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 2021

001-36203
(Commission File Number)

CAN-FITE BIOPHARMA LTD.
(Exact name of Registrant as specified in its charter)

10 Bareket Street
Kiryat Matalon, P.O. Box 7537
Petach-Tikva 4951778, Israel
(Address of principal executive offices)

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

Form 20-F ☑ Form 40-F ☐

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

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

This Report on Form 6-K (including Exhibits 99.1 and 99.2 and the text under the heading "Financial Results", the accompanying interim condensed consolidated financial statements and "Forward-Looking Statements" in the press release in Exhibit 99.3) is hereby incorporated by reference into the registrant's Registration Statements on Form S-8 (File No. 333-227753) and Form F-3 (File Nos. 333-195124, 333-236064, and 333-249063), to be a part thereof from the date on which this report is submitted, to the extent not superseded by documents or reports subsequently filed or furnished.

On August 26, 2021, Can-Fite BioPharma Ltd. (the "Company") issued a press release announcing financial results for the six months ended June 30, 2021 and updates on its drug development programs. In addition, on the same day, the Company issued unaudited interim condensed consolidated financial statements as of June 30, 2021. Attached hereto and incorporated by reference herein are the following exhibits:

99.1	Operating and Financial Review and Prospects as of June 30, 2021
99.2	Unaudited Interim Condensed Consolidated Financial Statements as of June 30, 2021
99.3	Press Release dated August 26, 2021

Exhibit Index

Exhibit No.	Description
99.1	Operating and Financial Review and Prospects as of June 30, 2021
99.2	Unaudited Interim Condensed Consolidated Financial Statements as of June 30, 2021
99.3	Press Release dated August 26, 2021

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.

Can-Fite BioPharma Ltd.

Date: August 26, 2021

By: /s/ Pnina Fishman
Pnina Fishman
Chief Executive Officer

OPERATING AND FINANCIAL REVIEW AND PROSPECTS

You should read the following selected financial data and discussion of our operating and financial condition and prospects in conjunction with the financial statements and the notes thereto included elsewhere in this 6-K. Our financial statements are prepared in accordance with U.S. GAAP, and reported in U.S. dollars. We maintain our accounting books and records in U.S. dollars and our functional currency is the U.S. dollar. Certain amounts presented herein may not sum due to rounding. Unless the context requires otherwise, references in this report to "Can-Fite," the "Company," "we," "us" and "our" refer to Can-Fite BioPharma Ltd, an Israeli company and our consolidated subsidiaries. "NIS" means New Israeli Shekel, and "$," "US$,""U.S. dollars" and "USD" mean United States dollars.

Forward Looking Statements

The following discussion contains "forward-looking statements," including statements regarding expectations, beliefs, intentions or strategies for the future. These statements may identify important factors which could cause our actual results to differ materially from those indicated by the forward-looking statements. Given these uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. Factors that could cause our actual results to differ materially from those expressed or implied in such forward-looking statements include, but are not limited to:

- our history of losses and needs for additional capital to fund our operations and our inability to obtain additional capital on acceptable terms, or at all;
- uncertainties of cash flows and inability to meet working capital needs;
- risks related to the COVID-19 pandemic;
- the initiation, timing, progress and results of our preclinical studies, clinical trials and other product candidate development efforts;
- our ability to advance our product candidates into clinical trials or to successfully complete our preclinical studies or clinical trials;
- our receipt of regulatory approvals for our product candidates, and the timing of other regulatory filings and approvals;
- the clinical development, commercialization and market acceptance of our product candidates;
- our ability to establish and maintain strategic partnerships and other corporate collaborations;
- the implementation of our business model and strategic plans for our business and product candidates;
- the scope of protection we are able to establish and maintain for intellectual property rights covering our product candidates and our ability to operate our business without infringing the intellectual property rights of others;
- competitive companies, technologies and our industry;
- risks related to not satisfying the continued listing requirements of NYSE American; and
- statements as to the impact of the political and security situation in Israel on our business.

All forward-looking statements attributable to us or persons acting on our behalf speak only as of the date of the 6-K to which this discussion is attached and are expressly qualified in their entirety by the cautionary statements included herein. We undertake no obligations to update or revise forward-looking statements to reflect events or circumstances that arise after the date made or to reflect the occurrence of unanticipated events. In evaluating forward-looking statements, you should consider these risks and uncertainties.

Glossary of Certain Terms

As used herein, unless the context otherwise requires:

- references to "ADSs" refer to the Registrant's American Depositary Shares;
- references to "A3AR" refer to the A3 adenosine receptor;
- references to "HCC" refer to hepatocellular carcinoma, also known as primary liver cancer;
- references to "NASH" refer to nonalcoholic steatohepatitis; and
- references to "ordinary shares," "our shares" and similar expressions refer to the Company's Ordinary Shares, NIS 0.25 nominal (par) value per share;

Overview

We are a clinical stage biopharmaceutical company that develops orally bioavailable small molecule therapeutic products for the treatment of cancer, liver and inflammatory diseases, COVID-19 and erectile dysfunction. We are also developing specific formulations of cannabis components for the treatment of cancer, inflammatory, autoimmune, and metabolic diseases. Our platform technology utilizes the Gi protein associated A3AR as a therapeutic target. A3AR is highly expressed in inflammatory and cancer cells, and not significantly expressed in normal cells, suggesting that the receptor could be a unique target for pharmacological intervention. Our pipeline of drug candidates are synthetic, highly specific agonists and allosteric modulators, or ligands or molecules that initiate molecular events when binding with target proteins, targeting the A3AR.

Our product pipeline is based on the research of Dr. Pnina Fishman, who investigated a clinical observation that tumor metastasis can be found in most body tissues, but are rarely found in muscle tissue, which constitutes approximately 60% of human body weight. Dr. Fishman's research revealed that one reason that striated muscle tissue is resistant to tumor metastasis is that muscle cells release small molecules which bind with high selectivity to the A3AR. As part of her research, Dr. Fishman also discovered that A3ARs have significant expression in tumor and inflammatory cells, whereas normal cells have low or no expression of this receptor. The A3AR agonists and allosteric modulators, currently our pipeline of drug candidates, bind with high selectivity and affinity to the A3ARs and upon binding to the receptor initiate down-stream signal transduction pathways resulting in apoptosis, or programmed cell death, of tumors and inflammatory cells and to the inhibition of inflammatory cytokines. Cytokines are proteins produced by cells that interact with cells of the immune system in order to regulate the body's response to disease and infection. Overproduction or inappropriate production of certain cytokines by the body can result in disease.

Our product candidates, CF101, CF102 and CF602, are being developed to treat cancer, liver and inflammatory diseases, COVID-19, as well as erectile dysfunction. CF101, also known as Piclidenoson, is in an advance stage of clinical development for the treatment of autoimmune-inflammatory diseases, including psoriasis. CF101 is also being developed for the treatment of COVID-19. During 2020, we decided to stop developing Piclidenoson for the treatment of rheumatoid arthritis to focus on other indications, this following a detailed analysis of the interim results of our Phase III ACROBAT study which showed that although Piclidenoson efficacy was significantly superior to placebo, the study missed the primary endpoint which was non-inferiority vs. the comparator methotrexate. CF102, also known as Namodenoson, is being developed for the treatment of HCC and has orphan drug designation for the treatment of HCC in the United States and Europe. Namodenoson was granted Fast Track designation by the FDA as a second line treatment to improve survival for patients with advanced HCC who have previously received Nexavar (sorafenib). Namodenoson is also being developed for the treatment of NASH, a disease for which no FDA approved therapies currently exist. CF602 is our second generation allosteric drug candidate for the treatment of erectile dysfunction, which has shown efficacy in the treatment of erectile dysfunction in preclinical studies and we are investigating additional compounds, targeting A3AR, for the treatment of erectile dysfunction. Preclinical studies revealed that our drug candidates have potential to treat additional inflammatory diseases, such as Crohn's disease, oncological diseases, viral diseases, such as the JC virus, and obesity.

We believe our pipeline of drug candidates represent a significant market opportunity. For instance, according to iHealthcareAnalyst, the psoriasis drug market is forecasted to be worth $11.3 billion by 2025. According to DelveInsight, the HCC drug market in the G8 countries (U.S., Germany, France, Italy, Spain, UK, Japan and China) is expected to reach $3.8 billion by 2027.

We have in-licensed an allosteric modulator of the A3AR, CF602 from Leiden University. In addition, we have out-licensed the following product candidates for indications that we are currently pursuing:

- Piclidenoson for the treatment of (i) psoriasis to Cipher Pharmaceuticals, or Cipher, for Canada, (ii) psoriasis to Gebro Holding, or Gebro, for Spain, Switzerland and Austria, (iii) psoriasis to CMS Medical, or CMS, for China (including Hong Kong, Macao and Taiwan), (iv) psoriasis to Kyongbo Pharm Co. Ltd., or Kyongbo Pharm, for South Korea, (v) psoriasis to Ewopharma AG, or Ewopharma, for Central Eastern Europe, and (vi) osteoarthritis in companion animals including dogs and cats to Vetbiolix.

- Namodenoson for the treatment of (i) liver cancer and NASH to Chong Kun Dang Pharmaceuticals, or CKD, for South Korea, (ii) advanced liver cancer and NAFLD/NASH to CMS for China (including Hong Kong, Macao and Taiwan), and (iii) HCC and NASH to Ewopharma, for Central Eastern Europe and Switzerland.

We are currently: (i) conducting a Phase III trial for Piclidenoson in the treatment of psoriasis, and expect to complete enrolment in the second half of 2021, with topline results expected in the first quarter of 2022, (ii) preparing to commence a Phase III trial for Namodenoson in the treatment of liver cancer and expect to initiate the study in the fourth quarter of 2021, (iii) engaged in preparatory steps for the initiation of a clinical Phase IIb trial of Namodenoson in the treatment of NASH and expect to initiate the study in the third quarter of 2021, (iv) conducting a Phase II trial for Piclidenoson in the treatment of COVID-19 where patient enrolment is ongoing, (v) investigating additional compounds, targeting the A3 adenosine receptor, for the treatment of erectile dysfunction, and (vi) developing formulations of cannabis components for the treatment of diseases in which there is an overexpression of A3AR.

Since inception, we have incurred significant losses in connection with our research and development. At June 30, 2021, we had an accumulated deficit of approximately $130.5 million. Although we have recognized revenues in connection with our existing out-licensing agreements with KD, Cipher, CKD, Gebro, CMS, and Ewopharma and our historic out-licensing agreement with Seikagaku Corporation, or SKK, we expect to generate losses in connection with the research and development activities relating to our pipeline of drug candidates. Such research and development activities are budgeted to expand over time and will require further resources if we are to be successful. As a result, we expect to incur operating losses, which may be substantial over the next several years, and we will need to obtain additional funds to further develop or research and development programs.

We have funded our operations primarily through the sale of equity securities (both in private placements and in public offerings) and payments received under our existing out-licensing agreements with KD, Cipher, CKD Gebro, CMS, and Ewopharma and our historic out-licensing agreement with SKK. We expect to continue to fund our operations over the next several years through our existing cash resources, potential future milestone payments that we expect to receive from our licensees, interest earned on our investments, if any, and additional capital to be raised through public or private equity offerings or debt financings. As of June 30, 2021, we had approximately $7.53 million in cash, cash equivalents and short-term deposits.

Impact of COVID-19 on our Operations

Public health epidemics or outbreaks could adversely impact our business. In late 2019, a novel strain of COVID-19 was reported in Wuhan, China. Initially the outbreak was largely concentrated in China, but it rapidly spread to countries across the globe, including in Israel and the United States. Many countries around the world, including in Israel and the United States, implemented significant governmental measures to control the spread of the virus, including temporary closure of businesses, severe restrictions on travel and the movement of people, and other material limitations on the conduct of business. In response, we implemented remote working and workplace protocols for our employees in accordance Israeli Ministry of Health requirements to ensure employee safety. The extent to which COVID-19 impacts our operations will depend on future developments, which are highly uncertain and cannot be predicted with confidence, including the duration and severity of the outbreak, and the actions that may be required to contain COVID-19 or treat its impact. In particular, the continued spread of COVID-19 globally, could adversely impact our operations and workforce, including our research and clinical trials and our ability to raise capital, could affect the operations of key governmental agencies, such as the FDA, which may delay the development of our product candidates and could result in the inability of our suppliers to deliver components or raw materials on a timely basis or at all, each of which in turn could have an adverse impact on our business, financial condition and results of operation.

Results of Operations

Revenues

Revenues for the six months ended June 30, 2021 were $0.39 million compared to revenues of $0.40 million during the six months ended June 30, 2020. The decrease is considered immaterial.

Research and development expenses

Research and development expenses for the six months ended June 30, 2021 were $3.81 million compared with $7.05 million for the same period in 2020. Research and development expenses for the first half of 2021 comprised primarily of expenses associated with two studies for Piclidenoson, a Phase II study in COVID-19 and a Phase III study in the treatment of psoriasis. The decrease is primarily due to costs incurred in the first six months of 2020 associated with Phase II studies for Namodenoson in the treatment of liver cancer and NASH, and a Phase III study of Piclidenoson for the treatment of rheumatoid arthritis, partially offset by the two ongoing studies of Piclidenoson in

the first six months of 2021. We expect research and development expenses will increase through 2021 and beyond.

General and administrative expenses

General and administrative expenses were $1.89 million for the six months ended June 30, 2021 compared to $1.45 million for the same period in 2020. The increase is primarily due to the increase in salaries and related benefits due to the distribution of bonuses to employees. We expect general and administrative expenses will remain at the same level through 2021.

Financial income, net

Financial income, net for the six months ended June 30, 2021 was $0.20 million compared to financial expense, net of $0.12 million for the same period in 2020. The decrease in financial expense, net was mainly due to finance income recorded from revaluation of our short-term investment.

Liquidity and Capital Resources

Since inception, we have funded our operations primarily through public (in Israel and US) and private offerings of our equity securities and payments received under our strategic licensing arrangements. At June 30, 2021, we had approximately $7.53 million in cash, cash equivalents and short-term deposits, and have invested most of our available cash funds in ongoing cash accounts.

In August 2021, we raised approximately $10.0 million through the issuance of (i) 57,000,000 ordinary shares represented by 1,900,000 American Depositary Shares ("ADSs"), and (ii) a pre-funded warrant to purchase up to an aggregate of 93,000,000 ordinary shares represented by 3,100,000 ADSs, in a registered direct offering to a single investor at an offering price of $2.00 per ADS and $1.999 per pre-funded warrant. In addition, in a concurrent private placement to the same investor, we issued an aggregate of 150,000,000 ordinary shares represented by 5,000,000 ADSs at an exercise price of $2.00 per ADS. The warrants will be immediately exercisable and will expire three years following the effectiveness of an initial resale registration statement registering the ordinary shares (or the ADSs) issuable upon the exercise of the warrants. The warrants may be exercised on a cashless basis if there is no effective registration statement registering the ADSs underlying the warrants.

We may be able to use U.S. taxes withheld as credits against Israeli corporate income tax when we have income, if at all, but there can be no assurance that we will be able to realize the credits. In addition, we believe that we may be entitled to a refund of such withholding tax from the U.S. government but there can be no assurance that we will be entitled to such a refund.

Net cash used in operating activities was $3.4 million for the six months ended June 30, 2021, compared with net cash used in operating activities of $8.5 million for the same period in 2020. The $5.1 million decrease in the net cash used in operating activities during the six months ended June 30, 2021 compared to the same period in 2020, was mainly due to decrease in net loss and decrease in prepaid expenses which were offset by an increase in trade payables and increase in deferred revenues.

Net cash used in investing activities for the six months ended June 30, 2021 and 2020 was immaterial.

Net cash provided by financing activities for the six months ended June 30, 2021 was $2.7 million compared to net cash provided by financing activities of $14.8 million for the same period in 2020. Net cash provided by financing activities for the six months ended June 30, 2021 was due to proceeds from the exercise of warrants.

Developing drugs, conducting clinical trials and commercializing products is expensive and we will need to raise substantial additional funds to achieve our strategic objectives. Although we believe our existing financial resources as of the date of issuance of this Form 6-K, will be sufficient to fund our projected cash requirements at least through the next twelve months, we will require significant additional financing to fund our operations. Additional financing may not be available on acceptable terms, if at all. Our future capital requirements will depend on many factors, including:

- the level of research and development investment required to develop our product candidates;
- the failure to obtain regulatory approval or achieve commercial success of our product candidates, including Piclidenoson, Namodenoson and CF602;
- the results of our preclinical studies and clinical trials for our earlier stage product candidates, and any decisions to initiate clinical trials if supported by the preclinical results;
- the costs, timing and outcome of regulatory review of our product candidates that progress to clinical trials;
- the costs of preparing, filing and prosecuting patent applications, maintaining and enforcing our issued patents and defending intellectual property-related claims;
- the cost of commercialization activities if any of our product candidates are approved for sale, including marketing, sales and distribution costs;
- the cost of manufacturing our product candidates and any products we successfully commercialize;
- the timing, receipt and amount of sales of, or royalties on, our future products, if any;
- the expenses needed to attract and retain skilled personnel;
- any product liability or other lawsuits related to our products;
- the extent to which we acquire or invest in businesses, products or technologies and other strategic relationships;
- the costs of financing unanticipated working capital requirements and responding to competitive pressures;
- maintaining minimum shareholders' equity requirements under the NYSE American Company Guide; and
- the impact of COVID-19.

Until we can generate significant continuing revenues, we expect to satisfy our future cash needs through payments received under our license agreements, debt or equity financings, or by out-licensing other product candidates. We cannot be certain that additional funding will be available to us on acceptable terms, or at all. If funds are not available, we may be required to delay, reduce the scope of, or eliminate one or more of our research or development programs or our commercialization efforts.

Research and Development, Patents and Licenses, Etc.

Our research and development expenses consist primarily of salaries and related personnel expenses, fees paid to external service providers, up-front and milestone payments under our license agreements, patent-related legal fees, costs of preclinical studies and clinical trials, drug and laboratory supplies and costs for facilities and equipment. We charge all research and development expenses to operations as they are incurred. We expect our research and development expense to remain our primary expense in the near future as we continue to develop our products. Increases or decreases in research and development expenditures are attributable to the number and/or duration of the pre-clinical and clinical studies that we conduct.

The following table identifies our current major research and development projects:

Project	Status	Expected or Recent Near Term Milestone
Piclidenoson	COMFORT Phase III study in psoriasis	Nearing completion of enrollment; topline results are expected Q1 2022
	Being investigated for treatment of COVID-19	Enrolment is ongoing
Namodenoson	Phase III in HCC	Study expected to commence Q4 2021
	Phase II study in NASH	Patient enrollment is expected to commence Q3 2021

We record certain costs for each development project on a "direct cost" basis, as they are recorded to the project for which such costs are incurred. Such costs include, but are not limited to, CRO expenses, drug production for pre-clinical and clinical studies and other pre-clinical and clinical expenses. However, certain other costs, including but not limited to, salary expenses (including salaries for research and development personnel), facilities, depreciation, share-based compensation and other overhead costs are recorded on an "indirect cost" basis, i.e., they are shared among all of our projects and are not recorded to the project for which such costs are incurred. We do not allocate direct salaries to projects due to the fact that our project managers are generally involved in several projects at different stages of development, and the related salary expense is not significant to the overall cost of the applicable projects. In addition, indirect labor costs relating to our support of the research and development process, such as manufacturing, controls, pre-clinical analysis, laboratory testing and initial drug sample production, as well as rent and other administrative overhead costs, are shared by many different projects and have never been considered by management to be of significance in its decision-making process with respect to any specific project. Accordingly, such costs have not been specifically allocated to individual projects.

Set forth below is a summary of the gross direct costs allocated to our main projects on an individual basis, as well as the gross direct costs allocated to our less significant projects on an aggregate basis, for the years ended December 31, 2018, 2019 and 2020 and for the six months ended June 30, 2021 and on an aggregate basis since project inception:

	($ in thousands) Year Ended December 31,			Six Months Ended June 30,	Costs Since Project
	2018	2019	2020	2021	Inception
Piclidenoson	2,987	7,348	6,046	1,475	41,231
Namodenoson	1,103	2,217	1,261	1,016	13,052
CF602	276	20	-	31	1,734
Other projects	-	201	2,199	126	4,255
Total gross direct project costs [(1)]	4,366	9,786	9,506	2,648	60,272

(1) Does not include indirect project costs and overhead, such as payroll and related expenses (including stock-based compensation), facilities, depreciation and impairment of intellectual property, which are included in total research and development expenses in our financial statements.

From our inception through June 30, 2021, we have incurred research and development expenses of approximately $126.4 million. We expect that a large percentage of our research and development expense in the future will be incurred in support of our current and future preclinical and clinical development projects. Due to the inherently unpredictable nature of preclinical and clinical development processes and given the early stage of our preclinical product development projects, we are unable to estimate with any certainty the costs we will incur in the continued development of the product candidates in our pipeline for potential commercialization. Clinical development timelines, the probability of success and development costs can differ materially from expectations. We expect to continue to test our product candidates in preclinical studies for toxicology, safety and efficacy, and to conduct additional clinical trials for each product candidate. If we are not able to enter into an out-licensing arrangement with respect to any product candidate prior to the commencement of later stage clinical trials, we may fund the trials for the product candidates ourselves.

While we are currently focused on advancing each of our product development projects, our future research and development expenses will depend on the clinical success of each product candidate, as well as ongoing assessments of each product candidate's commercial potential. In addition, we cannot forecast with any degree of certainty which product candidates may be subject to future out-licensing arrangements, when such out-licensing arrangements will be secured, if at all, and to what degree such arrangements would affect our development plans and capital requirements.

As we obtain results from clinical trials, we may elect to discontinue or delay clinical trials for certain product candidates or projects in order to focus our resources on more promising product candidates or projects. Completion of clinical trials by us or our licensees may take several years or more, but the length of time generally varies according to the type, complexity, novelty and intended use of a product candidate.

The cost of clinical trials may vary significantly over the life of a project as a result of differences arising during clinical development, including, among others:

- the number of sites included in the clinical trials;
- the length of time required to enroll suitable patients;
- the number of patients that participate in the clinical trials;
- the duration of patient follow-up;
- the development stage of the product candidate; and
- the efficacy and safety profile of the product candidate.

We expect our research and development expenses to increase in the future from current levels as we continue the advancement of our clinical trials and preclinical product development and to the extent we in-license new product candidates. The lengthy process of completing clinical trials and seeking regulatory approval for our product candidates requires expenditure of substantial resources. Any failure or delay in completing clinical trials, or in obtaining regulatory approvals, could cause a delay in generating product revenue and cause our research and development expenses to increase and, in turn, have a material adverse effect on our operations. Because of the factors set forth above, we are not able to estimate with any certainty when we would recognize any net cash inflows from our projects.

Trend Information.

We are a development stage company and it is not possible for us to predict with any degree of accuracy the outcome of our research, development or commercialization efforts. As such, it is not possible for us to predict with any degree of accuracy any significant trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on our net sales or revenues, income from continuing operations, profitability, liquidity or capital resources, or that would cause financial information to not necessarily be indicative of future operating results or financial condition. However, to the extent possible, certain trends, uncertainties, demands, commitments and events are identified in the preceding subsections.

Off-Balance Sheet Arrangements.

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

Exhibit 99.2

CAN-FITE BIOPHARMA LTD.

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

AS OF JUNE 30, 2021

UNAUDITED

IN U.S. DOLLARS

INDEX

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CONDENSED CONSOLIDATED BALANCE SHEETS

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

	June 30, 2021 Unaudited	December 31, 2020 Audited
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 1,025	$ 8,268
Short-term deposits	6,512	-
Other receivable and prepaid expenses	1,745	1,057
Short-term investment	271	75
Total current assets	9,553	9,400
NON-CURRENT ASSETS:		
Operating lease right of use assets	77	73
Property, plant and equipment, net	50	50
Total long-term assets	127	123
Total assets	$ 9,680	$ 9,523

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

CAN-FITE BIOPHARMA LTD.

CONDENSED CONSOLIDATED BALANCE SHEETS

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

	June 30, 2021 Unaudited	December 31, 2020 Audited
LIABILITIES AND SHAREHOLDERS' EQUITY		

CURRENT LIABILITIES:		
Trade payables	$ 1,005	$ 561
Current maturity of operating lease liability	43	43
Deferred revenues	1,002	334
Other accounts payable	309	331
Total current liabilities	2,359	1,269
NON-CURRENT LIABILITIES:		
Long - term operating lease liability	25	24
Deferred revenues	3,341	2,156
Total long-term liabilities	3,366	2,180
CONTINGENT LIABILITIES AND COMMITMENTS		
SHAREHOLDERS' EQUITY:		
Ordinary shares of NIS 0.25 par value - Authorized: 5,000,000,000 and 1,000,000,000 shares at June 30, 2021 and December 31, 2020, respectively; Issued and outstanding: 515,746,293 shares as of June 30, 2021; 463,769,463 shares as of December 31, 2020	37,008	33,036
Additional paid-in capital	96,386	97,380
Accumulated other comprehensive income	1,127	1,127
Accumulated deficit	(130,566)	(125,469)
Total equity	3,955	6,074
Total liabilities and shareholders' equity	$ 9,680	$ 9,523

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

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
U.S dollars in thousands (except for share and per share data)

	Six months ended June 30,	
	2021	2020
	Unaudited	
Revenues	$ 398	$ 402
Research and development expenses	(3,810)	(7,054)
General and administrative expenses	(1,892)	(1,455)
Operating loss	(5,304)	(8,107)
Total financial income (expenses), net	207	(128)
Net loss	(5,097)	(8,235)
Total comprehensive loss	(5,097)	(8,235)
Deemed dividend	-	(715)
Net loss attributed to ordinary shareholders	$ (5,097)	$ (8,950)
Basic and diluted net loss per share	(0.01)	(0.04)
Weighted average number of ordinary shares used in computing basic and diluted net loss per share	500,010,114	254,940,675

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

CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY (UNAUDITED)

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

	Ordinary shares		Additional paid-in	Accumulated other comprehensive	Accumulated	Total
	Number	Amount	capital	income	deficit	equity
Balance as of January 1, 2020	120,652,683	$ 8,225	$ 103,401	$ 1,127	$ (110,311)	$ 2,442
Net loss	-	-	-	-	(8,235)	(8,235)
Deemed dividends related to the warrants exercise	-	-	715	-	(715)	-
Issuance of share capital and warrants, net of issuance expenses of $ 3,126	290,601,780	21,009	(6,159)	-	-	14,850
Share-based payment	-		99	-	-	99
Balance as of June 30, 2020	411,254,463	$ 29,234	$ 98,056	$ 1,127	$ (119,261)	$ 9,156
Balance as of January 1, 2021	463,769,463	$ 33,036	$ 97,380	$ 1,127	$ (125,469)	$ 6,074
Net loss	-	-	-	-	(5,097)	(5,097)
Issuance of share capital due to warrants exercise (Note 6a)	50,926,830	3,892	(1,148)	-	-	2,744
Issuance of share capital in exchange for services (Note 6b)	1,050,000	80	(12)	-	-	68
Share-based payment	-	-	166	-	-	166
Balance as of June 30, 2021	515,746,293	$ 37,008	$ 96,386	$ 1,127	$ (130,566)	$ 3,955

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

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

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

	Six months ended June 30,	
	2021	2020
	Unaudited	
Cash flows from operating activities:		
Net loss	$ (5,097)	$ (8,235)
Adjustments required to reconcile net loss to net cash used in operating activities:		
Depreciation of property, plant and equipment	8	6
Decrease in operating lease right of use asset	19	16
Issuance of share capital in exchange for services	68	-
Share-based payment	166	99
Changes in fair value of short-term investment	(196)	(14)
Decrease (increase) in accounts receivable and prepaid expenses	(688)	1,728
Increase (decrease) in trade payables	444	(1,719)
Decrease in operating lease liability	(22)	(17)
Increase (decrease) in deferred revenues	1,853	(214)
Decrease in other accounts payable	(22)	(138)
Net cash used in operating activities	$ (3,467)	$ (8,488)

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

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

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

	Six months ended June 30,	
	2021	2020
	Unaudited	
Cash flows from investing activities:		
Purchase of property, plant and equipment	(8)	-
Net cash used in investing activities	$ (8)	$ -
Cash flows from financing activities:		
Issuance of share capital and warrants, net of issuance expenses	2,744	14,850
Net cash provided by financing activities	$ 2,744	$ 14,850
Exchange differences on balances of cash and cash equivalents	-	-
Increase (decrease) in cash, cash equivalents and short-term deposits	(731)	6,362
Cash, cash equivalents and short-term deposits at the beginning of the period	8,268	2,697
Cash,cash equivalents and short-term deposits at the end of the period	$ 7,537	$ 9,059
Supplemental disclosure of cash flow information:		
Net cash paid during the year for interest	8	15

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

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

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

NOTE 1:- GENERAL

a. Can-Fite Biopharma Ltd. (the "Company") was incorporated and started to operate in September 1994 as a private Israeli company. Can-Fite is a clinical-stage biopharmaceutical company focused on developing orally bioavailable small molecule therapeutic products for the treatment of cancer, liver, inflammatory diseases, COVID-19 and erectile dysfunction. Its platform technology utilizes the Gi protein associated A3AR as a therapeutic target. A3AR is highly expressed in inflammatory and cancer cells, and not significantly expressed in normal cells, suggesting that the receptor could be a unique target for pharmacological intervention. The Company's pipeline of drug candidates are synthetic, highly specific agonists and allosteric modulators, or ligands or molecules that initiate molecular events when binding with target proteins, targeting the A3AR.

The Company's ordinary shares have been publicly traded on the Tel-Aviv Stock Exchange since October 2005 under the symbol "CFBI" and the Company's American Depositary Shares ("ADSs") began public trading on the over the counter market in the U.S. in October 2012 and since November 2013 the Company's ADSs have been publicly traded on the NYSE American under the symbol "CANF". Each ADS represents 30 ordinary shares of the Company.

b. In the six months ended June 30, 2021, the Company incurred net losses of $5,097 and it had accumulated losses in the amount of $ 130,566.

Furthermore, the Company intends to continue to finance its operating activities by raising capital and seeking collaborations with multinational companies in the industry. There are no assurances that the Company will be successful in obtaining an adequate level of financing needed for its long-term research and development activities.

On August 11, 2021, the Company entered into a definitive agreement for the issuance of ordinary shares, pre-funded warrants and warrants for a total consideration of $10,000 (see Note 8b).

If the Company will not have sufficient liquidity resources, the Company may not be able to continue the development of all of its products or may be required to implement cost reduction and may be required to delay part of its development programs. The Company's management and board of directors are of the opinion that its current financial resources will be sufficient to continue the development of the Company's products for at least the next twelve months beyond the date of the filing date of these consolidated financial statements.

c. The global pandemic resulting from the disease known as COVID-19, caused by a novel strain of coronavirus, SARS-CoV-2, has caused national and global economic and financial market disruptions and may adversely impact our business. Although the Company did not see a material impact on its results of operations for the six months ended June 30, 2021 due to the COVID-19 pandemic, the Company cannot predict the duration or magnitude of the pandemic or the full impact that it may have on the Company's operations and workforce, including the Company's research and clinical trials and its ability to raise capital, which in turn could have an adverse impact on the Company's business, financial condition and results of operation.

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

NOTE 1:- GENERAL (Cont.)

d. On June 28, 2021, the Company announced it signed a development and commercialization agreement with Vetbiolix, a France-based veterinary biotech company, for the development of Piclidenoson for the treatment of osteoarthritis in companion animals including dogs and cats. According to the agreement, the Company will grant Vetbiolix an exclusive option to purchase its license of Piclidenoson in the veterinary osteoarthritis market for two years from the signature date, during which time Vetbiolix will conduct proof-of-concept studies and cover all associated costs. If the studies yield positive data and Vetbiolix exercises its option to obtain the license from Can-Fite, then Vetbiolix will be obligated to pay Can-Fite an upfront payment of 250 Euro and is entitled to additional milestones payments equal to 30% upon each upfront payment received from any sublicensee plus 15%-40% royalties on net sales upon regulatory approval for veterinary use.

NOTE 2:- SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

These unaudited interim consolidated financial statements should be read in conjunction with the audited consolidated financial statements and accompanying notes for the year ended December 31, 2020. The significant accounting policies applied in the annual financial statements of the Company as of December 31, 2020, are applied consistently in these interim consolidated financial statements.

Use of Estimates

Preparation of condensed consolidated financial statements in conformity with generally accepted accounting principles in the United States ("U.S. GAAP") requires the use of estimates and judgments that affect the reported amounts in the condensed consolidated financial statements and accompanying notes. These estimates form the basis for judgments we make about the carrying values of our assets and liabilities, which are not readily apparent from other sources. We base our estimates and judgments on various assumptions that we believe are reasonable under the circumstances. U.S. GAAP requires us to make estimates and judgments in several areas, including, but not limited to, those related to revenue recognition and other account receivables. These estimates are based on management's knowledge about current events and expectations about actions we may undertake in the future. Actual results could differ materially from those estimates.

Significant Accounting Policies

There have been no material changes to our significant accounting policies from our Annual Report on Form 20-F for the fiscal year ended December 31, 2020.

NOTE 3:- UNAUDITED INTERIM FINANCIAL STATEMENTS

The accompanying condensed consolidated balance sheet as of June 30, 2021, the condensed consolidated statements of comprehensive loss and the condensed consolidated statements of cash flows for the six months ended June 30, 2021 and 2020, as well as the condensed consolidated statement of changes in shareholders' equity for the six months ended June 30, 2021, are unaudited.

These unaudited condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States ("U.S. GAAP") and applicable rules and regulations of the Securities and Exchange Commission regarding interim financial reporting. In management's opinion, the unaudited condensed consolidated financial statements include all adjustments of a normal recurring nature necessary for the fair presentation of the Company's financial position as of June 30, 2021, as well as its results of operations and cash flows for the six months ended June 30, 2021 and 2020. The results of operations for the six months ended June 30, 2021 are not necessarily indicative of the results to be expected for the year ending December 31, 2021.

NOTE 4:- FAIR VALUE MEASUREMENTS

In accordance with ASC 820 "Fair Value Measurements and Disclosures", the Company measures its short-term investment at fair value. Short-term investments are classified within Level 1 as the valuation inputs are valuations based on quoted prices in active markets for identical assets that the Company has the ability to access. The Company's short-term investment consists of an equity investment in a publicly traded company.

The Company's financial assets and liabilities measured at fair value on a recurring basis, consisted of the following types of instruments as of the following dates: instruments as of the following dates:

	June 30, 2021			
	Fair value measurements			
Description	Fair value	Level 1	Level 2	Level 3
Short-term investment	$ 271	$ 271	$ -	$ -
Total financial assets	$ 271	$ 271	$ -	$ -

	December 31, 2020			
	Fair value measurements			
Description	Fair value	Level 1	Level 2	Level 3
Short-term investment	$ 75	$ 75	$ -	$ -

Total financial assets	$ 75	$ 75	$ -	$ -

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

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

NOTE 5:- CONTINGENT LIABILITIES AND COMMITMENTS

On March 16, 2021, the Company announced it signed an exclusive distribution agreement with Switzerland-based Ewopharma for Piclidenoson in the treatment of psoriasis and Namodenoson in the treatment of liver diseases namely, hepatocellular carcinoma (HCC) the most common form of liver cancer and non-alcoholic steatohepatitis (NASH). Under the terms of the distribution agreement, Ewopharma paid Can-Fite $2,250 upfront and is entitled to up to an additional $40,450 payable upon the achievement of regulatory and sales milestones plus 17.5% royalties on net sales. In exchange, Ewopharma will have the exclusive right to market and sell Piclidenoson in Central Eastern European (CEE) countries and Namodenoson in CEE countries and Switzerland. Ewopharma has the right to extend the distribution agreement to new indications that Can-Fite may identify for its drug candidates.

Contract liabilities include amounts received from customers for which revenue has not yet been recognized. Contract liabilities amounted to $1,343 and $2,490 as of June 30, 2021 and December 31, 2020, respectively and are presented under deferred revenues. During the six months period ended June 30, 2021, the Company recognized revenues in the amount of $398 out of which $133 relates to the Ewopharma agreement and $265 which have been included in the contract liabilities at December 31, 2020.

NOTE 6:- SHAREHOLDERS' EQUITY

a. During the first quarter of 2021, the Company issued 50,926,830 ordinary shares represented by 1,697,561 ADSs in exchange for exercise of warrants. Total consideration received by the Company was $2,744.

b. In March 2021, the Company issued 1,050,000 of its ordinary shares to certain consultants in exchange for their services with fair value of $68.

c. On April 13, 2021, the Company's board of directors approved a grant of unlisted options exercisable into 4,000,000 of the Company's ordinary shares to its employees and one senior officer for an exercise price of NIS 0.25 per shares ($0.07 per share based on the exchange rate reported by the Bank of Israel on the same day). The options vest on a quarterly basis over a period of 4 years.

The fair value of the Company's share options granted was estimated using the binomial option pricing model using the following range assumptions:

Description	April 13, 2021
Risk-free interest rate	1.22%
Expected volatility	82.40%
Dividend yield	0
Contractual life	10
Early Exercise Multiple (Suboptimal Factor)	3
Exercise price (NIS)	0.25

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

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

NOTE 6:- SHAREHOLDERS' EQUITY (CONT.)

d. On April 13, 2021, the Company's board of directors approved a grant of unlisted options exercisable into 2,500,000 of the Company's ordinary shares to the Company's chief executive officer for an exercise price of NIS 0.25 per share ($0.07 per share based on the exchange rate reported by the Bank of Israel on the same day). The grant was subject to shareholders' approval, which was obtained on June 7, 2021. The options vest on a quarterly basis over a period of 4 years.

e. On June 22, 2021, the Company's board of directors approved a grant of unlisted options exercisable into 600,000 of the Company's ordinary shares to one of the Company's directors for an exercise price of NIS 0.25 per share ($0.07 per share based on the exchange rate reported by the Bank of Israel on the same day). The grant was subject to shareholders' approval, which was obtained on August 5, 2021. The options vest on a quarterly basis over a period of 4 years.

NOTE 7:- LOSS PER SHARE

Basic loss per share is calculated based on the weighted average number of ordinary shares outstanding during each period. Diluted net loss per share is calculated based on the weighted average number of ordinary shares outstanding during each period, plus dilutive potential in accordance with ASC 260, "Earnings per Share."

All outstanding share options and warrants for the periods ended June 30, 2021 and 2020 have been excluded from the calculation of the diluted net loss per share, because all such securities are anti-dilutive for all periods presented.

To compute diluted loss per share for the six-month period ended June 30, 2021 and 2020, the total number of 18,316,200 and 6,423,401 shares, respectively subject to outstanding unlisted options and the total number of 176,947,640 and 198,772,396 shares, respectively subject to outstanding warrants have not been

considered since they have anti-dilutive effect.

NOTE 8:- SUBSEQUENT EVENTS

a. On August 5, 2021, the Company's shareholder's approved the grant of unlisted options to the Company's director. See also Note 6e.

b. On August 11, 2021, the Company entered into a definitive agreement (the "Purchase Agreement") with a single healthcare-focused institutional investor providing for the issuance of (i) 57,000,000 ordinary shares represented by 1,900,000 ADSs, and (ii) a pre-funded warrant to purchase 93,000,000 ordinary shares represented by 3,100,000 ADSs, in a registered direct offering at an offering price of $2.00 per ADS and $1.999 per pre-funded warrant, for aggregate gross proceeds of approximately $10,000 (without taking into account any proceeds from any future exercises of warrants issued in the concurrent private placement), before deducting the placement agent's fees and other estimated offering expenses payable by the Company.

The Company also agreed to issue and sell to the investor, in a concurrent private placement, unregistered warrants to purchase up to an aggregate of 5,000,000 ADSs. The warrants have an exercise price of $2.00 per ADS and are exercisable at any time upon issuance and will expire three years following the effectiveness of an initial resale registration statement registering the ADSs issuable upon the exercise of the warrants. The transaction closed on August 16, 2021.

Can-Fite Reports Second Quarter 2021 Financial Results & Provides Clinical Update

PETACH TIKVA, Israel, August 26, 2021 -- Can-Fite BioPharma Ltd. (NYSE American: CANF) (TASE: CFBI), a biotechnology company advancing a pipeline of proprietary small molecule drugs that address inflammatory, cancer and liver diseases, today announced financial results for the quarter ended June 30, 2021.

Corporate and Clinical Development Highlights Include:

Can-Fite Entered into Development and Commercialization Agreement in $3 Billion Veterinary Osteoarthritis Market – Can-Fite entered into a development and commercialization agreement with Vetbiolix, a France-based veterinary biotech company, for the development of Piclidenoson for the treatment of osteoarthritis in companion animals including dogs and cats. Vetbiolix will have the exclusive right to Piclidenoson in the veterinary osteoarthritis market for two years, during which time Vetbiolix will conduct proof-of-concept studies and cover all associated costs. If the studies yield positive data and Vetbiolix exercises its option to obtain the license from Can-Fite, then Vetbiolix will be obligated to pay Can-Fite upfront and milestone payments, in addition to royalties on sales upon regulatory approval for veterinary use. The canine osteoarthritis market is projected to reach $3 billion by 2024.

Can-Fite Received a Notice Allowance in China for its NASH Patent - During the second quarter, Can-Fite received a Notice Allowance in China for its patent titled "An A3 Adenosine Receptor Ligand For Use In Treating Ectopic Fat Accumulation". This patent, which has subsequently been issued to Can-Fite, addresses the use of the A3 Adenosine Receptor (A3AR) ligand, the target receptor for Can-Fite's drug platform technology, to reduce liver fat particularly in patients with NASH.

Patent Filed for A3AR-based Cannabis Compounds in the Treatment of Liver Diseases - Can-Fite's preclinical studies of cannabis compounds found CBD rich T3/C15 induced inhibition of liver cancer cell growth and also had an inhibitory effect on liver fibrosis, which is associated with NAFLD/NASH, cirrhosis, and liver cancer. Can-Fite has filed patent applications to protect its discovery of cannabinoid-based therapies where the A3AR target is overexpressed.

Phase III Psoriasis Study Nears Completion of Enrollment – The Phase III Comfort™ study completed enrollment of 75% of planned patients during the second quarter, with full enrollment expected in the coming weeks. The study is designed to establish Piclidenoson's superiority compared to placebo and non-inferiority compared to Apremilast (Otezla®) in patients with moderate to severe plaque psoriasis. Topline results are expected Q1 2022.

Phase II COVID-19 Study Expands into Europe – Can-Fite's ongoing Phase II study, under a U.S. FDA protocol, has been enrolling patients in Israel and expanded enrollment into Europe during the second quarter. The randomized, double blind, placebo-controlled study is evaluating the benefits of treatment with Piclidenoson plus standard supportive care (SSC) vs. placebo plus SSC in 40 patients hospitalized with moderate to severe COVID-19, as defined by the U.S. National Institutes of Health Coronavirus Disease 2019 (COVID-19) Treatment Guidelines.

Phase IIb NASH Study Receives Clearance from Israeli Ministry of Health– Can-Fite received clearance from the Israeli Ministry of Health to commence a Phase IIb study of its drug candidate Namodenoson in the treatment of NASH. Patient enrollment is expected to commence Q3 2021, ahead of the prior expected start date of Q4 2021. The Company expects to expand the study to additional clinical sites in Europe. A prior Phase IIa clinical trial of Namodenoson in the treatment of NASH met study endpoints showing anti-steatotic, anti-inflammatory, and anti-fibrotic effects.

Pivotal Phase III Liver Cancer Study Expected to Commence Q4 2021- Can-Fite has completed preparatory work for its pivotal Phase III study and plans to submit its study protocol and plans to Institutional Review Boards (IRBs) at potential clinical sites. The double blind, placebo-controlled trial will enroll 450 patients diagnosed with HCC and underlying Child Pugh B7 (CPB7) through clinical sites worldwide. Patients will be randomized to oral treatment with either 25 mg Namodenoson or matching placebo given twice daily. The primary efficacy endpoint of the trial is overall survival.

Fortified Balance Sheet

On June 30, 2021 Can-Fite had approximately $7.5 million in cash, cash equivalents, and short-term deposits. The Company closed an additional $10 million registered direct offering in August 2021.

"We expect multiple milestones in the coming months including topline results from our Phase III psoriasis study, in addition to the commencement of our pivotal Phase III in liver cancer and Phase IIb in NASH. We believe positive topline results may lead to further expansion of our global distribution strategy which has included significant non-dilutive funding," stated Can-Fite CEO Dr. Pnina Fishman.

Financial Results

Revenues for the six months ended June 30, 2021 were $0.39 million compared to revenues of $0.40 million during the six months ended June 30, 2020. The decrease is considered immaterial.

Research and development expenses for the six months ended June 30, 2021 were $3.81 million compared with $7.05 million for the same period in 2020. Research and development expenses for the first half of 2021 comprised primarily of expenses associated with two studies for Piclidenoson, a Phase II study in COVID-19 and a Phase III study in the treatment of psoriasis. The decrease is primarily due to costs incurred in the first six months of 2020 associated with Phase II studies for Namodenoson in the treatment of liver cancer and NASH, and a Phase III study of Piclidenoson for the treatment of rheumatoid arthritis, partially offset by the two ongoing studies of Piclidenoson in the first six months of 2021. We expect research and development expenses will increase through 2021 and beyond.

General and administrative expenses were $1.89 million for the six months ended June 30, 2021 compared to $1.45 million for the same period in 2020. The increase is primarily due to the increase in salaries and related benefits due to the distribution of bonuses to employees. We expect general and administrative expenses will remain at the same level through 2021.

Financial income, net for the six months ended June 30, 2021 was $0.20 million compared to financial expense, net of $0.12 million for the same period in 2020. The decrease in financial expense, net was mainly due to finance income recorded from revaluation of our short-term investment.

Can-Fite's net loss for the six months ended June 30, 2021 was $5.09 million compared with a net loss of $8.23 million for the same period in 2020. The decrease in net loss was primarily attributable to a decrease in research and development expenses which were partly offset by an increase in general and administrative expenses and a decrease in finance expenses, net.

As of June 30, 2021, Can-Fite had cash, cash equivalents and short-term deposits of $7.53 million as compared to $8.26 million at December 31, 2020. The decrease in cash during the six months ended June 30, 2021 is due to an aggregate of $2.74 million in net proceeds received through warrant exercise transactions during the first quarter of 2021 and from an advance payment of $2.25 million from a distribution agreement with Ewopharma which were offset by Company's operating activity.

The Company's consolidated financial results for the six months ended June 30, 2021 are presented in accordance with US GAAP Reporting Standards.

CONDENSED CONSOLIDATED BALANCE SHEETS

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

	June 30, 2021 Unaudited	December 31, 2020 Audited
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 1,025	$ 8,268
Short-term deposits	6,512	-
Other receivable and prepaid expenses	1,745	1,057
Short-term investment	271	75
Total current assets	9,553	9,400
NON-CURRENT ASSETS:		
Operating lease right of use assets	77	73
Property, plant and equipment, net	50	50
Total long-term assets	127	123
Total assets	$ 9,680	$ 9,523

CONDENSED CONSOLIDATED BALANCE SHEETS

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

	June 30, 2021 Unaudited	December 31, 2020 Audited
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Trade payables	$ 1,005	$ 561
Current maturity of operating lease liability	43	43
Deferred revenues	1,002	334
Other accounts payable	309	331
Total current liabilities	2,359	1,269
NON-CURRENT LIABILITIES:		
Long - term operating lease liability	25	24
Deferred revenues	3,341	2,156
Total long-term liabilities	3,366	2,180
CONTINGENT LIABILITIES AND COMMITMENTS		
SHAREHOLDERS' EQUITY:		
Ordinary shares of NIS 0.25 par value - Authorized: 5,000,000,000 and 1,000,000,000 shares at June 30, 2021 and December 31, 2020, respectively; Issued and outstanding: 515,746,293 shares as of June 30, 2021; 463,769,463 shares as of December 31, 2020	37,008	33,036
Additional paid-in capital	96,386	97,380
Accumulated other comprehensive income	1,127	1,127

Accumulated deficit	(130,566)	(125,469)
Total equity	3,955	6,074
Total liabilities and shareholders' equity	$ 9,680	$ 9,523

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS

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

	Six months ended June 30,	
	2021	2020
	Unaudited	
Revenues	$ 398	$ 402
Research and development expenses	(3,810)	(7,054)
General and administrative expenses	(1,892)	(1,455)
Operating loss	(5,304)	(8,107)
Total financial income (expenses), net	207	(128)
Net loss	(5,097)	(8,235)
Total comprehensive loss	(5,097)	(8,235)
Deemed dividend	-	(715)
Net loss attributed to ordinary shareholders	$ (5,097)	$ (8,950)
Basic and diluted net loss per share	(0.01)	(0.04)
Weighted average number of ordinary shares used in computing basic and diluted net loss per share	500,010,114	254,940,675

About Can-Fite BioPharma Ltd.

Can-Fite BioPharma Ltd. (NYSE American: CANF) (TASE: CFBI) is an advanced clinical stage drug development Company with a platform technology that is designed to address multi-billion dollar markets in the treatment of cancer, liver, inflammatory disease and COVID-19. The Company's lead drug candidate, Piclidenoson, is currently in a Phase III trial for psoriasis and a Phase II study in the treatment of moderate COVID-19. Can-Fite's liver drug, Namodenoson, is headed into a Phase III trial for hepatocellular carcinoma (HCC), the most common form of liver cancer, and a Phase IIb trial for the treatment of non-alcoholic steatohepatitis (NASH). Namodenoson has been granted Orphan Drug Designation in the U.S. and Europe and Fast Track Designation as a second line treatment for HCC by the U.S. Food and Drug Administration. Namodenoson has also shown proof of concept to potentially treat other cancers including colon, prostate, and melanoma. CF602, the Company's third drug candidate, has shown efficacy in the treatment of erectile dysfunction. These drugs have an excellent safety profile with experience in over 1,500 patients in clinical studies to date. For more information please visit: www.can-fite.com.

Forward-Looking Statements

This press release may contain forward-looking statements, about Can-Fite's expectations, beliefs or intentions regarding, among other things, market risks and uncertainties, its product development efforts, business, financial condition, results of operations, strategies or prospects. In addition, from time to time, Can-Fite or its representatives have made or may make forward-looking statements, orally or in writing. Forward-looking statements can be identified by the use of forward-looking words such as "believe," "expect," "intend," "plan," "may," "should" or "anticipate" or their negatives or other variations of these words or other comparable words or by the fact that these statements do not relate strictly to historical or current matters. These forward-looking statements may be included in, but are not limited to, various filings made by Can-Fite with the U.S. Securities and Exchange Commission, press releases or oral statements made by or with the approval of one of Can-Fite's authorized executive officers. Forward-looking statements relate to anticipated or expected events, activities, trends or results as of the date they are made. Because forward-looking statements relate to matters that have not yet occurred, these statements are inherently subject to risks and uncertainties that could cause Can-Fite's actual results to differ materially from any future results expressed or implied by the forward-looking statements. Many factors could cause Can-Fite's actual activities or results to differ materially from the activities and results anticipated in such forward-looking statements. Factors that could cause our actual results to differ materially from those expressed or implied in such forward-looking statements include, but are not limited to: our history of losses and needs for additional capital to fund our operations and our inability to obtain additional capital on acceptable terms, or at all; uncertainties of cash flows and inability to meet working capital needs; the impact of the COVID-19 pandemic; the initiation, timing, progress and results of our preclinical studies, clinical trials and other product candidate development efforts; our ability to advance our product candidates into clinical trials or to successfully complete our preclinical studies or clinical trials; our receipt of regulatory approvals for our product candidates, and the timing of other regulatory filings and approvals; the clinical development, commercialization and market acceptance of our product candidates; our ability to establish and maintain strategic partnerships and other corporate collaborations; the implementation of our business model and strategic plans for our business and product candidates; the scope of protection we are able to establish and maintain for intellectual property rights covering our product candidates and our ability to operate our business without infringing the intellectual property rights of others; competitive companies, technologies and our industry; statements as to the impact of the political and security situation in Israel on our business; and risks and other risk factors detailed in Can-Fite's filings with the SEC and in its periodic filings with the TASE. In addition, Can-Fite operates in an industry sector where securities values are highly volatile and may

be influenced by economic and other factors beyond its control. Can-Fite does not undertake any obligation to publicly update these forward-looking statements, whether as a result of new information, future events or otherwise.

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