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 (Report No. 2)

Commission file number: 001-38610

SAFE-T GROUP LTD.
(Translation of registrant's name into English)

8 Abba Eban Ave.
Herzliya, 4672526 Israel
(Address of principal executive offices)

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 Regulations S-T Rule 101(b)(1):_____

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

CONTENTS

This Report on Form 6-K consists of (i) the Registrant's press release issued on August 31, 2022, announcing its financial results for the three- and six-month periods ended June 30, 2022, which is attached hereto as Exhibit 99.1; (ii) the Registrant's unaudited Interim Condensed Consolidated Financial Statements as of and for the period ended June 30, 2022, which are attached hereto as Exhibit 99.2; (iii) the Registrant's Management's Discussion and Analysis of Financial Condition and Results of Operations for the six months ended June 30, 2022, which is attached hereto as Exhibit 99.3; and (iv) unaudited pro forma financial statements of the Registrant as of and for the period ended December 31, 2021, which is attached hereto as Exhibit 99.4.

The first paragraph titled "Key highlights for the six-months ended June 30, 2022" and the sections titled "Second Quarter 2022 Highlights and Recent Business Developments", "Financial Results for the Three Months Ended June 30, 2022", "Financial Results for the Six Months Ended June 30, 2022", "Balance Sheet Highlights", "Use of Non-IFRS Financial Results", "Forward-Looking Statements" and the IFRS financial statements in the press release attached as Exhibit 99.1, the Interim Condensed Consolidated Financial Statements (Unaudited) as of June 30, 2022 attached as Exhibit 99.2, the Management's Discussion and Analysis of Financial Condition and Results of Operations for the six months ended June 30, 2022 attached as Exhibit 99.3, and the Unaudited pro forma financial statements attached as Exhibit 99.4, are incorporated by reference into the registration statements on Form S-8 (File Nos. 333-233510, 333-239249, 333-250138 and 333-258744) and Form F-3 (File Nos. 333-233724, 333-235368, 333-236030, 333-233976, 333-237629 and 333-253983) of the Registrant, filed with the Securities and Exchange Commission, to be a part thereof from the date on which this report is submitted, to the extent not superseded by documents or reports subsequently filed or furnished.

Exhibit No.	Description
99.1	Safe-T Group Ltd.'s press release issued on August 31, 2022, announcing its financial results for the three- and six-month periods ended June 30, 2022.
99.2	Safe-T Group Ltd.'s Interim Condensed Consolidated Financial Statements (Unaudited) as of June 30, 2022.
99.3	Safe-T Group Ltd.'s Management's Discussion and Analysis of Financial Condition and Results of Operations for the six months ended June 30, 2022.
99.4	Unaudited pro forma financial statements.

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.

Safe-T Group Ltd.
(Registrant)

By	/s/ Hagit Gal
Name:	Hagit Gal
Title:	Corporate Legal Counsel

Date: August 31, 2022

Exhibit 99.1

Safe-T Group Reports Strong First Half 2022 Performance with Revenues of $8.8 Million, up 181% Compared to Prior Year

Sequential Quarterly Net Loss Reduced by 33%, Further Reductions Expected to Accelerate Significantly in Third Quarter

Recent Funding Initiatives to Add Over $5 Million on Top of Current Capital Resources to Support Continued Growth

HERZLIYA, Israel, August 31, 2022 - Safe-T Group Ltd. (Nasdaq: SFET) (TASE: SFET) ("Safe-T" or the "Company"), a global provider of cyber-security and privacy solutions to consumers and enterprises, today announced record financial results for the six-month period ended June 30, 2022.

Key highlights for the six months ended June 30, 2022:

- Revenues for the six months ended June 30, 2022 reached a record high of $8,798,000, an increase of 181% compared to the six-month period ended June 30, 2021. In the three months ended June 30, 2022, revenues totaled a record of $4,777,000, an increase of 168% compared to the three months ended June 30, 2021.

- Gross profit for the six-month period ended June 30, 2022 amounted to $4,733,000, an increase of 279% compared to the corresponding period in 2021. For the three-month period ended June 30, 2022, gross profit amounted to $2,616,000, an increase of $225% compared to the corresponding period in 2021.

- Operating expense reduction efforts resulted in a 33% decrease in net loss in the second quarter of 2022 compared to the first quarter of 2022 (25% on a non-IFRS basis). Ongoing expense reduction efforts are expected to drive improved operational results in the third quarter of 2022.

- The Company's privacy enterprises business reached break-even operating results (excluding recently eliminated legal expenses).

"The financial results of the first half of 2022 reflect how effectively we continued to execute our strategy with diversified businesses into the large cybersecurity and privacy markets. We continue to drive significant and sustainable revenue growth while efficiently executing ongoing cost reduction efforts. During May and August, we secured a $2 million non-dilutive credit line facility from a leading Israeli bank and a strategic financing of up to $4 million, which may lead to potential future funding at premium valuations for the Company. Supporting our current level of growth requires investment into our consumer products and into acquiring new customers, and we are extremely proud to have secured additional funding through creative financing initiatives that support the Company's growth well into 2023, without impacting our shareholders at current market valuations. We believe these achievements are a strong validation of our business model and the long-term potential of Safe-T," said Shachar Daniel, Chief Executive Officer of Safe-T.

Second Quarter 2022 Highlights and Recent Business Developments:

- *Strong Continued Growth*: Safe-T continued to deliver strong year-over-year financial performance, driven largely by growth in the Company's consumer and enterprise privacy businesses.

- *Cost Reduction*: Ongoing cost reductions implemented across the business last quarter, as well as the final settlement of patent litigation related to the Company's enterprise privacy business[1], will contribute significantly to reduced general and administration costs throughout the remainder of 2022.

- *Financing Initiatives*: In the second quarter, the Company secured a $2 million non-dilutive credit line facility from United Mizrahi-Tefahot Bank Ltd.[2] to support the growth of its consumer privacy solution. In August, Safe-T secured a strategic investment of up to $4 million[3] which will be also utilized to bolster its operations and growth. Led by a former CEO of the Company's enterprise privacy business subsidiary, this investment features a unique structure to protect shareholders from near-term dilution and is based on a revenue share model on newly acquired customers. The investor is also incentivized to provide additional funding through warrants exercisable at premiums ranging from 135% to 300% of the closing share price at the date of the agreement. The cash available under these financing initiatives, aggregating up to more than $5 million, is in addition to the $4.04 million cash and cash equivalents as of June 30, 2022.

- *Product Development and Offering*: In July, the Company introduced two new products as it further penetrates the global consumer market. Safe-T launched its privacy solution for Windows, allowing it to enter the large desktop computer market with its first product and introduced its privacy solution for Android mobile devices. With these launches, Safe-T can now serve customers across all major hardware platforms including mobile devices running Apple iOS, Android, and personal computers.

"Our strong first half results reinforce our confidence in the prospects and outlook for our business, as our growth strategy continues to build momentum. In the second half of 2022, our team's focus will be on further building upon the strength of our cybersecurity and privacy business by leveraging the recent funding and our new products to drive additional growth. Over the past four quarters, our Apple iOS offerings have driven continuous record growth. Through the strategic expansion of our consumer portfolio with new solutions for the large, untapped desktop computer and Android markets, Safe-T is now positioned to capitalize on exciting new revenue opportunities. We remain firmly focused on our cost reduction plan, improving the efficiency of the business and together with our new products and investments into our customer acquisition program, we expect to not only drive significant additional revenue growth, but deliver improved financial performance in the months ahead," concluded Mr. Daniel.

Financial Results for the Three Months Ended June 30, 2022:

- Total revenues amounted to $4,777,000 (Q2.2021: $1,784,000). The growth is attributed to the increase in enterprise privacy business revenues and the consolidation of CyberKick's revenues following the completion of its acquisition on July 4, 2021.

- Cost of revenues totaled $2,161,000 (Q2.2021: $979,000). The increase is mainly a result of the consolidation of CyberKick's cost of revenues, mainly in traffic acquisition costs for third party products.

- Research and development expenses totaled $889,000 (Q2.2021: $781,000). The increase is attributed to the consolidation of CyberKick's research and development expenses and the development of new products, partially offset by a reduction in research and development expenses of the enterprise security segment, due to the Company's previously announced agreement with TerraZone Ltd.

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1 https://safetgroup.com/safe-t-group-announces-dismissal-of-patent-litigation/
2 https://safetgroup.com/safe-t-group-secures-a-non-dilutive-line-of-credit-from-united-mizrahi-tefahot-bank-ltd/
3 https://safetgroup.com/safe-t-group-secures-up-to-4-million-in-strategic-non-dilutive-funding-to-boost-consumer-privacy-business/

- Sales and marketing expenses totaled $2,624,000 (Q2.2021: $1,308,000). The increase is mainly attributed to the consolidation of CyberKick's sales and marketing expenses, primarily its media costs, partially offset by a reduction in the sales and marketing expenses of the enterprise security segment, due to the agreement with TerraZone Ltd.

- General and administrative expenses totaled $1,998,000 (Q2.2021: $1,488,000). The increase is mainly due to higher professional fees, predominantly legal, in connection with patent-related proceedings brought by and against Bright Data Ltd., which were resolved by settlement on May 17, 2022.

- IFRS net loss totaled $3,158,000, or $0.10 basic loss per ordinary share (Q2.2021: net loss of $2,370,000, or $0.09 basic loss per ordinary share).

- Non-IFRS net loss totaled $2,523,000, or $0.08 basic loss per ordinary share (Q2.2021: loss of $2,174,000, or $0.08 basic loss per ordinary share).

Financial Results for the Six Months Ended June 30, 2022:

- Total revenues amounted to $8,798,000 (H1.2021: $3,131,000). The growth is attributed to the increase in enterprise privacy business revenues and the consolidation of CyberKick's revenues following the completion of its acquisition on July 4, 2021.

- Cost of revenues totaled $4,065,000 (H1.2021: $1,883,000). The increase is mainly a result of the consolidation of CyberKick's cost of revenues, primarily traffic acquisition costs for third party products.

- Research and development expenses totaled $2,283,000 (H1.2021: $1,483,000). The increase is attributed to the consolidation of CyberKick's research and development expenses and the development of new products, partially offset by a reduction in the research and development expenses of the enterprise security segment, due to the agreement with TerraZone.

- Sales and marketing expenses totaled $5,658,000 (H1.2021: $2,430,000). The increase is primarily attributed to the consolidation of CyberKick's sales and marketing expenses, primarily its media costs, partially offset by a reduction in the sales and marketing expenses of the enterprise security segment, due to the agreement with TerraZone Ltd.

- General and administrative expenses totaled $4,249,000 (H1.2021: $2,588,000). The increase is mainly due to higher professional fees, predominantly legal, in connection with patent-related proceedings brought by and against Bright Data Ltd, which were resolved by settlement on May 17, 2022.

- IFRS net loss totaled $7,885,000, or $0.26 basic loss per ordinary share (H1.2021: net loss of $4,883,000, or $0.20 basic loss per ordinary share).

- Non-IFRS net loss totaled $5,889,000, or $0.19 basic loss per ordinary share (H1.2021: loss of $4,186,000, or $0.17 basic loss per ordinary share).

We define non-IFRS net loss as a loss which excludes, as applicable: (i) amortization and impairment of intangible assets and goodwill; (ii) share-based compensation expense; (iii) issuance costs in connection with our offerings; (iv) changes in fair value of finance liabilities including measurement of contingent consideration and (v) income taxes, starting from the second quarter of 2022 (adjusted retrospectively for all prior periods presented).

The following table presents the reconciled effect of the above on the Company's net loss for the three- and six-months periods ended June 30, 2022 and 2021, and for the year ended December 31, 2021:

(thousands of U.S. dollars)	For the Six-Month Period Ended June 30, 2022	For the Six-Month Period Ended June 30, 2021	For the Three-Month Period Ended June 30, 2022	For the Three-Month Period Ended June 30, 2021	For the year Ended December 31, 2021
Net loss for the period	**7,885**	**4,883**	**3,158**	**2,370**	**13,125**
Amortization and impairment of intangible assets and goodwill	1,409	541	992	272	2,112
Benefit from income tax	(155)	(120)	(75)	(60)	(975)
Share-based compensation	1,014	565	79	236	2,356
Changes in fair value of finance liabilities	(272)	(289)	(361)	(252)	(1,644)
Total adjustment	(1,996)	(697)	(635)	(196)	(1,849)
Non-IFRS net loss	**5,889**	**4,186**	**2,523**	**2,174**	**11,276**

Balance Sheet Highlights:

- As of June 30, 2022, shareholders' equity totaled $17,316,000, or approximately $0.57 per outstanding American Depository Share, as of June 30, 2022, compared to shareholders' equity of $24,187,000 on December 31, 2021. The reduction is mainly due to the Company's operating loss during the period.

- As of June 30, 2022, the Company's cash and cash equivalents balance aggregated to $4,040,000, compared to $3,828,000 on December 31, 2021. The Company's cash balance does not account for up to an additional $5.6 million in funds under its recently secured credit line facility and investment financing.

Additional details on the Company's financials, products and strategy are available on the Company's website, https://safetgroup.com/company-presentation/

Use of Non-IFRS Financial Results

In addition to disclosing financial results calculated in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board, this press release contains non-IFRS financial measures of net loss for the periods presented that exclude the effect of share-based compensation expenses, amortization of intangible assets and the revaluation of finance liabilities at fair value, including measurement of contingent consideration. The Company's management believes the non-IFRS financial information provided in this release is useful to investors' understanding and assessment of the Company's ongoing operations. Management also uses both IFRS and non-IFRS information in evaluating and operating its business internally, and as such deemed it important to provide this information to investors. The non-IFRS financial measures disclosed by the Company should not be considered in isolation, or as a substitute for, or superior to, financial measures calculated in accordance with IFRS, and the financial results calculated in accordance with IFRS and reconciliations to those financial statements should be carefully evaluated. Investors are encouraged to review the reconciliations of these non-IFRS measures to their most directly comparable IFRS financial measures provided in the financial statement tables herein.

Second Quarter 2022 Financial Results Conference Call

Mr. Shachar Daniel, Chief Executive Officer of Safe-T, and Mr. Shai Avnit, Chief Financial Officer of Safe-T, will host a conference call today, on August 31, 2022, at 08:30 a.m. ET, to discuss the second quarter of 2022 financial results, followed by a Q&A session.

To attend the conference call, please dial one of the following teleconferencing numbers. Please begin by placing your call five minutes before the conference call commences. If you are unable to connect using the toll-free number, please try the international dial-in number:

Date:	Wednesday, August 31, 2022
Time:	08:30 a.m. Eastern time, 05:30 a.m. Pacific time
Toll-free dial-in number:	1-877-407-0789
Israel Toll Free:	1-809-406-247
International dial-in number:	1-201-689-8562
Conference ID:	13732264

Participants will be required to state their name and company upon entering the call. If you have any difficulty connecting with the conference call, please contact Michael Glickman on behalf of Safe-T at 917-397-2272.

The conference call will be broadcast live and available for replay at https://viavid.webcasts.com/starthere.jsp?ei=1564701&tp_key=1dbb884489 and via the investor relations section of the Company's website at https://www.safetgroup.com.

A replay of the conference call will be available after 11:30 a.m. Eastern time through September 28, 2022:

Toll-free replay number:	1-844-512-2921
International replay number:	1-412-317-6671
Replay ID:	13732264

About Safe-T Group Ltd.

Safe-T Group Ltd. (Nasdaq, TASE: SFET) is a global provider of cyber-security and privacy solutions to consumers and enterprises. The Company operates in three distinct segments - consumer cyber-security and privacy solutions, enterprise privacy solutions and enterprise cyber-security solutions.

Our cyber-security and privacy solutions for consumers provide a wide security blanket against ransomware, viruses, phishing, and other online threats, as well as a powerful, secured and encrypted connection, masking their online activity and keeping them safe from hackers. The solutions are designed for both advanced and basic users, ensuring full protection for all personal and digital information.

Our privacy solutions for enterprises are based on our advanced and secured proxy network, the world's fastest, enabling our customers to collect data anonymously at any scale from any public sources over the web using a unique hybrid network. Our network is the only one of its kind that is comprised of millions of residential exit points based on our proprietary reflection technology and hundreds of servers located at our ISP partners around the world. The infrastructure is optimally designed to guarantee the privacy, quality, stability, and the speed of the service.

Our cyber-security solutions for enterprises, designed for cloud, on-premises and hybrid networks, mitigates attacks on enterprises' business-critical services and sensitive data, while ensuring uninterrupted business continuity. Organizational data access, storage and exchange use cases, from outside the organization or within, are secured according to the "validate first, access later" philosophy of Safe-T's zero trust. Our ZoneZero® solutions are available by our reseller, TerraZone Ltd., a global information security provider, as a solution or cloud service.

For more information about Safe-T, visit www.safetgroup.com

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the "safe harbor" Words such as "expects," "anticipates," "intends," "plans," "believes," "seeks," "estimates" and similar expressions or variations of such words are intended to identify forward-looking statements. For example, Safe-T is using forward-looking statements in this press release when it discusses its expectation that ongoing expense reduction efforts will drive improved operation results, the potential for future funding at premium valuations, the Company's expectations regarding its momentum, potential, prospects and outlook, its expectations regarding additional growth in the second half of 2022, the ability to capitalize on new revenue opportunities, improving the efficiency of the business and to drive significant additional revenue growth and deliver improved financial performance in the months ahead. Because such statements deal with future events and are based on Safe-T's current expectations, they are subject to various risks and uncertainties and actual results, performance or achievements of Safe-T could differ materially from those described in or implied by the statements in this press release. The forward-looking statements contained or implied in this press release are subject to other risks and uncertainties, including those discussed under the heading "Risk Factors" in Safe-T's annual report on Form 20-F filed with the Securities and Exchange Commission ("SEC") on March 29, 2022, and in any subsequent filings with the SEC. Except as otherwise required by law, Safe-T undertakes no obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events. References and links to websites have been provided as a convenience, and the information contained on such websites is not incorporated by reference into this press release. Safe-T is not responsible for the contents of third-party websites.

INVESTOR RELATIONS CONTACTS:

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Consolidated Statements of Financial Position
(In thousands of USD)

	June 30, 2022	June 30, 2021	December 31, 2021
	(Unaudited)	(Unaudited)	(Audited)
Assets			
Current assets:			
Cash and cash equivalents	4,040	13,122	3,828
Short-term restricted deposit	560	-	-
Short-term investments	-	6,182	5,887
Trade receivables	1,857	615	1,496
Other receivables	450	544	713
Total current assets	**6,907**	**20,463**	**11,924**
Non-current assets:			
Long-term restricted deposits	150	89	84
Long-term deposit	65	57	65
Property and equipment, net	127	124	119
Right of use assets	333	605	451
Goodwill	10,429	5,387	10,998
Intangible assets, net	6,176	3,845	7,013
Total non-current assets	**17,280**	**10,107**	**18,730**
Total assets	**24,187**	**30,570**	**30,654**
Liabilities and equity			
Current liabilities:			
Trade payables	2,638	280	1,219
Other payables	2,004	1,668	2,839
Short-term bank loans	400	-	-
Contract liabilities	533	403	514
Contingent consideration	-	250	-
Derivative financial instruments	216	1,553	488
Short-term lease liabilities	288	367	365
Total current liabilities	**6,079**	**4,521**	**5,425**
Non-current liabilities:			
Long-term contract liabilities	8	38	18
Long-term lease liabilities	88	347	197
Deferred tax liabilities	490	673	645
Liability in respect of the Israeli Innovation Authority	206	158	182
Total non-current liabilities	**792**	**1,216**	**1,042**
Total liabilities	**6,871**	**5,737**	**6,467**
Equity:			
Ordinary shares	-	-	-
Share premium	92,520	85,159	91,112
Other equity reserves	16,338	15,089	16,732
Accumulated deficit	(91,542)	(75,415)	(83,657)
Total equity	**17,316**	**24,833**	**24,187**
Total liabilities and equity	**24,187**	**30,570**	**30,654**

Consolidated Statements of Profit or Loss

(In thousands of USD, except per share amounts)

	For the Six Months Ended June 30,		For the Three Months Ended June 30,		For the Year Ended December 31,
	2022	**2021**	**2022**	**2021**	**2021**
	(Unaudited)	**(Unaudited)**	**(Unaudited)**	**(Unaudited)**	**(Audited)**
Revenues	8,798	3,131	4,777	1,784	10,281
Cost of revenues	4,065	1,883	2,161	979	5,145
Gross profit	4,733	1,248	2,616	805	5,136
Research and development expenses	2,283	1,483	889	781	4,771
Sales and marketing expenses	5,658	2,430	2,624	1,308	8,348
General and administrative expenses	4,249	2,588	1,998	1,488	7,013
Impairment of goodwill	569	-	569	-	700
Contingent consideration measurement	-	(434)	-	(434)	(684)
Operating expenses	12,759	6,067	6,080	3,143	20,148
Operating loss	(8,026)	(4,819)	(3,464)	(2,338)	(15,012)
Finance income (expense), net	(10)	(140)	234	(70)	942
Tax benefit	151	76	72	38	945
Net loss	**(7,885)**	**(4,883)**	**(3,158)**	**(2,370)**	**(13,125)**
Basic loss per share*	(0.26)	*(0.20)	(0.10)	*(0.09)	(0.48)
Diluted loss per share*	(0.26)	*(0.20)	(0.10)	*(0.09)	(0.48)

* Adjusted retrospectively to reflect a 1:1 reverse share split of our ordinary shares, effective as of October 15, 2021

Exhibit 99.2

SAFE-T GROUP LTD.

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(UNAUDITED)

JUNE 30, 2022

SAFE-T GROUP LTD.

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(UNAUDITED)

JUNE 30, 2022

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SAFE-T GROUP LTD.

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(UNAUDITED)

	June 30, 2022	December 31, 2021
	U.S. dollars in thousands	
Assets		
CURRENT ASSETS:		
Cash and cash equivalents	4,040	3,828
Short-term investments	-	5,887
Short-term restricted deposits	560	-
Accounts receivable:		
Trade, net	1,857	1,496
Other	450	713
	6,907	11,924
NON-CURRENT ASSETS:		
Long-term restricted deposits	150	84
Long-term deposit	65	65
Property and equipment, net	127	119
Right of use assets	333	451
Intangible assets, net	6,176	7,013
Goodwill	10,429	10,998
	17,280	18,730
TOTAL ASSETS	24,187	30,654
Liabilities and equity		
CURRENT LIABILITIES:		
Accounts payable and accruals:		
Trade	2,638	1,219
Other	2,004	2,839
Short-term bank loans	400	-
Contract liabilities	533	514
Derivative financial instruments	216	488
Short-term lease liabilities	288	365
	6,079	5,425
NON-CURRENT LIABILITIES:		
Long-term contract liabilities	8	18
Long-term lease liabilities	88	197
Deferred tax liabilities	490	645
Liability in respect of the Israeli Innovation Authority	206	182
	792	1,042
TOTAL LIABILITIES	6,871	6,467
EQUITY:		
Ordinary shares	-	-
Share premium	92,520	91,112
Other equity reserves	16,338	16,732
Accumulated deficit	(91,542)	(83,657)
TOTAL EQUITY	17,316	24,187
TOTAL LIABILITIES AND EQUITY	24,187	30,654

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

SAFE-T GROUP LTD.

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

(UNAUDITED)

	Six months ended June 30	
	2022	2021
	U.S. dollars in thousands (except share and per share data)	
REVENUES	8,798	3,131
COST OF REVENUES	4,065	1,883
GROSS PROFIT	4,733	1,248
OPERATING EXPENSES:		
Research and development expenses	2,283	1,483
Selling and marketing expenses	5,658	2,430
General and administrative expenses	4,249	2,588
Impairment of goodwill	569	-
Contingent consideration measurement	-	(434)
TOTAL OPERATING EXPENSES	12,759	6,067
OPERATING LOSS	8,026	4,819
FINANCIAL EXPENSE	282	183
FINANCIAL INCOME	(272)	(43)
FINANCIAL EXPENSE, net	10	140
LOSS BEFORE TAXES ON INCOME	8,036	4,959
TAXES ON INCOME	(151)	(76)
NET LOSS FOR THE PERIOD	7,885	4,883
BASIC AND DILUTED LOSS PER SHARE (IN DOLLARS)	(0.26)	(0.20)
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING USED TO COMPUTE (IN THOUSANDS), BASIC AND DILUTED	30,515	24,637

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

SAFE-T GROUP LTD.

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(UNAUDITED)

	Ordinary shares					
	Number of shares	Amount	Share premium	Other equity reserves	Accumulated deficit	Total
	U.S. dollars in thousands (except number of share and per share data)					
BALANCE AT JANUARY 1, 2022	30,000,339	-	91,112	16,732	(83,657)	24,187
CHANGES DURING THE SIX MONTHS ENDED JUNE 30, 2022:						
Exercise of pre-funded warrants	260,000	-	492	(492)	-	*
Exercise of options	46,561	-	64	(64)	-	-
Share-based payments	-	-	-	910	-	910
Expiry of options	-	-	748	(748)	-	-
Issuance of shares for service provider	140,135	-	104	-	-	104
Net loss for the period	-	-	-	-	(7,885)	(7,885)
BALANCE AT JUNE 30, 2022	30,447,035		92,520	16,338	(91,542)	17,316
BALANCE AT JANUARY 1, 2021	18,152,590	-	71,492	15,256	(70,532)	16,216
CHANGES DURING THE SIX MONTHS ENDED JUNE 30, 2021:						
Exercise of warrants	3,090,900	-	4,881	(1,171)	-	3,710
Exercise of options	34,807	-	55	(55)	-	-
Share-based payments	-	-	-	567	-	567
Registered direct offerings, net of issuance costs of $527	4,615,000	-	8,731	492	-	9,223
Net loss for the period	-	-	-	-	(4,883)	(4,883)
BALANCE AT JUNE 30, 2021	25,893,297	-	85,159	15,089	(75,415)	24,833

* Less than $1 thousand

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

SAFE-T GROUP LTD.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(UNAUDITED)

	Six months ended June 30	
	2022	**2021**
	U.S. dollars in thousands	
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss for the period	(7,885)	(4,883)
Adjustments required to reflect the cash flows from operating activities:		
Effect of exchange rate differences on cash and cash equivalents	65	(45)
Change in financial liabilities at fair value through profit or loss	(272)	(329)
Change in financial assets at fair value through profit or loss	183	(46)
Impairment of goodwill	569	-
Depreciation and amortization	1,013	757
Share-based payments	1,014	567
	2,572	904
Changes in operating asset and liability items:		
Decrease (increase) in trade receivables	(361)	30
Decrease in other receivables	263	346
Increase in trade payables	1,419	6
Increase (decrease) in other payables	(811)	328
Decrease in deferred tax liabilities	(155)	(120)
Increase (decrease) in contract liabilities	9	(41)
	364	549
Net cash used in operating activities	(4,949)	(3,430)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of short-term investments	(19)	(6,152)
Sale of short-term investments	5,723	16
Short-term restricted deposits	(500)	-
Right of use assets	(6)	(9)
Repayment of long-term restricted deposits	9	-
Long-term restricted deposits	(135)	-
Purchase of intangible assets	-	(203)
Purchase of property and equipment	(35)	(48)
Net cash provided by (used in) investing activities	5,037	(6,396)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payment of contingent consideration	-	(915)
Short-term bank loans	400	-
Lease payments (interest and principal)	(211)	(132)
Proceeds from public and direct offerings	-	9,750
Offering costs in connection with public and private offerings	-	(527)
Proceeds from exercise of warrants and pre-funded warrants	-	3,710
Net cash provided by financing activities	189	11,886

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

SAFE-T GROUP LTD.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(UNAUDITED)

	Six months ended June 30	
	2022	**2021**
	U.S. dollars in thousands	
INCREASE IN CASH AND CASH EQUIVALENTS	277	2,060
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	3,828	11,017
EFFECT OF EXCHANGE RATE DIFFERENCES IN RESPECT OF CASH AND CASH EQUIVALENTS	(65)	45
CASH AND CASH EQUIVALENTS AT END OF PERIOD	4,040	13,122
SUPPLEMENTARY DATA ON ACTIVITIES NOT INVOLVING CASH FLOWS:		
Acquisition of right-of-use assets	40	198

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

NOTE 1 - GENERAL:

a. Safe-T Group Ltd. (collectively referred to with its wholly-owned subsidiaries as the "Company") is a global provider of cyber-security and privacy solutions to consumers and enterprises.

Set forth below are details regarding the Company's subsidiaries as of June 30, 2022:

Name of company	In this report	Principal place of business	Nature of business activities	Percentage held directly by the Company	Rate of shares held directly or indirectly by the Company
Safe-T Data A.R Ltd.	Safe-T	Israel	Enterprise cybersecurity solutions	100%	100%
Safe-T USA Inc.		USA	Enterprise cybersecurity solutions	-	100%
NetNut Ltd.	NetNut	Israel	Enterprise privacy solutions	100%	100%
NetNut Networks LLC	NNNW	USA	Enterprise privacy solutions	-	100%
CyberKick Ltd.	CyberKick	Israel	Consumer cybersecurity and privacy solutions	100%	100%
Spell Me Ltd.		Seychelles	Consumer cybersecurity and privacy solutions	-	100%
iShield Inc.		USA	Consumer cybersecurity and privacy solutions	-	100%
RoboVPN Inc. (1)	RoboVPN	USA	Consumer cybersecurity and privacy solutions	-	100%

(1) Incorporated on February 16, 2022.

b. The Company's ordinary shares are listed on the Tel Aviv Stock Exchange ("TASE") and as of August 17, 2018, the Company's American Depositary Shares ("ADSs") are listed on the Nasdaq Capital Market.

c. The Company has suffered recurring losses from operations, has an accumulated deficit as of June 30, 2022, as well as cash outflows from operating activities in recent years. The Company expects to continue incurring losses and negative cash flows from operations until its products reach commercial profitability. The Company monitors its cash flow projections on a current basis and takes active measures to obtain the funding it requires to continue its operations. These cash flow projections are subject to various risks and uncertainties concerning their fulfilment. These factors and the risk inherent in the Company's operations may cast significant doubt on the Company's ability to continue as a going concern. These consolidated financial statements have been prepared assuming that the Company will continue as a going concern and do not include any adjustments that might result from the outcome of this uncertainty.

As a company with securities registered under the U.S. Securities Exchange Act of 1934, as amended, the Company is required to have its interim financial statements reviewed in accordance with Public Company Oversight Board ("PCAOB") standards. References in these International Financial Reporting Standards interim financial statements to matters that may cast significant doubt about the Company's ability to continue as a going concern also raise substantial doubt as contemplated by the PCAOB standards.

Management's plans include the continued commercialization of the Company's products and raising capital through the sale of additional equity securities, debt or capital inflows from strategic partnerships. There are no assurances, however, that the Company will be successful in obtaining the level of financing needed for its operations. If the Company is unsuccessful in commercializing its products and raising capital, it may need to reduce activities, curtail or cease operations.

NOTE 2 - BASIS OF PREPARATION:

a. Basis of presentation

The Company's condensed consolidated financial statements for the six months ended June 30, 2022, have been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting". These condensed consolidated financial statements, which are unaudited, do not include all the information and disclosures that would otherwise be required in a complete set of annual financial statements and should be read in conjunction with the annual financial statements as of December 31, 2021 and their accompanying notes, which have been prepared in accordance with International Financial Reporting Standards as published by the International Accounting Standards Board.

The results of operations for the six months ended June 30, 2022, are not necessarily indicative of the results that may be expected for the entire fiscal year ending December 31, 2022, or for any other interim period.

b. Estimates

The preparation of interim financial statements requires the Company's management to exercise its judgment and to use significant accounting estimates and assumptions that affect the application of the Company's accounting policies and the amounts of reported assets, liabilities, income and expenses. Actual results may materially differ from those estimates. In preparation of these condensed consolidated financial statements, the significant judgments that were exercised by the management in applying the Company's accounting policies and the key sources of estimation uncertainty were similar to those applied in the Company's annual financial statements for the year ended December 31, 2021.

NOTE 3 - SIGNIFICANT ACCOUNTING POLICIES:

The accounting policies applied in the preparation of these condensed consolidated financial statements are consistent with those applied in the preparation of the annual financial statements as of December 31, 2021 expect as described below.

New International Financial Reporting Standards

In April 2022, the International Financial Reporting Interpretations Committee (IFRIC) issued an agenda decision clarifying that an entity should present a demand deposit with restrictions on use arising from a contract with a third party as cash and cash equivalents in the statements of financial position and cash flows, unless those restrictions change the nature of the deposit such that it no longer meets the definition of cash in International Accounting Standard 7. The Company applied the agenda decision in the second quarter of 2022 retrospectively, with no impact on its condensed consolidated statement of cash flows or the condensed consolidated balance sheet.

NOTE 4 - DISAGGREGATED REVENUE DATA:

Set forth below is a breakdown of the Company's revenue by revenue stream for the six-month periods ended June 30, 2022 and June 30, 2021:

	Six months ended June 30	
	2022	**2021**
	U.S. dollars in thousands	
Software as a Service	5,253	2,796
Advertising services	3,404	-
Software licenses	28	118
Software support services	113	217
	8,798	3,131

NOTE 5 - FINANCIAL INSTRUMENTS AND FINANCIAL RISKS:

a. Fair value disclosure

Level 1 financial instruments

As of June 30, 2022, the Company had no financial assets measured at level 1. As of December 31, 2021, the Company has equity marketable securities measured at fair value through profit or loss, which met the level 1 criteria. As of December 31, 2021, equity marketable securities totaled to $749 thousand and are presented under “short-term investments” in the condensed consolidated statements of financial position.

As of June 30, 2022 and December 31, 2021, the Company has no financial liabilities measured at level 1.

Level 2 financial instruments

As of June 30, 2022, the Company had no financial assets measured at level 2 criteria. As of December 31, 2021, the Company has debt marketable securities measured at fair value through profit or loss, which met the level 2 criteria. As of December 31, 2021, debt marketable securities totaled to $5,138 thousand and are presented under “short-term investments” in the condensed consolidated statements of financial position.

As of June 30, 2022 and December 31, 2021, the Company has no financial liabilities measured at level 2.

Level 3 financial instruments

As of June 30, 2022 and December 31, 2021, the Company has no financial assets at level 3.

As of June 30, 2022 and December 31, 2021, the Company has several financial liabilities measured at fair value through profit or loss, which met the level 3 criteria. See section b below.

NOTE 5 - FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (continued)**:**

b. Fair value measurements based on unobservable data (level 3)

The following tables present the changes in level 3 instruments for the six months ended June 30, 2022 and June 30, 2021:

	Derivative financial instruments	Total
	U.S. dollars in thousands	
Balance as of January 1, 2022	488	488
Recognition of day 1 loss within profit or loss	162	162
Changes in fair value recognized within profit or loss	(434)	(434)
Balance as of June 30, 2022	216	216

	Contingent consideration	Derivative financial instruments	Total
	U.S. dollars in thousands		
Balance as of January 1, 2021	1,599	1,448	3,047
Payment of contingent consideration	(915)	-	(915)
Recognition of day 1 loss within profit or loss	-	161	161
Changes in fair value recognized within profit or loss	(434)	(56)	(490)
Balance as of June 30, 2021	250	1,553	1,803

c. Fair value of financial assets and financial liabilities measured at amortized cost

Assets and liabilities, which are not measured on a recurring basis at fair value, are presented at their carrying amount, which approximates their fair value. See further information in Note 7 regarding the Company’s credit line and short-term bank loans.

NOTE 6 - INTANGIBLE ASSETS:

Testing of goodwill impairment

For the six months ended June 30, 2022

As of June 30, 2022, the Company performed a goodwill impairment test for its NNNW cash-generating unit ("CGU"). The quantitative assessment for goodwill impairment included a decrease in forecasted operating results. For the purpose of the goodwill impairment test, the recoverable amount was assessed by management based on value-in-use calculations. The value-in-use calculations use pre-tax cash flow projections covering a 5-year forecasted period alongside with a terminal value beyond such forecast period. Cash flows beyond the 5-year period to be generated from continuing use are extrapolated using estimated growth rate. The growth rate represents the long-term average growth prospects of this business. As a result of the goodwill impairment test, the Company recorded an impairment loss of $569 thousand related to the NNNW CGU. The key assumptions used as part of the goodwill impairment test are terminal growth rate of 4%, after-tax discount rate of 22.5% and pre-tax discount rate of 26.9%. A hypothetical decrease in the growth rate of 1% or an increase of 1% to the discount rate would reduce the value-in-use by approximately $13 thousand and $17 thousand, respectively, and could trigger a potential impairment. As of June 30, 2022, the entire amount of goodwill related to the NNNW CGU was impaired.

With respect to the NetNut and the CyberKick CGUs, during the six months ended June 30, 2022, the Company assessed triggering events for potential impairment for each of those CGUs and determined that no adjustment to the carrying value of goodwill was necessary.

For the six months ended June 30, 2021

During the six months ended June 30, 2021, the Company assessed triggering events for potential impairment for each of its CGUs and determined that no adjustment to the carrying value of goodwill was necessary.

NOTE 7 – CREDIT LINE AND SHORT-TERM BANK LOANS:

On May 25, 2022, CyberKick entered into a revolving line of credit agreement with United Mizrahi-Tefahot Bank Ltd. (the "Bank"), in an amount of up to $2 million for a period of 12 months, at an interest rate of Secured Overnight Financing Rate ("SOFR") plus 5.5% per annum, to be paid quarterly for the actual withdrawn balance. The line of credit is limited at a 3X multiple on the most updated monthly revenues of CyberKick, is secured against all of the assets of CyberKick, is guaranteed by Safe-T and includes a refundable deposit by the Company of $500 thousand.

In June 2022, CyberKick borrowed an amount of $400 thousand at an interest rate of 6.68%.

NOTE 8 - EQUITY:

a. Composition

	Number of shares			
	Authorized	Issued and paid	Authorized	Issued and paid
	June 30, 2022		December 31, 2021	
Ordinary shares of no-par value	75,000,000	30,447,035	75,000,000	30,000,339

b. Shares issuance to service providers

During the six months ended June 30, 2022, the Company issued 140,135 ordinary shares to service providers for a total estimated fair value of $104 thousand.

NOTE 9 - CONTINGENT LIABILITIES:

As further described in Note 11 to the Company's annual financial statements for the year ended December 31, 2021, on June 18, 2021, Bright Data Ltd. ("Bright Data") filed an action against NetNut alleging infringement of two U.S. patents and later on October 11, 2021 amended its complaint to assert infringement of additional three U.S. patents, as well as a claim for alleged false advertising. On May 17, 2022, the case was dismissed with prejudice as part of a settlement by the parties.

NOTE 10 - LOSS PER SHARE:

Basic and diluted

Basic loss per share is calculated by dividing the loss attributable to Company's owners by the weighted average number of issued ordinary shares in issue, including pre-funded warrants.

The Company adjusts the loss attributable to holders of ordinary shares and the weighted average number of shares in issue, to reflect the effect of all potentially dilutive ordinary shares, as follows: the Company adds to the weighted average number of shares in issue that was used to calculate the basic loss per share, the weighted average of the number of shares to be issued assuming that all shares that have a potentially dilutive effect would be converted into shares, and adjusts net loss attributable to holders of the Company's ordinary shares to exclude any profits or losses recorded during the period with respect to potentially dilutive shares. The potential shares, as mentioned above, are only taken into account in cases where their effect is dilutive (reducing the earnings per share or increasing the loss per share).

Diluted loss per share is the same as basic loss per share for all periods presented because the effects of potentially dilutive items were antidilutive.

	Six months ended June 30	
	2022	2021
Loss attributable to Company's owners (U.S. dollars in thousands)	(7,885)	(4,883)
The weighted average of the number of ordinary shares in issue (in thousands)	30,515	24,637
Basic and diluted loss per share (U.S. dollar)	(0.26)	(0.20)

NOTE 11 - ENTITY LEVEL DISCLOSURES AND SEGMENT INFORMATION:

The following tables present details of the Company's operating segments for the six months ended June 30, 2022 and 2021:

	Consumer cybersecurity & privacy	Enterprise privacy	Enterprise cybersecurity	Consolidated	Adjustment to net loss for the period
	Six months ended June 30, 2022				
	U.S. dollar in thousands				
Revenues	4,990	3,667	141	8,798	
Adjusted operating loss	(1,742)	(2,285)*	(635)	-	(4,662)
Non-attributable corporate expenses					(768)
Share-based payments					(1,014)
Impairment of goodwill					(569)
Depreciation and amortization					(1,013)
Operating loss					(8,026)
Financial expenses, net					(10)
Taxes on income					151
Net loss for the period					(7,885)

	Enterprise privacy	Enterprise cybersecurity	Consolidated	Adjustment to net loss for the period
	Six months ended June 30, 2021			
	U.S. dollar in thousands			
Revenues	2,796	335	3,131	
Adjusted operating loss	(1,023)*	(1,969)	-	(2,992)
Non-attributable corporate expenses				(937)
Share-based payments				(567)
Contingent consideration measurement				434
Depreciation and amortization				(757)
Operating loss				(4,819)
Financial income, net				(140)
Taxes on income				76
Net loss for the period				(4,883)

* Including legal expenses related to Bright Data action, see also Note 9.

NOTE 12 - SUBSEQUENT EVENTS:

a. Strategic funding

On August 8, 2022, the Company signed a strategic funding agreement with O.R.B. Spring Ltd. ("O.R.B.") of up to $4 million to support the further growth of its consumer privacy solutions and accelerate its customer acquisition program. Under the terms of the agreement, O.R.B. will provide the Company with a cash commitment of $2 million with an additional $2 million available subject to achievement of a certain financial milestone. The funding, made through a series of cash installments through July 2023, will be allocated specifically towards the Company's customer acquisition program for its consumer privacy solution. The Company will repay the funding using a revenue share model that is based on sales generated only from customers of the new consumer privacy solution acquired with each funding installment. Each such funding installment shall be repaid within two years and if the repayments will not cover 100% of the installments, then the Company will cover the remaining amounts, in cash or shares, at its sole discretion. Once the investment amount has been repaid in full, the Company and O.R.B shall share the attributed revenue in equal parts (50:50) until the lapse of five years after the date on which each installment was received by the Company.

As part of the agreement, the Company granted 5,006,386 warrants that will be exercisable at prices reflecting premiums ranging from approximately 130% to 300% of share price at the time of the agreement, for periods of up to 3 years from the vesting dates of the warrants. Upon potential exercise of all warrants, the Company will receive aggregate gross proceeds of between $2 million and $4 million, based upon the amount of additional funding provided. The Company shall have the right to require the exercise of all or any portion of the warrants if the closing price of the Company's Ordinary Shares exceeds 150% of the respective exercise price of each series of warrants for three consecutive trading days.

On August 11, 2022, O.R.B. transferred to the Company a first tranche of $1 million on account of its $2 million commitment.

b. Options grant

On August 30, 2022, the Company's board of directors approved an aggregate grant of 228,000 options to purchase 228,000 ordinary shares, to employees and consultants. The exercise prices of the options granted were approximately NIS 1.8 per share (approximately $0.50), their vesting schedules are over 3 years, and they will expire 10 years from the grant date.

c. RoboVPN Technologies

On July 1, 2022, CyberKick incorporated a new wholly owned subsidiary - RoboVPN Technologies Ltd. The new company was registered in Cyprus.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

As of June 30, 2022, and for the Six Months then Ended

Cautionary Statement Regarding Forward-Looking Statements

Certain information included in this analysis may be deemed to be "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 and other securities laws. Forward-looking statements are often characterized by the use of forward-looking terminology such as "may," "will," "expect," "plans," "anticipate," "estimate," "continue," "believe," "should," "intend," "project" or other similar words, but are not the only way these statements are identified.

These forward-looking statements may include, but are not limited to, statements relating to our objectives, plans and strategies, statements that contain projections of results of operations or of financial condition, expected capital needs and expenses, statements relating to the research, development, completion and use of our products, and all statements (other than statements of historical facts) that address activities, events or developments that we intend, expect, project, believe or anticipate will or may occur in the future.

Forward-looking statements are not guarantees of future performance and are subject to risks and uncertainties. We have based these forward-looking statements on assumptions and assessments made by our management in light of their experience and their perception of historical trends, current conditions, expected future developments and other factors they believe to be appropriate.

Important factors that could cause actual results, developments and business decisions to differ materially from those anticipated in these forward-looking statements include, among other things:

- our planned level of revenues and capital expenditures and ability to continue as a going concern;
- our ability to market and sell our products;
- our plans to continue to invest in research and development to develop technology for both existing and new products;
- our ability to maintain our relationships with channel partners;
- our ability to maintain or protect the validity of our European, U.S. and other patents and other intellectual property;
- our ability to engage in future strategic opportunities, including, but not limited to, strategic acquisitions, and achieve any expected benefits therefrom;
- our ability to launch and penetrate markets in new locations, including taking steps to expand our activities in Europe and Southeast Asia and to enter into engagements with new business partners in those markets;
- our intention to increase marketing and sales activities;
- our intention to establish partnerships with industry leaders;
- our ability to implement on-line distribution channels and to generate sales from such channels;
- our ability to locate additional funding available to us on acceptable terms;

- our ability to retain key executive members;
- our ability to internally develop new inventions and intellectual property;
- our expectations regarding future changes in our cost of revenues and our operating expenses;
- our expectations regarding our tax classifications;
- interpretations of current laws and the passages of future laws;
- our ability to regain and effectively comply with the minimum bid requirements of Nasdaq;
- the potential impact of litigation; and
- acceptance of our business model by investors.

The foregoing list is intended to identify only certain of the principal factors that could cause actual results to differ. For a more detailed description of the risks and uncertainties affecting our company, reference is made to our Annual Report on Form 20-F for the year ended December 31, 2021, or our Annual Report, which is on file with the Securities and Exchange Commission, or the SEC, and the other risk factors discussed from time to time by our company in reports filed or furnished to the SEC.

Except as otherwise required by law, we undertake no obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

General

Introduction

Unless indicated otherwise by the context, all references in this report to “Safe-T”, the “Company”, “we”, “us” or “our” are to Safe-T Group Ltd. and its subsidiaries. All references in this report to ”dollars” or “$” means United States dollars.

You should read the following discussion and analysis in conjunction with our unaudited consolidated financial statements for the six months ended June 30, 2022 and notes thereto, and together with our audited consolidated financial statements for the year ended December 31, 2021 and notes thereto filed with the SEC as part of our Annual Report.

Overview

We generate mainly SaaS revenues and advertising services revenues.

The SaaS revenues are generated when customers are subscribing to our enterprise and consumer privacy and security platforms and paying for the packages they choose. The packages are usually for the earlier of a month to a year or maximum bandwidth usage in the enterprise privacy segment, and for a month or a year in the consumers privacy and cybersecurity segments. Our revenue is recognized on a straight-line basis over the package period.

We generate revenues in the consumer privacy arena also from providing advertising services to enterprise customers, using marketing tools on various sites in order to persuade the user to acquire the enterprise customers’ privacy products. Revenue is recognized at the point in time when a user purchased an application or software of a customer.

Results of Operations

The following discussion of our unaudited results of operations for the six month periods ended June 30, 2022 and 2021, included in the following table, which presents selected financial information data, is based upon our unaudited statements of profit or loss contained in our financial statements for those periods, and the related notes.

	For the Six-Month Period Ended June 30,	
U.S. dollars in thousands	**2022**	**2021**
Consolidated Statements of Profit or Loss Data		
Revenues	8,798	3,131
Cost of revenues	4,065	1,883
Gross profit	4,733	1,248
Research and development expenses	2,283	1,483
Selling and marketing expenses	5,658	2,430
General and administrative expenses	4,249	2,588
Impairment of goodwill	569	-
Contingent consideration measurement	-	(434)
Operating loss	8,026	4,819
Financial expense, net	10	140
Loss before taxes on income	8,036	4,959
Taxes on income	(151)	(76)
Net loss for the period	(7,885)	(4,883)

Comparison of the six months ended June 30, 2022 to the six months ended June 30, 2021

Revenues

The following table summarizes our revenues through types and regions for the periods presented. The period-to-period comparison of results is not necessarily indicative of results for future periods.

	For the Six Month Period Ended June 30,	
U.S. dollars in thousands	**2022**	**2021**
SaaS	5,253	2,796
Advertising services	3,404	-
Software licenses	28	118
Software support services	113	217
Total	8,798	3,131

Revenues through regions:

	For the Six Month Period Ended June 30,	
U.S. dollars in thousands	**2022**	**2021**
Revenues from North America	2,039	1,583
Revenues from Europe	994	557
Revenues from Asia-Pacific	573	236
Revenues from Middle East	419	369
Revenues from Rest of World	4,773	386
Total	8,798	3,131

Total revenues for the six months ended June 30, 2022, amounted to $8,798,000, compared to $3,131,000 generated in the six months ended June 30, 2021. The increase in revenues compared to the first half of 2021 is mainly due to consumer privacy revenues generated by CyberKick Ltd., or CyberKick, following its acquisition by us on July 4, 2021, of which $3,404,000 are advertising services and $1,586,000 are SaaS revenues. The increase is attributed also to growth in the enterprise privacy SaaS revenues, from $3,667,000 in the six months ended June 30, 2022, compared to revenues of $2,796,000 in the same period in 2021. This increase was partially offset by a decrease of $194,000 in the software licenses revenues and software support services revenues in the enterprise cybersecurity segment.

Cost of Revenues and Gross Profit

The following table summarizes our cost of revenues for the periods presented, as well as presenting the gross profit as a percentage of total revenues. The period-to-period comparison of results is not necessarily indicative of results for future periods.

	For the Six Month Period Ended June 30,	
U.S. dollars in thousands	**2022**	**2021**
Traffic acquisition costs	1,659	-
Internet service providers	742	900
Clearing fees	532	-
Depreciation and amortization	580	549
Payroll and related expenses, subcontractors and share-based payment	257	249
Networks and servers	281	140
Other	14	45
Total cost of revenues	4,065	1,883
Gross profit	4,733	1,248
Gross profit %	54%	40%

Cost of revenues for the six months ended June 30, 2022, totaled $4,065,000 compared to cost of revenues of $1,883,000 for the equivalent period in 2021. The increase is primarily attributed to the consolidation of the CyberKick, which included $2,393,000 of costs for generating revenues, especially traffic acquisition costs of $1,659,000.

As a result of a higher increase in revenues compared to cost of revenues, gross profit grew by $3,485,000 to $4,733,000, representing a 279% increase during the six months ended June 30, 2022, compared to gross profit in the same period in 2021.

Research and Development Expenses, Net

The following table summarizes our research and development costs for the periods presented. The period-to-period comparison of results is not necessarily indicative of results for future periods.

	For the Six Month Period Ended June 30,	
U.S. dollars in thousands	**2022**	**2021**
Payroll and related expenses and share-based payment	1,464	828
Subcontractors	581	449
Other	238	206
Total research and development expenses	2,283	1,483

Research and development expenses for the six months ended June 30, 2022, were $2,283,000, compared to $1,483,000 for the six months ended June 30, 2021. $763,000 of the increase is attributed to the consolidation of CyberKick research and development activities.

Selling and Marketing Expenses

The following table summarizes our sales and marketing costs for the periods presented. The period-to-period comparison of results is not necessarily indicative of results for future periods.

	For the Six Month Period Ended June 30,	
U.S. dollars in thousands	**2022**	**2021**
Media costs	2,723	-
Payroll and related expenses and share-based payment	2,024	1,579
Professional fees	70	350
Marketing	301	211
Amortization and depreciation	326	97
Other	214	193
Total selling and marketing expenses	5,658	2,430

Sales and marketing expenses for the six months ended June 30, 2022, totaled $5,658,000, compared to an amount of $2,430,000 for the six months ended June 30, 2021. $3,451,000 of the increase is attributed to the consolidation of CyberKick selling and marketing activities, especially $2,723,000 of media costs and $507,000 of payroll and related expenses and share-based compensation. This increase is partially offset by a $280,000 decrease in professional fees mainly due to reduction in the enterprise security operations.

General and Administrative Expenses

The following table summarizes our general and administrative costs for the periods presented. The period-to-period comparison of results is not necessarily indicative of results for future periods.

	For the Six Month Period Ended June 30,	
U.S. dollars in thousands	**2022**	**2021**
Payroll and related expenses and share-based payment	1,114	960
Professional fees	2,917	1,477
Other	218	151
Total general and administration expenses	4,249	2,588

General and administrative expenses for the six months ended June 30, 2022, totaled $4,249,000, compared to $2,588,000 in the equivalent period in 2021. The increase is primarily due to a $1,531,000 increase in legal fees, in connection with intellectual property protection activities. In addition, payroll and share-based compensation increased by $154,000 mainly as a result of the consolidation of CyberKick.

Impairment of Goodwill

We recorded an impairment loss of $569,000 in the six months ended June 30, 2022, compared to $0 impairment loss for the first half of 2021. The loss was related to NetNut Networks cash-generating-unit due to a decrease in its forecasted operating results.

Contingent Consideration Measurement

We did not record any contingent consideration measurement for the first half of 2022, compared to recording an income of $434,000 in the six month period ended June 30, 2021, due to a reduction in the fair value of the contingent consideration to the sellers of NetNut Networks Seller.

Operating Loss

As a result of the foregoing, our operating loss for the six months ended June 30, 2022 was $8,026,000, compared to an operating loss of $4,819,000 in the equivalent period in 2021.

Financial Expenses, Net

We had net financial expenses of $10,000 in the first six months of 2022, compared to net financial expenses of $140,000 for the six months ended June 30, 2021. The decrease is due to a change in the fair value of derivative financial instruments, offset by loss from short-term investments.

Net Loss for the Period

As a result of the foregoing, our net loss for the six months ended June 30, 2022, was $7,885,000, compared to a loss of $4,883,000 during the equivalent period in 2021.

Liquidity and Capital Resources

Overview

As of August 15, 2022, our cash and cash equivalents of approximately $4.5 million were held for working capital, capital expenditures, investment in technology and business acquisition purposes. It may not be sufficient to meet our anticipated cash needs for the next twelve months. Our future capital requirements will depend on many factors, including our growth rate, the timing and extent of spending to support development efforts, the expansion of sales and marketing activities, the introduction of new and enhanced product and service offerings, the continuing market acceptance of our products and the pursuing for strategic opportunities, including, but not limited to, strategic acquisitions. These factors and the risk inherent in our operations raise a substantial doubt as to our ability to continue as a going concern.

	For the Six Month Period Ended June 30,	
U.S. dollars in thousands	**2022**	**2021**
Net cash used in operating activities	(4,949)	(3,430)
Net cash provided by (used in) investing activities	5,037	(6,396)
Net cash provided by financing activities	189	11,886
Net increase in cash and cash equivalents	277	2,060

Net Cash Used in Operating Activities

During the six months ended June 30, 2022, net cash used in operating activities was $4,949,000, primarily attributed to cost of sales and operational costs which exceeded cash flows from customers' payments. The increase, compared to $3,430,000 used in operating activities during the six months ended June 30, 2021, is primarily attributed to an increase in costs related to the operation of our wholly owned subsidiary, CyberKick, and costs related to legal proceedings, partially offset by lower costs in the enterprise cybersecurity segment.

Net Cash Provided by (Used in) Investing Activities

During the six months ended June 30, 2022, net cash provided by investing activities was $5,037,000, due to sale of short-term investment, compared to net cash used in investing activities of $6,396,000 during the six months ended June 30, 2021, primarily investment in short-term investments.

Net Cash Provided by Financing Activities

During the six months ended June 30, 2022, net cash provided by financing activities was $189,000, primarily attributed to funds received from short-term bank loans, in the amount of $400,000, partially offset by lease payments. The short-term bank loans were drawn out of a one-year credit line which was secured from United Mizrahi-Tefahot Bank on May 25, 2022, in a total amount of $2 million. The credit facility will be used predominantly to fund the operations and growth of our subsidiary, CyberKick, and as a result will reduce the usage of our own cash. Amounts drawn under the credit line bear interest at the Secured Overnight Financing Rate plus 5.5% per annum, to be paid quarterly for the actual withdrawn balance. The credit line offers a 3x multiple on eligible revenues, is secured against all of the assets of CyberKick., is guaranteed by us and includes a refundable deposit by us of $500,000.

During the six months ended June 30, 2021, net cash provided by financing activities was $11,886,000, primarily attributed to funds from a registered direct offering that closed on February 18, 2021, with net proceeds of approximately $9,223,000, and warrants exercises in the amount of $3,710,000.

Net Increase in Cash and Cash Equivalents

As a result of the foregoing, our cash and cash equivalents increased in the amount of $277,000 during the six months ended June 30, 2022, compared to an increase in the amount of $2,060,000 during the six months ended June 30, 2021.

Current Outlook

We have financed our operations to-date primarily through proceeds from sales of our equity securities, and recently also through a credit line (see *Net Cash Provided by Financing Activities* above). We have incurred losses and generated negative cash flows from operations since our inception.

On August 8, 2022, we signed a strategic funding agreement with O.R.B. Spring Ltd., or O.R.B., of up to $4,000,000 to support the further growth of our consumer privacy solutions. Under the terms of the agreement, O.R.B. will provide us with a cash commitment of $2,000,000 with an additional $2,000,000 available, subject to achievement of a certain financial milestone. The funding will be made through a series of cash installments through July 2023.

We will repay the funding using a revenue share model that is based on sales generated only from customers of the new consumer privacy solution acquired with each funding installment. Each such funding installment shall be repaid within two years and if the repayments do not cover 100% of the installments, then we will complete the remaining balances in cash or shares, at our sole discretion. Once the investment amount has been repaid in full, we and O.R.B shall share the attributed revenue in equal parts (50:50) until the lapse of five years after the date on which each installment was received by us.

On August 10, 2022, we received the first funding installment from O.R.B in an amount of $1,000,000, as part of O.R.B's $2,000,000 commitment. The second tranche in the amount of $1,000,000 is expected to be received on November 1, 2022.

As of August 15, 2022, our cash and cash equivalents were approximately $4.5 million. It may not be sufficient to meet our anticipated cash needs for the next twelve months. Our operating plans may change as a result of many factors that may currently be unknown to us, which may impact our funding plans. Our future capital requirements will depend on many factors, including:

- the progress and costs of our research and development activities;
- the potential costs of contracting with third parties to provide marketing and distribution services for us or for building such capacities internally;
- the magnitude of our general and administrative expenses, and specifically the costs related to our legal proceedings;
- the potential earn-out payments under past acquisitions; and
- costs of future potential acquisitions.

Until we can generate significant recurring revenues, we expect to satisfy our future cash needs through equity financings. There are no assurances however, that we will be successful in obtaining the level of financing needed for our operations. If we are unsuccessful in commercializing our products and raising capital, we may need to reduce activities, curtail or cease operations.

Research and development, patents and licenses, etc.

A comprehensive discussion of our research and development, patents and licenses, etc., is included in "Item 5. Operating and Financial Review and Prospects - Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report.

Trend Information

Among other trends, we anticipate growth in our consumer and enterprise privacy segments, as well as lower costs in our cybersecurity segment due to outsourcing of that business to TerraZone. We are also subject to potential earn-out commitments in connection with our recent acquisition of CyberKick. Further, the trajectory of the COVID-19 pandemic remains uncertain, and we cannot predict the duration and severity of the outbreak and its containment measures. Further, we cannot predict impacts, trends and uncertainties involving the pandemic's effects on economic activity, the size of our labor force, our third-party partners, our investments in marketable securities, and the extent to which our revenue, income, profitability, liquidity, or capital resources may be materially and adversely affected. See also "Item 3.D. – Risk Factors– Our business is subject to risks arising from the continuous effects of the COVID-19 pandemic - the risk that we may not be able to successfully execute our business or strategic plans, as well as the risk that we will not be able to anticipate, identify and respond quickly to changing market trends and customer preferences or changes in the consumer environment, including changing expectations of service, all of which could have a material adverse effect on our business and results of operations" in our Annual Report.

Critical Accounting Estimates

The preparation of financial statements requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. A comprehensive discussion of our critical accounting estimates is included in "Item 5. Operating and Financial Review and Prospects – Management's Discussion and Analysis of Financial Condition and Results of Operations" section in our Annual Report, as well as our unaudited condensed consolidated financial statements and the related notes thereto for the six months ended June 30, 2022, included elsewhere in this Report Form 6-K.

Exhibit 99.4

UNAUDITED PRO FORMA COMBINED CONDENSED FINANCIAL STATEMENTS

The statements contained in this section may be deemed to be forward-looking statements within the meaning of Section 21E of the Exchange Act and Section 27A of the Securities Act. Forward-looking statements are typically identified by the words "believe," "expect," "anticipate," "intend," "estimate" and similar expressions. These forward-looking statements are based largely on management's expectations and are subject to a number of uncertainties. Actual results could differ materially from these forward-looking statements. Neither Safe-T Ltd. (hereinafter "Safe-T" or "the Company") nor CyberKick Ltd. (hereinafter "CyberKick") undertake any obligation to update publicly or revise any forward-looking statements. For a more complete discussion of the risks and uncertainties, which may affect such forward-looking statements, please refer to the section entitled "Cautionary Note Regarding Forward-Looking Statements" in the Company's Annual Report on Form 20-F for the year ended December 31, 2021, filed with the Securities and Exchange Commission ("SEC") on March 29, 2022 (the "Annual Report").

On July 1, 2021, the Company entered into a Share Purchase Agreement (the "SPA") by and among Takoomi Ltd. ("Takoomi"), the shareholders of Takoomi and CyberKick, a special purpose vehicle, designated solely to facilitate the transaction, as further described herein.

Pursuant to the SPA, immediately prior to the Closing (as defined in the SPA), Takoomi agreed to transfer and assign certain assets as well as intellectual property rights (the "CyberKick Business") to CyberKick, and accordingly, the Company agreed to purchase all of the issued and outstanding share capital of CyberKick.

On July 4, 2021, the Company completed the acquisition. Until the said date, the CyberKick Business was a part of Takoomi's activities as described herein. The CyberKick Business provides solutions for security and privacy tools developers and consumers.

The unaudited combined condensed pro forma statement of profit or loss for the year ended December 31, 2021, combines the historical audited consolidated statement of profit or loss of the Company, including CyberKick's operations subsequent to the acquisition date, for the year ended December 31, 2021, and the historical unaudited statement of profit or loss of the CyberKick Business for the six months ended June 30, 2021. The acquisition of CyberKick has been reflected in the Company's historical audited consolidated statement of financial position as of December 31, 2021 and therefore, an unaudited pro forma condensed combined statement of financial position has not been presented herein.

The unaudited combined condensed pro forma statements of profit or loss for the year ended December 31, 2021, gives effect to the business combination as if it had been completed on January 1, 2021.

The final purchase price allocation for the CyberKick acquisition is included in the Company's Annual Report on Form 20-F for the year ended December 31, 2021. The pro forma adjustments relating to the purchase price allocation for the period of January 1, 2021 through July 4, 2021 are derived from the final purchase price allocation. The unaudited pro forma combined condensed financial statements are not necessarily an indication of the results that would have been achieved had the transaction been completed as of the dates indicated or that may be achieved in the future. The unaudited pro forma combined condensed financial statements should be read in conjunction with the respective historical financial statements and the notes thereto of both the Company and the CyberKick Business, which are included in, respectively, in the Company's Annual Report on Form 20-F for the fiscal year ended December 31, 2021, filed on March 29, 2022, and in the Company's Report on Form 6-K filed on November 16, 2021.

Unaudited Pro Forma Combined Condensed Statement of Profit or Loss
For the year ended December 31, 2021
(U.S. dollars in thousands, except share and per share data)

	Safe-T	CyberKick	Adjustments	Note	Pro forma
Revenues	10,281	2,291	-		12,572
Cost of revenues	5,145	1,020	40	(1)	6,205
Gross profit	5,136	1,271	(40)		6,367
Operating expenses:					
Research and development expenses	4,771	655	1	(1)	5,427
Selling and marketing expenses	8,348	979	211	(1)	9,538
General and administrative expenses	7,013	52	-		7,065
Goodwill impairment	700	-	-		700
Contingent consideration measurement	(684)	-	-		(684)
Total operating expenses	20,148	1,686	212		22,046
Operating loss	(15,012)	(415)	(252)		(15,679)
Financial expenses	(121)	(14)	-		(135)
Financial income	1,063	-	-		1,063
Financial income (expenses), net	942	(14)	-		928
Loss before taxes on income	(14,070)	(429)	(252)		(14,751)
Tax benefit (taxes on income)	945	(17)	50	(3)	978
Net loss for the period	(13,125)	(446)	(202)		(13,773)
Loss per ordinary share (in dollars):					
Basic	(0.48)			(2)	(0.47)
Diluted	(0.48)			(2)	(0.47)
Weighted average number of ordinary shares outstanding used to compute (in thousands):					
Basic	27,106			(2)	29,137
Diluted	27,106			(2)	29,137

See Notes to Unaudited Pro forma Combined Condensed Financial Statements

Notes to Unaudited Pro forma Combined Condensed Financial Statements

On July 1, 2021, the Company entered into a Share Purchase Agreement (the "SPA") by and among Takoomi Ltd. ("Takoomi"), the shareholders of Takoomi and CyberKick Ltd. ("CyberKick"), a special purpose vehicle, designated solely to facilitate the transaction, as further described herein.

Pursuant to the SPA, immediately prior to the Closing (as defined in the SPA), Takoomi agreed to transfer and assign certain assets as well as intellectual property rights (the "CyberKick Business") to CyberKick, and accordingly, the Company agreed to purchase all of the issued and outstanding share capital of CyberKick.

On July 4, 2021, the Company completed the acquisition. Until the said date, the CyberKick Business was a part of Takoomi's activities as described herein. The CyberKick Business provides solutions for security and privacy tools developers and consumers.

The purchase price was estimated at $9,508 thousand and has been calculated and assigned to the net tangible and intangible assets acquired as follows:

	U.S. in thousands
Purchase price calculation:	
Cash consideration	3,700
Share consideration*	5,808
Total purchase price	9,508

* Issuance of 4,062,045 ordinary shares based on Safe-T's market price per share of approximately $1.43 (closing price on the Tel Aviv Stock Exchange as of July 4, 2021, translated into U.S. dollars)

The fair values of the identifiable assets and liabilities:	
Property and equipment, net	2
Technologies	792
Customer relations	3,228
Deferred tax liabilities	(825)
Total identifiable net assets at fair value	3,197
Goodwill	6,311
Total purchase price	9,508

The consideration may be increased by an additional earn-out payment of up to $3 million to CyberKick founders, subject to certain revenue targets of CyberKick during the first and second year following the closing of the transaction, provided that the entitlement shall be only of the founders who are still engaged by CyberKick at such time. The Company may decide, at its sole discretion, to pay the earn-out consideration in equity, in whole or in part.

The unaudited combined condensed pro forma statement of profit or loss for the year ended December 31, 2021, gives effect to the business combination as if it had been completed on January 1, 2021. The unaudited combined condensed pro forma statement of profit or loss does not include any non-recurring charges, directly attributable to the business combination.

Adjustments to unaudited combined condensed pro forma statement of profit or loss for the year ended December 31, 2021.

(1) Amortization and depreciation of assets acquired in connection with the business combination. Intangible assets are amortized on a straight-line basis over the following number of years: Technologies – 10 years, which such amortization recorded under cost of revenues; Customer relations – 2 - 8 years, which such amortization recorded under selling and marketing expenses.

(2) The calculation of the weighted average number of shares for pro forma loss per share gives effect to the issuance of 4,062,045 Company ordinary shares in the transaction assuming these were issued on January 1, 2021.

(3) Reflects the tax effect of the pro forma adjustments, using the applicable tax rates.