-term deposits as of June 30, 2022
- Automotive:
 - 2022 automotive revenues on track to double from 2021
 - Continue to make progress with the evaluation of the company’s MIPI A-PHY new VA7000 chipsets, as over 30 OEMs, Tier 1s and Tier 2s are evaluating this product for ADAS and surround view applications
- Audio-video:
 - Received substantial demand for [VS3000](#), Valens Semiconductor’s newest audio-video product family, from Tier 1 customers across many geographies
 - [Crestron Electronics](#) announced full suite of more than 24 Professional Audio-Video (ProAV) products powered by the VS3000 for use by enterprises, in education and more. This adds to the multiple VS3000-based products already introduced by Crestron
 - Interest in the company’s technology in the [medical space](#) continues to grow. Introduced a connectivity solution with [Würth Elektronik](#) for medical imaging in unprecedented resolution that complies with the strict medical isolation specifications

Financial Outlook¹

“Q2 2022 came in above the top end of our guidance, marking a strong first half for the year, and positioning us for a better than originally anticipated full year 2022,” said Dror Heldenberg, CFO of Valens Semiconductor.

“For the third quarter of 2022, revenues are expected to range between \$22.5 million and \$22.8 million. Gross margin is expected to range between 65.4% and 66.1%, and Adjusted EBITDA loss is expected to be in the range of \$(6.2) million to \$(5.6) million.

“We are also raising our revenue, gross margin and Adjusted EBITDA guidance for the full year 2022. The company now expects revenues to range between \$89.1 million and \$89.8 million, up from the prior range of between \$86.5 million and \$88.0 million. Most of this increase is attributed to audio-video, while also essentially doubling the automotive revenue from the full year 2021. Gross margin is expected to range between 68.0% and 68.5%, up from the prior range of 66.0% and 67.3%. Adjusted EBITDA loss is expected to be in the range of \$(25.7) million to \$(24.3) million, substantially better than our previous guidance of \$(37.2) million to \$(35.5) million, due to the greater than expected revenues and improved gross margin. In addition, we expect to continue to see a benefit from a strong USD on our Israeli shekel-based expenses. Finally, we refined our automotive R&D focus for the next two years to products supporting sensor to ECU connectivity. This will allow us to slow the pace of hiring and reduce our investment in automotive R&D without impacting revenue opportunities or changing our longer-term technology roadmap.

“We are expecting to reach adjusted EBITDA breakeven by the end of next year, as the modest increase in 2023 R&D expenses from the lowered 2022 level will be offset by anticipated year-over-year revenue growth,” concluded Heldenberg.

Adjusted EBITDA is a non-GAAP measure. See the tables below for additional information regarding this and other non-GAAP metrics used in this release.

Conference Call Information

Valens Semiconductor will host a conference call today, Wednesday, August 10, 2022, at 8:30 a.m. Eastern Time (ET) to discuss its second quarter 2022 financial results and business outlook. To access this call, dial (at least 10 minutes before the scheduled time) +1 (888) 642-5032 (U.S.), 0 (800) 917-5108 (UK), 03 918 0609 (Israel) or +972 3 918 0609 (all other locations).

A live webcast of the conference call will be available via the investor relations section of Valens Semiconductor’s website at [Valens - Financials - Quarterly Results](#). The live webcast can also be accessed by clicking [here](#). A replay of the conference call will be available on Valens’ website shortly after the call concludes.

Forward-Looking Statements

This press release includes “forward-looking statements” within the meaning of the “safe harbor” provisions of the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by the use of words such as “estimate,” “plan,” “project,” “forecast,” “intend,” “will,” “expect,” “anticipate,” “believe,” “seek,” “target” or other similar expressions that predict or indicate future events or trends or that are not statements of historical matters. These forward-looking statements include, but are not limited to, statements regarding our anticipated future results, including financial results and contract wins, and future economic and market conditions. These statements are based on various assumptions, whether or not identified in this press release, and on the current expectations of Valens Semiconductor’s (“Valens”) management and are not predictions of actual performance. These forward-looking statements are provided for illustrative purposes only and are not intended to serve as, and must not be relied on by any investor as, a guarantee, an assurance, a prediction or a definitive statement of fact or probability. Actual events and circumstances are difficult or impossible to predict and will differ from assumptions. Many actual events and circumstances are beyond the control of Valens Semiconductor.

¹ Although we provide guidance for Adjusted EBITDA, we are not able to provide guidance for projected Net profit (loss), the most directly comparable GAAP measures. Certain elements of Net profit (loss), including share-based compensation expenses and warrant valuations, are not predictable due to the high variability and difficulty of making accurate forecasts. As a result, it is impractical for us to provide guidance on Net profit (loss) or to reconcile our Adjusted EBITDA guidance without unreasonable efforts. Consequently, no disclosure of projected Net profit (loss) is included. For the same reasons, we are unable to address the probable significance of the unavailable information.

These forward-looking statements are subject to a number of risks and uncertainties, including changes in domestic and foreign business, market, financial, political and legal conditions; failure to realize the anticipated benefits of the business combination; future global, regional or local economic and market conditions; the development, effects and enforcement of laws and regulations; Valens' ability to manage future growth; Valens' ability to develop new products and solutions, bring them to market in a timely manner, and make enhancements to them; the effects of competition on Valens' future business; the outcome of any potential litigation, government and regulatory proceedings, investigations and inquiries; the effects of health epidemics, such as the recent global COVID-19 pandemic, have had and could in the future have on Valens' revenue, its employees and results of operations; the cyclical nature of the semiconductor industry; Valens' ability to adjust its supply chain volume due to changing market conditions or failure to estimate its customers' demand, including during any downturn in the automotive or audio-video markets; disruptions in relationships with any one of Valens' key customers; difficulty selling products if customers do not design Valens products into their product offerings; Valens' dependence on winning selection processes and ability to generate timely or sufficient net sales or margins from those wins; political conditions in Israel; and those factors discussed in Valens' annual report on Form 20-F filed with the SEC on March 2, 2022 under the heading "Risk Factors," and other documents of Valens filed, or to be filed, with the SEC. If any of these risks materialize or our assumptions prove incorrect, actual results could differ materially from the results implied by these forward-looking statements. There may be additional risks that Valens does not presently know or that Valens currently believes are immaterial that could also cause actual results to differ from those contained in the forward-looking statements. In addition, forward-looking statements reflect Valens' expectations, plans or forecasts of future events and views as of the date of this press release. Valens anticipates that subsequent events and developments may cause Valens' assessments to change. However, while Valens may elect to update these forward-looking statements at some point in the future, Valens specifically disclaims any obligation to do so. These forward-looking statements should not be relied upon as representing Valens' assessment as of any date subsequent to the date of this press release. Accordingly, undue reliance should not be placed upon the forward-looking statements.

About Valens Semiconductor

Valens Semiconductor pushes the boundaries of connectivity by enabling long-reach, high-speed video and data transmission for the Audio-Video and Automotive industries. Valens' HDBaseT® technology is the leading standard in the Audio-Video market with tens of millions of Valens' chipsets integrated into thousands of products in a wide range of applications. Valens Semiconductor's Automotive chipsets are deployed in systems manufactured by leading customers and are on the road in vehicles around the world. Valens is a key enabler of the evolution of ADAS and autonomous driving and its advanced technology is the basis for the new industry standard for high-speed in-vehicle connectivity. For more information, visit <https://www.valens.com/>.

VALENS SEMICONDUCTOR LTD.

SUMMARY OF FINANCIAL RESULTS
(U.S. Dollars in thousands, except per share amounts)
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Revenues	22,481	17,510	44,101	30,874
Gross Profit	15,784	12,467	31,224	21,999
Gross Margin	70.2%	71.2%	70.8%	71.3%
Net loss	(9,995)	(3,698)	(15,045)	(10,074)
Working Capital ²	168,283	56,133	168,283	56,133
Cash, cash equivalents and short-term deposits ³	156,754	51,873	156,754	51,873
Net cash used in operating activities	(4,251)	(6,443)	(12,654)	(9,651)
Non-GAAP Financial Data				
Non-GAAP Gross Margin ⁴	71.0%	71.1%	71.5%	71.4%
Adjusted EBITDA ⁵	(4,469)	(2,116)	(8,555)	(6,419)
Non-GAAP Loss per share ⁶ (in U.S. Dollars)	\$(0.08)	\$(0.16)	\$(0.13)	\$(0.57)

² Working Capital is calculated as Total Current Assets, less Total Current Liabilities, as of the last day of the period.

³ As of the last day of the period.

⁴ GAAP Gross Profit excluding share-based compensation and depreciation expenses, divided by revenue. For the three months ended June 30, 2022, and 2021, share-based compensation and depreciation expenses were \$181 thousand and \$(10) thousand respectively. For the six months ended June 30, 2022, and 2021, share-based compensation and depreciation expenses were \$321 thousand and \$47 thousand respectively.

⁵ Adjusted EBITDA is defined as Net profit (loss) before financial income (expense), net, income taxes, equity in earnings of investee and depreciation and amortization, further adjusted to exclude share-based compensation and change in fair value of Forfeiture Shares, which may vary from period-to-period. We caution investors that amounts presented in accordance with our definition of Adjusted EBITDA may not be comparable to similar measures disclosed by other issuers, because not all issuers calculate Adjusted EBITDA in the same manner. Adjusted EBITDA should not be considered as an alternative to Net loss or any other performance measures derived in accordance with GAAP or as an alternative to cash flows from operating activities as a measure of our liquidity. Please refer to the appendix at the end of this press release for a reconciliation to the most directly comparable measure in accordance with GAAP.

⁶ See reconciliation of GAAP to non-GAAP financial measures.

VALENS SEMICONDUCTOR LTD.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(U.S. Dollars in thousands, except share and per share amounts)
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
REVENUES	22,481	17,510	44,101	30,874
COST OF REVENUES	(6,697)	(5,043)	(12,877)	(8,875)
GROSS PROFIT	15,784	12,467	31,224	21,999
OPERATING EXPENSES:				
Research and development expenses	(14,904)	(10,956)	(29,031)	(21,354)
Sales and marketing expenses	(4,473)	(3,222)	(8,682)	(6,332)
General and administrative expenses	(4,340)	(2,366)	(8,641)	(4,544)
TOTAL OPERATING EXPENSES	(23,717)	(16,544)	(46,354)	(32,230)
OPERATING LOSS	(7,933)	(4,077)	(15,130)	(10,231)
Change in fair value of Forfeiture Shares	1,538	-	4,142	-
Financial income (expenses), net	(3,560)	503	(3,675)	336
LOSS BEFORE INCOME TAXES	(9,955)	(3,574)	(14,663)	(9,895)
INCOME TAXES	(43)	(124)	(389)	(179)
LOSS AFTER INCOME TAXES	(9,998)	(3,698)	(15,052)	(10,074)
Equity in earnings of investee	3	-	7	-
NET LOSS	(9,995)	(3,698)	(15,045)	(10,074)
EARNINGS PER SHARE DATA:				
BASIC AND DILUTED NET LOSS PER ORDINARY SHARE⁷				
(in U.S. Dollars)	\$ (0.10)	\$ (0.68)	\$ (0.15)	\$ (1.61)
WEIGHTED AVERAGE NUMBER OF SHARES USED IN CALCULATION OF NET LOSS PER ORDINARY	97,442,359	11,020,299	97,296,206	10,927,357

⁷ See note 6.

VALENS SEMICONDUCTOR LTD.

CONDENSED CONSOLIDATED BALANCE SHEETS
(U.S. Dollars in thousands)
(Unaudited)

	June 30, 2022	December 31, 2021
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	46,577	56,791
Short-term deposits	110,177	117,568
Trade accounts receivable	10,047	7,095
Inventories	17,318	9,322
Prepaid expenses and other current assets	4,492	8,255
TOTAL CURRENT ASSETS	<u>188,611</u>	<u>199,031</u>
LONG-TERM ASSETS:		
Property and equipment, net	2,571	2,741
Operating lease Right-Of-Use (ROU) assets ⁸	4,408	-
Other assets	638	828
TOTAL LONG-TERM ASSETS	<u>7,617</u>	<u>3,569</u>
TOTAL ASSETS	<u>196,228</u>	<u>202,600</u>
LIABILITIES AND EQUITY		
CURRENT LIABILITIES⁹	20,328	15,699
LONG-TERM LIABILITIES:		
Forfeiture shares	516	4,658
Non-current operating leases liabilities ¹⁰	2,126	-
Other long-term liabilities	48	46
TOTAL LONG-TERM LIABILITIES	<u>2,690</u>	<u>4,704</u>
TOTAL LIABILITIES	<u>23,018</u>	<u>20,403</u>
SHAREHOLDERS' EQUITY	173,210	182,197
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u>196,228</u>	<u>202,600</u>

⁸ As of January 1, 2022, the company has implemented the FASB ASU No. 2016-02, Leases (ASC 842), on the recognition, measurement, presentation, and disclosure of leases.

⁹ As of June 30, 2022, includes \$1,814 thousand of current maturities of operating leases liabilities (none as of December 31, 2021); see footnote 8.

¹⁰ See footnote 8.

VALENS SEMICONDUCTOR LTD.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(U.S. Dollars in thousands)
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
CASH FLOW FROM OPERATING ACTIVITIES				
Net loss for the period	(9,995)	(3,698)	(15,045)	(10,074)
Adjustments to reconcile net loss to net cash used in operating activities:				
Income and expense items not involving cash flows:				
Depreciation	347	266	667	522
Stock-based compensation	3,117	1,695	5,908	3,290
Exchange rate differences	4,501	(545)	4,972	(231)
Interest from short-term deposits	(132)	37	(295)	219
Change in fair value of forfeiture shares	(1,538)	-	(4,142)	-
Reduction in the carrying amount of ROU assets	424	-	844	-
Changes in operating assets and liabilities:				
Trade accounts receivable	166	(2,475)	(2,952)	767
Prepaid expenses and other current assets	3,245	(458)	3,763	(1,588)
Inventories	(4,852)	(1,752)	(7,996)	(2,541)
Other assets	86	(26)	190	(31)
Current Liabilities	1,189	513	2,742	23
Change in operating lease liabilities	(811)	-	(1,312)	-
Other long-term liabilities	2	-	2	(7)
Net cash used in operating activities	(4,251)	(6,443)	(12,654)	(9,651)
CASH FLOWS FROM INVESTING ACTIVITIES:				
Investment in short-term deposits	(13,088)	(4,520)	(31,340)	(4,520)
Maturities of short-term deposits	21,900	12,500	37,400	29,500
Purchase of property and equipment	(244)	(127)	(424)	(505)
Net cash provided by investing activities	8,568	7,853	5,636	24,475
CASH FLOWS FROM FINANCING ACTIVITIES:				
Deferred issuance costs	-	(218)	-	(218)
Exercise of options	96	589	150	665
Net cash provided by financing activities	96	371	150	447
Effect of exchange rate changes on cash and cash equivalents	(2,830)	531	(3,346)	217
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,583	2,312	(10,214)	15,488
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	44,994	39,492	56,791	26,316
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	46,577	41,804	46,577	41,804
SUPPLEMENT DISCLOSURE OF CASH FLOW INFORMATION				
Cash paid for taxes	65	147	121	224
SUPPLEMENTAL DISCLOSURE OF NON-CASH INVESTING AND FINANCING ACTIVITIES				
Trade accounts payable on account of property and equipment	-	-	73	-
Unpaid issuance costs	-	2,722	-	2,722
Operating lease liabilities arising from obtaining operating right-of-use assets	104	-	350	-

VALENS SEMICONDUCTOR LTD.

RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES
(U.S. Dollars in thousands)
(Unaudited)

The following table provides a reconciliation of Net loss to Adjusted EBITDA, a non-GAAP measure. Adjusted EBITDA is defined as Net profit (loss) before financial income (expense), net, income taxes, equity in earnings of investee and depreciation and amortization, further adjusted to exclude share-based compensation and change in fair value of Forfeiture Shares, which may vary from period-to-period. We caution investors that amounts presented in accordance with our definition of Adjusted EBITDA may not be comparable to similar measures disclosed by other issuers, because not all issuers calculate Adjusted EBITDA in the same manner. Adjusted EBITDA should not be considered as an alternative to Net loss or any other performance measures derived in accordance with GAAP or as an alternative to cash flows from operating activities as a measure of our liquidity.

Although we provide guidance for Adjusted EBITDA, we are not able to provide guidance for projected Net profit (loss), the most directly comparable GAAP measures. Certain elements of Net profit (loss), including share-based compensation expenses and warrant valuations, are not predictable due to the high variability and difficulty of making accurate forecasts. As a result, it is impractical for us to provide guidance on Net profit (loss) or to reconcile our Adjusted EBITDA guidance without unreasonable efforts. Consequently, no disclosure of projected Net profit (loss) is included. For the same reasons, we are unable to address the probable significance of the unavailable information.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Net loss	(9,995)	(3,698)	(15,045)	(10,074)
Adjusted to exclude the following:				
Change in fair value of Forfeiture Shares	(1,538)	-	(4,142)	-
Financial expense (income), net	3,560	(503)	3,675	(336)
Income taxes	43	124	389	179
Equity in earnings of investee	(3)	-	(7)	-
Depreciation	347	266	667	522
Stock-based compensation expenses	3,117	1,695	5,908	3,290
Adjusted EBITDA	(4,469)	(2,116)	(8,555)	(6,419)

VALENS SEMICONDUCTOR LTD.

RECONCILIATION OF GAAP TO NON-GAAP Tables
(U.S. Dollars in thousands)
(Unaudited)

The following tables provide a calculation of the GAAP Loss per share and reconciliation to Non-GAAP Loss per share.

<u>GAAP Loss per Share</u>	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
GAAP Net Loss	(9,995)	(3,698)	(15,045)	(10,074)
Adjusted to include the following:				
Accrued dividend related to Preferred Shares	-	(3,788)	-	(7,478)
Total Loss used for computing Loss per Share	(9,995)	(7,486)	(15,045)	(17,552)
Earnings Per Share Data:				
GAAP Loss per Share (in U.S. Dollars)	<u>$(\\$0.10)$</u>	<u>$(\\$0.68)$</u>	<u>$(\\$0.15)$</u>	<u>$(\\$1.61)$</u>
Weighted average number of shares used in calculation of net loss per share	<u>97,442,359</u>	<u>11,020,299</u>	<u>97,296,206</u>	<u>10,927,357</u>
<u>Non-GAAP Loss per Share¹¹</u>	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
GAAP Net loss	(9,995)	(3,698)	(15,045)	(10,074)
Adjusted to exclude the following:				
Stock based compensation	3,117	1,695	5,908	3,290
Depreciation	347	266	667	522
Change in fair value of Forfeiture Shares	(1,538)	-	(4,142)	-
Total Loss used for computing Loss per Share	(8,069)	(1,737)	(12,612)	(6,262)
Earnings Per Share Data:				
Non-GAAP Loss per Share (in U.S. Dollars)	<u>$(\\$0.08)$</u>	<u>$(\\$0.16)$</u>	<u>$(\\$0.13)$</u>	<u>$(\\$0.57)$</u>
Weighted average number of shares used in calculation of net loss per share	<u>97,442,359</u>	<u>11,020,299</u>	<u>97,296,206</u>	<u>10,927,357</u>

¹¹ The company calculates its non-GAAP Loss per Share as GAAP Net Loss adjusted to exclude the following: Stock based compensation, depreciation, and the change in fair value of Forfeiture Share (the change in fair value of Forfeiture Shares totaled at \$1,538 thousand and \$2,604 thousand for the second and first quarters of 2022, respectively) divided by the weighted average number of shares used in calculation of net loss per share.

For more information, please contact:

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