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

FORM 10-K

☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2025

or

☐ TRANSITION REPORT PURSUANT OR SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number: 001-36612

Lifeward Ltd.

(Exact name of registrant as specified in charter)

Israel	Not applicable
(State or other jurisdiction of incorporation or organization)	(I.R.S. employer identification no.)
2 Cabot Rd., Hudson, MA	01749
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: +508.251.1154

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Ordinary Shares, no par value	LFWD	Nasdaq Capital Market

Securities Registered Pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.

Yes ☐ No ☒

Indicate by a check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or emerging growth company. See the definitions of "large accelerated filer", "accelerated filer", "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐	Accelerated filer ☐
Non-accelerated filer ☒	Smaller reporting company ☒
	Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 USC. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☐

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes ☐ No ☒

The aggregate market value of the Ordinary Shares held by non-affiliates of the Registrant based upon the closing price of the Ordinary Shares as reported by The Nasdaq Capital Market on June 30, 2025 (the last business day of the Registrant's most recently completed second fiscal quarter) was $9,971,778.

As of March 17, 2026, the Registrant had outstanding 1,528,222 Ordinary Shares.

DOCUMENTS INCORPORATED BY REFERENCE

None.

LIFEWARD LTD.
FORM 10-K FOR THE YEAR ENDED DECEMBER 31, 2025
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Definitions and Introduction

Our legal name is Lifeward Ltd. Our name was previously ReWalk Robotics Ltd., which we changed to Lifeward Ltd. effective September 10, 2024. We are a company limited by shares organized under the laws of the State of Israel and were founded in 2001. In September 2014, we listed our shares on The Nasdaq Global Market, and in May 2017 we transferred our listing to The Nasdaq Capital Market. We have irrevocably appointed Lifeward, Inc. as our agent to receive service of process in any action against us in any United States federal or state court. The address of Lifeward, Inc. is 2 Cabot Rd., Hudson, Massachusetts 01749. As used herein, and unless the context clearly indicates otherwise, the terms "Lifeward", the "Company", "we", "us", "our" or "ours" refer to Lifeward and its subsidiaries.

Special Note Regarding Forward-Looking Statements

This annual report on Form 10-K ("annual report") contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, or the Securities Act, Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act, and the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995, that are based on our management's beliefs and assumptions and on information currently available to our management. Forward-looking statements include information concerning our possible or assumed future results of operations, business strategies, financing plans, competitive position, industry environment, potential growth opportunities, potential market opportunities and the effects of competition. Forward-looking statements may include projections regarding our future performance and, in some cases, can be identified by words such as "anticipate," "assume," "believe," "could," "seek," "estimate," "expect," "intend," "may," "plan," "potential," "predict," "project," "future," "should," "will," "would" or similar expressions that convey uncertainty of future events or outcomes and the negatives of those terms. These statements may be found in the sections of this annual report titled "Part I. Item 1. Business," "Part I. Item 1A. Risk Factors," "Part II. Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" and elsewhere in this annual report. The statements are based on our beliefs, assumptions and expectations of future performance, taking into account the information currently available to us. These statements are only predictions based upon our current expectations and projections about future events. There are important factors that could cause our actual results, levels of activity, performance or achievements to differ materially from the results, levels of activity, performance or achievements expressed or implied by the statements.

These factors include those listed in "Part I. Item 1A. Risk Factors," including those factors summarized below.

- our expectations regarding future growth, including our ability to increase sales in our existing geographic markets and expand to new markets;
- our ability to continue as a going concern for the next twelve months;
- our ability to maintain and grow our reputation and the market acceptance of our products;
- our ability to achieve reimbursement from third-party payors for Private, Governments, and Medicare & Medicaid Services ("CMS") coverage for our products, including our ability to successfully submit and gain approval of cases for Medicare coverage through Medicare Administrative Contractors ("MACs");
- our ability to successfully integrate the operations of AlterG, Inc. ("AlterG") into our organization, and realize the anticipated benefits therefrom;
- our ability to have sufficient funds to meet certain future capital requirements, which could impair our efforts to develop and commercialize existing and new products;
- our ability to realize the expected benefits from cost reduction initiatives, including streamlining operations and the completed transition of the manufacturing of our ReWalk products to in-house manufacturing, and our ability to manage any related business disruptions;
- our ability to achieve expected operating efficiencies and sustain or improve operating expense reductions, and our ability to handle any business disruptions that may occur in connection with streamlining operations;
- our reliance on third-party contract manufacturers for the production of our AlterG Anti-Gravity Systems and our ability to maintain product quality, ensure timely production and delivery, and manage potential supply chain disruptions;

- our ability to leverage our sales, marketing and training infrastructure;
- our ability to grow our business through acquisitions of businesses, products or technologies, and the failure to manage acquisitions, or the failure to integrate them with our existing business;
- our ability to obtain certain components of our products from third-party suppliers and our continued access to our product manufacturers;
- our ability to improve our products and develop new products;
- our compliance with medical device reporting regulations to report adverse events involving our products, which could result in voluntary corrective actions or enforcement actions such as mandatory recalls, and the potential impact of such adverse events on our ability to market and sell our products;
- our ability to gain and maintain regulatory approvals and to comply with any post-marketing requests;
- the risk of a cybersecurity attack or incident relating to our information technology systems significantly disrupting our business operations;
- our ability to maintain adequate protection of our intellectual property and to avoid violation of the intellectual property rights of others;
- the impact of substantial sales of our shares by certain shareholders on the market price of our ordinary shares;
- our ability to maintain compliance with the continued listing requirements of the Nasdaq Capital Market and the risk that our ordinary shares will be delisted if we cannot do so;
- our ability to effectively use the proceeds from our recent offerings of securities;
- our ability to repay amounts due, and perform our obligations under and comply with the terms and conditions of, the Secured Promissory Notes with Oramed;
- the impact of the market price of our ordinary shares on the determination of whether we are a passive foreign investment company;
- market and other conditions, including the extent to which inflationary pressures, interest rate and currency rate fluctuations, and changes in trade policies (including tariffs and trade protection measures that have been or may in the future be imposed by the U.S. or other countries), or global instability may disrupt our business operations or our financial condition or the financial condition of our customers and suppliers, including the ongoing Russia-Ukraine conflict, ongoing conflict in the Middle East (including any escalation or expansion) and the increasing tensions between China and Taiwan; and
- other factors discussed in "Part I. Item 1A. Risk Factors."

You should not rely upon forward-looking statements as predictions of future events. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee that future results, levels of activity, performance and events and circumstances reflected in the forward-looking statements will be achieved or will occur.

You should not put undue reliance on any forward-looking statements. Any forward-looking statement in this annual report speaks only as of the date hereof. Except as required by law, we undertake no obligation to update publicly any forward-looking statements for any reason after the date of this annual report, to conform these statements to actual results or to changes in our expectations.

Summary Risk Factors

- We have concluded that there is substantial doubt as to our ability to continue as a going concern.
- We may not have sufficient funds to meet certain future operating needs or capital requirements, which could impair our efforts to develop and commercialize existing and new products, and as a result, we may in the future consider one or more capital-raising transactions, including future equity or debt financings, strategic transactions, or borrowings which may also further dilute our shareholders or place us under restrictive covenants limiting our ability to operate freely.
- We may not fully realize the anticipated positive impacts to future financial results from our streamlining efforts.

- We face economic and political risks associated with doing business in Taiwan, particularly due to the geopolitical tension between Taiwan and China, and in Russia that could negatively affect our business and hence the value of your investment.

- If we fail to meet the requirements for continued listing on the Nasdaq Capital Market, our ordinary shares could be delisted from trading, which would decrease the liquidity of our ordinary shares and our ability to raise additional capital.

- We rely primarily on sales of our ReWalk Personal Exoskeletons, AlterG Anti-Gravity systems, MyoCycle FES cycles, and related consumables, services, and extended warranties for our revenue. We may not be able to achieve or maintain market acceptance of the ReWalk, AlterG, or MyoCycle products or to generate sufficient revenue from these current and future products to sustain our operations.

- We may fail to secure or maintain adequate insurance coverage or reimbursement for our products by third-party payors, which risk may be heightened if insurers find the products to be investigational or experimental or if new government regulations change existing reimbursement policies. Additionally, such coverage or reimbursement, even if maintained, may not produce revenue that are high enough to allow us to sell our products profitably.

- Defects in our products or the software that drives them could adversely affect the results of our operations.

- The potential health benefits of our ReWalk products have not been substantiated by long-term clinical data, which could limit sales of such products.

- We rely on third-party contract manufacturers to produce our AlterG products and on third-party suppliers for certain components used in our ReWalk and AlterG products.

- We may receive a significant number of warranty claims or our ReWalk, AlterG, or ReStore systems may require significant amounts of service after sale.

- We may not be able to enhance our exoskeleton product offerings through our research and development efforts.

- We may enter into collaborations, in-licensing arrangements, joint ventures, strategic alliances, business acquisitions or partnerships with third parties that may not result in the development of commercially viable products or the generation of significant future revenue.

- Our devices are subject to the FDA's regulations pertaining to marketing and promotional communications, among others. Failure to comply with such regulations may give rise to a number of potential FDA enforcement actions, any of which could have a material adverse effect on our business.

- We are not able to protect our intellectual property rights in all countries.

- If we are unable to offer our key management personnel long-term incentive compensation, including options, and restricted stock units, as part of their total compensation package, we may have difficulty retaining such personnel, which would adversely affect our operations and financial performance.

- Conditions in Israel, including Israel's wars against Hamas and other terrorist organizations in the Gaza Strip, against Hezbollah on Israel's northern border, and tensions or hostilities involving Iran, including any escalation into a broader regional conflict, may materially and adversely affect our business and results of operations.

- Our technology development and quality headquarters and the manufacturing facility for our ReWalk products are located in Israel and, therefore, our results may be adversely affected by economic restrictions imposed on, and political and military instability in, Israel.

- Our operations may be disrupted as a result of the obligation of Israeli citizens to perform military service.

- Your rights and responsibilities as a shareholder will be governed by Israeli law, which differs in some material respects from the rights and responsibilities of shareholders of U.S. companies.

- Our business could be negatively affected as a result of actions of activist shareholders, which could be disruptive and costly and may impact the trading value of our securities.

Where You Can Find Other Information

Our principal executive offices are located at 2 Cabot Rd., Hudson, MA 01749, and our telephone number is (508) 251-1154. Our website is golifeward.com. Information contained, or that can be accessed through, our website does not constitute a part of this annual report and is not incorporated by reference herein. We have included our website address in this annual report solely for informational purposes. Information that we furnish or file with the Securities and Exchange Commission (the "SEC"), including annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and any amendments to, or exhibits included in, these reports are available for download, free of charge, on our website as soon as reasonably practicable after such materials are filed or furnished with the SEC. The SEC also maintains a website at www.SEC.gov that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC. Our SEC filings, including exhibits filed or furnished therewith, are also available on this website.

PART I

ITEM 1. BUSINESS

Overview

We are a medical device company that designs, develops, and commercializes life-changing solutions that span the continuum of care in physical rehabilitation and recovery, delivering proven functional and health benefits in clinical settings as well as in the home and community. Our initial product offerings were the ReWalk Personal and ReWalk Rehabilitation Exoskeleton devices for individuals with spinal cord injury ("SCI Products"). These devices are robotic exoskeletons that are designed for individuals with paraplegia that use our patented tilt-sensor technology and an onboard computer and motion sensors to drive motorized legs that power movement. These SCI Products allow individuals with spinal cord injury ("SCI") the ability to stand and walk again during everyday activities at home or in the community. In March 2023, we received clearance of our premarket notification ("510(k)") from the U.S. Food and Drug Administration ("FDA") for the ReWalk Personal Exoskeleton with stair and curb functionality, which adds usage on stairs and curbs to the indication for use for the device in the U.S. The clearance permits U.S. customers to participate in more walking activities in real-world environments in their daily lives where stairs or curbs may have previously limited them when using the exoskeleton for its intended, FDA-indicated uses. This feature has been available in Europe since initial CE Clearance, and real-world data from a cohort of 47 European users throughout a period of over seven years consisting of over 18,000 stair steps, were collected to demonstrate the safety and efficacy of this feature and support the FDA submission. In March 2025, we received 510(k) clearance from the U.S. Food and Drug Administration ("FDA") for the ReWalk 7 Personal Exoskeleton device, a next-generation ReWalk model.

We have sought to expand our product offerings beyond the SCI Products through internal development, distribution agreements, and acquisitions. We have developed our ReStore Exo-Suit device, which we began commercializing in June 2019. The ReStore is a powered, lightweight soft exo-suit intended for use during the rehabilitation of individuals with lower limb disabilities due to stroke. Sales of the device in the European Union ceased in May 2024. In the second quarter of 2020, we signed an agreement to become the exclusive distributor of the MYOLYN MyoCycle FES Pro cycles to U.S. rehabilitation clinics and for the MyoCycle Home cycles available to U.S. veterans through the Veterans Health Administration ("VHA") hospitals. We continue to distribute these products; however, our distribution rights are no longer exclusive.

In August 2023, we made our first acquisition to supplement our internal growth when we acquired AlterG, a leading provider of Anti-Gravity systems for use in physical and neurological rehabilitation. We paid a cash purchase price of approximately $19 million at closing. The purchase agreement also provided for the potential of additional cash earnout payments based on AlterG's revenue growth over the two years following the closing; however, no earnout payments were earned. The AlterG Anti-Gravity systems use patented, National Aeronautics and Space Administration ("NASA") derived differential air pressure ("DAP") technology to reduce the effects of gravity and allow patients to rehabilitate with finely calibrated support and reduced pain. AlterG Anti-Gravity systems are utilized in over 6,000 facilities globally in more than 40 countries. We will continue to evaluate other products for distribution or acquisition that can broaden our product offerings further to help individuals with injury and disability.

In February 2026, we entered into an Intellectual Property Assignment and Technology Transfer Agreement with Skelable Ltd., an Israeli technology company, pursuant to which we agreed to acquire certain intellectual property and related technology assets associated with a powered upper-body robotic orthotic system designed to assist individuals with impaired upper-limb function, including stroke survivors. The transaction remains subject to customary closing conditions. As part of the transaction, certain key employees of Skelable are expected to join our company. The consideration consists primarily of our ordinary shares and is subject to the achievement of certain milestones. The technology remains under development and is intended to expand our neurorehabilitation platform beyond lower-limb exoskeleton systems.

In March 2025, we announced an agreement with CorLife, LLC., a Delaware limited liability company ("CorLife") and a division of Numotion, the nation's leading and largest provider of products and services that provide mobility, health and personal independence, to increase our penetration of SCI Products into the workers' compensation market. Pursuant to the agreement, CorLife became the exclusive distributor for the ReWalk Personal Exoskeleton for individuals with workers' compensation claims. The agreement leverages CorLife's extensive network of credentialed providers and experts to include the ReWalk Personal Exoskeleton among the services and equipment they provide to thousands of injured workers each year. Under the agreement, the CorLife reimbursement team manages all workers' compensation claims submissions for the ReWalk Personal Exoskeleton. We believe this agreement will build awareness of the benefits of the ReWalk Personal Exoskeleton among individuals with workers' compensation coverage and gain us access to the resources of CorLife to facilitate efficient processing of claims.

In December 2025, we announced a distribution agreement with Verita Neuro, a provider of intensive neurological rehabilitation services. Pursuant to the agreement, Verita Neuro will serve as a distributor of the ReWalk Personal Exoskeleton in certain international markets, including Mexico, Thailand and the United Arab Emirates. Through its network of rehabilitation centers, Verita Neuro integrates advanced technologies and therapies to support individuals with neurological injuries. We believe this agreement will expand access to the ReWalk Personal Exoskeleton in additional international markets and support broader adoption of our technology.

Our principal markets are primarily in the United States and Europe with some lesser sales in Asia, the Middle East and South America. We sell our products primarily directly in the United States, through a combination of direct sales and distributors (depending on the product line) in Germany and Canada, and primarily through distributors in other markets. In markets where we sell direct to consumers, we have established relationships with clinics and rehabilitation centers, professional and college sports teams, individuals and organizations in the SCI community, and in markets where we do not sell direct to consumers, our distributors maintain these relationships. We have primary offices in Yokneam, Israel, Hudson, Massachusetts, and Berlin, Germany.

We have in the past generated and expect to generate in the future revenue from a combination of clinics and rehabilitation centers, commercial distributors, third-party payors (including private and government payors), professional and college sports teams, and self-pay individuals. While a broad uniform policy of coverage and reimbursement by third-party commercial payors currently does not exist in the United States for exoskeleton technologies such as the ReWalk Personal Exoskeleton, we are pursuing various paths of reimbursement, such as the VHA policy that was issued in December 2015 for the evaluation, training, and procurement of ReWalk Personal Exoskeleton systems for all qualifying veterans living with SCI across the United States.

We have engaged with CMS regarding the Medicare coverage framework applicable to personal exoskeletons. In 2024, the National Spinal Cord Injury Statistical Center ("NSCISC"), which maintains the world's largest database on spinal cord injury research, reported that CMS is the primary payor for approximately 57% of the SCI population that is at least five years post-injury, with Medicare representing a majority of this percentage. In July 2020, following a successful submission and hearing process, a code was issued for ReWalk Personal Exoskeleton, which may be used for purposes of claim submission to Medicare, Medicaid, and other payors.

On November 1, 2023, CMS released the Calendar Year 2024 Home Health Prospective Payment System Final Rule, CMS-1780-F ("Final Rule"), which was adopted through the notice and comment rulemaking process. The Final Rule includes a policy confirming that personal exoskeletons are included in the Medicare brace benefit category, as of January 1, 2024. Medicare personal exoskeleton claims with dates of service on or after January 1, 2024 that are billed using HCPCS code K1007 are assigned to the brace benefit category. CMS reimburses items classified under the brace benefit category using a lump-sum payment methodology.

On April 11, 2024, CMS revised its April 2024 Durable Medical Equipment, Prosthetics, Orthotics, and Supplies ("DMEPOS") Fee Schedule to include a final lump-sum Medicare purchase fee schedule amount for personal exoskeletons (HCPCS code K1007) with an established rate of $91,032. CMS determined this payment rate using a "gap-filling" methodology, which is applied when a technology has no prior fee schedule pricing history. In establishing the payment amount for HCPCS code K1007, CMS considered available pricing information for exoskeleton devices from Lifeward and other manufacturers.

In June 2025, an Administrative Law Judge ("ALJ") ruled in favor of a Medicare beneficiary's appeal and determined that their ReWalk Personal Exoskeleton shall be covered and reimbursed by Medicare as a "reasonable and necessary" medical device that enables walking after SCI. This ruling established a legal basis that the ReWalk system constitutes a reasonable and necessary medical intervention for paralyzed individuals.

In Germany, we continue to make progress toward achieving coverage from the various government, private and worker's compensation payors for our SCI Products. In September 2017, each of German insurer BARMER GEK ("BARMER") and national social accident insurance provider Deutsche Gesetzliche Unfallversicherung ("DGUV") indicated that they will provide coverage to users who meet certain inclusion and exclusion criteria. In February 2018, the head office of German Statutory Health Insurance ("SHI") Spitzenverband ("GKV") confirmed its decision to list the ReWalk Personal Exoskeleton system in the German Medical Device Directory. This decision means that ReWalk is listed among all medical devices for compensation, which SHI providers can procure for any approved beneficiary on a case-by-case basis. During the year 2020 and 2021, we announced several new agreements with German SHIs, including TK and DAK Gesundheit, as well as the first German Private Health Insurer ("PHI"), which outline the process of obtaining our devices for eligible insured patients. In February 2025, we finalized an agreement with BARMER to formalize the reimbursement process for the provision of ReWalk exoskeletons to medically eligible beneficiaries. We are also currently working with several additional SHIs on securing a formal operating contract that will establish the process of obtaining a ReWalk Personal Exoskeleton for their beneficiaries within their system. Additionally, to date, several private insurers in the United States and Europe are providing reimbursement for ReWalk in certain cases.

On January 12, 2026, we entered into a Share Purchase Agreement with Oramed Pharmaceuticals, Inc. ("Oramed") and Oratech Pharma, Inc. ("Oratech"), pursuant to which we agreed to acquire all of the outstanding equity interests of Oratech, a wholly owned subsidiary of Oramed. Upon closing of the transaction, and subject to the satisfaction of customary closing conditions, we will issue to Oramed ordinary shares and pre-funded warrants representing up to 49.99% of our fully diluted equity capitalization, with the number of ordinary shares issued at closing not exceeding 45% of our outstanding ordinary shares immediately after closing. We will also issue transaction warrants and agreed to make quarterly revenue sharing payments equal to 4% of net revenues from sales of our ReWalk Personal Exoskeleton products and related extended warranties, subject to certain caps and termination events.

In connection with the transaction, we also entered into a Securities Purchase Agreement with Oramed and certain investors providing for the issuance of up to $20.0 million of senior secured convertible notes, including $10.0 million to be issued at closing, together with accompanying warrants.

On March 12, 2026, our shareholders approved the transaction. We anticipate closing the transaction following the satisfaction of customary closing conditions.

In connection with the anticipated transaction, we received bridge financing from Oramed. On November 14, 2025, we entered into a Secured Promissory Note (the "Initial Secured Promissory Note") with Oramed Ltd., pursuant to which we issued to Oramed Ltd. a secured promissory note in the principal amount of $3.0 million. The loan bears interest at a rate of 15% per annum, is secured by a lien on our cash and matures on May 14, 2026.

On February 12, 2026, we entered into an additional Secured Promissory Note (the "Subsequent Secured Promissory Note") with Oramed, pursuant to which we issued a secured promissory note in the initial principal amount of $525,000, which amount may be increased by up to an additional $975,000 upon the mutual consent of the parties. The Subsequent Secured Promissory Note is secured by a lien on our cash, accrues interest at a rate of 24% per annum and matures on the earlier of August 12, 2026, or the failure to obtain shareholder approval of the transactions contemplated by the Securities Purchase Agreement and the Share Purchase Agreement described above.

On March 11, 2026, we and Oramed agreed to increase the principal amount available under the Subsequent Secured Promissory Note by an additional $500,000, resulting in an aggregate principal amount of $1,025,000 available under such note.

ReWalk Personal Exoskeleton and ReWalk Rehabilitation Exoskeleton

Development of our SCI Products took over a decade and was spurred by the experiences of our founder, Dr. Amit Goffer, who became a quadriplegic due to an accident. Current ReWalk designs are intended for people with paraplegia, an SCI resulting in complete or incomplete paralysis of the legs, who have the use of their upper bodies and arms. We currently offer two products in this category: the ReWalk Personal Exoskeleton and the ReWalk Rehabilitation Exoskeleton. The ReWalk Rehabilitation Exoskeleton is substantially similar to the ReWalk Personal Exoskeleton system except that it is sold with multiple sizes of our adjustable parts to allow different users the ability to train within a clinic. In recent years, substantially all the ReWalk units sold by the Company have been ReWalk Personal systems and we expect our commercial efforts to continue to focus on this model.

The ReWalk Personal Exoskeleton is a novel product that seeks to fundamentally change the health and life experiences of users. Designed for daily use, the device is battery-powered and consists of a wearable exoskeleton with integrated motors at the joints, an array of sensors and a computer-based control system to power knee and hip movement. The user controls the device movement using a combination of user inputs on the wrist-worn controller, as well as through subtle weight shifts of the upper body. Because the exoskeleton supports its own weight and facilitates the user's gait, users do not expend unnecessary energy while walking. The ReWalk Personal Exoskeleton also allows users to sit, stand and climb and descend stairs and curbs. In March 2023, the FDA cleared the ReWalk Personal Exoskeleton for use on stairs and curbs, allowing users to participate in walking activities in more real-world environments in their daily lives and experience more opportunities to enjoy the health benefits of walking.

ReWalk Personal Exoskeleton: intended for everyday use at home, at work or in the community with a trained companion. We began marketing ReWalk Personal Exoskeleton in Europe with CE mark clearance at the end of 2012. We received FDA de novo authorization to market the ReWalk Personal Exoskeleton in the United States in June 2014. FDA subsequently cleared 510(k) premarket notifications for modifications to the ReWalk, including for use of the ReWalk on curbs and stairs. ReWalk Personal Exoskeleton units are all manufactured according to the same mechanical specifications. Each unit is then permanently sized to fit the individual user and the software is configured for the user's specifications by the rehabilitation center, clinic, or distributor. In March 2025, we received 510(k) clearance from the FDA for the ReWalk™ 7, the seventh generation of the ReWalk system, which includes innovative new and enhanced features such as cloud connectivity, an improved user interface, crutch-mounted push-button control, customizable walking speeds, and seamless activation for stairs and curbs. The ReWalk™ 7 received CE Mark approval in September 2025.

ReWalk Personal Exoskeleton

ReWalk Rehabilitation Exoskeleton: the current offering for clinics who wish to implement exoskeleton training is composed of our ReWalk Personal Exoskeleton unit along with multiple sizing of different parts, enabling multiple patient use. The ReWalk Rehabilitation Exoskeleton provides a valuable means of exercise, training, and therapy. Use of the ReWalk Rehabilitation Exoskeleton in the clinic also enables individuals to evaluate their capacity for using the ReWalk Personal Exoskeleton in the future.

Additionally, we have received regulatory approval to sell the ReWalk Personal Exoskeleton device in other countries. In the future we intend to seek approval from the applicable regulatory agencies in other jurisdictions where we may seek to market ReWalk Personal Exoskeleton. For more information about the safety of using our SCI products see "Part I, Item 1A. Risk Factors—Risks Related to our Business and our Industry— Defects in our products or the software that drives them could adversely affect the results of our operations."

Overview of Spinal Cord Injury

Spinal Cord Injury

The spine is the central core of the human skeleton and provides structural support, alignment, and flexibility to the body. The spinal cord, housed inside the bones of the spinal column, is a complex bundle of nerves serving as the main pathway for information connecting the brain, and nervous system. Spinal cord injury is a serious medical condition that occurs as a result of physical damage to the nerves of the spinal cord, resulting in a loss of function, such as mobility or feeling. In most people who have spinal cord injury, the spinal cord is intact. Spinal cord injury is not the same as back injury, which may result from pinched nerves or ruptured disks. Even when a person sustains a break in a vertebra or vertebrae, there may not be any spinal cord injury if the spinal cord itself is not affected. There are two types of spinal cord injury – complete and incomplete. In a complete injury, a person loses all ability to feel and voluntarily move below the level of the injury. In an incomplete injury, there is some functioning below the level of the injury.

Upon medical examination, a patient is assigned a level of injury depending on the location of the spinal cord injury. Cervical level injuries cause paralysis or weakness in both arms and legs and is referred to as quadriplegia. Sometimes this type of injury is accompanied by loss of physical sensation, respiratory issues, bowel, bladder, and sexual dysfunction. Thoracic level injuries can cause paralysis or weakness of the legs (paraplegia) along with loss of physical sensation, bowel, bladder, and sexual dysfunction. In most cases, arms and hands are not affected. Lumbar level injuries result in paralysis or weakness of the legs (paraplegia). Loss of physical sensation, bowel, bladder, and sexual dysfunction can occur. The shoulder, arm, and hand functions are usually unaffected. Sacral level injuries primarily cause loss of bowel and bladder function as well as sexual dysfunction.

Clinical Evidence

Published clinical studies indicate the ReWalk Personal Exoskeleton's ability to deliver a functional walking speed. In addition, certain potential secondary health benefits have been reported in literature as well as by healthcare practitioners and ReWalk users, including study participants. Although these benefits have not been established as conclusive clinical data in randomized controlled trials, these reported secondary health benefits include:

- Restoration of functional ambulation (permitting community access);
- Cardiopulmonary health improvement;
- Reduction of muscle spasticity;
- Reduction and reversal of bone mineral density loss;
- Bowel and bladder management (improved autonomic function);

- Pain reduction;

- Multidimensional quality of life improvements.

We believe that using our SCI Products may have the ability to reduce the lifetime healthcare costs of individuals with spinal cord injuries, which we believe will make our SCI Products economically attractive for individuals and third-party payors. While we believe that using our SCI Products could potentially offer significant advantages over competing technologies and therapies, disadvantages include the time it takes for a user to put on the device, the slower pace of the device compared to a wheelchair, the training required by the user and companion to use the device, the weight of the device when carried, which makes it more burdensome for a companion to transport than a wheelchair, and the requirement that users be accompanied by a trained companion.

Market Opportunity

Current and near-term market opportunities include providing a solution for persons with SCI that can be used in the clinic and/or home settings. For persons with SCI, reduced physical activity and the predominance of seated activities can lead to severe physical and psychological deterioration, resulting in bad health, poor quality of life, low self-esteem, and high medical expenses. In addition, the secondary medical consequences of paralysis can include difficulty with bowel and urinary tract function, osteoporosis, loss of lean mass, gain in fat mass, insulin resistance, diabetes, and heart disease. The cost of treating these conditions is substantial. The National Spinal Cord Injury Statistical Center ("NSCISC") estimates that complications related to paraplegia cost approximately $670,000 in the first-year post-injury, excluding indirect costs such as loss in wages, fringe benefits, and productivity, and significant additional amounts over the course of an individual's lifetime. Further, secondary complications related to spinal cord injury can reduce life expectancies for SCI patients. The young average age at time of injury and significant remaining life expectancy, the likelihood of living at home, and the lifetime cost of treatment highlight the need for an out-of-hospital solution with demonstrated health and social benefits.

The NSCISC estimates according to its 2025 SCI Fact Sheet that there are approximately 308,000 people in the United States living with SCI, with an annual incidence of approximately 18,000 new cases per year. According to the VHA data there are approximately 42,000 of such patients who are veterans and are eligible for medical care and other benefits from the VHA, out of which the VHA states that 27,000 veterans are receiving SCI treatment annually. With 25 VHA spinal cord injury centers designated SCI/D Hub locations, the VHA has the largest single network of spinal cord injury care in the United States.

According to the NSCISC, since 2015 motor vehicle crashes have been the leading cause of reported spinal cord injury cases (37%), followed by falls (32%), acts of violence (15%) and sports injuries (8%). Approximately 78% of spinal cord injuries occur among the male population. According to NSCISC data, upon hospital discharge, 87% of persons with spinal cord injuries are sent to private, non-institutional residence (in most cases, their homes prior to injury).

Based on information from the 2023 annual report published by the NSCISC, 40% of the total U.S. population of SCI patients suffered injuries between levels T4 and L5. Four published ReWalk trials for SCI patients had an aggregate screening acceptance rate of 50% considering all current FDA limitations, resulting in an estimated 20% of the total population of SCI patients can be considered as candidates for current ReWalk Personal Exoskeleton or ReWalk Rehabilitation Exoskeleton according to the device instructions for use. For important qualifying information about this determination, see "Part I, Item 1A. Risk Factors—Risks Related to our Business and our Industry—The market for medical exoskeletons, including soft exo-suit devices, remains relatively new and unproven, and important assumptions about the potential market for our current and future products may be inaccurate."

Third-Party Reimbursements

United States

In the U.S., individuals typically obtain a ReWalk Personal Exoskeleton for home use through third-party medical coverage. For an individual who suffered an SCI through a work-related incident, workers' compensation insurance can be a source of funding to purchase the device. Similarly, for U.S. veterans, an individual may be covered by the VHA for the purchase of the device regardless of whether the SCI occurred during active military service.

In December 2015, the VHA issued a national policy or standard operating procedure ("SOP") for the evaluation, training, and procurement of ReWalk Personal Exoskeleton systems for all qualifying veterans across the United States and U.S. Territories. The VHA SOP is the first national coverage policy in the United States for qualifying individuals who are living with spinal cord injury. In June 2018, the VHA updated the SOP, in part, to expand training options for individuals who could not complete the mandatory training due to excessive distance/drive times from a VHA-designated site. As of December 31, 2025, we had placed 51 units as part of the VHA policy. The VHA accounted for 3.8% of our total revenue for the year ended December 31, 2025.

We continue to work with the VHA to both accelerate the pace of implementation of the current VHA policy nationally, and to again expand opportunities for veterans to gain access to assessments, training, and devices in facilities outside VHA's traditional spinal cord injury "hub and spoke" infrastructure. Community-based, non-VHA clinics are also being leveraged to allow veterans to be trained closer to their homes, while still being reimbursed by the VHA as part of the VHA's Community Care Network program.

Successful commercialization depends in significant part on adequate coverage and reimbursement from third party payors, which may include government payors (such as Medicare and Medicaid programs in the United States), managed care organizations, and private health insurers. In general, each third-party payor decides which devices will be covered and reimbursed, establishes reimbursement and co-pay levels and sets conditions for coverage and reimbursement.

While no broad uniform policy of coverage and reimbursement for electronic exoskeleton medical technology exists among commercial insurance payors in the United States, reimbursement may be evaluated by the payor on a case-by-case basis. To date, payments for the ReWalk Personal Exoskeleton have been made primarily through case-by-case determinations by third-party payors, including commercial insurers in the United States, by self-payors and donations and, to a lesser extent, through the use of funds from insurance and/or accident settlements.

According to the NSCISC 2024 annual report, approximately 57% of the spinal cord injury population received primary coverage from Medicare and Medicaid within five years after their injury date, with Medicare representing the majority of cases.

In order to be covered and reimbursed by Medicare, the ReWalk Personal Exoskeleton must, among other things, be classified into an applicable Medicare benefit category. In addition, appropriate codes describing the technology must also be established to facilitate billing and claims processing.

In December 2019, we submitted the first application for a unique code to describe the ReWalk Personal Exoskeleton and, in July 2020, a unique code was issued for ReWalk Personal Exoskeleton. On April 11, 2024, CMS revised its April 2024 DMEPOS Fee Schedule to include a final lump-sum Medicare purchase fee schedule amount for personal exoskeletons (HCPCS code K1007) with an established rate of $91,032. The final payment determination was made by CMS by applying a "gap filling" process, which was used in light of CMS determining that the code describing the technology has no fee schedule pricing history and that lower extremity exoskeletons incorporate "revolutionary features" that cannot be described by or considered comparable to any other existing code or combination of codes. As part of gap-filling, CMS utilizes verifiable supplier or commercial pricing information and adjusts this pricing information according to a deflation and update factor methodology. In applying this formula to the K1007 code describing the ReWalk Personal Exoskeleton, CMS says that it calculated this final payment amount by averaging pricing information for exoskeleton devices from Lifeward and other manufacturers.

For more information about coverage and reimbursement risk factors, see "Part I, Item 1A. Risk Factors—Risks Related to our Business and our Industry."

As part of our plan for growth, we intend to continue working with both national and regional commercial insurance companies, health care practitioners, physicians, researchers, and the SCI community to support efforts to demonstrate the benefits of our SCI Products. In addition, we plan to pursue potential coverage policies with third party payors based on supportive data and appeal rulings that have deemed exoskeleton devices medically necessary and not investigational for individuals with SCI. Our efforts in the future will be focused on continued education of third-party payors through data application, published clinical literature, and work with advocacy groups and health and care providers. In addition, we will continue ongoing communication to seek greater clarity regarding Medicare coverage and reimbursement standards applicable to the ReWalk Personal Exoskeleton.

Europe

Reimbursement for ReWalk in Europe varies by country and historically certain third-party payors have provided reimbursement for our products in certain cases in Germany and Italy.

We initially focused our European efforts in Germany where we continue to make progress toward achieving ReWalk coverage from the various government, private, and workers' compensation payors. Specifically:

- In September 2017, the German insurer BARMER confirmed it will provide ReWalk systems to all qualifying beneficiaries. BARMER provides coverage for nearly nine million people in Germany, as a member of the SHI network and one of the most significant national insurers in the country. Exoskeletons are provided to users that meet certain inclusion criteria and assessment by the German Health Insurance Medical Service (Medizinischer Dienst der Krankenversicherungen) before and after training.

- In September 2017 Germany's national social accident insurance provider, DGUV, indicated that the DGUV's member payors, including the health insurance association *Berufsgenossenschaft* (also known as BG) and state insurers, will approve the supply of exoskeleton systems for qualifying beneficiaries on a case-by-case basis. DGUV is comprised of 33 different insurers, which provide coverage for more than 80 million individuals in Germany. Per the agreement, eligible individuals go to BG clinics for evaluation as a part of the procurement. In May 2020 the DGUV agreed to a binding offer to the evaluation, training, and supply of the ReWalk Personal Exoskeleton to qualified individuals.

- In February 2018, the GKV-Spitzenverband (Central Federal Association of (the) Statutory Health Insurance Funds) confirmed its decision to list the ReWalk Personal Exoskeleton system in the German MDD, a comprehensive list of all medical devices which are principally and regularly reimbursed by German SHI and PHI providers. The ReWalk Personal was added to the official German list of medical aids, code number 23.29.01.2001, in June 2018. This decision means that ReWalk Personal Exoskeleton is listed among all medical devices for compensation, which SHI providers can procure for any approved beneficiary on a case-by-case basis.
- During the year 2020 we announced several new agreements with SHIs such as TK and DAK-Gesundheit and others as well as the first PHI that chose to enter into an agreement with us that outline the process to obtaining a device for eligible insured patients.

- In March 2021 we entered into a contract with BKK Mobile Oil health insurance to supply ReWalk's Personal Exoskeleton to eligible persons in Germany.

- In June 2020, BARMER appealed the decision of the State Social Court, which ordered the supply of the SHI's insured SCI person with ReWalk. The State Social Court ruled and deemed ReWalk as the medical aid which will directly compensate the plaintiff's disability. BARMER initially appealed this ruling with the Federal Social Court (*Bundessozialgericht*), but later, in November 2022, withdrew its pending case and accepted the prior ruling from the state court that exoskeletons are considered as a direct disability compensation. This outcome means that an eligible insured person with SCI in Germany has a legal basis for the supply of an exoskeleton as an orthopedic aid for direct disability compensation. Patients in Germany who are covered under these contracts and policies must be medically evaluated for their eligibility to use the ReWalk Personal Exoskeleton device. If medically qualified, the patient, along with his or her physician, must apply for coverage of the device. If a patient is found eligible and medically fit to use our ReWalk Personal Exoskeleton device, we first enter into a rental agreement which allows the patient the necessary period to train on how to use the device which usually takes between 3 to 6 months and then, after approval from the insurer, the patient receives a personal device to use at home and in the community.

- In February 2025, we finalized an agreement with BARMER to formalize the reimbursement process for the provision of ReWalk exoskeletons to medically eligible beneficiaries. With the completion of the BARMER contract, approximately 45% of the 70 million people in Germany covered by Statutory Health Insurance now have coverage policies with a defined reimbursement process for personal exoskeletons. We are currently working with several additional SHIs and PHIs on securing a formal operating contract that will establish the process of obtaining a ReWalk Personal Exoskeleton for their beneficiaries within their system.

As of December 31, 2025, there were 49 insurance cases pending in Germany. We believe that our recent coverage decisions and the existing claims will eventually lead other German insurers to provide coverage on a broader scale, but this is not guaranteed. For more information, see "Part I, Item 1A. Risk Factors—Risks Related to our Business and our Industry— We may fail to secure or maintain adequate insurance coverage or reimbursement for our products by third-party payors which risk may be heightened if insurers find the products to be investigational or experimental or if new government regulations change existing reimbursement policies. Additionally, such coverage or reimbursement, even if maintained, may not produce revenue that is high enough to allow us to sell our products profitably."

We continue to support clinical research and academic publications, which we believe will further support the case for coverage.

We have distribution agreements in several European countries where we also had success with reimbursement by private insurers and worker's compensation. One of the examples was achieved in March 2018, when the Italian Ministry of Labor and Social Policy's statutory insurance corporation put in place a coverage policy that will provide exoskeleton systems for all qualifying beneficiaries. This policy, the first of its kind in Italy, provides individuals with spinal cord injury access to obtain their own ReWalk Personal Exoskeleton device so that they can stand and walk again. Since the initiation of coverage, we have supplied 10 units through our Italian distributor to individuals covered by this policy.

Other Funding Sources

In addition to being funded by third-party payors, including private insurance plans, government programs such as the VHA, and workers' compensation plans, ReWalk Personal Exoskeleton is also funded by self-payors. This includes individuals who purchase ReWalk with funds from legal settlements with insurance companies or third parties.

AlterG Anti-Gravity System

The DAP technology that underpins our AlterG Anti-Gravity technology originated from researchers at the NASA Moffet Field Research Center to help astronauts maintain their muscle strength and bone density during extended periods in space outside of the effects of earth's gravity. The DAP technology was used to create a pressurized bubble that could exert pressure on an astronaut while exercising to simulate the impact of gravity. While the technology ultimately was never implemented by NASA, it also had promise for use on earth.

The DAP technology was modified by the founders of AlterG, Inc. for the opposite purpose of using the buoyancy of a pressurized air chamber to uniformly reduce gravitational load and body weight. With subsequent product development, the initial AlterG Anti-Gravity system design was supplemented with other complementary features. Our current models utilize a precise air calibration system which modulates the air pressure supporting the user 100 times a second to ensure precise and consistent weight displacement that allows for modification of the pressurized support in one-percent increments of each user's weight. Additionally, the AlterG systems can be fitted with cameras for live video monitoring and pressure sensors that track the user's gait pattern.

Our proprietary Stride Smart software can provide real-time data and analytics so that the user can watch and self-correct gait abnormalities. Clinicians also can simultaneously read and respond to five gait assessment key performance indicators ("KPIs"). The five KPIs include:

- weight-bearing symmetry;
- step length symmetry;
- stance time symmetry;
- cadence (stepping frequency); and
- pain level.

The Stride Smart software provides clinicians with clear, objective data with which to assess, adjust, and modify a patient's rehabilitation progress. Since Stride Smart collects and presents patient gait data automatically, clinicians can focus their efforts rehabbing the patient and selecting the data most useful to their gait analysis and correction recommendations.

Based on usage patterns and feedback of clinicians, we believe that the AlterG Anti-Gravity system provides a versatile tool for the rehabilitation of lower extremity injuries and conditions. By treating a broad range of conditions and facilitating faster recovery times, the AlterG Anti-Gravity system enables rehabilitation clinics the opportunity to gain more referrals, increase the throughput of the facility, and improve the productivity of the staff.

We offer a range of AlterG Anti-Gravity systems depending on the needs and budget of each customer as follows:

- NEO – Introduced in 2024, this is the entry-level and most accessible model of Anti-Gravity system to enable increased adoption of Anti-Gravity technology across a broader range of clinics and training facilities. The NEO model delivers the same patented DAP technology with an updated platform and new electronic handrail height adjustment. The NEO is equipped to run at up to 10 miles per hour ("mph") in forward and 3 mph in reverse with a maximum incline of 15 degrees;

- NEO+ – The most versatile offering within the AlterG family builds upon the benefits of the NEO with added speed up to 12 mph and an integrated camera. The NEO+ also offers additional options for further customization, including a high-speed option of up to 15 mph and the addition of our Stride Smart gait analytics software package; and

- PRO – The PRO is our top-of-the-line model for sports medicine and elite sports applications with utilization by professional and collegiate athletes. The PRO is designed for robust performance with a slat-belt design equipped to run at up to 18 mph in forward and 10 mph in reverse, with all software and speed options included as standard.

In addition to sales of the AlterG Anti-Gravity systems, we also provide consumables and services that support the utilization of the installed base. For example, the AlterG systems require the users to wear proprietary shorts that zip the user into the air chamber to create the seal to maintain the air pressure. With frequent use, these shorts need to be periodically replaced. Additionally, we maintain a network of approximately 40 contract service engineers who perform the installation, maintenance, and repair work. As the 12-month assurance warranties expire, we market extended service contracts which can provide a recurring revenue base that can grow with the size of the installed base.

The potential market for AlterG Anti-Gravity systems is large and fragmented with several types of facilities that treat patients with conditions who could benefit from rehabilitation using partial weight displacement. According to the MedPAC 2025 Report, there are approximately 1,200 certified inpatient rehabilitation facilities in the U.S. These facilities treat patients with a range of conditions including stroke, lower extremity fractures, joint replacements, neurological conditions and brain injury, cardiac conditions, and other types of orthopaedic conditions. Depending on the specific details of each case, many of these patients are candidates for therapy using partial weight displacement. Globally, we estimate that there are approximately 3,500 inpatient rehabilitation facilities that are comparable in budget and quality of care to those in the U.S.

The largest potential market for the AlterG Anti-Gravity systems are outpatient clinics, some of which are in national and regional affiliations and most of which are independent facilities. According to the IBIS World Industry Report (which tracks the number of physical therapy rehabilitation centers), there were approximately 54,000 outpatient clinics in the U.S. in 2024. These facilities treat patients with less severe conditions than inpatient facilities with a greater mix of patients skewed towards lower extremity fractures, joint replacements, and other types of orthopedic conditions. Globally, we estimate that there are over 100,000 outpatient clinics based on scaling of population and standard of living that there are over 100,000 outpatient clinics. One other major segment of the market for AlterG systems consists of professional and elite level sports teams, including major university and college sports programs. These teams use the AlterG Anti-Gravity system to assist their players in maintaining higher levels of fitness and accelerating the recovery time from sports-related injuries. Based on our internal estimates of the market, we believe that there are approximately 1,400 sports programs in the U.S. who are potential AlterG customers. Globally, we estimate this figure to be greater than 4,000 teams.

ReStore Exo-Suit

In June 2017, we unveiled our lightweight ReStore Exo-Suit system designed initially for rehabilitation of stroke patients. The patented soft exo-suit technology was originally developed at Harvard University's Wyss Institute for Biologically Inspired Engineering ("Harvard"), where it also underwent initial clinical testing that demonstrated potential to improve walking for stroke survivors. ReWalk and Harvard entered into a multi-year research collaboration agreement in 2016 which provides ReWalk license to intellectual property relating to lightweight exo-suit system technologies for lower limb disabilities and provides access to future innovations that emerge from this collaboration and may be relevant to additional stroke products or other therapies. The development and regulatory clearance process for ReStore took us approximately three years. We received FDA clearance for ReStore in June 2019, and also obtained a CE mark in May 2019. Following the regulatory clearances, we began to commercialize the ReStore product but because the ReStore product was not planned for MDR conformity we had to cease sales in the EU in May 2024. For more information on the collaboration with Harvard, see "Research and Development-Research and Development Collaborations."

ReStore Exo-Suit

The ReStore product consists of a soft, fabric-based design that connects to a lightweight waist pack and mechanical cables that help lift the patient's affected leg in synchronized timing with their natural walking pattern. The lightweight structure wraps around the waist and supports an actuator with a motor, computer, and cable, along with sensors attached to a stable point on the user's calf and footplate in the user's shoe. This design provides targeted mechanical assistance to the patient's ankle during forward propulsion (plantarflexion) and ground clearance (dorsiflexion), two key phases of the gait cycle. The ReStore system is designed to provide advantages to stroke rehabilitation clinics and therapists as compared to other traditional therapies and devices by enabling the therapist to specifically target and train for improved propulsion symmetry, which is a key contributor to improved walking speed and efficiency for patients recovering from stroke.

Published clinical trials comparing the use of the soft exo-suit design versus traditional rehabilitation training with stroke patients have shown varying levels of improvements, with the main ones being improved walking speed, improved propulsion symmetry, reductions in compensatory behaviors including paretic hip hiking and circumduction as well as reduction in metabolic burden associated with post stroke walking.

The main market for ReStore is rehabilitation clinics with a stroke therapy program or clinics that would like to broaden their stroke presence. This product is marketed and sold directly to rehabilitation clinics for use during the treatment of their patients which is generally reimbursed by commercial and government payors. During the second half of 2019 we expanded our sales and marketing presence in the United States to accelerate product penetration after receiving FDA clearance and CE mark. These efforts were adversely impacted by the COVID-19 pandemic, as clinics and hospitals shifted resources and attention during the pandemic. During 2024, new research was published on the clinical efficacy using ReStore in stroke rehabilitation and we see this technology as a building block for future portfolio development.

Stroke incidence in the United States is estimated at approximately 800,000 cases per year, with roughly 75–80% of individuals surviving the acute event. Among stroke survivors, motor impairments are common, and an estimated 30–40% experience persistent lower-limb gait or mobility limitations requiring rehabilitation.

In the United States, individuals recovering from stroke receive therapy across inpatient rehabilitation facilities, hospital-based rehabilitation programs, and outpatient physical therapy clinics, representing several thousand sites of care nationwide.

With the clinical evidence we have to date on ReStore, its unique design and its cost-effectiveness compared to other products, we believe the ReStore soft exosuit has the potential to be adopted by clinics for use in the therapy of their stroke patients. However, we also recognize that the process to achieve this may be lengthy and will likely occur only once national or regional healthcare providers include the device within their stroke therapy programs. We also believe that accelerating adoption may require additional clinical evidence as well as continued education regarding the ReStore design and its potential advantages compared to existing therapies and products.

As of December 31, 2025, and December 31, 2024, we had placed 48 and 43 ReStore units, respectively.

ReBoot Product

We are also in the research stage of ReBoot, a soft exoskeleton for stroke home and community use, and are currently evaluating the reimbursement landscape and the potential clinical impact of this device. This product would be a complementary product to ReStore, and it received Breakthrough Device Designation from the FDA in November 2021. The ReBoot is a lightweight, battery-powered exo-suit intended to assist ambulatory functions in individuals with reduced ankle function related to neurological injuries, such as stroke. The ReBoot is a customizable personalized device intended for home and community use with an estimated market of approximately 400,000 annual stroke patients who require walking assistance after being discharged home. Further investment in the development path of the ReBoot was paused in 2023 pending further determination about the clinical and commercial opportunity of this device and at this time it remains on hold.

Sales and Marketing Activities

With added resources from acquiring AlterG, Inc., we have created a U.S. commercial team that we believe has the capacity and capabilities to support a broad range of physical and neurological rehabilitation products for use in facilities, the home and the community. As part of this integration, we have rebranded our company under the name Lifeward, to emphasize our commitment to pioneering a portfolio of innovative technologies to empower the pursuit of life's ambitions in the face of physical limitation or disability. For the sake of clarity, we will continue to use the ReWalk name to designate our line of exoskeleton products and the AlterG name to describe our line of Anti-Gravity systems.

In the U.S., our commercial efforts are direct sales focused generally on rehabilitation centers, hospitals, rehabilitation clinics, and similar facilities that treat patients who could benefit from offerings within our portfolio of products. We market our facility-based products, such as the AlterG and the MyoCycle Pro to these institutions for their use in providing care to their patients. We also market our home-based products, such as the ReWalk Personal Exoskeleton or MyoCycle Home, to physicians and physical therapists for referrals to individuals who could benefit from these devices as part of a home-based activity regimen that elevates the health and wellness of these individuals. Additionally, some sales of the ReWalk Personal Exoskeleton or MyoCycle Home are also generated from referrals through the spinal cord injury community and direct inquiries from potential users through our different marketing efforts. Beyond healthcare facilities, we also market our AlterG systems to professional and college sports teams who use the systems to help their athletes recover from lower extremity sports injuries.

Outside the U.S., our distribution varies depending on the product and the geographic market. We market our ReWalk Personal Exoskeleton product directly in Germany and primarily through third-party distributors, who maintain the customer relationships, in our other markets. We market our AlterG systems directly in Canada, and in other territories utilize a network of over 40 third-party distributors who generally have exclusivity in their respective geographic territories.

As of December 31, 2025, we had placed 131 ReWalk Rehabilitation Exoskeleton units in use at rehabilitation centers and 778 ReWalk Personal Exoskeleton units in a home or community use, compared to 131 ReWalk Rehabilitation Exoskeleton units and 689 ReWalk Personal Exoskeleton units as of December 31, 2024. We estimate the installed base of AlterG systems is over 6,000 installed units worldwide as of December 31, 2025. With the finalization of the Medicare payment rates for exoskeletons that was effective April 1, 2024, we have begun to aggressively target the eligible Medicare customer base for growth while also continuing to focus on expanding commercial and other reimbursement coverage. Additionally, with our increased direct sales resources and distributor network, we also expect to further penetrate the base of facilities which could utilize AlterG systems for rehabilitation of their patients.

Competition

The market in which we operate is characterized by active competition and rapid technological change, and we expect competition to increase. Competition arises from providers of other mobility systems and prosthetic devices used in the clinic and/or home settings.

We are aware of several other companies developing competing technology and devices, and some of these competitors may have greater resources, greater name recognition, broader product lines, or larger customer bases than we do.

In the market for anti-gravity rehabilitation systems, our AlterG systems compete with other treadmill-based rehabilitation technologies offered by various medical device and rehabilitation equipment manufacturers, including systems offered by companies such as BTL Industries and other providers of rehabilitation treadmills and gait-training technologies used in clinical rehabilitation and sports performance settings. We believe that our AlterG systems differentiate themselves through their proprietary Differential Air Pressure technology, which allows precise and comfortable body-weight support during rehabilitation and athletic training.

Our principal competitors in the medical exoskeleton market consist of Ekso Bionics (NASDAQ: EKSO), Rex Bionics Pty, Cyberdyne (Tokyo Stock Exchange: 7779), FREE Bionics, DIH (formerly known as Hocoma), Wandercraft, and Bioness (acquired by Bioventus (NASDAQ: BVS)). The competitors' products may also compete with the ReStore Exo-Suit, as well as manual forms of gait training which do not involve robotic assistive devices.

We believe that our ReWalk Personal Exoskeleton possesses key competitive advantages over these companies' products, such as our tilt-sensor technology that provides a self-initiated walking experience, six degrees of freedom which enable a more natural gait, the ability to support its own weight, and robust durability in real-world conditions. In addition, ReWalk Personal Exoskeleton is the only medical exoskeleton with FDA and CE clearance for use on stairs and curbs, which greatly improves the ability to use the device in everyday real-world environments.

We believe that our ReStore Exo-Suit device has several competitive advantages over the products of our competitors, including a design that facilitates a natural, functional walking pattern through flexible materials, sensors, and powered plantarflexion as well as dorsiflexion, making it the only solution of its type of which we are aware of that supports such movements, achieving that with a lower cost and weight than rigid exoskeletal devices.

In addition, we are aware of a number of academic and early stage research into exoskeletons for various applications. Other medical device or robotics companies, academic and research institutions, or others may develop new technologies or therapies that provide a superior walking experience, are more effective in treating the secondary medical conditions that we target or are less expensive than our current or future products. Our technologies and products could be rendered obsolete by such developments.

We may also compete with other treatments and technologies that address the secondary medical conditions that ReWalk seeks to mitigate.

Community Engagement and Education

We devote significant resources to engagement with and education of the spinal cord injury community with respect to the benefits of our SCI Products. We actively seek opportunities to partner with hospitals, rehabilitation centers and key opinion leaders to engage in research and development and clinical activities. We also seek to educate and gain support from organizations such as patient advocacy groups and clinician societies with the goal of promoting adoption of exoskeleton technology from patient, clinician, and payor communities. We believe that our success has been and will continue to be driven in part by our reputation and acceptance within the spinal cord injury community.

To date, multiple advocacy groups have issued public endorsements of the ReWalk Personal Exoskeleton, including leading United States-based national organizations such as the United Spinal Association and the Dana and Christopher Reeves Foundation, as well as others. In addition, the National Institute for Health and Care excellence in the United Kingdom (also known as "NICE") has issued a public announcement regarding the ReStore device.

Services and Customer Support

Our commercial centers of operations in Hudson, Massachusetts and Berlin, Germany coordinate all customer support and product service functions for North America and Europe, respectively, through dedicated technical service personnel who provide product services and customer support through training to healthcare providers and support to product users.

Research and Development

We are committed to investing in a robust research and development program to support our current product line and to potentially develop our pipeline of new and complementary products, and we believe that ongoing research and development efforts are essential to our success. Our research and development team consists of both in-house and external staff, including engineers, machinists, researchers and marketing, quality, manufacturing, regulatory and clinical personnel, which we employ as efficiently as possible meet our current and future needs, and who work closely together to design, enhance, and validate our technologies. This research and development team conceptualizes technologies and then builds and tests prototypes before refining and/or redesigning, as necessary. Our regulatory and clinical personnel work in parallel with engineers and researchers, allowing us to anticipate and resolve potential issues at early stages in the development cycle. Our level of research and development investment depends on our available resources, business plans, and future needs. For more information, see "Part I, Item 1A. Risk Factors — Risks Related to Our Business and Our Industry — Our future growth and operating results will depend on our ability to develop, receive regulatory clearance for, and commercialize new products and penetrate new product and geographic markets."

We have implemented product design improvements for the ReWalk Personal Exoskeleton, including enhancements incorporated into the ReWalk 7 system, which received regulatory clearance and has been commercially launched.

In the longer term we are conducting research on our next generation exoskeleton with design improvements and advanced robotic technologies such as AI and sensor fusion. New medical indications impacting the ability to walk that we may pursue include multiple sclerosis, cerebral palsy, Parkinson's disease, and assistance for elderly individuals.

We are also considering new generations of anti-gravity systems utilizing our DAP technology, including the NEO which was introduced in 2024 as an entry-level and most accessible model of Anti-Gravity™ system to enable increased adoption of Anti-Gravity™ technology across a broader range of clinics and training facilities. Additionally, we are evaluating other applications for DAP technology to create entirely new rehabilitation systems for our facility-based customers.

We conduct our research and development efforts mainly at our facility in Yokneam, Israel. We believe that the close interaction among our research and development and manufacturing groups allows for timely and effective realization of our new product concepts.

Our research and development efforts have been financed, in part, through funding from the Israel Innovation Authority (formerly known as Office of the Chief Scientist in the Israel Ministry of Economy) (the "IIA"). From our inception through December 31, 2025, we received funding totaling $2.8 million from the IIA. For more information regarding our research and development financing arrangements, see "Part II. Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources" and "—Grants and Other Funding."

Research and Development Collaborations

On April 1, 2022, we entered a research and development cooperation agreement with several companies and universities in the Human Robot Interaction ("HRI") Consortium, part of the IIA's MAGNET incentive program. This incentive program provides grants for R&D collaboration as part of a consortium comprised of private businesses and leading academic centers. The goals of the HRI consortium are to "develop advanced technologies aimed at providing robots with social capabilities, enabling them to carry out various tasks and effective interactions with different users in diverse operational environments." The total program has a budget of NIS 57 million, which includes funding for research and development grants to help drive technological innovation. The Consortium is a 3-year program which has allocated NIS 1.745 million to fund ReWalk-specific projects over the first 18-month period of the program. In November 2023, we entered the second 18-month period of the program, the Consortium has allocated NIS 1.336 million to fund ReWalk-specific projects over the second 18-month period. As of December 31, 2025, the Company spent total funds in the amount of NIS 3.0 million. As a member of the HRI Consortium, we collaborate with several universities to develop advanced technologies aimed at improving the human-exoskeleton interaction. This research collaboration with top researchers in the fields of robotics, behavioral sciences and human-computer interaction will seek to make the use of exoskeletons easier and more natural to promote wider adoption of the technology.

On May 16, 2016, we entered into the Research Collaboration Agreement ("Collaboration Agreement") and the Exclusive License Agreement ("Harvard License Agreement") with Harvard. Under the Collaboration Agreement, we and Harvard agreed to collaborate on research regarding the development of lightweight soft suit exoskeleton system technologies for lower limb disabilities, which are intended to treat stroke, multiple sclerosis, mobility limitations for the elderly and other medical applications. Under the Collaboration Agreement, we paid Harvard quarterly installment payments to help fund the research. Subject to the terms of the Collaboration Agreement, we and Harvard were required to report our respective research results and findings to each other on a regular basis. The Collaboration Agreement governed ownership of the research results and inventions generated in performance of the research collaboration and provided us the option to negotiate with Harvard for a license to certain new inventions of Harvard conceived in performance of the collaboration. The Collaboration Agreement concluded on March 31, 2022.

Under the Harvard License Agreement, we have been granted an exclusive, worldwide royalty-bearing license under certain patents of Harvard relating to lightweight "soft suit" exoskeleton system technologies for lower limb disabilities, a royalty-free license under certain related know-how and the option to obtain a license to certain inventions conceived under our joint research collaboration. Harvard retains the right to practice the patents for research, educational and scholarly purposes. We are required to use commercially reasonable efforts to develop products under the Harvard License Agreement in accordance with an agreed-upon development plan and to introduce and market such products commercially. In addition to an upfront fee and royalties on net sales, we are obligated to pay Harvard certain milestone payments upon the achievement of certain product development and commercialization milestones. We have also agreed to reimburse Harvard for expenses incurred in connection with the filing, prosecution, and maintenance of the licensed patents.

The Harvard License Agreement will continue in full force and effect until the expiration of the last-to-expire valid claim of the licensed patents, or it is terminated in accordance with its terms. We may terminate the License Agreement for any reason upon 60 days' prior written notice, while Harvard may terminate the License Agreement if we do not maintain requisite insurance or become insolvent. The Harvard License Agreement may also be

terminated by Harvard or us due to the other party's material uncured breach. The Harvard License Agreement contains, as applicable, customary representations and warranties and customary enforcement, indemnification, and insurance provisions.

Intellectual Property

Protection of our intellectual property is important to our business. We seek to protect our intellectual property through a combination of patents, trademarks, confidentiality, and assignment agreements with our employees and certain of our contractors and confidentiality agreements with certain of our consultants, scientific advisors and other vendors and contractors. In addition, we rely on trade secrets law to protect our proprietary software and product candidates/products in development.

In addition to our portfolio of issued patents and pending patent applications, we license certain patented and patented pending technology from a third party as described above under the "Research and Development" section.

For our ReWalk product line, as of December 31, 2025, we have 12 issued patents in the United States and 34 issued patents outside of the United States, as well as 7 pending patent applications for our technology in the United States, China, and Europe, including one pending international PCT application. For our patents associated with DAP and other AlterG technology, as of December 31, 2025, we have 30 issued patents in the United States and 7 patents issued outside the United States, as well as 2 pending patent applications for anti-gravity associated technology in the United States and one pending international PCT application.

In the United States and Europe, we have apparatus patent claims covering aspects of both our exoskeleton and our anti-gravity products and similar devices or systems, which focus on protecting our products in terms of structural characteristics and functionality. Moreover, we also have method patent claims covering certain methods of operation and control of our exoskeleton and anti-gravity products, which provide additional protection for our technology. We do not currently license any of the technology contained in our currently commercialized ReWalk and AlterG products, other than with respect to technology that is generally publicly available, but we may do so in the future.

Patents filed both in the United States and Europe (as well as other countries) generally have a term of 20 years from their earliest effective filing date, although they can be slightly longer depending upon a local jurisdiction's rules and laws. For example, the oldest of our issued patents relating to our tilt-sensor technology was filed in May 2001 in the United States and would typically expire in May 2021. However, this patent actually expired in April of 2023 due to patent term adjustment (PTA) of 689 days for delays in examination by the United States Patent and Trademark Office.

We currently hold a registered trademark in the United States, Europe, Israel, and the United Kingdom, for the mark ReWalk®. We currently hold a registered trademark in United States, Europe and the United Kingdom for the mark ReStore®. We currently hold the trademarks Alter G™ and Anti-Gravity Treadmill™ in the United States, Canada and Japan. The trademark Alter G™ is also held in the United Kingdom and Europe. We currently hold the registered trademark Defy Gravity® in the United States. We also hold a registered trademark for Lifeward® in the Europe, the United Kingdom, and Israel. The application to register the trademark Lifeward™ is pending in the United States.

We cannot be sure that our intellectual property will provide us with a competitive advantage especially as some of our older patents begin to expire, or that we will not infringe on the intellectual property rights of others. In addition, we cannot be sure that any patents will be granted in a timely manner or at all with respect to any of our patent pending applications. For a more comprehensive discussion of the risks related to our intellectual property, see "Part I, Item 1A. Risk Factors—Risks Related to Our Intellectual Property."

Government Regulation

U.S. Regulation

Our medical products and manufacturing operations are regulated by the FDA and other federal and state agencies. Our products are regulated as medical devices in the United States under the Federal Food, Drug, and Cosmetic Act, or the FFDCA, as implemented and enforced by the FDA. The FDA regulates the development, testing, manufacturing, labeling, storage, installation, servicing, advertising, promotion, marketing, distribution, import, export, and market surveillance of our medical devices.

Premarket Regulatory Requirements

Unless an exemption applies, each medical device commercially distributed in the United States requires either FDA clearance of a 510(k) premarket notification, approval of a premarket approval application (PMA), or issuance of a de novo classification order. Under the FFDCA, medical devices are classified into one of three classes—Class I, Class II or Class III—depending on the degree of risk associated with each medical device and the extent of control needed to provide reasonable assurance of safety and effectiveness. Classification of a device is important because the class to which a device is assigned determines, among other things, the necessity and type of FDA review required prior to marketing the device. Class I devices are those for which reasonable assurance of safety and effectiveness can be assured by adherence to general controls that include compliance with the applicable portions of the FDA's Quality Management System Regulation, or QMSR, facility registration and product listing, reporting of adverse medical events, and appropriate, truthful and non-misleading labeling, advertising, and promotional materials. Class I also includes devices for which there is insufficient information to determine that general controls are sufficient to provide reasonable assurance of the safety and effectiveness of the device or to establish special controls to provide such assurance, but that are not life-supporting or life-sustaining or for a use which is of substantial importance in preventing impairment of human health, and that do not present a potential unreasonable risk of illness of injury.

Class II devices are those for which general controls alone are insufficient to provide reasonable assurance of safety and effectiveness and there is sufficient information to establish "special controls." These special controls can include performance standards, post-market surveillance, and patient registries. While most Class I devices are exempt from the 510(k) premarket notification requirement, most Class II devices require a 510(k) premarket notification to be marketed in the U.S. As a result, manufacturers of most Class II devices are required to submit to the FDA premarket notifications under Section 510(k) of the FFDCA in order to market or commercially distribute those devices. To obtain 510(k) clearance, manufacturers must demonstrate that the proposed device is "substantially equivalent" to a predicate device already on the market. A predicate device is a legally marketed device that is not subject to premarket approval, or PMA, meaning, (i) a device that was legally marketed prior to May 28, 1976 (pre-amendments device) and for which a PMA is not required, (ii) a device that has been reclassified from Class III to Class II or I, or (iii) a device that was found substantially equivalent through the 510(k) process. If the FDA agrees that the device is substantially equivalent to a predicate device currently on the market, it will grant 510(k) clearance to commercially market the device. If the device is not "substantially equivalent" to a previously cleared device, the device is automatically a Class III device. The device sponsor must then fulfill more rigorous premarket approval requirements or can request a risk-based classification determination for the device in accordance with the "de novo" classification process, which is a route to market for medical devices that are low to moderate risk but are not substantially equivalent to a predicate device.

Devices that are intended to be life sustaining or life supporting, devices that are implantable, devices that present a potential unreasonable risk of harm or are of substantial importance in preventing impairment of health, and devices that are not substantially equivalent to a predicate device are placed in Class III and generally require approval of a PMA, unless the device is a pre-amendment device not yet subject to a regulation requiring premarket approval. The PMA process is more demanding than the 510(k) premarket notification process. In a PMA, the manufacturer must demonstrate that the device is safe and effective, and the PMA must be supported by extensive data, including data from preclinical studies and clinical trials. The PMA must also contain a full description of the device and its components, a full description of the methods, facilities and controls used for manufacturing, and proposed labeling. Following receipt of a PMA, the FDA determines whether the application is sufficiently complete to permit a substantive review. If the FDA accepts the application for review, it has 180 days under the FFDCA to complete its review of a PMA, although in practice, the FDA's review often takes significantly longer and can take one year or more.

Clinical trials are almost always required to support PMAs and are sometimes required to support 510(k) submissions. All clinical investigations of devices to determine safety and effectiveness must be conducted in accordance with the FDA's investigational device exemption, or IDE, regulations that govern investigational device labeling, prohibit promotion of the investigational device, and specify recordkeeping, reporting and monitoring responsibilities of study sponsors and study investigators. If the device presents a "significant risk," as defined by the FDA, the agency requires the device sponsor to submit an IDE application to the FDA, which must become effective prior to commencing human clinical trials. The IDE will automatically become effective 30 days after receipt by the FDA, unless the FDA denies the application or notifies the company that the investigation may not begin. If the FDA determines that there are deficiencies or other concerns with an IDE that require modification of the study, the FDA may permit a clinical trial to proceed under a conditional approval. In addition, the study must be approved by, and conducted under the oversight of, an Institutional Review Board, or IRB, for each clinical site. If the device presents a non-significant risk to the patient, a sponsor may begin the clinical trial after obtaining approval for the trial by one or more IRBs without separate approval from the FDA, but must still comply with abbreviated IDE requirements, such as monitoring the investigation, ensuring that the investigators obtain informed consent, and labeling and record-keeping requirements.

In June 2014, the FDA granted our request for "de novo" classification, and classified ReWalk as a Class II powered exoskeleton device subject to special controls. The ReWalk is intended to enable individuals with spinal cord injuries to perform ambulatory functions under supervision of a specially trained companion, and inside rehabilitation institutions. The special controls established in the de novo classification order for all powered exoskeleton devices include the following: clinical testing to demonstrate safe and effective use considering the level of supervision necessary and the use environment; non-clinical safety and performance testing, including durability testing to demonstrate that the device performs as intended under anticipated conditions of use; a training program; and labeling related to device use and user training. The special controls of this de novo order also apply to competing powered exoskeleton products seeking FDA clearance.

In June 2019, the FDA issued a 510(k) clearance for ReStore, which means that the device can be marketed in the U.S. ReStore is intended to be used to assist ambulatory functions in rehabilitation institutions under the supervision of a trained therapist for people with hemiplegia or hemiparesis due to stroke. ReStore complies with special controls for powered exoskeletons as described above. In order for us to market ReStore and ReWalk, we must comply with both these special controls as well as general controls, including controls related to quality, facility registration, reporting of adverse events and labelling. Failure to comply with the general and special controls could lead to removal of ReStore or ReWalk from the market, which would have a material adverse effect on our business.

In March 2023, we received 510(k) clearance for the ReWalk Personal Exoskeleton with an indication for standing and walking on level surfaces and mild slopes and ascending and descending stairs and curbs. In June 2024, we submitted a 510(k) premarket notification for the ReWalk 7 Personal Exoskeleton, a next-generation ReWalk model, and the 510(k) was cleared by FDA in March 2025.

For more information, see "Part I, Item 1A. Risk Factors-Risks Related to Government Regulation-We are subject to extensive governmental regulations relating to the manufacturing, labelling and marketing of our products, and a failure to comply with such regulations could lead to withdrawal or recall of our products from the market."

Expedited Development and Review Programs

FDA's Breakthrough Devices Program is a voluntary program offered to manufacturers of certain medical devices and device-led combination products that may provide for more effective treatment or diagnosis of life-threatening or irreversibly debilitating diseases or conditions. The goal of the program is to provide patients and health care providers with more timely access to qualifying devices by expediting their development, assessment and review, while preserving the statutory standards for marketing authorization.

The program is available to medical devices that meet certain eligibility criteria, including that the device provides more effective treatment or diagnosis of life-threatening or irreversibly debilitating diseases or conditions, and that the device meets one of the following criteria: (i) the device represents a breakthrough technology, (ii) no approved or cleared alternatives exist, (iii) the device offers significant advantages over existing approved or cleared alternatives, or (iv) the availability of the device is in the best interest of patients. Breakthrough Device designation provides certain benefits to device developers, including more interactive and timely communications with FDA staff, use of post market data collection, when scientifically appropriate, to facilitate expedited and efficient development and review of the device, opportunities for efficient and flexible clinical study design, and prioritized review of premarket submissions.

Post-Market Regulatory Requirements

After a device is cleared for marketing, numerous regulatory requirements apply. These include:

- establishment registration and device listing;
- development of a quality assurance system, including establishing and implementing procedures to design and manufacture devices;
- labeling regulations that prohibit the promotion of products for unapproved or "off-label" uses and impose other restrictions on labeling;
- FDA's Unique Device Identification requirements that call for a unique device identifier (UDI) on device labels and packages and submission of data to the FDA's Global Unique Device Identification Database (GUDID);
- medical device reporting regulations that require manufacturers to report to the FDA if a device may have caused or contributed to a death or serious injury or malfunctioned in a way that would likely cause or contribute to a death or serious injury if it were to recur; and corrections and removal reporting regulations that require manufacturers report to the FDA field corrections and product recalls or removals if undertaken to reduce a risk to health posed by the device or to remedy a violation of the FFDCA that may present a risk to health; and
- post-market surveillance.

Our manufacturing processes are required to comply with the applicable portions of the FDA's Quality Management System Regulation ("QMSR") that covers the methods and the facilities and controls for the design, manufacture, testing, production, processes, controls, quality assurance, labeling, packaging, distribution, installation, and servicing of finished devices intended for human use. The QMSR became effective in February 2026 and replaced the Quality System Regulation ("QSR"). The QMSR incorporates by reference the international standard for medical device quality management systems set by the International Organization for Standardization (ISO), ISO 13485:2016. We actively maintain compliance with the FDA's QMSR, and the European Union's Quality Management Systems requirements, ISO 13485:2016.

As a manufacturer, we are subject to periodic scheduled or unscheduled inspections by the FDA. If the FDA believes we or any of our contract manufacturers are not in compliance with the quality system requirements, or other post-market requirements, it has significant enforcement authority. Specifically, if the FDA determines that we failed to comply with applicable regulatory requirements, it can take a variety of compliance or enforcement actions, which may result in any of the following sanctions:

- untitled letters, warning letters, fines, injunctions, consent decrees and civil penalties;
- customer notifications or repair, replacement, or refunds;
- recalls, withdrawals, or administrative detention or seizure of our products;
- operating restrictions or partial suspension or total shutdown of production;

- refusing or delaying requests for approval of pre-market approval applications relating to new products or modified products;
- withdrawing PMA approval;
- refusal to grant export approvals for our products; or
- pursuing criminal prosecution.

Any such action by the FDA would have a material adverse effect on our business. In addition, these regulatory controls, as well as any changes in FDA policies, can affect the time and cost associated with the development, introduction, and continued availability of new products. Where possible, we anticipate these factors in our product development processes.

Regulation Outside of the U.S.

In addition to the United States regulations, we are subject to a variety of foreign regulations governing clinical trials, manufacturing and commercial sales and distribution of our products. In the E.U., medical devices are regulated by the European Union Medical Devices Regulation (EU) 2017/745 or MDR, which became applicable on May 26, 2021, and replaced the E.U. Medical Devices Directive 93/42/EEC, or MDD. The MDR and its associated guidance documents and harmonized standards, govern, among other things, device design and development, preclinical and clinical or performance testing, premarket conformity assessment, registration, manufacturing, labeling, claims, distribution, export and import and post-market surveillance, vigilance, and market surveillance.

Before a device can be placed on the market in the E.U., compliance with the MDR requirements must be demonstrated in order to affix the CE mark to the product. The method of assessing conformity varies depending on the class of the product but normally involves a combination of self-assessment by the manufacturer and a third-party assessment by a "Notified Body." This third-party assessment may consist of an audit of the manufacturer's quality system or specific testing of the manufacturer's product. The Notified Body issues a CE Certificate of Conformity to confirm successful completion of a conformity assessment procedure conducted in relation to the medical device and its manufacturer and their conformity with the essential requirements provided in the MDR. Under transitional provisions provided in the MDR, medical devices that had valid CE Certificates of Conformity issued under the MDD prior to May 26, 2021 and that remained valid (and not withdrawn) on March 20, 2023, can continue to be placed on the EEA market until the end of December 2027 or 2028 (depending on the class of device), provided the device's manufacturer complies with certain requirements, including that there are no significant changes in the design and intended purpose of the applicable device. After the expiry of any applicable transitional period, only devices that have been CE marked on the basis of the MDR may be placed on the market in the EEA. We comply with the E.U. requirements and have received a Notified Body Certificate of Conformity under the MDR for ReWalk 7 Personal Exoskeleton. Prior models of our ReWalk system are CE marked under the MDD and continue to be placed on the EU market in compliance with the MDR transitional provisions. The ReStore product was not planned for MDR conformity and accordingly, we had to cease sales of the ReStore in the E.U. in May 2024.

Following the U.K.'s exit from the E.U. (known as "Brexit"), the MDR applies in Northern Ireland but does not apply in Great Britain (England, Scotland and Wales). The medical device legislative framework in Great Britain is set out in the Medical Devices Regulations 2002, as amended. These regulations are based on the previous medical device directives of the E.U. but modified to operate independently of E.U. law. The Medical Devices Regulations 2002 contain certain Great Britan-specific requirements, including the introduction of the UK Conformity Assessed, or UKCA, marking (although E.U. CE marks will be recognized potentially up until June 2030 or later (subject to further consultation)), the requirement for manufacturers located outside of the U.K. to appoint a "UK Responsible Person" if they place devices on the Great Britain market, and expanded device registration requirements.

Sales in other jurisdictions are subject to the foreign government regulations of the relevant jurisdiction, and in most cases, we must obtain approval by the appropriate regulatory authorities before we can commence clinical trials or marketing activities in those countries. The approval process varies from country to country, and the time may be longer or shorter than that required to obtain a marketing authorization in the United States or the CE mark in the E.U. The requirements governing the conduct of clinical trials, product licensing, pricing and reimbursement vary greatly from country to country.

The policies of the FDA and foreign regulatory authorities may change, and additional government regulations may be enacted that could prevent or delay regulatory approval of our products and could also increase the cost of regulatory compliance. We cannot predict the likelihood, nature, or extent of adverse governmental regulation that might arise from future legislative or administrative action, either in the United States or abroad.

U.S. Anti-Kickback, False Claims and Other Healthcare Fraud and Abuse Laws

In the United States, there are federal and state anti-kickback laws that prohibit the payment or receipt of kickbacks, bribes or other remuneration intended to induce the purchase or recommendation of healthcare products and services. Violations of these laws can lead to civil and criminal penalties, including exclusion from participation in federal healthcare programs. These laws apply to manufacturers of products, such as us, with respect to our financial relationship with hospitals, physicians and other potential purchasers or acquirers of our products. The U.S. government has published regulations that identify "safe harbors" or exemptions for certain practices from enforcement actions under the federal anti-kickback statute, and we will seek to comply with the safe harbors where possible. The federal anti-kickback law also contains several statutory safe harbors. To qualify for a safe harbor, the activity must fit squarely within the safe harbor. Arrangements that do not meet a safe harbor are not necessarily illegal but must be evaluated on a case-by-case basis. A person or entity may be found to violate the anti-kickback statute even absent actual knowledge of this statute or specific intent to violate it. In addition, the government may assert that a claim that includes items or services resulting from a violation of the federal anti-kickback statute constitutes a false or fraudulent claim for purposes of the federal False Claims Act ("FCA").

The civil FCA prohibits, among other things, any person or entity from knowingly presenting, or causing to be presented, a false or fraudulent claim for payment to, or approval by, the federal government, knowingly making, using, or causing to be made or used a false record or statement material to a false or fraudulent claim to the federal government, or avoiding, decreasing, or concealing an obligation to pay money to the federal government. A claim includes "any request or demand" for money or property presented to the U.S. government. The civil FCA has been used to assert liability on the basis of kickbacks and other improper referrals, improper use of Medicare provider or supplier numbers when detailing a provider of services, improper promotion of off-label uses not covered by a device's clearance or approval, and allegations as to misrepresentations with respect to products, contract requirements, and services rendered. In addition, private payors have been filing follow-on lawsuits alleging fraudulent misrepresentation, although establishing liability and damages in these cases is more difficult than under the FCA. Intent to deceive is not required to establish liability under the civil FCA. Civil FCA actions may be brought by the government or may be brought by private individuals on behalf of the government, called "qui tam" actions. If the government decides to intervene in a qui tam action and prevails in the lawsuit, the individual will share in the proceeds from any fines or settlement funds. If the government declines to intervene, the individual may pursue the case alone. The civil FCA provides for treble damages and a civil penalty for each false claim, such as an invoice or pharmacy claim for reimbursement, which can aggregate into millions of dollars. For these reasons, FCA lawsuits against biopharmaceutical and device companies have resulted in substantial civil and criminal settlements, as much as $3.0 billion, regarding certain sales practices and promoting off label uses. Civil FCA liability may further be imposed for known Medicare or Medicaid overpayments that are not refunded within 60 days of discovering the overpayment, even if the overpayment was not caused by a false or fraudulent act. In addition, conviction or civil judgment for violating the FCA may result in exclusion from federal health care programs, and suspension and debarment from government contracts, and refusal of orders under existing government contracts.

The government may further prosecute conduct constituting a false claim under the criminal FCA. The criminal FCA prohibits the making or presenting of a claim to the government knowing such claim to be false, fictitious, or fraudulent and, unlike the civil FCA, requires proof of intent to submit a false claim.

The civil monetary penalties statute is another statute under which medical device companies may potentially be subject to enforcement. Among other things, the civil monetary penalties statue imposes fines against any person who offers to provide remuneration to any individual eligible for benefits under Medicare or Medicaid that the offerer knows or should know is likely to influence the individual's selection of a particular provider or supplier of any item or service reimbursable under those programs.

The federal Health Insurance Portability and Accountability Act of 1996 ("HIPAA") also created federal criminal statutes that prohibit, among other actions, knowingly and willfully executing, or attempting to execute, a scheme to defraud or to obtain, by means of false or fraudulent pretenses, representations or promises, any of the money or property owned by, or under the custody or control of, a healthcare benefit program, regardless of whether the payor is public or private, in connection with the delivery or payment for health care benefits, knowingly and willfully embezzling or stealing from a health care benefit program, willfully obstructing a criminal investigation of a health care offense and knowingly and willfully falsifying, concealing, or covering up by any trick or device a material fact or making any materially false statements in connection with the delivery of, or payment for, healthcare benefits, items, or services relating to healthcare matters. Additionally, the Patient Protection and Affordable Care Act, as amended by the Health Care and Education Affordability Reconciliation Act, or collectively the "ACA", amended the intent requirement of certain of these criminal statutes under HIPAA so that a person or entity no longer needs to have actual knowledge of the statute, or the specific intent to violate it, to have committed a violation.

The Physician Payments Sunshine Act ("Sunshine Act") requires annual reporting, by applicable device and drug manufacturers, of covered products, payments, and other transfers of value to certain health care providers, and ownership and investment interests held by physicians and their immediate family members.

Further, we may be subject to data privacy and security regulation by both the federal government and the states in which we conduct our business. HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act ("HITECH") and its respective implementing regulations imposes certain requirements on covered entities relating to the privacy, security, and transmission of certain individually identifiable health information, known as protected health information. Among other things, HITECH, through its implementing regulations, makes HIPAA's security standards and certain privacy standards directly applicable to business associates, defined as a person or organization, other than a member of a covered entity's workforce, that creates, receives, maintains, or transmits protected health information on behalf of a covered entity for a function or activity regulated by HIPAA. HITECH also strengthened the civil and criminal penalties that may be imposed against covered entities, business associates, and individuals, and gave state attorneys general new authority to file civil actions for damages or injunctions in federal courts to enforce the federal HIPAA laws and seek attorneys' fees and costs associated with pursuing federal civil actions. In addition, other federal and state laws may govern the privacy and security of health and other information in certain circumstances, many of which differ from each other in significant ways and may not be pre-empted by HIPAA, thus complicating compliance efforts.

Many states have also adopted laws similar to each of the above federal laws, which may be broader in scope and apply to items or services reimbursed by any third-party payor, including commercial insurers. Certain states also require implementation of commercial compliance programs and compliance with the medical device industry's otherwise voluntary compliance guidelines and the applicable compliance guidance promulgated by the federal government, or otherwise restrict payments or the provision of other items of value that may be made to healthcare providers and other potential referral sources; impose restrictions on marketing practices; or require companies to track and report information related to payments, and other items of value to physicians and other healthcare providers.

If our operations are found to be in violation of any of the laws or regulations described above or any other applicable laws, we may be subject to penalties or other enforcement actions, including criminal and significant civil monetary penalties, damages, fines, disgorgement, imprisonment, exclusion from participation in government healthcare programs, corporate integrity agreements, suspension and debarment from government contracts, and refusal of orders under existing government contracts, reputational harm, diminished profits and future earnings, and the curtailment or restructuring of our operations, any of which could adversely affect our ability to operate our business and our results of operations. Enforcement actions can be brought by federal or state governments, or as "qui tam" actions brought by individual whistleblowers in the name of the government under the civil FCA if the violations are alleged to have caused the government to pay a false or fraudulent claim.

To the extent that any of our products are sold in a foreign country, we may be subject to similar foreign laws and regulations, which may include, for instance, applicable post-marketing requirements, including safety surveillance, anti-fraud and abuse laws, and implementation of corporate compliance programs and reporting of payments or transfers of value to healthcare professionals.

Coverage and Reimbursement

The commercial success of our product candidates and our ability to commercialize any approved product candidates successfully will depend in part on the extent to which governmental payor programs at the federal and state levels, including Medicare and Medicaid, private health insurers, and other third-party payors provide coverage for and establish adequate reimbursement levels for our products. Government authorities, private health insurers, and other organizations generally decide which products and services they will pay for and establish reimbursement levels for healthcare. Medicare is a federally funded program managed by CMS through local fiscal intermediaries and carriers that administer coverage and reimbursement for certain healthcare items and services furnished to the elderly and disabled. Medicaid is an insurance program for certain categories of patients whose income and assets fall below state defined levels and who are otherwise uninsured that is both federally and state funded and managed by each state. In the United States, private health insurers and other third-party payors often provide reimbursement for products and services based on the level at which the government provides reimbursement through the Medicare or Medicaid programs for such products and services.

In the United States, the European Union, and other potentially significant markets for our products, government authorities and third-party payors are increasingly attempting to limit or regulate the price of medical products and services, particularly for new and innovative products and therapies, which often has resulted in average selling prices lower than they would otherwise be. In the United States, it is also common for certain government and private health plans to use coverage determinations to leverage rebates from labelers to reduce the plans' net costs. These restrictions and limitations influence the purchase of healthcare services and products and lower the realization of manufacturers' sales of products. Third-party payors are developing increasingly sophisticated methods of controlling healthcare costs. Third-party payors may limit coverage to specific therapeutic products on an approved list, or formulary, which might not include all the FDA-approved products for a particular indication or might impose high co-payment amounts to influence patient choice. Third-party payors also control costs by requiring prior authorization or imposing other restrictions. Third-party payors are increasingly challenging the price and examining the medical necessity and cost-effectiveness of medical products and services, in addition to their safety and efficacy.

Federal programs also impose price controls through mandatory ceiling prices on purchases by federal agencies and federally funded hospitals and clinics. These restrictions and limitations influence the purchase of healthcare services and products. Legislative proposals to reform healthcare or reduce costs under government programs may result in lower reimbursement for our products or exclusion of our products.

Private payors often rely on the lead of the governmental payors in rendering coverage and reimbursement determinations. Therefore, achieving favorable CMS coverage and reimbursement is usually a significant gating issue for successful introduction of a new product.

Further, the increased emphasis on managed healthcare in the United States and on country and regional pricing and reimbursement controls in the European Union will put additional pressure on product pricing, reimbursement, and utilization, which may adversely affect our future product sales and results of operations. These pressures can arise from rules and practices of managed care groups, competition from other products, judicial decisions and governmental laws and regulations related to Medicare, Medicaid, and healthcare reform, and pricing in general. Patients who are prescribed treatments for their conditions and providers performing the prescribed services generally rely on third-party payors to reimburse all or part of the associated healthcare costs. Sales of our product candidates will therefore depend substantially, both domestically and abroad, on the extent to which the costs of our products will be paid by health maintenance, managed care, and similar healthcare management organizations, or reimbursed by government health administration authorities, such as Medicare and Medicaid, private health insurers, and other third-party payors.

Moreover, a payor's decision to provide coverage for a product does not imply that an adequate reimbursement rate will be approved or that significant price concessions will not be required to avoid restrictive conditions. High health plan co-payment requirements may result in patients seeking alternative therapies. Adequate third-party reimbursement may not be available to enable us to maintain price levels sufficient to realize an appropriate return on our investment. Legislative proposals to reform healthcare or reduce costs under government insurance programs may result in lower reimbursement for our products or exclusion of our products from coverage. The cost containment measures that healthcare payors and providers are instituting and any healthcare reform could significantly reduce our revenue from the sale of any approved product candidates.

Healthcare Reform Measures

The United States and many foreign jurisdictions have enacted or proposed legislative and regulatory changes affecting the healthcare system. The United States government, state legislatures and foreign governments also have shown significant interest in implementing cost-containment programs to limit the growth of government-paid healthcare costs, including price controls, restrictions on reimbursement and requirements for substitution of generic products for branded prescription drugs.

The ACA substantially changed the way healthcare is financed by both governmental and private insurers and significantly impacts the pharmaceutical industry. The ACA was intended to broaden access to health insurance, reduce or constrain the growth of healthcare spending, enhance remedies against healthcare fraud and abuse, add new transparency requirements for healthcare and health insurance industries, impose new taxes and fees on pharmaceutical and medical device manufacturers, and impose additional health policy reforms.

The Budget Control Act of 2011, among other things, created the Joint Select Committee on Deficit Reduction to recommend proposals in spending reductions to Congress. The Joint Select Committee did not achieve its targeted deficit reduction of an amount greater than $1.2 trillion for the fiscal years 2012 through 2021, triggering the legislation's automatic reductions to several government programs. These reductions included aggregate reductions to Medicare payments to healthcare providers of up to 2.0% per fiscal year. The Bipartisan Budget Act of 2018 retained the federal budget "sequestration" Medicare payment reductions of 2% and extended it through 2031. Under the Consolidated Appropriations Acts of 2023 and 2024, the Medicare sequester percentage in FY2032 is scheduled to be 2% from April 1, 2032, through September 30, 2032, and 0% for October 1, 2032 through March 31, 2032 unless congressional action is taken. On January 2, 2013, the American Taxpayer Relief Act was signed into law, which, among other things, reduced Medicare payments to several types of providers, including hospitals, imaging centers and cancer treatment centers, and increased the statute of limitations period for the government to recover overpayments to providers from three to five years.

Further legislative and regulatory changes remain possible. It is unknown what form any such changes or any law would take, and how or whether it may affect our business in the future. We expect that changes or additions to the Medicare and Medicaid programs, and changes stemming from other healthcare reform measures, especially with regard to healthcare access, financing or other legislation in individual states, could have a material adverse effect on the healthcare industry.

At the state level, legislatures may also increasingly pass legislation and implement regulations designed to control product pricing, including price or patient reimbursement constraints, discounts, restrictions on certain product access and marketing cost disclosure and transparency measures.

We expect that additional federal, state, and foreign healthcare reform measures will be adopted in the future, any of which could limit the amounts that federal and state governments will pay for healthcare products and services, which could result in limited coverage and reimbursement and reduced demand for our products, or additional pricing pressures.

Environmental Matters

We are subject to various environmental, health and safety laws and regulations, including those governing air emissions, water and wastewater discharges, noise emissions, the use, transport, management and disposal of chemicals and hazardous materials and wastes, the import, export and registration of chemicals, and the cleanup of contaminated sites. Based on information currently available to us, we do not expect environmental or health and safety costs and contingencies to have a material adverse effect on us. The operation of our business and facilities, however, entails risks in these areas. Significant expenditures could be required in the future to comply with environmental or health and safety laws, regulations, or requirements.

In Israel, where we manufacture our ReWalk products at our facility, we do not utilize chemicals that require a toxic materials license. In the U.S., where our contract manufacturer produces our AlterG products, we do not utilize chemicals which require a toxic materials license. Out Contract manufacturer has a hazardous waste disposal license with the EPA ID# NHD500017052 and dispose of our expired and empty containers through a process in accordance with the license supplier "Republic Services" with EPA ID# NHD500018452.

In the European marketplace, electrical and electronic equipment and its packaging is required to comply with a number of regulatory regimes aimed at ensuring product safety and protecting the environment, including the Directive on Waste Electrical and Electronic Equipment, which aims to prevent waste by encouraging reuse and recycling, and the Directive on Restriction of Use of Certain Hazardous Substances, which restricts the use of ten hazardous substances in electrical and electronic products. Our products and certain components of such products "placed on the market" in the E.U. (whether or not manufactured in the E.U.) are subject to these and other legislative regimes. Additionally, we are required to comply with certain laws, regulations, and directives, including the Toxic Substances Control Act in the United States and the REACH Regulation in the E.U., governing chemicals. These and similar laws and regulations require the testing, reporting, labelling, and registration of certain chemicals we use and ship. We believe we comply in all material respects with applicable environmental and product conformity laws and regulations.

Manufacturing

Our ReWalk exoskeletons, ReStore exo-suits, and AlterG Anti-Gravity systems include off-the-shelf and custom-made components produced to our specifications by various third parties for technical and cost-effectiveness. During 2025, we terminated our contract manufacturing agreement with Sanmina Corporation for the manufacture of our ReWalk exoskeletons and ReStore exo-suits. We transitioned the manufacturing of ReWalk exoskeletons to the Lifeward Ltd. facility. We contracted with Cirtronics Corporation ("Cirtronics"), a well-established contract manufacturer with expertise in the medical device industry, for the manufacture of the AlterG product at its facility in Milford, New Hampshire beginning January 2025. Each product line is manufactured pursuant to the same applicable set of specifications. We place our manufacturing orders with Cirtronics and other suppliers pursuant to purchase orders or by providing forecasts for future requirements. We may terminate our relationship with Cirtronics upon at least one year's notice prior to the expiration of the initial term or renewal term of the contract. We may terminate our relationship with other suppliers at any time upon written notice. Either we or Cirtronics may terminate the relationship in the event of a material breach, subject to a 45-day cure period in the case of Cirtronics. The agreement with Cirtronics contains a limitation on liability that applies equally to us and Cirtronics.

We believe that the contract manufacturing relationships with Cirtronics and in-house production at the Lifeward Ltd. allow us to operate our business efficiently by focusing our internal efforts on the development and commercialization of our technology and products and provide us with substantial scale-up capacity.

We conduct regular on-site quality testing at Cirtronics' facility and obtain full quality inspection reports. We maintain a non-disclosure agreement with Cirtronics.

We develop certain of the software components internally and license other software components that are generally available for commercial use as open-source software.

We manufacture products based upon internal sales forecasts. We deliver products to customers and distributors based on purchase orders received, and our goal is to fulfill each customer's order for products in regular production within two weeks of receipt of the order.

Suppliers

We have contracted with Cirtronics for the sourcing of substantially all components and raw materials for the manufacture of our AlterG products, although there are instances that we purchase raw materials ourselves. We are sourcing all components and raw materials for the manufacture of our ReWalk exoskeleton device.

Components of our products and raw materials are sourced from suppliers in the United States, Europe, China, Taiwan, and Israel, and we depend on certain of these components and raw materials, including certain electronic parts, for the manufacture of our products. To date, we have not experienced significant volatility in the prices of these components and raw materials. However, prices may fluctuate due to a number of factors, including purchase volumes, general economic conditions, currency exchange rates, industry cycles, production levels, supply availability, tariffs, and trade policies.

We believe that Cirtronics' facility, together with our manufacturing and supply arrangements, are sufficient to support our anticipated capacity needs for the foreseeable future.

Human Capital

Employees

As of December 31, 2025, we had 81 employees (including full-time and hourly employees), of whom 46 were located in the United States, 25 were located in Israel and 10 were located in Europe. The majority of our employees are, and have been, engaged in sales and marketing activities. We do not employ a significant number of temporary or part time employees.

We are subject to labor laws and regulations within our locations mainly in the U.S., Germany, and Israel. These laws and regulations principally concern matters such as pensions, paid annual vacation, paid sick days, length of the workday and work week, minimum wages, overtime pay, insurance for work-related accidents, severance pay and other conditions of employment. Our employees are not represented by a labor union. We consider our relationship with our employees to be good. To date, we have not experienced any work stoppages.

Compensation and Benefits

We provide our employees with competitive salaries and bonuses, opportunities for equity ownership, and a robust employment package that promotes well-being across all aspects of our employees' lives, including health care, retirement planning, and paid time off. We also invest in the ongoing development of our employees through our internal training programs.

Diversity and Inclusion

We value the diversity of our employees and take pride in our commitment to diversity and inclusion across all levels of our organizational structure. We encourage a diversity of views and strive to create an equal opportunity workplace, including working with managers to develop strategies for building diverse teams and promoting the advancement of employees from diverse backgrounds.

Financial Information about Geographic Areas and Significant Customer Information

The following table sets forth the geographical breakdown of our revenue for each of the years ended December 31, 2025, and 2024 (in thousands):

	Year Ended December 31,	
	2025	2024
Revenue based on customer's location:		
United States	$ 13,237	$ 14,425
Europe	2,907	5,124
Germany	4,014	4,422
Asia-Pacific	460	825
Rest of the world	1,416	867
Total revenue	$ 22,034	$ 25,663

Additional discussion of financial information by reportable segment and geographic area and sales in excess of 10% of total revenue to certain of our customers is contained in Note 13 to our consolidated financial statements set forth in "Part II. Item 8. Financial Statements and Supplementary Data" of this annual report.

2025 Recent Developments

- In March 2026, we received written notification from The Nasdaq Stock Market LLC confirming that we had regained compliance with the minimum bid price requirement for continued listing on The Nasdaq Capital Market following the effectiveness of the reverse share split.
- In March 2026, we announced a collaboration with Shirley Ryan AbilityLab to expand evaluation and access opportunities for the ReWalk Personal Exoskeleton for individuals with spinal cord injuries in the United States.
- In February 2026, we entered into a definitive agreement to acquire certain technology assets and related intellectual property from Skelable Ltd. relating to a powered upper-extremity orthotic device under development. The consideration for the transaction consists primarily of our equity, payable upon the achievement of specified milestones.
- In February 2026, we effected a 1-for-12 reverse share split of our ordinary shares, which began trading on a split-adjusted basis on February 24, 2026. The reverse share split was implemented to regain compliance with the minimum bid price requirement of The Nasdaq Capital Market.
- In January 2026, we announced that we had entered into a strategic investment and collaboration agreement with Oramed, pursuant to which the parties intend to collaborate on the development and commercialization of certain technologies and products. The transaction contemplates a strategic investment by Oramed in the Company and the transfer of certain intellectual property and technology rights, including rights related to Oramed's POD™ oral drug delivery platform, subject to the satisfaction of closing conditions and other customary terms.
- In December 2025, we entered into an international distribution agreement with Verita Neuro pursuant to which Verita Neuro will serve as the exclusive distributor of the ReWalk Personal Exoskeleton in certain international markets, initially including Mexico, Thailand, and the United Arab Emirates.
- In December 2025, we announced expanded reimbursement coverage for the ReWalk 7 Personal Exoskeleton following prior authorization approval under a Humana Medicare Advantage plan in the United States, which may expand patient access to the device.
- In November 2025, we announced that Aetna had issued a positive coverage decision for the ReWalk Personal Exoskeleton for eligible individuals with spinal cord injuries, which may expand patient access to the device in the United States.
- In November 2025, we secured a $3.0 million bridge loan from Oramed Ltd. as part of a broader strategic transaction, to support ongoing operations and strategic initiatives.
- In September 2025, we received CE Mark approval for the ReWalk 7 Personal Exoskeleton, enabling commercial sales in Europe, which currently represents approximately 40% of our exoskeleton sales.
- In June 2025, we completed a public offering generating gross proceeds of approximately $2.6 million to support continuing commercial efforts, working capital, and general corporate purposes.
- In the second quarter of 2025, we successfully transitioned to in-house manufacturing of the ReWalk Personal Exoskeleton, concluding our agreement with Sanmina and enabling cost savings, improved quality control, and greater production flexibility.
- In March 2025, we announced an agreement with CorLife, to become the exclusive distributor for the ReWalk Personal Exoskeleton for individuals with workers' compensation claims.
- In March 2025, we launched ReWalk 7, the newest generation of our personal exoskeleton, in the U.S. market following FDA clearance.
- In February 2025, we announced an agreement with BARMER, Germany's second largest statutory health insurance company, to streamline access to ReWalk Personal Exoskeletons for eligible beneficiaries, adding approximately 8.5 million covered lives in Germany.

- In January 2025, we completed a registered direct offering for gross proceeds of approximately $5.0 million to fund continuing commercial efforts, working capital, and general corporate purposes.

ITEM 1A. RISK FACTORS

Our business faces significant risks. You should carefully consider all of the information set forth in this annual report and in our other filings with the SEC, including the following risk factors which we face and which are faced by our industry. Our business, financial condition and results of operations could be materially and adversely affected by any of these risks. In that event, the trading price of our ordinary shares would likely decline and you might lose all or part of your investment. This report also contains forward-looking statements that involve risks and uncertainties. Our results could materially differ from those anticipated in these forward-looking statements, as a result of certain factors including the risks described below and elsewhere in this report and our other SEC filings. See also "Special Note Regarding Forward-Looking Statements" on page (ii).

Risks Related to Our Business and Our Industry

We have concluded that there is substantial doubt as to our ability to continue as a going concern.

As of December 31, 2025, we had an accumulated deficit in the total amount of approximately $284.7 million and anticipate further losses in the development of our business. Those factors raise substantial doubt about our ability to continue as a going concern. Our ability to continue as a going concern depends upon our obtaining the necessary financing to meet our obligations and timely repay our liabilities arising from normal business operations. The financial statements have been prepared assuming that we will continue to operate as a going concern, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. Management concluded that substantial doubt about our ability to continue as a going concern exists as of the date of the issuance of these financial statements. Our auditors also included an explanatory paragraph to their audit opinion relating to our accompanying consolidated financial statements for the fiscal year ended December 31, 2025 regarding the substantial doubt about our ability to continue as a going concern. If we are unable to secure additional capital, including through the closing of the Oramed transaction and by other means, we may be required to take additional measures to reduce costs in order to conserve our cash in amounts sufficient to sustain operations and meet our obligations. If we become insolvent, investors in our securities may lose the entire value of their investment in our business. The accompanying financial statements do not include any adjustments that may be necessary should we be unable to continue as a going concern, and it is not possible for us to predict at this time the potential success of our business.

We may fail to realize the benefits expected from our acquisition of AlterG, which could adversely affect the price of our ordinary shares.

As discussed above in "Part I. Item 1. Business - Overview", on August 11, 2023, we completed the acquisition of AlterG which became an indirect and wholly-owned subsidiary of the Company.

The anticipated benefits from our acquisition of AlterG are based on projections and assumptions about the combined businesses of ReWalk and AlterG, which may not materialize as expected or which may prove to be inaccurate. The value of our ordinary shares could be adversely affected if we are unable to realize the anticipated benefits from the acquisition on a timely basis or at all. Achieving the benefits of the acquisition will depend, in part, on our ability to integrate the business, operations and products of AlterG successfully and efficiently with our business. The process of integrating the operations of ReWalk and AlterG could encounter unexpected costs and delays, which include: the loss of key personnel; the loss of key customers; the loss of key suppliers; inability to properly identify, acquire or obtained required regulatory approvals; and unanticipated issues in integrating sales, marketing and administrative functions. In addition, the acquired AlterG business, products and technologies may not achieve anticipated revenues and income growth.

Further, the integration of AlterG may involve a number of additional risks, including diversion of management's attention away from the rest of the business, which could adversely affect our results of operations. In addition, our failure to identify or accurately assess the magnitude of certain liabilities we assumed in the acquisition could result in unexpected litigation or regulatory exposure, unfavorable accounting charges, unexpected increases in taxes due, a loss of anticipated tax benefits or other adverse effects on our business, operating results or financial condition. If we do not realize the expected benefits or synergies of the acquisition, such as revenue gains or cost reductions, there could be a material adverse effect on our business, results of operations, and financial condition.

Global, regional, and local economic weakness and uncertainty could adversely affect our demand for our products and services and our business and financial performance.

Our business and financial performance depends on worldwide economic conditions and the demand for our products and services in the markets in which we compete. Ongoing economic weakness, including an economic slowdown or recession, uncertainty in markets throughout the world and other adverse economic conditions, including inflation, changes in monetary policy and interest rate fluctuations, have resulted, and may result in the future, in decreased demand for our products and services and increased expenses and difficulty in managing inventory levels and accurately forecasting revenue, gross margin, cash flows and expenses. Ongoing U.S. federal government spending limits may continue to reduce demand for our products and services from organizations that receive funding from the U.S. government and could negatively affect macroeconomic conditions in the United States, which could further reduce demand for our products and services.

Prolonged or more severe economic weakness and uncertainty could also cause our expenses to vary materially from our expectations. Any financial turmoil affecting the banking system and financial markets or any significant financial services institution failures could negatively impact our treasury operations, as the financial condition of such parties may deteriorate rapidly and without notice. Poor financial performance of asset markets and the adverse effects of fluctuating currency exchange rates could lead to higher pension and post-retirement benefit expenses. Interest and other expenses could vary materially from expectations depending on changes in interest rates, borrowing costs, currency exchange rates, costs of hedging activities and the fair value of derivative instruments. Economic downturns also may lead to future restructuring actions and associated expenses.

We may not have sufficient funds to meet certain future operating needs or capital requirements, which could impair our efforts to develop and commercialize existing and new products, and as a result, we may in the future consider one or more capital-raising transactions, including future equity or debt financings, strategic transactions, or borrowings which may also further dilute our shareholders or place us under restrictive covenants limiting our ability to operate freely.

We intend to finance our business by close management of our operating expenses until we reach profitable operation using existing cash on hand, issuances of equity and/or debt securities, and other future public or private issuances of securities, cash exercised of outstanding warrants, or through a combination of the foregoing, though we may also consider additional capital raising alternatives, such as entering into a credit facility, if the foregoing alternatives are not available to us or unavailable on reasonable terms. We had cash and cash equivalents of $2.2 million as of December 31, 2025. However, we will need to seek additional sources of financing if we require more funds than anticipated during the next 12 months or in later periods.

In January 2026, we entered into a securities purchase agreement (the "Securities Purchase Agreement") with Oramed and certain investors and Oramed, as collateral agent, pursuant to which we agreed to issue to Oramed and the certain investors senior secured convertible notes convertible into Ordinary Shares and accompanying warrants to purchase Ordinary Shares. Pursuant to the Securities Purchase Agreement, subject to the satisfaction of other closing conditions, we agreed to issue to these investors (i) (A) $10,000,000.00 aggregate principal amount senior secured convertible notes (the "Initial Notes"), convertible into Ordinary Shares, and (B) accompanying warrants to purchase Ordinary Shares (the "Initial Warrants"); and (ii) (A) $10,000,000.00 aggregate principal amount senior secured convertible notes (the "Second Notes", and together with the Initial Notes, the "Notes" and each a "Note"), convertible into Ordinary Shares, and (B) accompanying warrants to purchase Ordinary Shares (the "Second Warrants", and together with the Initial Warrants, the "Common Warrants" and the Common Warrants together with the Transaction Warrants, the "Warrants"). The funding of the Second Notes is also subject to customary closing conditions and either (i) us achieving, as of the most recently completed fiscal quarter end for which we have publicly filed or furnished financial statements, at least a one hundred fifty percent (150%) increase in ReWalk Unit Sales (as defined in the Securities Purchase Agreement), measured in U.S. dollars, relative to the trailing twelve-month period immediately preceding the Additional Closing Date as defined in the Securities Purchase Agreement), or (ii) the closing price of our Ordinary Shares on the Trading Market (as defined in the Securities Purchase Agreement) equals or exceeds $13.8 per share (which amount reflects the adjustment for the reverse stock split that became effective on February 24, 2026) on each Trading Day (as defined in the Securities Purchase Agreement) during the ten (10) consecutive Trading Days immediately prior to the Additional Closing Date. The transaction is subject to customary closing conditions and there can be no assurance that these conditions will be satisfied or waived, or that the transaction will close on the anticipated timeline, or at all. Based on our current operating plan, we will require additional capital to fund our ongoing operations and execute our business strategy.

Raising additional capital in the public markets could also entail certain downsides. Although we are currently eligible to use our Form S-3, we are limited to selling no more than one-third of our unaffiliated market capitalization, or public float, on Form S-3 in a 12-month period unless our public float rises above $75 million. During the twelve-month period ended March 17, 2026, we had sold a total of $2.8 million in offerings pursuant to shelf registration statements which will limit our capacity to sell our ordinary shares under our current shelf registration statement. For more information on our inability to use Form S-3, see "Part II. Item 2, Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Equity Raises" below. Additionally, due to these limitations on our use of Form S-3, we may be required to seek other methods for access to capital, such as a registration statement on Form S-1. The preparation of a registration statement on Form S-1 is, and has in the past, been more time-consuming and costly than using Form S-3. We may also conduct fundraising transactions in the form of private placements, potentially with registration rights or priced at a discount to the market value of our ordinary shares, which could require shareholder approval under the rules of The Nasdaq Stock Market LLC ("Nasdaq"), or other equity raise transactions such as equity lines of credit. In addition to entailing increased capital costs, any such transactions have historically resulted in and could result in substantial dilution of our shareholders' interests and may also transfer control to a new investor or diminish the value of an investment in our ordinary shares.

We may also need to pursue additional strategic transactions, such as joint ventures, in-licensing transactions, or the sale of our business, or all, or substantially all, of our assets if our financial stability is uncertain, and we are unable to raise additional capital effectively. These strategic transactions have in the past and could in the future require significant management attention, disrupt our business, adversely affect our financial results, be unsuccessful or fail to achieve the desired results.

Overall, if we cannot raise the required funds, or cannot raise them on terms acceptable to us or investors, we may be forced to curtail substantially our current operations or cease operations altogether. Further, external perceptions regarding our ability to continue as a going concern may make it more difficult for us to obtain financing for the continuation of our operations or require us to obtain financing on terms that are more favorable to investors, and could result in the loss of confidence by investors and suppliers. As such, our failure to continue as a going concern could harm our business, operating results and financial position and severely affect the value of your investment.

We may not fully realize the anticipated positive impacts to future financial results from our streamlining efforts.

We began streamlining our U.S. operations, including closing two U.S. facilities to complete the integration following the acquisition of AlterG. As a result of the organizational changes, we reduced our total headcount by greater than 35% since the closing of the AlterG acquisition. Key functions located at the affected facilities were integrated into the operations of the Marlborough, Massachusetts facility, and manufacturing of the AlterG Anti-Gravity Systems was assumed by Cirtronics Corporation, a nationally recognized contract manufacturer specializing in the manufacture of precision medical devices and instrumentation. Further, in the second quarter of 2025, we transitioned the manufacturing of our ReWalk products to our in-house manufacturer in an effort to reduce costs and provide us with more control over product quality. As a result, we terminated our agreement with Sanmina Corporation, an international contract manufacturer that manufactured our ReWalk products at its facility in Israel since 2013 and sourced the components and raw materials necessary for manufacturing. We expect that such consolidation may reduce operating expenses and improve gross margins once the full impact of these measures is realized, which we believe may contribute to our goal of reducing costs and achieving profitability. Our ability to achieve the anticipated cost savings and other benefits from such streamlining efforts is subject to many estimates and assumptions and may vary materially based on factors such as market conditions and the effect of our streamlining efforts on our work force. These estimates and assumptions are subject to significant economic, competitive and other uncertainties, some of which are beyond our control. We cannot assure that we will fully realize the anticipated positive impacts to future financial results from our current or future streamlining efforts. If our estimates and assumptions are incorrect or if other unforeseen events occur, we may not achieve the cost savings expected from such streamlining, and our business, financial condition and results of operations could be materially adversely affected.

We may encounter difficulties in transitioning the manufacturing of our ReWalk products to our in-house manufacturer.

In the second quarter of 2025, we transitioned the manufacturing of our ReWalk products to our in-house manufacturer in an effort to reduce costs and provide us with more control over product quality. As a result, we terminated our agreement with Sanmina Corporation, an international contract manufacturer that manufactured our ReWalk products at its facility in Israel since 2013 and sourced the components and raw materials necessary for manufacturing.

However, to fully establish our manufacturing operations, we will need to identify, recruit and build experienced teams, and there are can be no assurance that we will be successful in doing so. Additionally, Sanima previously contracted directly with third-party suppliers to supply certain components of our products. We cannot guarantee that we will be able to establish similar agreements to source sufficient quantities or obtain components at commercially reasonable costs.

If we are unable to manufacture products that consistently meet specifications, are produced in necessary quantities, comply with regulatory requirements and quality control standards and are delivered at commercially acceptable costs and on a timely basis, it will have a material adverse effect on our business, financial condition and results of operations. The process of moving our manufacturing operations in house is time consuming, costly and may disrupt our operations. There can be no assurance that we will fully realize the anticipated benefits from such transition.

We face economic and political risks associated with doing business in Taiwan, particularly due to the geopolitical tension between Taiwan and China, and in Russia that could negatively affect our business and hence the value of your investment.

Currently, we rely on third party suppliers in Taiwan for a portion of the components we use in our AlterG products. Accordingly, our business, financial condition and results of operations and the market price of our securities may be affected by changes in governmental policies, taxation, growth rate, inflation rate or interest rates and by social instability and diplomatic and social developments in or affecting Taiwan. In addition, changes in international trade policies, including the potential imposition of tariffs, export controls or other trade restrictions affecting goods manufactured in Taiwan, could increase our costs or disrupt the supply of components used in our AlterG products.

In particular, the unique political status of Taiwan and its internal political movement cause sustained tension between China and Taiwan. Past developments related to the interactions between China and Taiwan, especially in relation to trade activities such as bans on exports of goods from time to time, have on occasions depressed the transactions and business operations of certain Taiwanese companies and overall economic environment. We cannot predict whether there will be escalation of the tensions between China and Taiwan, which would lead to new bans or tariffs on exports or even conflict. Any conflict which threatens the military, political or economic stability in Taiwan could have a material adverse effect on our current or future business and financial conditions and results of operations.

In addition, we also sell our AlterG products to a distributor in Russia. The current invasion of Ukraine by Russia has escalated tensions among the United States, the North Atlantic Treaty Organization ("NATO") and Russia. The United States and other NATO member states, as well as non-member states, have announced sanctions against Russia and certain Russian banks, enterprises and individuals. AlterG prior to the acquisition, and Lifeward subsequent to the acquisition, has remained in compliance with these sanctions by obtaining export licenses for each shipment to our distributor that serves Russia. These and any future additional sanctions and any resulting conflict between Russia, the United States and NATO countries could have an adverse impact on our current operations.

Further, such invasion, ongoing military conflict, resulting sanctions and related countermeasures by NATO states, the United States and other countries are likely to lead to market disruptions, including significant volatility in commodity prices, credit and capital markets, as well as supply chain interruptions for equipment, which could have an adverse impact on our operations and financial performance.

Our future growth and operating results will depend on our ability to develop, receive regulatory clearance for and commercialize new products and penetrate new product and geographic markets.

We are currently engaged in research and development efforts to address the needs of patients with mobility impairments besides paraplegia, such as stroke, and, in the future, we may engage in efforts to address these needs in patients with other conditions such as multiple sclerosis, cerebral palsy, Parkinson's disease and elderly assistance. In 2019, we commercialized the ReStore Exo-Suit for stroke rehabilitation. While we previously marketed this product in multiple markets, we ceased sales in the European Union in May 2024 and the product currently represents a limited portion of our business. For more information, see "Part, Item 1. Business—ReStore Products" above. While our Collaboration Agreement with Harvard for the design, research and develop lightweight exoskeleton system technologies for lower limb disabilities intended to treat stroke, multiple sclerosis, mobility limitations for the elderly and other medical applications successfully concluded on March 31, 2022, Harvard has licensed to us certain of its intellectual property relating to lightweight exoskeleton system technologies for lower limb disabilities. We are obligated to use commercially reasonable efforts to develop products under the license in accordance with an agreed-upon development plan and to introduce and market such products commercially.

Our future growth will depend on our ability to expand the adoption of our existing ReWalk and AlterG product lines and to successfully develop and commercialize new products and technologies addressing mobility impairments. As such, our future results will depend on our ability to successfully develop and commercialize such new products and to penetrate targeted rehabilitation and mobility markets with our existing and future products. We cannot ensure that we will be able to introduce new products, products currently under development or products contemplated for future development for additional indications in a timely manner, or at all, as it depends on our available resources to fund such projects, as well as our ability to conduct clinical trials and testing. While we have previously obtained regulatory clearance for certain of our products, obtaining clearance for any other products we may develop could be an extensive, costly, and time-consuming process, which could delay any planned commercialization timelines. For more information on the clearance processes for our products, see "Part I, Item 1. Business—Government Regulation" above.

Harvard may terminate its License Agreement with us if we fail to maintain the requisite insurance or become insolvent. Any such termination of this aspect of the collaboration with Harvard could impair our research and development efforts into lightweight soft suit exoskeleton system technologies for lower limb disabilities such as the ReBoot device which is intended to be used at home by people who suffered a stroke. In addition, we may not be able to clinically demonstrate the medical benefits of our products for new indications. We have limited clinical data demonstrating the benefits of our products and we might not be able to support the economic benefits our products have for our potential customers. We may also be unable to gain necessary regulatory clearances or approvals to enable us to market new products for additional indications or the regulatory process may be more costly and time-consuming than expected, which could adversely impact us given our cash position and ongoing capital requirements.

Even if we are successful in the design and development of new products, our growth and results of operations will depend on our ability to penetrate new markets and gain acceptance and reimbursement coverage in non-SCI markets such as the stroke rehabilitation market, and, in the longer term, the home use device market for stroke-caused lower limb disability, multiple sclerosis, elderly assistance and cerebral palsy patients. We may not be able to gain such market acceptance and coverage for these indications in a timely manner, or at all.

While our new products currently under development will share some aspects of the core technology platform of our current products, their design features and components may differ from our current products. Accordingly, these products will also be subject to the risks described in the risk factor immediately below entitled "We rely primarily on sales of our ReWalk Personal Exoskeletons, AlterG Anti-Gravity systems, and MyoCycle FES cycles and related service contracts and extended warranties for our revenue. We may not be able to achieve or maintain market acceptance of our ReWalk, AlterG, or ReStore products, or to generate sufficient revenue from these current and future products to sustain our operations." To the extent we are unable to successfully develop and commercialize products beyond our existing commercial product portfolio, we will not meet our operating and financial objectives.

We rely primarily on sales of our ReWalk Personal Exoskeletons, AlterG Anti-Gravity systems, and MyoCycle FES cycles and related service contracts and extended warranties for our revenue. We may not be able to achieve or maintain market acceptance of our ReWalk, AlterG, or MyoCycle products or to generate sufficient revenue from these current and future products to sustain our operations.

We currently rely, and expect in the future to rely, on sales of our ReWalk Personal Exoskeletons, AlterG Anti-Gravity systems, MyoCycle FES cycles, and related consumables, services, and extended warranties for our revenue. In 2019, we commercialized the ReStore lightweight soft exo-suit for stroke rehabilitation in the United States and the European Union following receipt of FDA clearance and CE mark. We ceased sales of the ReStore in the European Union in May 2024, and the product currently represents a limited portion of our overall business. Several factors could negatively affect our ability to achieve and maintain market acceptance of our ReWalk, AlterG, or ReStore systems, which could in turn materially impair our business, financial condition, and operating results, as follows:

- *ReWalk*. We have sold a limited number of ReWalk systems, and market acceptance and adoption depend on educating people with limited upright mobility and health care providers as to the distinct features, ease-of-use, positive lifestyle impact, and other benefits of ReWalk compared to alternative technologies. ReWalk may not be perceived to have sufficient potential benefits compared with these alternatives. Users may also choose other alternatives due to disadvantages of ReWalk, including the time it takes for a user to put on the device, the slower pace of ReWalk compared to a wheelchair, the weight of ReWalk when carried, which makes it more burdensome for a companion to transport than a wheelchair, the required training, and the requirement that users be accompanied by a trained companion. Also, we believe that healthcare providers tend to be slow to change their medical treatment practices because of perceived liability risks arising from the use of new products and the uncertainty of third-party reimbursement. Accordingly, healthcare providers may not recommend ReWalk until there is sufficient support for the device to convince them to alter the treatment methods they typically recommend, such as expanded reimbursement coverage by payors, and/or recommendations by prominent healthcare providers or other key opinion leaders in the spinal cord injury community that ReWalk is effective in providing identifiable immediate and long-term health benefits.

- *AlterG*. The AlterG Anti-Gravity system has broad clinical utility for treating a wide variety of lower extremity conditions where partial displacement of a patient's weight can enable exercise which facilitates healing and recovery of improved function. The potential of the AlterG Anti-Gravity systems to achieve greater penetration of the addressable market of rehabilitation hospitals, clinics, and sports medicine practices will depend upon the continued expansion of conditions for which clinicians utilize the AlterG and the ability for greater numbers of these facilities to afford the initial capital outlay for these devices. In 2024 we introduced the AlterG NEO, a new, lower-cost AlterG system, which we believe is more affordable for smaller, independent rehabilitation clinics. However, there can be no assurance that the introduction of this product can expand the size of the addressable market or will not reduce the sales of the existing, higher-priced models.

- *ReStore*. The ReStore system is designed to provide advantages to stroke rehabilitation clinics and therapists as compared to other traditional therapies and devices by minimizing setup time, improving patients' clinical results during therapy, supplying real-time analytics to optimize session productivity, and generating ongoing data reports to assist with tracking patient progress Since the ReStore device is currently only indicated for use in the rehabilitative clinical setting, its market reception will depend heavily on our ability to demonstrate to clinics and therapists the systemic and economic benefits of using the ReStore device, its clinical advantage when compared to other devices or manual therapy, the functionality of the device for a significant portion of the patients that they treat and the overall advantages that the device provides to their patients compared to other technologies. The ReStore system is indicated for use in clinical rehabilitation settings. The product previously received FDA clearance and CE mark in 2019; however, we ceased sales of the ReStore in the European Union in May 2024 and the CE mark is no longer maintained. The ReStore system currently represents a limited and non-material portion of our business in the United States.

As a general matter, achieving and maintaining market acceptance of our current or future products could be negatively impacted by many other factors, including, but not limited to the following: contribution to death or serious injury or malfunction, results of clinical studies relating to our or similar products; claims that our products, or any of their components, infringe on patent or other intellectual property rights of third parties; our ability to support financially and leverage our sales, marketing and training infrastructure, as well as our level of research and development efforts; our ability to enhance and broaden our research and development efforts and product offerings in response to the evolving demands of people with paraplegia and lower limb disability and healthcare providers; our estimates regarding our current or future addressable market; perceived risks associated with the use of our products or similar products or technologies; the introduction of new competitive products or greater acceptance of competitive products; adverse regulatory or legal actions relating to our products or similar products or technologies; and problems arising from the outsourcing of our manufacturing capabilities, or our existing manufacturing and supply relationships. Any or all of these factors could materially and negatively impact our business, financial condition and operating results.

The market for medical exoskeletons, including soft suit devices, remains relatively new and unproven, and important assumptions about the potential market for our current and future products may be inaccurate.

The market for medical exoskeletons, including lightweight exo-suit devices, remains relatively new and unproven. Accordingly, it is difficult to predict the future size and rate of growth of the market. We cannot be certain whether the market will continue to develop or if medical exoskeletons will achieve and sustain a level of market acceptance and demand sufficient for us to continue to generate revenue and achieve profitability.

We obtained FDA de novo authorization for our ReWalk Personal Exoskeleton device in June 2014. FDA subsequently cleared 510(k) premarket notifications for modifications to the ReWalk, including for use of the ReWalk on curbs and stairs. In March 2025, the FDA granted 510(k) clearance for our ReWalk 7 next-generation personal exoskeleton system. This marketing authorization permits us to market the device for use by individuals with spinal cord injury at levels T7 to L5 to perform ambulatory functions in home and community settings with supervision of a specially certified companion, and for use by individuals in rehabilitation institutions with spinal cord injury at levels T4 to T6. We obtained FDA clearance for our ReStore system in June 2019, which permits the device to be used in rehabilitation institutions under the supervision of a trained therapist to assist ambulatory functions for individuals with hemiplegia or hemiparesis due to stroke who are able to ambulate at least 1.5 meters (5 feet) with minimal to moderate assistance. While the ReStore system remains cleared by the FDA, the product currently represents a limited portion of our business.

Future products for those with paraplegia or other mobility impairments or spinal cord injuries may have the same or other restrictions.

Our business strategy is based, in part, on our estimates of the number of individuals with physical limitations and disability and considers the occurrence of spinal cord injuries, strokes, lower-extremity orthopedic injury or surgery, neurological disease, and obesity in our target markets, and the percentage of those groups that would be able to use our current and future products. Limited sources exist to obtain reliable market data with respect to the number of mobility-impaired individuals and the incurrence of spinal cord injuries and strokes in our target markets. In addition, there are no third-party reports or studies regarding what percentage of those with limited mobility and/or spinal cord injuries would be able to use exoskeletons, in general, or our current or planned future products, in particular. Our assumptions may be inaccurate and may change.

The NSCISC estimates according to its 2024 SCI Data Sheet that there are 308,000 people in the United States living with SCI, with an annual incidence of approximately 18,000 new cases per year. Based on information from the 2023 annual report published by the NSCISC, 40% of the total U.S. population of SCI patients suffered injuries between levels T4 and L5. Four published ReWalk trials with respect to such eligible SCI patients had an aggregate screening acceptance rate of 50% considering all current FDA limitations, resulting in an estimated 20% of the total population of SCI patients being qualified candidates for current ReWalk products under its medical labeling criteria. There may be other permanent or short-term factors that affect the market size such as the ability to participate in the training program, the ability to use the device in the user's current home environment as well as available companion support. With respect to our ReStore product for stroke rehabilitation, the device is indicated for use in rehabilitation clinics under the supervision of trained therapists. While there are numerous inpatient, outpatient and rehabilitation clinics in the United States that treat stroke patients, the ReStore product currently represents a limited portion of our business. For more information regarding our product portfolio and market opportunities, see "Part I, Item 1. Business—ReWalk Personal and ReWalk Rehabilitation Products—Market Opportunity. For more information regarding the potential market for future products, including our lightweight soft suit exoskeleton, see "Part I, Item 1. Business—ReWalk Personal and ReWalk Rehabilitation Products—Market Opportunity" above.

We cannot assure you that our estimate regarding our current products is accurate or that our estimate regarding future products will remain the same. FDA or CE mark clearance for such products, if received at all, may contain different limitations from the ones the FDA or E.U. has placed on the devices we currently market for paraplegia. If our estimates of our current or future addressable market are incorrect, our business may not develop as we expect, and the price of our securities may suffer.

We may fail to secure or maintain adequate insurance coverage or reimbursement for our products by third-party payors, which risk may be heightened if insurers find the products to be investigational or experimental or if new government regulations change existing reimbursement policies. Additionally, such coverage or reimbursement, even if maintained, may not produce revenue that is high enough to allow us to sell our products profitably.

We expect that in the future a significant source of payment for ReWalk systems will be private insurance plans and managed care programs, government programs such as Medicare, the VHA, workers' compensation plans, and other third-party payors.

In the United States, generally, private insurance companies do not cover or provide reimbursement for any medical exoskeleton products for personal use, including ReWalk Personal Exoskeleton, and may ultimately provide no coverage at all. Additionally, there is limited clinical data related to the ReWalk and ReStore systems, and third-party payors may consider use of them to be experimental and therefore refuse to cover any or all of them. Additionally, the majority of independent medical review decisions to date made following the denial of ReWalk coverage have determined that ReWalk is experimental and/or investigational, citing a lack of clinical data.

As described above, in the United States, many private third-party payors use coverage decisions and payment amounts determined by CMS as guidelines in setting their coverage and reimbursement policies. In July 2020, CMS issued a Healthcare Common Procedure Coding System Level II Code for ReWalk Personal Exoskeleton. These codes are used to identify medical products and supplies and to facilitate insurance claim submissions and processing for these items. On November 1, 2023, CMS issued Calendar Year 2024 Home Health Prospective Payment System Rule, which explicitly included exoskeletons within a Medicare brace benefit category, effective January 1, 2024. On April 11, 2024, CMS revised its April 2024 DMEPOS Fee Schedule to include a final lump-sum Medicare purchase fee schedule amount for personal exoskeletons (HCPCS code K1007) with an established rate of $91,032, and under the January 2026 DMEPOS fee schedule, the maximum ceiling amount for HCPCS code K1007 is $114,097, effective January 1, 2026. CMS established the initial payment amount through a gap-filling methodology because the technology lacked a fee schedule-based pricing history and CMS concluded that lower-extremity exoskeletons could not be adequately described by, or considered comparable to, existing codes or combinations of codes.

However, even with a positive coverage and reimbursement response from CMS regarding a product of ours, future action by CMS or other government agencies may diminish possible payments to physicians, outpatient centers and/or hospitals that purchase our products for use by their patients and possible payments to individuals who purchase the ReWalk Personal Exoskeleton for their own use. Additionally, a decision by CMS to provide reimbursement could influence other payors, including private insurers. The existence of a HCPCS code, a Medicare benefit category, or a fee schedule amount does not guarantee favorable claim determinations, adequate payment levels, broad beneficiary access, or adoption by commercial payors, and if CMS or its contractors impose restrictive payment, documentation, or coverage conditions, our products may not be reimbursed at a cost-effective level or at all. Those private third-party payors that do not follow the Medicare guidelines may adopt different coverage and reimbursement policies for purchase of our products or their use in a hospital or rehabilitative setting. In addition, we expect that the purchase of ReWalk Rehabilitation Exoskeleton systems and the ReStore system, as it is currently being sold for use in rehabilitative settings, will require the approval of senior management at hospitals or rehabilitation facilities, inclusion in the hospitals' or rehabilitation facilities' budget process for capital expenditures, and in the case of ReWalk Personal Exoskeleton, fundraising, and financial planning or assistance.

In December 2015, the VHA issued a national reimbursement policy for the ReWalk system, which entails the evaluation, training and procurement of ReWalk Personal Exoskeleton systems for all qualifying veterans across the United States. In June 2018 the VHA updated its policy to expand training options for individuals who could not complete mandatory training because of distance or drive-time barriers.

Third-party payors are developing increasingly sophisticated methods of controlling healthcare costs. These cost control methods include prospective payment systems, capitated rates, benefit redesigns and an exploration of other cost-effective methods of delivering healthcare. These cost control methods potentially limit the amount that healthcare providers may be willing to pay for electronic exoskeleton medical technology if they provide coverage at all. We may be unable to sell our products on a profitable basis if third-party payors deny coverage or provide insufficient levels of reimbursement.

Future legislation could result in modifications to the existing public and private health care insurance systems that would have a material adverse effect on the reimbursement policies discussed above. If enacted and implemented, any measures to restrict health care spending could result in decreased revenue from our products and decrease potential returns from our research and development initiatives.

Outside the United States, in September 2017, BARMER signed a confirmation and letter of agreement regarding the provision of ReWalk systems for all qualifying beneficiaries and the German national social accident insurance provider DGUV indicated that its member payors will approve the supply of exoskeleton systems for qualifying beneficiaries on a case-by-case basis. In February 2025, we finalized an agreement with BARMER to formalize the reimbursement process for the provision of ReWalk exoskeletons to medically eligible beneficiaries. However, no broad uniform policy of coverage and reimbursement for electronic exoskeleton medical technology exists among third-party payors in the United States, although reimbursement may be achieved on a case-by-case basis. To date, payments for our products, which are largely for our ReWalk systems, have been made primarily through case-by-case determinations by third-party payors (including several private insurers in the United States), by self-payors and, to a lesser extent, through the use of funds from insurance and/or accident settlements.

Defects in our products or the software that drives them could adversely affect the results of our operations.

The design, manufacture and marketing of our products involve certain inherent risks. Manufacturing or design defects, unanticipated use of ReWalk, ReStore, or AlterG, or inadequate disclosure of risks relating to the use of our products can lead to injury or other adverse events. In addition, because the manufacturing of some of our products is outsourced to Cirtronics, the original equipment manufacturer of such products, we may not be aware of manufacturing defects that could occur. Such adverse events could lead to recalls or safety alerts relating to those products (either voluntary or required by the FDA or similar governmental authorities in other countries), and could result, in certain cases, in the removal of our products from the market. A recall could result in significant costs. To the extent any manufacturing defect occurs, our agreement with Cirtronics contains a limitation on Cirtronics's liability, and therefore we could be required to incur the majority of related costs. Product defects or recalls could also result in our inability to profitably grow our business due to parts shortages, increased field service demand, and inventory shortages, and the resulting negative publicity, customer dissatisfaction, damage to our reputation or, in some circumstances, delays in new product clearances or approvals.

When an exoskeleton is used by a paralyzed individual to walk, the individual relies completely on the exoskeleton to hold him or her upright. Between 2013 and 2021, we submitted medical device reports ("MDRs") to the FDA (and equivalent authorities outside of the United States) relating to reports of falls and fractures of individuals using the ReWalk Personal Exoskeleton system. We conducted a voluntary correction related to certain use instructions in the device's labeling, which the FDA classified as a Class II recall. The recall was closed in November 2019, and the FDA cleared our 510(k) containing revised instructions for use in May 2020. Since that time, we have submitted eight further MDRs.

In addition, our products incorporate sophisticated computer software and hardware. Complex software frequently contains errors, especially when first introduced. Our software may experience errors or performance problems in the future. If any part of our product's hardware or software were to fail, the user could experience death or serious injury. For example, in 2021 ReWalk submitted MDRs to the FDA and medical device vigilance reports to the European regulatory authorities and initiated a correction in response to two complaints regarding battery thermal runaway events. The correction that includes clarification of previous instructions and additional information on battery operation and storage is closed in Europe and in the United States. ReWalk separately initiated a design project to improve power management and battery operation during charge and discharge, and this design improvement was released in the ReWalk 7 Personal Exoskeleton. Additionally, users may not use or maintain our products in accordance with safety, storage, and training protocols, which could enhance the risk of death or injury. Any such occurrence could cause delay in market acceptance of our products, damage to our reputation, the need for additional regulatory filings, product recalls, increased service and warranty costs, product liability claims, and loss of revenue relating to hardware or software defects.

The medical device industry has historically been subject to extensive litigation over product liability claims. We have been and anticipate that as part of our ordinary course of business we may be subject to product liability claims alleging defects in the design, manufacture, or labeling of any of our products which has resulted in an injury or death. A product liability claim, regardless of its merit or eventual outcome, could result in significant legal defense costs and high punitive damage payments. Although we maintain product liability insurance, the coverage is subject to deductibles and limitations, and may not be adequate to cover future claims. Additionally, we may be unable to maintain our existing product liability insurance in the future at satisfactory rates or adequate amounts. Any alleged defect that has resulted in an adverse event involving our products could result in future voluntary corrective actions, such as recalls or customer letters, or in an FDA enforcement action, such as a mandatory recall, notification to healthcare professionals and users, warning letter, seizure, injunction or import alert. In addition, failure to report such adverse events to appropriate government authorities on a timely basis, or at all, could result in enforcement action against us. Any action, whether voluntary or involuntary, as well as defending ourselves in a lawsuit, will require financial resources and distract management, and may harm our reputation and financial results.

If we are unable to leverage our sales, marketing, and training infrastructure we may fail to increase our sales.

A key element of our long-term business strategy is the continued leveraging of our sales, marketing, training, and reimbursement infrastructure, through the training, retention, and motivation of skilled sales and marketing representatives and reimbursement personnel with industry experience and knowledge. Our ability to derive revenue from sales of our products depends largely on our ability to market the products and obtain reimbursements for them. In order to continue growing our business efficiently, we must therefore coordinate the development of our sales, marketing, training and reimbursement infrastructure with the timing of regulatory approvals, decisions regarding reimbursements, limited resources consideration and other factors in various geographies. Managing and maintaining our sales and marketing infrastructure is expensive and time consuming, and an inability to leverage such an organization effectively, or in coordination with regulatory or other developments, could inhibit potential sales and the penetration and adoption of our products into both existing and new markets. However, certain decisions we make regarding staffing in these areas in our efforts to maintain an adequate spending level could have unintended negative effects on our revenue, such as by weakening our sales infrastructure, impairing our reimbursement efforts and/or harming the quality of our customer service.

Additionally, we expect to face significant challenges as we manage and continue to improve our sales and marketing infrastructure and work to retain the individuals who make up those networks. Newly hired sales representatives require training and take time to achieve full productivity. If we fail to train new hires adequately, or if we experience high turnover in our sales force in the future, we cannot be certain that new hires will become as productive as may be necessary to maintain or increase our sales. In addition, if we are not able to retain existing and recruit new trainers to our clinical staff, we may not be able to successfully train customers on the use of ReWalk, AlterG, or ReStore systems which could inhibit new sales and harm our reputation. If we are unable to expand our sales, marketing, and training capabilities, we may not be able to effectively commercialize our products, or enhance the strength of our brand, which could have a material adverse effect on our operating results.

The potential health benefits of our ReWalk products have not been substantiated by long-term clinical data, which could limit sales of such products.

Although published research and users of our ReWalk products have reported the potential secondary health benefits of our ReWalk products such as a reduction in pain and spasticity, improved bowel and urinary tract functions and emotional and psychosocial benefits, among others, currently there is no large scale, randomized clinical trial establishing the secondary health benefits of ReWalk products due to the relatively small size of the applicable user population. There is also a lack of randomized clinical data for such health benefits of the ReStore-specifically its long-term benefits following the usage of the product within the clinic as the trials conducted to date using this product are limited.

As a result, potential customers and healthcare providers may be slower to adopt or recommend ReWalk products or ReStore and third-party payors may not be willing to provide coverage or reimbursement for our products. In addition, future studies or clinical experience may indicate that treatment with our current or future products is not superior to treatment with alternative products or therapies. Such results could slow the adoption of our products and significantly reduce our sales.

We depend on third-party suppliers to manufacture our AlterG products and we rely on a limited number of third-party suppliers for certain components of our products.

We have contracted with Cirtronics, a well-established contract manufacturer with expertise in the medical device industry, for the manufacture of all our AlterG products and the sourcing of all of our components and raw materials for those products. We may terminate our relationship with Cirtronics through notice at least one year prior to the expiration of the initial term or renewal term of the contract. Either we, on the one hand, or Cirtronics, on the other hand, may terminate the relationship in the event of a material breach, subject to a 45-day period. For our business strategy to be successful, Cirtronics must be able to manufacture our products in sufficient quantities, in compliance with regulatory requirements and quality control standards, in accordance with agreed upon specifications, at acceptable costs and quality levels, and on a timely basis. Increases in our product sales, whether forecasted or unanticipated, could strain the ability of Cirtronics to manufacture an increasingly large supply of our current or future products in a manner that meets these various requirements. In addition, although we are not restricted from engaging an alternative manufacturer, and potentially have the capabilities to manufacture our products in-house, the process of moving our manufacturing activities would be time consuming and costly, and may limit our ability to meet our sales commitments, which could harm our reputation and could have a material adverse effect on our business. In the second quarter of 2025, we transitioned the manufacturing of our ReWalk products to our in-house manufacturer in an effort to reduce costs and provide us with more control over product quality. As a result, we terminated our agreement with Sanmina Corporation, an international contract manufacturer that manufactured our ReWalk products at its facility in Israel since 2013 and sourced the components and raw materials necessary for manufacturing. Moreover, the failure of Cirtronics to comply with applicable regulatory requirements could expose us to regulatory action including warning letters, product recalls, termination of distribution, product seizures or civil penalties.

We also rely on third-party suppliers, many of which contract directly with Cirtronics, to supply certain components of our products, and in some cases, we purchase these components ourselves. Neither Lifeward nor Cirtronics has long-term supply agreements with most of the suppliers and, in many cases, make purchases on a purchase order basis and our ability to secure adequate quantities of such products may be limited. Suppliers may encounter problems that limit their ability to manufacture components for our products, including financial difficulties or damage to their manufacturing equipment or facilities. If Lifeward or Cirtronics fails to obtain sufficient quantities of high-quality components to meet demand on a timely basis, we could lose customer orders, our reputation may be harmed, and our business could suffer.

Our results of operations and liquidity could be adversely impacted by supply chain disruptions and operational challenges faced by our manufacturer or suppliers. Cirtronics generally uses a small number of suppliers for the AlterG products. Depending on a limited number of suppliers exposes us to risks, including limited control over pricing, availability, quality, and delivery schedules. If any one or more of our suppliers ceases to provide sufficient quantities of components in a timely manner or on acceptable terms, we or Cirtronics would have to seek alternative sources of supply or accept price increases as we saw during the pandemic. It may be difficult to engage additional or replacement suppliers in a timely manner. Failure of these suppliers to deliver products at the level our business requires would limit our ability to meet our sales commitments, which could harm our reputation and could have a material adverse effect on our business. The ability of these suppliers to perform is largely outside of our control. We or Cirtronics may also have difficulty obtaining similar components from other acceptable suppliers, which could require us to cease using the components, seek alternative components or technologies and we could be forced to modify our products to incorporate alternative components or technologies, which could result in a requirement to seek additional regulatory clearances or approvals. Any disruption of this nature or increased expenses could harm our commercialization efforts and adversely affect our operating results.

Cirtronics manufacturing and assembly of our AlterG products pursuant to our specifications is conducted at a single facility in Milford, New Hampshire. Accordingly, we are highly dependent on the uninterrupted and efficient operation of these facilities. If operations at either of these facilities were to be disrupted as a result of acts of war or terrorism, equipment failures, earthquakes and other natural disasters, fires, accidents, work stoppages, power outages, or other reasons such as a local shutdown as we experienced during the COVID-19 pandemic, our business, financial condition and results of operations could be materially adversely affected. Although our manufacturing and assembly operations could be transferred elsewhere, either in-house or to alternative Cirtronics facilities, the process of relocating these operations would cause delays in production. Lost sales or increased costs that we may experience during the disruption, or a forced relocation, of operations may not be recoverable under our insurance policies, and longer-term business disruptions could result in a loss of customers. If this were to occur, our business, financial condition and operations could be materially negatively impacted. Additionally, our reliance on Cirtronics as a contract manufacturer or any other contract manufacturer makes us vulnerable to possible capacity constraints and reduced control over component availability, delivery schedules, manufacturing yields and costs.

We operate in a competitive industry that is subject to rapid technological change, and we expect competition to increase.

There are several other companies developing technology and devices that compete with our products. Our principal competitors in the medical exoskeleton market consist of Ekso Bionics, Rex Bionics, Cyberdyne, FREE Bionics, Wandercraft, and others. These companies have products currently available for institutional use and in some cases personal use. We expect some of such products to become available for personal use in the next few years, especially as we continue to expand coverage by different payors and geographies. In addition, we compete with alternative devices and alternative therapies, including treadmill-based gait therapies, such as those offered by DIH (formerly known as Hocoma), Boost, Aretech, BTL, Reha Technology, and Bioness, which is a unit of Bioventus. Our competitor base may change or expand as we continue to develop and commercialize our soft suit exoskeleton product in the future. These or other medical device or robotics companies, academic and research institutions, or others, may develop new technologies or therapies that provide a superior walking and usage experience, are more effective in treating the secondary medical conditions that we target or are less expensive than ReWalk, AlterG, or ReStore, or future products. Our technologies and products could be rendered obsolete by such developments. We may also compete with other treatments and technologies that address the secondary medical conditions that our products seek to mitigate.

Our competitors may respond more quickly to new or emerging technologies, undertake more extensive marketing campaigns, have greater financial, marketing, and other resources than we do or may be more successful in attracting potential customers, employees, and strategic partners. In addition, potential customers, such as hospitals and rehabilitation centers, could have long-standing or contractual relationships with competitors or other medical device companies. Potential customers may be reluctant to adopt ReWalk, AlterG, or ReStore, particularly if it competes with or has the potential to compete with or diminish the need/utilization of products or treatments supported through these existing relationships. If we are not able to compete effectively, our business and results of operations will be negatively impacted.

In addition, because we operate in a new market, the actions of our competitors could adversely affect our business. Adverse events such as product defects or legal claims with respect to competing or similar products could cause reputational harm to the exoskeleton market on the whole. Further, adverse regulatory findings or reimbursement-related decisions with respect to other exoskeleton products could negatively impact the entire market and, accordingly, our business.

We utilize independent distributors for the ReWalk and AlterG products who are free to market other products that compete with ours.

While we expect that the percentage of our sales generated from independent distributors will decrease over time as we continue to focus our resources on achieving reimbursement within our direct markets in the United States and Europe, we believe that independent distributors of the ReWalk or AlterG products will continue to be an important distribution channel for us in the future. None of our independent distributors has been required to sell our products exclusively. Our agreements with these distributors generally have one-year initial terms and automatic renewals for an additional year. If any of our key independent distributors of the ReWalk or AlterG products were to cease to distribute our products, our sales could be adversely affected. In such a situation, we may need to seek alternative independent distributors or increase our reliance on our other independent distributors or our direct sales representatives, which may not prevent our sales from being adversely affected. Additionally, to the extent that we enter additional arrangements with independent distributors to perform sales, marketing, or distribution services, the terms of the arrangements could cause our product margins to be lower than if we directly marketed and sold our products.

We may receive a significant number of warranty claims or our ReWalk, AlterG, or ReStore systems may require significant amounts of service after sale.

Sales of ReWalk systems generally include a five-year warranty for parts and services, other than for normal wear and tear. However, systems sold to customers reimbursed through CMS programs are typically provided with a two-year warranty. Some of our active devices delivered prior to 2019 included a two-year warranty, and these customers have the option to purchase an extended warranty for up to an additional three years. Our ReStore product offering includes a two-year warranty for parts and services, and AlterG Anti-Gravity systems are sold with a one-year factory warranty covering parts and services. If warranty claims, product returns, or service requirements exceed our expectations, we may incur unanticipated costs for parts and services, which could materially adversely affect our operating results.

We may not be able to enhance our exoskeleton product offerings through our research and development efforts.

In order to increase our sales and our market share in the exoskeleton market, we are working to enhance and broaden our research and development efforts and product offerings in response to the evolving demands of people with paraplegia, paralysis, other medical conditions and healthcare providers, as well as competitive technologies. We are also currently involved in ongoing research and development efforts directed to the needs of patients with other mobility impairments, such as stroke, and began commercializing our ReStore product for stroke patients in 2019. We currently market the device in the United States on a limited basis, and sales in the European Union ceased in May 2024. Depending on our future resources and business focus, we plan to address these needs in patients with other conditions or devices for stroke patients to be used at home, improving our current products, or developing products to address additional medical conditions such as multiple sclerosis, Parkinson's disease or cerebral palsy and support elderly assistance. We may decide to invest our business development resources in partnerships, licensing agreements, business acquisition and other ways that will provide us new product offerings without significant research and development activities. We may not be successful in developing, obtaining regulatory approval for, or marketing our currently proposed products, or our approved products for additional indications, products proposed to be created in the future or products that will be available for us through business acquisitions. In addition, notwithstanding our market research efforts, our future products may not be accepted by consumers, their caregivers, healthcare providers or third-party payors who reimburse consumers for our products. The success of any proposed product offerings will depend on numerous factors, including our ability to:

- identify the product features that people with paraplegia or paralysis, their caregivers, and healthcare providers are seeking in a medical device that restores upright mobility and successfully incorporate those features into our products;
- identify the product features that people with stroke, multiple sclerosis or other similar indications require while the products are used at home as well as what items are valuable to the clinics that provide them rehabilitation;
- develop and introduce proposed products in sufficient quantities and in a timely manner;

- adequately protect our intellectual property and avoid infringing upon the intellectual property rights of third-parties;
- demonstrate the safety, efficacy, and health benefits of proposed products; and
- obtain the necessary regulatory clearances and approvals for proposed products.

If we fail to generate demand by developing products that incorporate features desired by consumers, their caregivers or healthcare providers, or if we do not obtain regulatory clearance or approval for proposed products in time to meet market demand, we may fail to generate sales sufficient to achieve or maintain profitability. We have in the past experienced, and we may in the future experience, delays in various phases of product development, including during research and development, manufacturing, limited release testing, marketing, and customer education efforts. Such delays could cause customers to delay or forgo purchases of our products, or to purchase our competitors' products. Even if we are able to successfully develop proposed products when anticipated, these products may not produce sales in excess of the costs of development, and they may be quickly rendered obsolete by changing consumer preferences or the introduction by our competitors of products embodying new technologies or features.

We may enter into collaborations, in-licensing arrangements, joint ventures, strategic alliances, business acquisitions or partnerships with third parties that may not result in the development of commercially viable products or the generation of significant future revenue.

In the ordinary course of our business, we may enter into collaborations, in-licensing arrangements, joint ventures, strategic alliances, business acquisitions, partnerships or other arrangements to develop our products and to pursue new geographic or product markets. Proposing, negotiating, and implementing collaborations, in-licensing arrangements, joint ventures, strategic alliances, or partnerships may be a lengthy and complex process. Other companies, including those with substantially greater financial, marketing, sales, technology or other business resources, may compete with us for these opportunities or arrangements. We may not identify, secure, or complete any such transactions or arrangements in a timely manner, on a cost-effective basis, on acceptable terms or at all. We have limited institutional knowledge and experience with respect to these business development activities, and we may also not realize the anticipated benefits of any such transaction or arrangement. In particular, these collaborations may not result in the development of products that achieve commercial success or result in significant revenue and could be terminated prior to developing any products. For example, we have entered into agreements with MediTouch and MYOLYN for the distribution of their products in the U.S. After several years of commercial collaboration, we determined that the agreement with MediTouch would not yield commercially acceptable results for us and we terminated the agreement as of January 31, 2023. Similarly, the distribution arrangement with MYOLYN or other new future arrangements may not be as productive or successful as we hope.

On May 16, 2016, we entered into the Collaboration Agreement and License Agreement with Harvard. Pursuant to the Collaboration Agreement, we have agreed to collaborate with Harvard for the research, design, development, and commercialization of lightweight exoskeleton system technologies for lower limb disabilities, aimed to treat stroke, multiple sclerosis, mobility limitations for the elderly and other medical applications. The Collaboration Agreement concluded on March 31, 2022. The License Agreement will continue in full force and effect until the expiration of the last-to-expire valid claim of the licensed patents. For more information on the collaboration with Harvard, see "Part I. Item 1. Business - Research and Development - Research and Development Collaboration."

Additionally, as we pursue these arrangements and choose to pursue other collaborations, in-licensing arrangements, joint ventures, strategic alliances, or partnerships in the future, we may not be in a position to exercise sole decision-making authority regarding the transaction or arrangement. This could create the potential risk of creating impasses on decisions, and our collaborators may have economic or business interests or goals that are, or that may become, inconsistent with our business interests or goals. It is possible that conflicts may arise with our collaborators. Our collaborators or any future collaborators may act in their self-interest, which may be adverse to our best interest, and they may breach their obligations to us. Disputes between us and our collaborators or any future collaborators may result in litigation or arbitration which would increase our expenses and divert the attention of our management. Further, these transactions and arrangements are contractual in nature and may be terminated or dissolved under the terms of the applicable agreements. Our collaborators or any future collaborators may allege that we have breached our agreement with them, and accordingly seek to terminate such agreement, which could adversely affect our competitive business position and harm our business prospects.

We may seek to grow our business through acquisitions of businesses, products or technologies, and the failure to manage acquisitions, or the failure to integrate them with our existing business, could have a material adverse effect on our business, financial condition, and operating results.

From time to time, we may consider opportunities to acquire or license other products or technologies that may enhance our product platform or technology, expand the breadth of our markets or customer base, or advance our business strategies. For example, as discussed above in "Part I. Item 1. Business - Overview", on August 11, 2023, we completed the acquisition of AlterG which became an indirect and wholly-owned subsidiary of the Company, and on February 19, 2026, we entered into an Intellectual Property Assignment and Technology Transfer Agreement with Skelable Ltd. to acquire certain assets, including certain intellectual property and related technology assets. Potential acquisitions involve numerous risks, including:

- problems assimilating the acquired products or technologies;
- issues maintaining uniform standards, procedures, controls and policies;
- problems integrating employees from an acquired organization into our company and integrating each company's accounting, management information, human resources and other administrative systems;
- unanticipated costs associated with acquisitions;
- diversion of management's attention from our existing business operations;
- potential incurrence of debt, contingent liabilities or amortization expenses, or write-offs of goodwill;
- risks associated with entering new markets in which we have limited or no experience; and
- increased legal and accounting costs relating to the acquisitions or compliance with regulatory matters.

We have no current commitments with respect to any acquisition or licensing. We do not know if we will be able to identify such acquisitions or licensing we deem suitable, whether we will be able to successfully complete any such transactions on favorable terms, or at all, or whether we will be able to successfully integrate any acquired products or technologies. Our potential inability to integrate any acquired products or technologies effectively may adversely affect our business, operating results, and financial condition. For more information, see the risk factor above entitled "Risks Related to Our Business and Our Industry – We may fail to realize the benefits expected from our acquisition of AlterG, which could adversely affect the price of our ordinary shares."

Risks Related to Government Regulation

Although the FDA granted Breakthrough Device Designation status to our ReBoot device, this designation does not guarantee regulatory clearance, or a speedier clearance timeline.

In November 2021, the FDA granted Breakthrough Device Designation status to ReBoot, a personal soft exo-suit for home and community use by individuals post-stroke. For more information regarding the Breakthrough Device, see "Part I, Item 1. Business-Government Regulation" above.

However, achieving Breakthrough Device Designation status does not guarantee regulatory clearance or approval or a speedier clearance or approval timeline. We have not yet submitted a premarket submission to the FDA or any foreign regulatory agency for clearance or other marketing authorization of ReBoot. Further investment in the development path of the ReBoot was paused in 2023 pending determination regarding the clinical and commercial opportunity of this device and it remains indefinitely on hold.

U.S. healthcare reform measures and other potential legislative initiatives could adversely affect our business.

Changes in United States federal and state legislation, regulation, global trade, reimbursement policy, enforcement priorities, and government policy could substantially impact our business and the medical device industry generally. Certain proposals, if enacted into law, could impose limitations on the prices we will be able to charge for our ReWalk system or any products we may develop and offer in the future, or the amounts of reimbursement available for such products from governmental agencies or third-party payors. Additionally, any reduction in reimbursement from Medicare or other government-funded federal programs, including the VHA, or state healthcare programs could lead to a similar reduction in payments from private commercial payors. The FDA's policies may also change, and additional government regulations may be issued that could prevent, limit, or delay regulatory approval of our future products, or impose more stringent product labeling and post-marketing testing and other requirements.

We expect that changes or additions to the Medicare and Medicaid programs and changes stemming from other healthcare reform measures, especially with regard to healthcare access, financing or other legislation in individual states, could have a material adverse effect on the healthcare industry and on coverage, reimbursement, purchasing decisions, capital budgets, and demand for our products.

The Budget Control Act of 2011, among other things, created the Joint Select Committee on Deficit Reduction to recommend proposals in spending reductions to Congress. The Joint Select Committee did not achieve its targeted deficit reduction of an amount greater than $1.2 trillion for the fiscal years 2012 through 2021, triggering the legislation's automatic reductions to several government programs. These reductions included aggregate reductions to Medicare payments to healthcare providers of up to 2% per fiscal year. The Bipartisan Budget Act of 2018 retained the federal budget "sequestration" Medicare payment reductions of 2% and extended it through 2031. Under the Consolidated Appropriations Acts of 2023 and 2024, the Medicare sequester percentage in FY2032 is scheduled to be 2% from April 1, 2032, through September 30, 2032, and 0% for October 1, 2032 through March 31, 2033, unless congressional action is taken.

On January 2, 2013, the American Taxpayer Relief Act was signed into law, which, among other things, reduced Medicare payments to several types of providers, including hospitals, imaging centers, and cancer treatment centers, and increased the statute of limitations period for the government to recover overpayments to providers from three to five years.

The implementation of cost containment measures or other healthcare reforms may thus prevent us from being able to generate revenue, attain profitability or further commercialize our existing or future products. We are currently unable to predict what additional legislation or regulation, if any, relating to the health care industry may be enacted in the future or what effect recently enacted federal legislation or any such additional legislation or regulation would have on our business. The pendency or approval of such proposals or reforms could result in a decrease in our stock price or limit our ability to raise capital or to enter into collaboration agreements for the further development and commercialization of our programs and products.

Our devices are subject to the FDA's regulations pertaining to marketing and promotional communications, among others. Failure to comply with such regulations may give rise to a number of potential FDA enforcement actions, any of which could have a material adverse effect on our business.

Our sales and marketing efforts, as well as promotions, are subject to various laws and regulations. Medical device promotions must be consistent with and not contrary to labeling and the indication for use, be truthful and not false or misleading, and be adequately substantiated. In addition to the requirements applicable to 510(k)-cleared products, we may also be subject to enforcement action in connection with any promotion of an investigational new device. A sponsor or investigator, or any person acting on behalf of a sponsor or investigator, may not represent in a promotional context that an investigational new device is safe or effective for the purposes for which it is under investigation or otherwise promote the device.

Our marketing and promotional materials are subject to FDA scrutiny to ensure that the device is being marketed in compliance with these requirements. If the FDA investigates our marketing and promotional materials and finds that any of our current or future commercial products were being marketed for unapproved or uncleared uses or in a false or misleading manner, we could be subject to FDA enforcement or enforcement from other government agencies, and/or false advertising consumer lawsuits, each of which could have a material adverse effect on our business.

We are subject to extensive governmental regulations relating to the manufacturing, labeling, and marketing of our products, and a failure to comply with such regulations could lead to withdrawal or recall of our products from the market.

Our medical products and manufacturing operations are subject to regulation by the FDA, the European Union, and other governmental authorities both inside and outside of the United States. These agencies enforce laws and regulations that govern the development, testing, manufacturing, labeling, storage, installation, servicing, advertising, promoting, marketing, distribution, import, export and market surveillance of our products.

Our products are regulated as medical devices in the United States under the Federal Food Drug, and Cosmetic Act, ("FFDCA") as implemented and enforced by the FDA. Under the FFDCA, medical devices are classified into one of three classes (Class I, Class II or Class III) depending on the degree of risk associated with the medical device, what is known about the type of device, and the extent of control needed to provide reasonable assurance of safety and effectiveness. Classification of a device is important because the class to which a device is assigned determines, among other things, the necessity and type of FDA review required prior to marketing the device. For more information, see "Part I, Item 1. Business-Government Regulation" above.

In June 2014, the FDA granted our request for "de novo" classification, which provides a route to market for medical devices that are low to moderate risk, but are not substantially equivalent to a predicate device, and classified ReWalk as Class II powered exoskeleton device subject to certain special controls. In March 2023 the FDA granted 510(k) clearance for the ReWalk Personal Exoskeleton with stair and curb functionality, which adds usage on stairs and curbs to the indication for use for the device in the U.S. In March 2025 we received 510(k) clearance from FDA for the ReWalk 7 Personal Exoskeleton, a next-generation ReWalk model. The ReWalk is intended to enable individuals with spinal cord injuries to perform ambulatory functions under supervision of a specially trained companion, indoor and outdoor. The special controls established in the de novo order for all powered exoskeletons include the following: clinical testing to demonstrate safe and effective use considering the level of supervision necessary and the use environment; non-clinical safety and performance testing, including durability testing to demonstrate that the device performs as intended under anticipated conditions of use; a training program; and labeling related to device use and user training. In order for us to market ReWalk, we must comply with both general controls, including controls related to quality, facility registration, reporting of adverse events and labeling, and the special controls established for the device. Failure to comply with these requirements could lead to an FDA enforcement action, which would have a material adverse effect on our business.

In June 2019, the FDA issued a 510(k) clearance for our ReStore device. ReStore is intended to be used to assist ambulatory functions in rehabilitation institutions under the supervision of a trained therapist for people with hemiplegia or hemiparesis due to stroke who have a specified amount of ambulatory function. In order for us to market ReStore and ReWalk, we must comply with both general controls, including controls related to quality, facility registration, reporting of adverse events and labeling, and the special controls established for powered exoskeleton devices as described above. Failure to comply with these requirements could lead to an FDA enforcement action, which would have a material adverse effect on our business.

In the E.U. we are subject to regulations and standards regulating the design, manufacture, clinical trials, labeling and adverse event (i.e., vigilance) reporting for medical devices. The Medical Devices Regulation (EU) 2017/745 (MDR) became fully applicable on May 26, 2021, repealing and replacing the pre-existing E.U. Medical Devices Directive 93/42/EEC, MDD. Devices that comply with the requirements of the MDR, subject to certain transitional provisions that allow continued compliance of certain products to the MDD, are entitled to bear the CE mark, indicating that the device conforms to the essential requirements of the MDR and, accordingly, can be commercially distributed throughout the European Economic Area (i.e., the E.U. Member States plus Norway, Iceland, and Lichtenstein). We received the CE mark for our ReStore device under the MDD and because the ReStore was not planned for MDR conformity, we ceased sales of the ReStore in the E.U. in May 2024. For our ReWalk Systems, we received MDR certification for the ReWalk 7 Personal Exoskeleton device in September 2025. Prior models of our ReWalk system are CE marked under the MDD and continue to be placed on the EU market in compliance with the MDR transitional provisions. As compared with the MDD, the MDR includes additional premarket and post-market requirements, as well as potential product reclassifications and more stringent commercialization requirements that could adversely affect our CE mark. Failure to comply with these new requirements could lead to substantial penalties, including fines, revocation or suspension of the CE mark and criminal sanctions.

Following the introduction of a product to a particular market, the competent governmental agencies in that market (and/or Notified Bodies in the E.U.) will periodically inspect our manufacturing processes and quality controls, and we are under a continuing obligation to ensure that all applicable regulatory requirements continue to be met. The process of complying with the applicable good manufacturing practices, adverse event reporting and other requirements can be costly and time consuming, and could delay or prevent the production, manufacturing, or sale of our devices. In addition, if we fail to comply with applicable regulatory requirements, it could result in fines, closure of manufacturing sites, seizures or recalls of products and damage to our reputation, as well as enforcement actions against us. For example, the FDA could request that we recall our ReWalk Personal Exoskeleton or ReStore device in case of product defects or require us to conduct post-market surveillance studies. If we fail to recall the device and/or conduct requested post-market surveillance studies to FDA's satisfaction, we could be subject to FDA enforcement action.

In addition, governmental agencies may impose new requirements regarding registration or labeling that may require us to modify or re-register our products or otherwise impact our ability to market our products in those countries. The process of complying with these governmental regulations can be costly and time-consuming, and could delay or prevent the production, manufacturing, or sale of our products.

If we or our third-party manufacturers fail to comply with the FDA's Quality Management System Regulation, or QMSR, our manufacturing operations could be interrupted.

We and our contract manufacturers, Sanmina and Cirtronics, are required to comply with the FDA's QMSR which covers the methods and documentation of the design, testing, production, control, quality assurance, labeling, packaging, sterilization, storage, and shipping of our products. The QMSR became effective in February 2026 and amended the QSR. The QMSR incorporates by reference the international standard for medical device quality management systems set by the International Organization for Standardization (ISO), ISO 13485:2016. We, Sanmina, Cirtronics and our suppliers are also subject to the regulations of foreign jurisdictions regarding the manufacturing process if we or our distributors market our products abroad. We actively maintain compliance with the FDA's QMSR, and the European Union's Quality Management Systems requirements, ISO 13485:2016. We continue to monitor our quality management to maintain our overall level of compliance. Our facilities are subject to periodic and unannounced inspection by U.S. and foreign regulatory agencies to audit compliance with the QMSR and comparable foreign regulations. If our facilities or those of Sanmina of Cirtronics or our suppliers are found to be in violation of applicable laws and regulations, or if we, Sanmina, Cirtronics or our suppliers fail to take satisfactory corrective action in response to an adverse inspection, the regulatory authority could take enforcement action, including any of the following sanctions:

- untitled letters, warning letters, fines, injunctions, consent decrees and civil penalties;
- customer notifications or repair, replacement, or refunds;
- operating restrictions or partial suspension or total shutdown of production;
- recalls, withdrawals, or administrative detention or seizure of our products;
- denials or delays of approvals for pre-market approval applications relating to new products or modified products;

- withdrawals of a PMA approvals;
- refusal to provide Certificates for Foreign Government;
- refusal to grant export approval for our products; or
- pursuit of criminal prosecution.

Any of these sanctions could impair our ability to produce our products in a cost-effective and timely manner in order to meet our customers' demands and could have a material adverse effect on our reputation, business, results of operations, and financial condition. We may also be required to bear other costs or take other actions that may have a negative impact on our future sales and our ability to generate profits.

We are subject to various laws and regulations, including "fraud and abuse" laws and anti-bribery laws, which, if violated, could subject us to substantial penalties.

Medical device companies such as ours have faced lawsuits and investigations pertaining to alleged violations of numerous statutes and regulations, including anti-corruption laws and health care "fraud and abuse" laws, such as the federal False Claims Act, the federal Anti-Kickback Statute, and the U.S. Foreign Corrupt Practices Act, or the FCPA.

U.S. federal and state laws, including the federal Sunshine Act, and the implementation of Open Payments regulations under the Sunshine Act, require medical device companies to disclose certain payments or other transfers of value made to certain healthcare providers or funds spent on marketing and promotion of medical device products. Further, some state laws require medical device companies to report information related to payments to physicians and other health care providers or marketing expenditures. They also impose additional administrative and compliance burdens on us. In particular, these laws influence, among other things, how we structure our sales offerings and other interactions with health care providers, including discount practices, customer support, education and training programs and physician consulting and other service arrangements, including those with marketers and sales agents. We may face significant costs in attempting to comply with these laws and regulations. If we are found to be in violation of any of these requirements or any actions or investigations are instituted against us, those actions could be costly to defend and could have a significant impact on our business, including the imposition of significant criminal and civil fines and penalties, exclusion from federal healthcare programs or other sanctions, and damage to our reputation or business.

The FCPA applies to companies like ours that are issuers of a class of securities registered under the Exchange Act. The FCPA and other global and local anti-bribery laws which apply to various aspects of our operations generally prohibit companies and their directors, officers, employees, agents, and other intermediaries from, directly or indirectly, authorizing, promising, offering, providing, or making improper payments or giving anything else of value to government officials for the purpose of obtaining or retaining an unfair business advantage. The FCPA also requires issuers to make and keep books and records that accurately and fairly reflect the transactions of the corporation and to devise and maintain an adequate system of internal accounting controls sufficient to assure management's control, authority, and responsibility over the company's assets. In various jurisdictions, our operations require us and third parties acting on our behalf to routinely interact with government officials, including medical personnel who may be considered government officials for purposes of these laws. Other applicable anti-bribery laws, including the U. K. Bribery Act, also prohibit improper payments to private parties and prohibit the receipt of improper payments. Our policies mandate compliance with applicable anti-bribery laws and prohibit our employees and third parties we engage from offering, making or receiving corrupt payments. We have also implemented an anti-corruption compliance program to mitigate the risk of violations of anti-bribery laws relating to our international operations. However, our program cannot eliminate all risk that unauthorized improper acts have been or will be committed by our employees, agents, or other third parties acting on our behalf. Violations of anti-bribery laws, or allegations of such violations, could result in civil or criminal sanctions or other adverse consequences, including disruption of our business and harming our financial condition, results of operations, cash flows and reputation.

If we are found to have violated laws protecting the confidentiality of patient health information, we could be subject to civil or criminal penalties, which could increase our liabilities and harm our reputation or our business.

There are a number of federal, state and foreign laws protecting the confidentiality of certain patient health information, including patient records, and restricting the use and disclosure of that protected information. In particular, the U.S. Department of Health and Human Services, or HHS, promulgated patient privacy rules under HIPAA. These privacy rules protect medical records and other personal health information by limiting their use and disclosure, giving individuals the right to access, amend and seek accounting of their own health information and limiting most use and disclosures of health information to the minimum amount reasonably necessary to accomplish the intended purpose. Additionally, the E.U. General Data Protection Regulation (the "EU GDPR") and E.U. Member State laws, along with the data protection laws in the United Kingdom (as specified below), impose more stringent data protection requirements and provides for penalties for noncompliance. Additionally, if we or any of our service providers are found to be in violation of the promulgated patient privacy rules under HIPAA, the EU GDPR, E.U. Member State laws, or UK data protection laws, we could be subject to civil or criminal penalties, which could be substantial and could increase our liabilities, harm our reputation and have a material adverse effect on our business, financial condition and operating results.

A number of U.S. states have also enacted data privacy and security laws and regulations that govern the collection, use, disclosure, transfer, storage, disposal, and protection of sensitive personal information, such as social security numbers, financial information and other personal information. For example, several U.S. territories and all 50 states now have data breach laws that require timely notification to individual victims, and at times regulators, if a company has experienced the unauthorized access or acquisition of sensitive personal data. Several states have also enacted comprehensive consumer privacy laws that regulate controllers' processing of consumers' personal data, including the California Consumer Privacy Act ("CCPA"), which went into effect on January 1, 2020 and, among other things, established a comprehensive privacy framework for covered businesses by creating an expanded definition of personal information, establishing new data privacy rights for consumers in the State of California, imposing special rules on the collection of consumer data from minors, and creating a new and potentially severe statutory damages framework for violations of the CCPA and for businesses that fail to implement reasonable security procedures and practices to prevent data breaches. The CCPA was amended by the California Privacy Rights Act which, as of January 1, 2023, has significantly modified the CCPA, including by expanding consumers' rights with respect to certain categories of sensitive personal information.

Similar laws have been passed in numerous other states. Other states have proposed new privacy laws which, if enacted, may add additional complexity, variation in requirements, restrictions and potential legal risk, require additional investment of resources in compliance programs, impact strategies and the availability of previously useful data and could result in increased compliance costs and/or changes in business practices and policies. The existence of comprehensive privacy laws in different states in the country would make our compliance obligations more complex and costly and may increase the likelihood that we may be subject to enforcement actions or otherwise incur liability for noncompliance. There are also states that are specifically regulating health information. For example, Washington's My Health My Data Act, which became effective on March 31, 2024, regulates the collection and sharing of health information and has a private right of action, which further increases the relevant compliance risk. Connecticut and Nevada have also passed similar laws regulating consumer health data. In addition, other states have proposed and/or passed legislation that regulates the privacy and/or security of certain specific types of information. For example, a small number of states have passed laws that regulate biometric data specifically.

We will continue to monitor and assess the impact of state law developments, which may impose substantial penalties for violations, impose significant costs for investigations and compliance, allow private class-action litigation and carry significant potential liability for our business. These various privacy and security laws may impact our business activities, including our identification of research subjects, relationships with business partners and ultimately the marketing and distribution of our products. State laws are changing rapidly and there are discussions in the U.S. Congress of new comprehensive federal data privacy laws to which we could become subject to, if enacted.

Our operations may also be subject to European data privacy laws, regulations and guidelines. The collection, use, storage, disclosure, transfer, or other processing of personal information regarding individuals in the EEA and UK, including personal health data, is subject to the EU GDPR, with respect to the EEA and the UK General Data Protection Regulation and UK Data Protection Act 2018 with respect to the UK, or UK GDPR, and collectively with the EU GDPR referred to as the "GDPR" in this document unless specified otherwise. The GDPR is wide-ranging in scope and imposes numerous requirements on companies that process personal information, including requirements relating to processing of special categories of personal information (such as health data), relying on a legal basis or condition for processing personal information, where required obtaining consent of the individuals to whom the personal information relates, providing information to individuals regarding data processing activities, conducting privacy impact assessments for "high risk" processing, implementing safeguards to protect the security and confidentiality of personal information, implementing limitations on the retention of personal information, providing mandatory notification of data breaches, and taking certain measures when engaging third-party processors. The GDPR also imposes strict rules on the transfer of personal information to countries outside the EEA and UK to non-adequate territories, including the United States in certain circumstances unless derogation exists or a valid GDPR transfer mechanism (for example, the European Commission approved Standard Contractual Clauses, or SCCs, and the UK International Data Transfer Agreement/Addendum, or UK IDTA) have been put in place. Where relying on the SCCs /UK IDTA for data transfers, we may also be required to carry out transfer impact assessments to assess whether the recipient is subject to local laws which allow public authority access to personal information. Failure to comply with the GDPR, and any supplemental EEA Member State or UK national data protection laws which may apply by virtue of the location of the individuals whose personal information we collect, may result in substantial penalties, including potential fines of up to €20 million (£17.5 million for the UK GDPR) or 4% of annual global revenues for the preceding financial year, whichever is greater. The GDPR also confers a private right of action on data subjects and consumer associations to lodge complaints with supervisory authorities, seek judicial remedies, and obtain compensation for damages resulting from violations of the GDPR. The GDPR increases our responsibility and liability in relation to personal information that we process where such processing is subject to the GDPR, and requires us to put in place additional mechanisms to ensure compliance with the GDPR, including as implemented by individual countries. Compliance with the GDPR will be a rigorous and time-intensive process that may increase our cost of doing business or require us to change our business practices, and despite those efforts, there is a risk that we may be subject to fines and penalties, litigation, and reputational harm in connection with our European activities.

Furthermore, in the EEA, the NIS 2 Directive ("NIS 2") is replacing the cybersecurity legal framework under the current NIS framework, aiming to ensure a high level of cybersecurity in the region. NIS 2 brings new medium and large organizations providing services in the EEA within scope of the legal framework. It extends to additional sectors and expands the list of in-scope healthcare organizations, including to certain providers engaged in research and development of medicinal products. The new regime imposes direct obligations on management in respect of an in-scope organization's compliance with NIS 2, requires covered organizations to put in place certain cyber risk management measures, strengthens incident reporting requirements and provides supervisory authorities with a greater oversight. The majority of obligations will come into force when national legislation implementing NIS 2 becomes effective in the relevant EU Member State. EU Member States had until 17 October 2024 to transpose NIS 2 into national legislation, although many countries have still not completed the transposition. As such, the cybersecurity regulatory landscape in the EU is currently fragmented and uncertain. To the extent we are subject to NIS 2, we will require additional investment of our resources in compliance programs. Under NIS 2 companies may be subject to administrative fines of up to the higher amount of €10 million or 2% of worldwide turnover.

All of these evolving compliance and operational requirements impose significant costs, such as costs related to organizational changes, implementing additional protection technologies, training employees and engaging consultants and legal advisors, which are likely to increase over time. In addition, such requirements may require us to modify our data processing practices and policies, utilize management's time and/or divert resources from other initiatives and projects. The interpretation and enforcement of the laws and regulations described above are uncertain and subject to change and may require substantial costs to monitor and implement compliance with any additional requirements. Failure, or perceived failure, to comply with U.S. or international data protection laws and regulations could result in government enforcement actions (which could include substantial civil and/or criminal penalties), private litigation, including class action privacy litigation in certain jurisdictions, and/or adverse publicity. which would subject us to significant fines, sanctions, awards, injunctions, penalties or judgments. All of the above could negatively affect our financial condition, operating results and business.

Our use of new and evolving technologies, such as artificial intelligence, may present risks and challenges that can impact our business, including by posing cybersecurity and other risks to our confidential and/or proprietary information, including personal information, and as a result we may be exposed to reputational harm and liability.

We may integrate and use artificial intelligence ("AI") in our products, operations and business processes. For example, we have developed a prototype with integrated advanced sensing technologies and AI to enable autonomous decision making. Use of this technology presents risks and challenges that could affect our business and we may experience brand or reputational harm, competitive harm or legal liability.

A growing number of legislators and regulators are adopting laws and regulations and have focused enforcement efforts on the adoption of artificial intelligence, and use of such technologies in compliance with ethical standards and societal expectations. These developments may increase our compliance burden and costs in connection with use of artificial intelligence and lead to legal liability if we fail to meet evolving legal standards or if use of such technologies results in harms or other causes of action we did not predict. For example, the EU's Artificial Intelligence Act ("AI Act") entered into force on August 1, 2024, with most provisions becoming effective on August 2, 2026. This legislation imposes significant obligations on providers and deployers of artificial intelligence systems, and encourages providers and deployers of artificial intelligence systems to account for EU ethical principles in their development and use of these systems. The scope of requirements depends on legal and risk determinations that rely on novel legal provisions that have not yet been interpreted by courts or regulators, and non-compliance can lead to significant fines.

Likewise, in the U.S., several states, including Colorado and California, passed laws that are in effect or will take effect in 2026, to regulate various uses of artificial intelligence, including to make consequential decisions. In addition, various federal regulators have issued guidance and focused enforcement efforts on the use of AI in regulated sectors. The FDA, for example, issued guidance on the use of artificial intelligence in medical devices, requiring detailed risk management and review processes to obtain approvals. Our development and use of AI systems governed by these laws or regulations will need to meet higher standards of data quality, transparency, monitoring and human oversight, and we would need to adhere to specific and potentially burdensome and costly ethical, accountability, and administrative requirements, with the potential for significant enforcement or litigation in the event of any perceived non-compliance. We cannot predict the ultimate content, timing, or effect of any new regulatory requirements or guidance, and failure to obtain or maintain required regulatory clearances or approvals, or to comply with applicable regulatory requirements, could result in enforcement actions, injunctions, civil or criminal penalties, and may materially adversely affect our ability to commercialize AI-enabled products and our financial condition and results of operations.

The rapid evolution of artificial intelligence will require the application of significant resources to design, develop, test and maintain such systems to help ensure that artificial intelligence is implemented in accordance with applicable law and regulation and in a socially responsible manner and to minimize any real or perceived unintended harmful impacts. Furthermore, our existing competitors and emerging players may outpace us in implementing advanced artificial intelligence technologies that comply with evolving regulatory standards.

The use of certain artificial intelligence technologies can also give rise to intellectual property risks, including by disclosing or otherwise compromising our confidential or proprietary intellectual property, or by undermining our ability to assert or defend ownership rights in intellectual property created with the assistance of artificial intelligence tools, which could result in costly litigation, royalty obligations, and loss of customer goodwill.

AI technologies are inherently subject to limitations and may produce inaccurate, incomplete, or unreliable outputs and may fail to adapt to highly individual biomechanics of each user. Given the critical nature of our products, this potentially exposes us to significant product liability risks, including but not limited to claims alleging design defects, manufacturing defects, and negligence. Furthermore, the application of traditional product liability principles to AI-enabled medical devices remains unsettled, and this legal uncertainty makes it difficult to predict and manage our product liability risk. While we maintain product liability insurance, there can be no assurance that our insurance coverage will be adequate to cover all claims. Any product liability claim, regardless of its merit or outcome, could result in significant legal defense costs and diversion of management resources.

Our vendors may in turn incorporate artificial intelligence tools into their offerings, and the providers of these artificial intelligence tools may not meet existing or rapidly evolving regulatory or industry standards, including with respect to privacy and data security. Further, bad actors around the world use increasingly sophisticated methods, including the use of artificial intelligence, to engage in illegal activities involving the theft and misuse of personal information, confidential information and intellectual property. Any of these effects could damage our reputation, result in the loss of valuable property and information, cause us to breach applicable laws and regulations, and adversely impact our business.

Compliance with various regulations, including those related to our status as a U.S. public company and the manufacturing, labeling, and marketing of our products, may result in heightened general and administrative expenses and costs, divert management's attention from revenue-generating activities and pose challenges for our management team, which has limited time, personnel and finances to devote to regulatory compliance.

As a U.S. public company, we are subject to various regulatory and reporting requirements, including those imposed by the SEC, the Sarbanes-Oxley Act of 2002, or the Sarbanes-Oxley Act, the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, or the Dodd-Frank Act, the listing requirements of The Nasdaq Capital Market and other applicable securities rules and regulations. Additionally, our medical products and manufacturing operations are regulated by the FDA, the European Union and other governmental authorities both inside and outside of the United States. Compliance with the rules and regulations applicable to us as a publicly traded company in the United States and medical device manufacturer has greatly increased, and may continue to increase, our legal, general and administrative and financial compliance costs and has made, and may continue to make, some activities more difficult, time-consuming or costly. Additionally, these regulatory requirements have diverted, and may continue to divert, management's attention from revenue-generating activities and may increase demands on management's already-limited resources.

Our management team consists of few employees, as the majority of our employees are engaged in sales and marketing and research and development activities. For more information, see "Part I, Item 1. Business—Employees" above. In light of such constraints on its time, personnel and finances, our management may not be able to implement programs and policies in an effective and timely manner to respond adequately to the heightened legal, regulatory and reporting requirements applicable to us. In the past, for example, we have not always been able to respond on a timely basis to requests from regulators, although we have not to date experienced any long-term material adverse consequences as a result. Similar deficiencies, weaknesses, or lack of compliance with public company, medical device and other regulations could harm our reputation in the capital markets or for quality and safety, negatively affect our ability to maintain our Nasdaq listing or our public company status and to develop, commercialize or continue selling our products on a timely and cost effective basis, and cause us to incur sanctions, including fines, injunctions, and penalties.

In addition, complying with public disclosure rules makes the operations of our business more visible, which could result in threatened or actual litigation, including by competitors and other third parties. If such claims were to be successful, our business and operating results could be harmed, and even if any claims do not result in litigation or are resolved in our favor, these claims, and the time and resources necessary to resolve them, could divert the resources of our management and harm our business and operating results.

We are also subject to the requirement of Section 1502 of the Dodd-Frank Act and SEC rules related thereto to conduct due diligence and disclose and report on whether certain minerals and metals, known as "conflict minerals," are contained in our products and whether they originate from the Democratic Republic of Congo and certain adjoining countries. Each year our management team devotes significant time to conduct the required due diligence, and we may face reputational challenges if we determine that certain of our products contain minerals that are not determined to be conflict free, or if we are unable to sufficiently verify the origins of all conflict minerals used in our products through the procedures we implement.

Risks Related to Our Intellectual Property and Information Technology

We depend on computer and telecommunications systems we do not own or control and failures in our systems or a cybersecurity attack or incident relating to our IT systems or technology could significantly disrupt our business operations or result in sensitive customer information being compromised which would negatively materially affect our reputation and/or results of operations.

We have entered into agreements with third parties for hardware, software, telecommunications, and other information technology services in connection with the operation of our business. It is possible we or a third party that we rely on could incur interruptions from a loss of communications, hardware or software failures, a cybersecurity attack, data breach or an incident relating to our IT systems or technology including, ransomware, social engineering (including phishing attacks), the theft, fraud, and subsequent misuse of employee credentials, denial-of-service attacks, business email compromises, computer viruses or malware. We believe that we have positive relations with our vendors and maintain adequate anti-virus and malware software and controls; however, any interruptions to our arrangements with third parties, to our computing and communications infrastructure, or to our information systems or any of those operated by a third party that we rely on could significantly disrupt our business operations.

In the current environment, there are numerous and evolving risks to cybersecurity and privacy, including criminal hackers, hacktivists, state-sponsored intrusions, industrial espionage, employee or vendor malfeasance and human or technological error. Cybersecurity incidents and data breaches at other companies and in government agencies have increased in recent years, and security industry experts and government officials have warned about the risks of hackers and cyberattacks targeting businesses such as ours. Attempts to disrupt or gain unauthorized access to our and our third-party vendors' information systems from malicious third parties or insider threats may incorporate widely varying and frequently changing tactics, which may be enhanced or facilitated by artificial intelligence. Computer hackers and others routinely attempt to breach the security of technology products, services, and systems, and to fraudulently induce employees, customers, or others to disclosure information or unwittingly provide access to systems or data. A cyberattack of our systems or networks that impairs our information technology systems could disrupt our business operations and result in loss of service to customers, including technical support for our ReWalk devices. While we have certain cybersecurity safeguards in place designed to protect and preserve the integrity of our information technology systems, like other companies in our industry, we, and our third-party vendors, have experienced and expect to continue to experience threats, including actual or attempted cyberattacks relating to our IT systems and networks. However, none of these actual or attempted cyberattacks has had a material effect on our operations, business strategy, or financial condition. Although we maintain cyber liability insurance, this insurance may not provide adequate coverage against potential liabilities related to any experienced cybersecurity incident or data breach.

Additionally, we have access to sensitive customer information in the ordinary course of business. If a significant cybersecurity incident occurred, our reputation may be adversely affected, customer confidence may be diminished, or we may be subject to legal claims, any of which may contribute to the loss of customers and have a material adverse effect on us. For more information, see "Risks Related to Government Regulation" above. If we are found to have violated laws protecting the confidentiality of patient health information, we could be subject to civil or criminal penalties, which could increase our liabilities and harm our reputation or our business. Our contracts may not contain limitations of liability, and even where they do, there can be no assurance that limitations of liability in our contracts are sufficient to protect us from liabilities, damages, or claims related to our privacy and data security obligations.

Our success depends in part on our ability to obtain and maintain protection for the intellectual property relating to or incorporated into our products.

Our success depends in part on our ability to obtain and maintain protection for the intellectual property relating to or incorporated into our products. We seek to protect our intellectual property through a combination of patents, trademarks, confidentiality, and assignment agreements with our employees and certain of our contractors, and confidentiality agreements with certain of our consultants, scientific advisors, and other vendors and contractors. In addition, we rely on trade secret law to protect our proprietary software and product candidates/products in development. For more information, see "Part I, Item 1. Business—Intellectual Property" above.

Our patent position with respect to our exoskeleton and anti-gravity systems can be highly uncertain and involves many new and evolving complex legal, factual, and technical issues. Patent laws and interpretations of those laws are subject to change, and any such changes may diminish the value of our patents or narrow the scope of our right to exclude others. In addition, we may fail to apply for or be unable to obtain patents necessary to protect our technology or products from competition or fail to enforce our patents due to lack of information about the exact use of technology or processes by third parties. Also, we cannot be sure that any patents will be granted in a timely manner or at all with respect to any of our patent pending applications or that any patents that are granted will be adequate to exclude others for any significant period of time or at all. Given the foregoing and in order to continue reducing operational expenses in the future, we may invest fewer resources in filing and prosecuting new patents and on maintaining and enforcing various patents, especially in regions where we currently do not focus our market growth strategy.

Litigation to establish or challenge the validity of patents, or to defend against or assert against others infringement, unauthorized use, enforceability, or invalidity, can be lengthy and expensive and may result in our patents being invalidated or interpreted narrowly and restricting our ability to be granted new patents related to our pending patent applications. Even if we prevail, litigation may be time consuming, force us to incur significant costs, and could divert management's attention from managing our business while any damages or other remedies awarded to us may not be valuable. In addition, U.S. patents and patent applications may be subject to interference proceedings, and U.S. patents may be subject to re-examination and review proceedings in the U.S. Patent and Trademark Office. Foreign patents may also be subject to opposition or comparable proceedings in the corresponding foreign patent offices. Any of these proceedings may be expensive and could result in the loss of a patent or denial of a patent application, or the loss or reduction in the scope of one or more of the claims of a patent or patent application.

In addition, we seek to protect our trade secrets, know-how, and confidential information that is not patentable by entering into confidentiality and assignment agreements with our employees and certain of our contractors and confidentiality agreements with certain of our consultants, scientific advisors, and other vendors and contractors. However, we may fail to enter into the necessary agreements, and even if entered into, these agreements may be breached or otherwise fail to prevent disclosure, third-party infringement, or misappropriation of our proprietary information, may be limited as to their term and may not provide an adequate remedy in the event of unauthorized disclosure or use of proprietary information. Enforcing a claim that a third party illegally obtained or is using our trade secrets without authorization may be expensive and time consuming, and the outcome is unpredictable. Some of our employees or consultants may own certain technology which they license to us for a set term. If these technologies are material to our business after the term of the license, our inability to use them could adversely affect our business and profitability.

We also have taken precautions to initiate reasonable safeguards to protect our information technology systems. However, these measures may not be adequate to safeguard our proprietary information, which could lead to the loss or impairment thereof or to expensive litigation to defend our rights against competitors who may be better funded and have superior resources. In addition, unauthorized parties may attempt to copy or reverse engineer certain aspects of our products that we consider proprietary, or our proprietary information may otherwise become known or may be independently developed by our competitors or other third parties. If other parties are able to use our proprietary technology or information, our ability to compete in the market could be harmed. Further, unauthorized use of our intellectual property may have occurred, or may occur in the future, without our knowledge.

If we are unable to obtain or maintain adequate protection for intellectual property, or if any protection is reduced or eliminated, competitors may be able to use our technologies, resulting in harm to our competitive position.

Our patents and proprietary technology and processes may not provide us with a competitive advantage.

Robotics, exoskeletons, and anti-gravity system technologies have been developing rapidly in recent years. We are aware of several other companies developing competing exoskeleton devices for individuals with limited mobility and we expect the level of competition and the pace of development in our industry to increase. Likewise, we are aware of several companies with commercial anti-gravity or treadmill-based gait therapy systems. For more information, see "Part I, Item 1. Business—Competition" above. While we believe our tilt-sensor technology provides a more natural and superior method of exoskeleton activation, which creates a better user experience, as well as that our licensed technology used in our ReStore device is unique and provides better results when compared to other products, a variety of other activation and control methods exist for exoskeletons, several of which are being developed by our competitors, or may be developed in the future. Additionally, while our DAP technology provides what we believe is a superior method for partial weight displacement with strong market acceptance, there may be competitors developing innovative alternative gait therapies that could be introduced in the future. As a result, our patent portfolio and proprietary technology and processes may not provide us with a significant advantage over our competitors, and competitors may be able to design and sell alternative products that are equal to or superior to our products without infringing on our patents. In addition, as our current patents begin to expire, we may lose a competitive advantage over our competitors as we will no longer be able to keep our competitors from practicing the technology covered by the claim of the expired patents. We may also be unable to adequately develop new technologies and obtain future patent protection to preserve a competitive advantage. If we are unable to maintain a competitive advantage, our business and results of operations may be materially adversely affected.

Even in instances where others are found to infringe on our patents, many countries have laws under which a patent owner may be compelled to grant licenses for the use of the patented technology to other parties. In addition, many countries limit the enforceability of patents against other parties, including government agencies or government contractors. In these countries, a patent owner may have limited remedies, which could diminish the value of a patent in those countries. Further, the laws of some countries do not protect intellectual property rights to the same extent as the laws of the United States, particularly in the field of medical products, and effective enforcement in those countries may not be available. The ability of others to market comparable products could adversely affect our business.

We are not able to protect our intellectual property rights in all countries.

Filing, prosecuting, maintaining, and defending patents on each of our products in all countries throughout the world would be prohibitively expensive, and thus our intellectual property rights outside the United States and Europe are limited. In addition, the laws of some foreign countries, especially developing countries, such as China, do not protect intellectual property rights to the same extent as federal and state laws in the United States. Also, it may not be possible to effectively enforce intellectual property rights in some countries at all or to the same extent as in the United States and other countries. Consequently, we are unable to prevent third parties from using our inventions in all countries, or from selling or importing products made using our inventions in the jurisdictions in which we do not have (or are unable to effectively enforce) patent protection. Competitors may use our technologies in jurisdictions where we have not obtained patent protection to develop, market or otherwise commercialize their own products, and we may be unable to prevent those competitors from importing those infringing products into territories where we have patent protection, but enforcement may not be as strong as in the United States. These products may compete with our products, and our patents and other intellectual property rights may not be effective or sufficient to prevent them from competing in those jurisdictions. Moreover, strategic partners, competitors, or others in the chain of commerce may raise legal challenges against our intellectual property rights or may infringe upon our intellectual property rights, including through means that may be difficult to prevent or detect.

Many companies have encountered significant problems in protecting and defending intellectual property rights in foreign jurisdictions. Proceedings to enforce our patent rights in the United States or foreign jurisdictions could result in substantial costs and divert our efforts and attention from other aspects of our business, could put our patents at risk of being invalidated or interpreted narrowly and our patent applications at risk of not issuing, and could provoke third parties to assert patent infringement or other claims against us. We may not prevail in any lawsuits that we initiate, and the damages or other remedies awarded, if any, may not be commercially meaningful. Accordingly, our efforts to enforce our intellectual property rights in the United States and around the world may be inadequate to obtain a significant commercial advantage from the intellectual property that we develop or license from third parties.

We may be subject to patent infringement claims, which could result in substantial costs and liability and prevent us from commercializing our current and future products.

The medical device industry is characterized by competing intellectual property and a substantial amount of litigation over patent rights. Our competitors in both the United States and abroad, many of which have substantially greater resources and have made substantial investments in competing technologies, have been issued patents and filed patent applications with respect to their products and processes and may apply for other patents in the future. The large number of patents, the rapid rate of new patent issuances, and the complexities of the technology involved increase the risk of patent litigation.

Determining whether a product infringes a patent involves complex legal and factual issues and the outcome of patent litigation is often uncertain. Even though we have conducted research of issued patents, no assurance can be given that patents containing claims covering our products, technology or methods do not exist, have not been filed or could not be filed or issued. In addition, because patent applications can take years to issue and because publication schedules for pending applications vary by jurisdiction, there may be applications now pending of which we are unaware, and which may result in issued patents that our current or future products infringe. Also, because the claims of published patent applications can change between publication and patent grant, published applications that initially do not appear to be problematic may issue with claims that potentially cover our products, technology, or methods.

Infringement actions and other intellectual property claims brought against us, whether with or without merit, may cause us to incur substantial costs and could place a significant strain on our financial resources, divert the attention of management, and harm our reputation. We cannot be certain that we will successfully defend against any allegations of infringement. If we are found to infringe another party's patents, we could be required to pay damages. We could also be prevented from selling our infringing products, unless we can obtain a license to use the technology covered by such patents or can redesign our products so that they do not infringe. A license may be available on commercially reasonable terms or none at all, and we may not be able to redesign our products to avoid infringement. Further, any modification to our products could require us to conduct clinical trials and revise our filings with the FDA and other regulatory bodies, which would be time consuming and expensive. In these circumstances, we may not be able to sell our products at competitive prices or at all, and our business and operating results could be harmed.

We rely on trademark protection to distinguish our products from the products of our competitors.

We rely on trademark protection to distinguish our products from the products of our competitors. We currently hold a registered trademark in the United States, Europe, Israel, and the United Kingdom, for the mark ReWalk®. We currently hold a registered trademark in United States, Europe and the United Kingdom for the mark ReStore®. We currently hold the trademarks Alter G™ and Anti-Gravity Treadmill™ in the United States, Canada, and . The trademark Alter G™ is also held in the United Kingdom and Europe. We currently hold the registered trademark Defy Gravity® in the United States. We also hold a registered trademark for Lifeward® in Europe, the United Kingdom, and Israel. The application to register the trademark Lifeward™ is pending in the United States. In jurisdictions where we have not registered our trademark and are using it, and as permitted by applicable local law, we rely on common law trademark protection. Third parties may oppose our trademark applications, or otherwise challenge our use of the trademarks, and may be able to use our trademarks in jurisdictions where they are not registered or otherwise protected by law. If our trademarks are successfully challenged or if a third party is using confusingly similar or identical trademarks in particular jurisdictions before we do, we could be forced to rebrand our products, which could result in loss of brand recognition, and could require us to devote additional resources to marketing new brands. If others are able to use our trademarks, our ability to distinguish our products may be impaired, which could adversely affect our business. Further, we cannot assure you that competitors will not infringe upon our trademarks, or that we will have adequate resources to enforce our trademarks.

We may be subject to damages resulting from claims that our employees or we have wrongfully used or disclosed alleged trade secrets of their former employers.

Many of our employees were previously employed at other medical device companies, including our competitors or potential competitors, and we may hire employees in the future that are so employed. We could in the future be subject to claims that these employees, or we, have inadvertently or otherwise used or disclosed trade secrets or other proprietary information of their former employers. If we fail in defending against such claims, a court could order us to pay substantial damages and prohibit us from using technologies or features that are found to incorporate or be derived from the trade secrets or other proprietary information of the former employers. If any of these technologies or features that are important to our products, this could prevent us from selling those products and could have a material adverse effect on our business. Even if we are successful in defending against these claims, such litigation could result in substantial costs and divert the attention of management.

Risks Related to Ownership of Our Ordinary Shares

Sales of a substantial number of ordinary shares by us or our large shareholders, certain of whom may have registration rights, or dilutive exercises of a substantial number of warrants by our warrant-holders could adversely affect the value of our ordinary shares.

Sales by us or our shareholders of a substantial number of ordinary shares in the public market, or the perception that these sales might occur, could cause the value of our ordinary shares to decline or could impair our ability to raise capital through a future sale of our equity securities. Additionally, dilutive exercises of a substantial number of warrants by our warrant-holders, or the perception that such exercises may occur, could put downward price on the market price of our ordinary shares.

As of March 18, 2026, 701,757 ordinary shares were issuable pursuant to the exercise of warrants, with exercise prices ranging from $7.80 to $384.56 per warrant, issued in private and registered offerings of ordinary shares and warrants in December 2020, February 2021, September 2021, January 2025 and June 2025. We have registered with the SEC all of these warrants and/or the resale of the shares issuable upon their exercise. All share and per share amounts presented in this note have been retroactively adjusted to reflect the Company's 1-for-12 reverse share split effected on February 24, 2026. For more information, "Part I, Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Equity Raises", below.

All shares sold pursuant to an offering covered by a registration statement would be freely transferable. With respect to the outstanding warrants, there may be certain restrictions on the holders to sell the underlying ordinary shares to the extent they are restricted securities, held by "affiliates" or would exceed certain ownership thresholds. Certain of our largest shareholders, may also have limitations under Rule 144 under the Securities Act on the resale of certain ordinary shares they hold unless they are registered for resale under the Securities Act. Despite these limitations and the liquidity that we may gain from cash exercises of outstanding warrants, if we, our existing shareholders, or their affiliates sell a substantial number of the above-mentioned ordinary shares in the public market, the market price of our ordinary shares could decrease significantly. Shareholders may also incur substantial dilution if holders of our warrants exercise their warrants to purchase ordinary shares, which could lower the market price of our ordinary shares. Any such decrease could impair the value of your investment in us.

Future grants of ordinary shares under our equity incentive plans to our employees, non-employee directors and consultants, or sales by these individuals in the public market, could result in substantial dilution, thus decreasing the value of your investment in our ordinary shares, and certain grants may also require shareholder approval. In addition, stockholders will experience dilution upon the exercise of outstanding warrants.

We have historically used, and continue to use, our ordinary shares as a means of both rewarding our employees, non-employee directors, and consultants and aligning their interests with those of our shareholders. As of December 31, 2025, 39,851 ordinary shares remained available for issuance to our and our affiliates' respective employees, non-employee directors, and consultants under our equity incentive plans, including 125,882 ordinary shares were subject to outstanding awards (consisting of outstanding options to purchase 52,450 ordinary shares and 73,432 ordinary shares underlying unvested RSUs). For more information, see Note 8c to our consolidated financial statements for the year ended December 31, 2025, below.

Additionally, to the extent registered on a Form S-8, ordinary shares granted or issued under our equity incentive plans will, subject to vesting provisions, lock-up restrictions, and Rule 144 volume limitations applicable to our "affiliates," be available for sale in the open market immediately upon registration. Further, as of December 31, 2025, there were 707,097 ordinary shares underlying issued and outstanding warrants, which if exercised for ordinary shares, could decrease the net tangible book value of our ordinary shares and cause dilution to our existing shareholders. Sales of a substantial number of the above-mentioned ordinary shares in the public market could result in a significant decrease in the market price of our ordinary shares and have a material adverse effect on an investment in our ordinary shares.

If we do not meet the expectations of equity research analysts, if any, if the equity analysts following our business do not continue to publish research or reports about our business, or if the analyst issues unfavorable commentary or a downgrade of the rating on our ordinary shares, the price of our ordinary shares could decline. Additionally, we may fail to meet publicly announced financial guidance or other expectations about our business, which could cause our ordinary shares to decline in value.

There are currently three equity analysts publishing research reports about our business, and we are currently seeking to attract additional coverage. If our results of operations are below the analysts' consensus financial estimates, our share price could decline. Moreover, the price of our ordinary shares could decline if one or more securities analysts downgrade the rating on our ordinary shares or if analysts issue other unfavorable commentary or stop publishing research or reports about us or our business. Given that there are only three analysts that currently cover our business, we face an increased risk that the evaluation of our business by any one of the analysts, if less than positive, will cause a larger decline in our stock price than would otherwise be the case if we had a greater number of analysts covering our business.

From time to time, we have also faced difficulty accurately projecting our earnings and have missed certain of our publicly announced guidance. If our financial results for a particular period do not meet our guidance or if we reduce our guidance for future periods, the market price of our ordinary shares may decline.

We are a "smaller reporting company" and the reduced reporting requirements applicable to such companies may make our ordinary shares less attractive to investors.

We are a "smaller reporting company" as defined in Item 10(f)(1) of Regulation S-K, which allows us to take advantage of certain scaled disclosure requirements available specifically to smaller reporting companies. For example, we may continue to use reduced compensation disclosure obligations, and, provided we are also a "non-accelerated filer," we will not be obligated to follow the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act. We will remain a smaller reporting company until the last day of the fiscal year in which we have at least $100 million in revenue and at least $700 million in aggregate market value of ordinary shares held by non-affiliated persons and entities (known as "public float"), or, alternatively, if our revenue exceed $100 million, until the last day of the fiscal year in which our public float was at least $250.0 million (in each case, with respect to public float, as measured as of the last business day of the second quarter of such fiscal year). For the year ended December 31, 2025, we recorded revenue of approximately $22 million.

We cannot predict or otherwise determine if investors will find our securities less attractive as a result of our reliance on exemptions as a smaller reporting company and/or "non-accelerated filer." If some investors find our securities less attractive as a result, there may be a less active trading market for our ordinary shares and the price of our ordinary shares may be more volatile.

We are subject to ongoing costs and risks associated with determining whether our existing internal controls over financial reporting systems are compliant with Section 404 of the Sarbanes-Oxley Act, and if we fail to achieve and maintain adequate internal controls, it could have a material adverse effect on our stated results of operations and harm our reputation.

We are required to comply with the internal control, evaluation, and certification requirements of Section 404 of the Sarbanes-Oxley Act and the Public Company Accounting Oversight Board, which requires us to furnish a report by management on, among other things, the effectiveness of our internal control over financial reporting. Once we no longer qualify as a "smaller reporting company" and "non-accelerated filer," our independent registered public accounting firm will need to attest to the effectiveness of our internal control over financial reporting under Section 404. When our independent registered public accounting firm is required to undertake an assessment of our internal control over financial reporting, the cost of our compliance with Section 404 will correspondingly increase. Our compliance with applicable provisions of Section 404 will require that we incur substantial accounting expense and expend significant management time on compliance-related issues as we implement additional corporate governance practices and comply with reporting requirements. Moreover, if we are not able to comply with the requirements of Section 404 applicable to us in a timely manner, or if we or our independent registered public accounting firm identifies deficiencies in our internal control over financial reporting that are deemed to be material weaknesses, the market price of our stock could decline and we could be subject to sanctions or investigations by the SEC or other regulatory authorities, which would require additional financial and management resources.

The process of determining whether our existing internal controls over financial reporting systems are compliant with Section 404 and whether there are any material weaknesses or significant deficiencies in our existing internal controls requires the investment of substantial time and resources, including by our Chief Financial Officer and other members of our senior management. This determination and any remedial actions required could divert internal resources and take a significant amount of time and effort to complete and could result in us incurring additional costs that we did not anticipate, including the hiring of outside consultants. We could experience higher than anticipated operating expenses and higher independent auditor fees during and after the implementation of these changes.

Irrespective of compliance with Section 404, any failure of our internal controls could have a material adverse effect on our stated results of operations and harm our reputation. If we are unable to implement any of the required changes to our internal control over financial reporting effectively or efficiently or are required to do so earlier than anticipated, it could adversely affect our operations, financial reporting and/or results of operations and could result in an adverse opinion on internal controls from our management and our independent auditors. Further, if our internal control over financial reporting is not effective, the reliability of our financial statements may be questioned, and our share price may suffer.

U.S. holders of our ordinary shares may suffer adverse U.S. tax consequences if we are characterized as a passive foreign investment company, or a PFIC, under Section 1297(a) of the Code.

Generally, if for any taxable year 75% or more of our gross income is passive income, or at least 50% of the average quarterly value of our assets (which may be determined in part by the market value of our ordinary shares, which is subject to change) are held for the production of, or produce passive income, we would be characterized as a passive foreign investment company, or PFIC, for U.S. federal income tax purposes. Passive income for this purpose generally includes, among other things, certain dividends, interest, royalties, rents, and gains from commodities and securities transactions and from the sale or exchange of property that gives rise to passive income. Passive income also includes amounts derived by reason of the temporary investment of funds, including those raised in an offering. In determining whether a non-U.S. corporation is a PFIC, a proportionate share of the income and assets of each corporation in which it owns, directly or indirectly, at least a 25% interest (by value) is taken into account.

The determination of whether we are a PFIC will depend on the nature and composition of our income and the nature, composition, and value of our assets from time to time. The 50% passive asset test described above is generally based on the fair market value of each asset, with the value of goodwill and going concern value determined in large part by reference to the market value of our ordinary shares, which may be volatile. If we are characterized as a "controlled foreign corporation," or a "CFC", under Section 957(a) of the Code and not considered publicly traded throughout the relevant taxable year, however, the passive asset test may be applied based on the adjusted tax bases of our assets instead of the fair market value of each asset (as described above). However, if we are treated as publicly traded for at least 20 trading days during the relevant taxable year, our assets would generally be required to be measured at their fair market value, even if we are a CFC.

Based on our gross income and assets, the market price of our ordinary shares, and the nature of our business, we believe that we were not a PFIC for the taxable year ended December 31, 2025. However, this determination is subject to uncertainty. In addition, there is a significant risk that we may be a PFIC for future taxable years, unless the market price of our ordinary shares increases, or we reduce the amount of cash and other passive assets we hold relative to the amount of non-passive assets we hold. Accordingly, no assurances can be made regarding our PFIC status in one or more subsequent years, and we express no opinion with respect to our PFIC status in the taxable year ended December 31, 2025, or the current year 2026, and also expresses no opinion with respect to our predictions or past determinations regarding our PFIC status in the past or in the future.

If we are characterized as a PFIC, U.S. holders of our ordinary shares may suffer adverse tax consequences, including having gains realized on the sale of our ordinary shares treated as ordinary income, rather than capital gain, the loss of the preferential tax rate applicable to dividends received on our ordinary shares by individuals who are U.S. holders and having interest charges apply to distributions by us and to the proceeds of sales of our ordinary shares. In addition, special information reporting may be required. Certain elections exist that may alleviate some of the adverse consequences of PFIC status and would result in an alternative treatment (such as mark-to-market treatment or being able to make a qualified electing fund election). However, we do not intend to provide the information necessary for U.S. Holders to make qualified electing fund elections if we are classified as a PFIC.

Additionally, if we are characterized as a PFIC, for any taxable year during which a U.S. holder holds ordinary shares, we generally will continue to be treated as a PFIC with respect to such U.S. holder for all succeeding years during which such U.S. holder holds ordinary shares unless we cease to be a PFIC and such U.S. holder makes a "deemed sale" election with respect to such ordinary shares. If such election is made, such U.S. holder will be deemed to have sold such ordinary shares held by such U.S. holder at their fair market value on the last day of the last taxable year in which we qualified as a PFIC, and any gain from such deemed sale would be treated as described above.

Each U.S. holder of our ordinary shares is strongly urged to consult his, her or its tax advisor regarding the application of these rules and the availability of any potential elections.

The price of our ordinary shares may be volatile, and you may lose all or part of your investment.

The market price of our ordinary shares has been in the past, and could continue to be, highly volatile and may fluctuate substantially as a result of many factors. Moreover, while there is no established public trading market for the warrants offered in our follow-on public offerings, and we do not expect one to develop, our ordinary shares will be issuable pursuant to exercise of these warrants. Because the warrants are exercisable into our ordinary shares, volatility, or a reduction in the market price of our ordinary shares could have an adverse effect on the trading price of the warrants. Factors which may cause fluctuations in the price of our ordinary shares include, but are not limited to:

- actual or anticipated fluctuations in our growth rate or results of operations or those of our competitors;
- customer acceptance of our products;
- announcements by us or our competitors of new products or services, commercial relationships, acquisitions, or expansion plans;
- announcements by us or our competitors of other material developments;
- our involvement in litigation;
- changes in government regulation applicable to us and our products;

- sales, or the anticipation of sales, of our ordinary shares, warrants and debt securities by us, or sales of our ordinary shares by our insiders or other shareholders, including upon expiration of contractual lock-up agreements;
- developments with respect to intellectual property rights;
- competition from existing or new technologies and products;
- changes in key personnel;
- the trading volume of our ordinary shares;
- changes in the estimation of the future size and growth rate of our markets;
- changes in our quarterly or annual forecasts with respect to operating results and financial conditions;
- general economic and market conditions and;
- announcements regarding business acquisitions.

In addition, the stock markets have experienced extreme price and volume fluctuations. Broad market and industry factors may materially harm the market price of our ordinary shares, regardless of our operating performance. Technical factors in the public trading market for our ordinary shares may produce price movements that may or may not comport with macro, industry or Company-specific fundamentals, including, without limitation, the sentiment of retail investors (including as may be expressed on financial trading and other social media sites), the amount and status of short interest in our securities, access to margin debt, trading in options and other derivatives on our ordinary shares and any related hedging or other technical trading factors. In the past, following periods of volatility in the market price of a company's securities, securities class action litigation has often been instituted against that company, as was the case for Lifeward in a securities class action dismissed in full in November 2020. If we become involved in any similar litigation, we could incur substantial costs and our management's attention and resources could be diverted.

Our business could be negatively affected as a result of actions of activist shareholders, which could be disruptive and costly and may impact the trading value of our securities.

We value constructive input from investors and regularly engage in dialogue with our shareholders regarding strategy and performance. While our Board of Directors and management team welcome their views and opinions with the goal of enhancing value for all shareholders, we may from time to time be subject to actions or proposals from activist shareholders that may not align with our business strategies or the best interests of all of our shareholders.

Responding to such actions can be costly and time-consuming and may disrupt our operations or divert the attention of management and our Board of Directors from executing our business strategy. In addition, these activities may create uncertainty regarding our strategic direction, which could adversely affect the market price and volatility of our securities.

Risks Related to Our Incorporation and Location in Israel

Political, economic and military instability in Israel or the Middle East may adversely affect our business.

We are incorporated under the laws of the State of Israel, where we also maintain facilities. A significant portion of our research and development activities and certain other activities (primarily of the manufacturing, quality control and R&D functions of the legacy ReWalk business) as well as certain finance functions, are located in Israel, and certain of our officers and directors are residents of Israel. Accordingly, political, economic and military conditions in Israel and the surrounding region directly affect our business and operations, and could materially and adversely affect our ability to operate from Israel.

On October 7, 2023, Hamas terrorists infiltrated Israel's southern border from Gaza and conducted a series of attacks on civilian and military targets. In response, Israel's security cabinet declared war against Hamas, and later against Hezbollah (the "Israel-Hamas-Hezbollah war"). Hostilities subsequently escalated between Israel and a number of terrorist organizations, including conflicts with Hezbollah along Israel's northern border with Lebanon, with Iran (including a war during June 2025) and with the Houthis in Yemen, Iran and the Houthis both launched drone and missile attacks on military and civilian targets within Israel. In addition, the Houthi movement has disrupted international commerce by launching a number of attacks on commercial vessels traversing the Gulf of Aden and the Red Sea. A ceasefire between Israel and Lebanon (with respect to Hezbollah) was announced in November 2024, a ceasefire between Israel and Iran was announced in June 2025 and a ceasefire between Israel and Hamas was announced in October 2025. However, in late February 2026 the United States, together with Israel, launched a major joint military campaign of air and missile strikes against targets in Iran, which triggered a broad Iranian response and contributed to significant regional instability, including, in early March 2026, resumed conflicts with Hezbollah. The situation remains highly fluid, and we are unable to predict if, when, or on what terms this escalation will be resolved.

Our commercial insurance does not cover losses that may occur as a result of events associated with war and terrorism. Although the Israeli government currently covers certain damages that are caused by terrorist attacks or acts of war, we cannot assure you that this government coverage will be maintained or that it will sufficiently cover our potential damages. Any losses or damages incurred by us could have a material adverse effect on our business, financial condition and results of operations.

Since the beginning of the Israel-Hamas-Hezbollah war, the international credit rating agencies have reviewed Israel's credit rating and lowered them. For example, Fitch has lowered Israel's credit rating from A+ to A and S&P Global Ratings lowered its long-term foreign and local currency sovereign credit ratings on Israel to A+ from AA- and the short-term ratings to A-1 from A-1+. Credit rating agencies could further lower Israel's credit rating in the future, which could disrupt the business environment in Israel and make it more difficult for us to raise capital.

To date, we have not experienced any material interruptions resulting from the Israel-Hamas-Hezbollah or the Israel-Iran war. However, circumstances are evolving, and the intensity and duration of any of these ongoing regional hostilities is difficult to predict, as are their impacts on our business and operations. Prolonged or heightened instability could adversely impact our business, financial condition and results of operations in the future. Further escalation, whether as the result of the direct confrontations between Israel and Iran and between Israel and Hezbollah, or as the result of the involvement of other regional proxy groups and countries and non-state organizations in the region, could result in additional mobilization of reserve personnel in Israel, further restrictions on movement or commerce (such as an interruption of operations at the Tel Aviv airport that could prevent or delay shipments of our components or products), damage to infrastructure, supply chain interruptions, disruptions to global energy markets and heightened cybersecurity threats. Any of the foregoing could materially and adversely affect our operations, financial condition and results of operations, particularly if disruptions are prolonged or recur.

Further, in the past, the State of Israel and Israeli companies have been subjected to economic boycotts and several countries, principally in the Middle East, still restrict business with the State of Israel and with Israeli companies. The current perception of Israel, Israeli and Israeli-related companies by the global community (as represented, for example, by claims filed since the outbreak of the current war with the International Court of Justice and the International Criminal Court's recent issuance of warrants of arrest for the Israeli Prime Minister and former Minister of Defense) may cause an increase in sanctions and other adverse measures against Israel, Israeli and Israeli-related companies and their products and services. Additionally, there have been increased efforts by countries, activists and organizations to cause companies and consumers to boycott Israeli goods and services or otherwise restrict business with Israel, Israeli and Israeli-related companies, which may impact our ability to do business. Such restrictive laws, efforts and policies, particularly if they become widespread, as well as current and future rulings and orders of international tribunals against Israel, may have an adverse impact on our operating results, financial condition or the expansion of our business.

Many of our employees and independent contractors who reside in Israel are required to perform military reserve duty, which may disrupt their work for us.

Approximately 31% of our employees are located in Israel. Many of our employees and independent contractors in Israel may be called upon to perform military reserve duty annually until they reach the age of 40 (and in some cases, depending on their military duties up to the age of 45 or even 49) and, in emergency circumstances, could be called to immediate and unlimited active duty (subject to approval by the Israeli government). Although to date none of our Israeli employees have been mobilized for emergency military service, we cannot predict whether there will be further mobilization of reservists and any further mobilization could further impact our employees, including employees who serve in critical roles in our company, which could materially and adversely affect our business, financial condition and results of operations.

We have received Israeli government grants for certain of our research and development activities and we may receive additional grants in the future. The terms of those grants restrict our ability to manufacture products or transfer technologies outside of Israel, and we may be required to pay penalties in such cases or upon the sale of our company.

From our inception through December 31, 2025, we received a total of $2.8 million from the IIA. We may in the future apply to receive additional grants from the IIA to support our research and development activities. With respect to some grants that were royalty-bearing grants, we are committed to paying royalties at a rate of 3.0% on sales proceeds up to the total amount of grants received, linked to the dollar, and bearing interest at an annual rate of SOFRPR applicable to dollar deposits. Even after payment in full of these amounts, we will still be required to comply with the requirements of the Israeli Encouragement of Industrial Research, Development and Technological Innovation Law, 5744-1984, or the R&D Law, and related regulations, with respect to those past grants. When a company develops know-how, technology or products using IIA grants, the terms of these grants and the R&D Law restrict the transfer outside of Israel of such know-how, and of the manufacturing or manufacturing rights of such products, technologies, or know-how, without the prior approval of the IIA. Therefore, if aspects of our technologies are deemed to have been developed with IIA funding, the discretionary approval of an IIA committee would be required for any transfer to third parties outside of Israel of know-how or manufacturing or manufacturing rights related to those aspects of such technologies. Furthermore, the IIA may impose certain conditions on any arrangement under which it permits us to transfer technology or development out of Israel or may not grant such approvals at all.

Furthermore, the consideration available to our shareholders in a future transaction involving the transfer outside of Israel of technology or know-how developed with IIA funding (such as a merger or similar transaction) may be reduced by any amounts that we are required to pay to the IIA.

In addition to the above, any non-Israeli citizen, resident or entity that, among other things, (i) becomes a holder of 5% or more of our share capital or voting rights, (ii) is entitled to appoint one or more of our directors or our chief executive officer or (iii) serves as one of our directors or as our chief executive officer (including holders of 25% or more of the voting power, equity or the right to nominate directors in such direct holder, if applicable) is required to notify the IIA and undertake to comply with the rules and regulations applicable to the grant programs of the IIA, including the restrictions on transfer described above. Such notification will be required in connection with the investment being made by an investor which may discourage or limit investments from foreign investors in our company.

We may become subject to claims for remuneration or royalties for assigned service invention rights by our employees, which could result in litigation and adversely affect our business.

A significant portion of our intellectual property has been developed by our employees in the course of their employment for us. Under the Israeli Patent Law, 5727-1967 (the "Patent Law") and recent decisions by the Israeli Supreme Court and the Israeli Compensation and Royalties Committee, a body constituted under the Patent Law, employees may be entitled to remuneration for intellectual property that they develop for us unless they explicitly waive any such rights. Although we enter into agreements with our employees pursuant to which they agree that any inventions created in the scope of their employment or engagement are owned exclusively by us, we may face claims demanding remuneration. As a consequence of such claims, we could be required to pay additional remuneration or royalties to our current and former employees, or be forced to litigate such claims, which could negatively affect our business.

Provisions of Israeli law and our Articles of Association may delay, prevent, or otherwise impede a merger with, or an acquisition of, us, even when the terms of such a transaction are favorable to us and our shareholders.

Israeli corporate law regulates mergers, requires tender offers for acquisitions of shares above specified thresholds, requires special approvals for transactions involving directors, officers or significant shareholders and regulates other matters that may be relevant to such types of transactions. For example, a tender offer for all of a company's issued and outstanding shares can only be completed if the acquirer receives positive responses from the holders of at least 95% of the issued share capital. Completion of the tender offer also requires approval of a majority of the offerees that do not have a personal interest in the tender offer, unless at least 98% of the company's outstanding shares are tendered. Furthermore, the shareholders, including those who indicated their acceptance of the tender offer (unless the acquirer stipulated in its tender offer that a shareholder that accepts the offer may not seek appraisal rights), may, at any time within six months following the completion of the tender offer, petition an Israeli court to alter the consideration for the acquisition. Israeli law also requires a "special tender offer" in certain cases where a shareholder crosses the 25% or 45% holding threshold, and it imposes procedural and special voting requirements for the approval of a merger in certain cases.

Our Articles of Association provide that our directors (other than external directors, if applicable) are elected on a staggered basis, such that a potential acquirer cannot readily replace our entire board of directors at a single annual general shareholder meeting. This could prevent a potential acquirer from receiving board approval for an acquisition proposal that our board of directors opposes.

Furthermore, Israeli tax considerations may make potential transactions unappealing to us or to our shareholders whose country of residence does not have a tax treaty with Israel exempting such shareholders from Israeli tax. For example, Israeli tax law does not recognize tax-free share exchanges to the same extent as U.S. tax law. With respect to mergers involving an exchange of shares, Israeli tax law allows for tax deferral in certain circumstances but makes the deferral contingent on the fulfilment of a number of conditions, including, in some cases, a holding period of two years from the date of the transaction during which sales and dispositions of shares of the participating companies are subject to certain restrictions. Moreover, with respect to certain share swap transactions, the tax deferral is limited in time, and when such time expires, the tax becomes payable even if no disposition of the shares has occurred. These and other similar provisions could delay, prevent or impede an acquisition of us or our merger with another company, even if such an acquisition or merger would be beneficial to us or to our shareholders.

It may be difficult to enforce a judgment of a U.S. court against us, our officers, and directors, to assert U.S. securities laws claims in Israel or to serve process on our officers and directors.

We are incorporated in Israel. Although currently the majority of our directors and executive officers reside within the United States and most of the assets of these persons are also likely located within the United States, some of our directors and executive officers reside and may have the majority of their assets outside the United States. Additionally, most of our assets are located outside of the United States. Therefore, a judgment obtained against us, or those of our directors and executive officers residing outside of the United States, including a judgment based on the civil liability provisions of the U.S. federal securities laws, may not be collectible in the United States and may not be enforced by an Israeli court. It also may be difficult for you to effect service of process in the United States on those directors and executive officers residing outside of the United States or to assert U.S. securities law claims in original actions instituted in Israel. Israeli courts may refuse to hear a claim based on an alleged violation of U.S. securities laws reasoning that Israel is not the most appropriate forum in which to bring such a claim. In addition, even if an Israeli court agrees to hear a claim, it may determine that Israeli law and not U.S. law is applicable to the claim. If U.S. law is found to be applicable, the content of applicable U.S. law must be proven as a fact by expert witnesses, which can be a time-consuming and costly process. Certain matters of procedure will also be governed by Israeli law. There is little binding case law in Israel that addresses the matters described above. As a result of the difficulty associated with enforcing a judgment against us in Israel, you may be able to collect only limited, or may be unable to collect any, damages awarded by either a U.S. or foreign court.

Our articles of association provide that, unless we consent in writing to the selection of an alternative forum, (i) the federal courts of the United States will be the exclusive forum for the resolution of any claim arising under the Securities Act, and (ii) the Tel-Aviv District Court will be the exclusive forum for (a) a derivative action or derivative proceeding that is filed in the name of the Company; (b) any action grounded in a breach of fiduciary duty of a director, officeholder or other employee towards us or our shareholders; or (c) any action the cause of which results from any provision of the Companies Law or the Israel Securities Law, 5728-1968. We have retained the ability to consent to an alternative forum in circumstances if we determine shareholder interests are best served by permitting a particular dispute to proceed in a forum other than the federal district courts or State of Israel, as applicable. However, there is uncertainty as to whether a court would enforce these provisions.

Your rights and responsibilities as a shareholder will be governed by Israeli law, which differs in some material respects from the rights and responsibilities of shareholders of U.S. companies.

The rights and responsibilities of the holders of our ordinary shares are governed by our Articles of Association and by Israeli law. These rights and responsibilities differ in some material respects from the rights and responsibilities of shareholders in U.S.-based corporations. In particular, a shareholder of an Israeli company has a duty to act in good faith and in a customary manner in exercising its rights and performing its obligations towards the company and other shareholders, and to refrain from abusing its power in the company, including, among other things, in voting at a general meeting of shareholders on matters such as amendments to a company's articles of association, increases in a company's authorized share capital, mergers and acquisitions and related party transactions requiring shareholder approval. In addition, a shareholder who is aware that it possesses the power to determine the outcome of a shareholder vote or to appoint or prevent the appointment of a director or executive officer in the company has a duty of fairness toward the company. There is limited case law available to assist us in understanding the nature of this duty or the implications of these provisions. These provisions may be interpreted to impose additional obligations and liabilities on holders of our ordinary shares that are not typically imposed on shareholders of U.S. corporations.

Risks Related to the Oramed Transaction

We will be subject to business uncertainties, including the risk of litigation, and contractual restrictions, prior to the closing of the Oramed Transaction and for a period of time thereafter, which may cause disruptions to our business and make it more difficult to maintain relationships with employees, suppliers or customers.

Uncertainty about the effects of the Oramed Transaction on employees, suppliers and customers may adversely affect our ability to attract, retain and motivate key personnel until the Oramed Transaction is completed and for a period of time thereafter, and could cause suppliers, customers and others that engage with us to seek to change their existing business relationships with us.

The pursuit of the Oramed Transaction and the preparation for the integration of our company and Oratech has placed and may place a significant burden on management and internal resources. The diversion of management's attention away from day-to-day business concerns and any difficulties encountered in the transition and integration process could have a material adverse effect on our business, financial condition and results of operations.

If management is not able to effectively manage the integration process, or if any significant business activities are interrupted as a result thereof, our business, financial condition and results of operations could suffer. We also cannot guarantee that the benefits that we currently expect to realize as a result of the Oramed Transaction will be achieved within our anticipated time frames or at all. Additionally, we may incur substantial expenses in connection with the acquisition and integration of Oratech, which may exceed expectations and offset certain anticipated benefits.

Until the completion of the Oramed Transaction or the termination of the Share Purchase Agreement and Securities Purchase Agreement in accordance with their terms, we are prohibited from taking certain actions that might otherwise be beneficial to us and our shareholders.

During the period between the signing of the Share Purchase Agreement and the effective time of the closing of the Oramed Transaction (or until the earlier termination of the Share Purchase Agreement), the Share Purchase Agreement restricts us from amending our organizational documents, making material changes to our method of accounting, or be a party to any merger or similar transaction, in each case without the consent of Oratech. These restrictions may prevent us from taking actions during the pendency of the Oramed Transaction that would have been beneficial. Adverse effects arising from these restrictions during the pendency of the Oramed Transaction could be exacerbated by any delays in consummation of the Oramed Transaction or termination of the Share Purchase Agreement.

If the Oramed Transaction is consummated, Oramed will have significant control and influence over our company.

Upon consummation of the Oramed Transaction, four (4) Oramed nominees will be appointed as members of our Board of Directors and Oramed will own a significant percentage of our ordinary shares. Oramed will likely have the ability effectively to control the outcome of all matters requiring shareholder approval, including the election of directors. In the event Oramed increases its ownership to 50% or greater, we may determine that we are a "controlled company" as defined in the Nasdaq Listing Rules. Although currently there is no intention to take advantage of this exemption, if we are in a position to do so in the future, and elect to do so, we would not be required to have a majority of our directors be independent, nor would we be required to have a compensation committee or an independent board nominating function. If that were to occur, shareholders would not have the same protections afforded to shareholders of companies that are subject to all of the corporate governance rules for Nasdaq-listed companies. Therefore, if we were to elect to become a controlled company, our ordinary shares may be less attractive to some investors or such status may otherwise adversely affect our stock price.

The terms of the Securities Purchase Agreement, Notes and ancillary documentation require us to meet certain operating covenants and place restrictions on our operating and financial flexibility. If we raise additional capital through debt financing, the terms of any new debt could further restrict our ability to operate our business.

The Notes, if issued, will be secured by a lien on substantially all of our assets. In addition, the Securities Purchase Agreement and Notes contain customary affirmative and negative covenants and events of default. Affirmative covenants include, among others, covenants requiring us to protect and maintain our intellectual property and comply with all applicable laws, deliver certain financial reports and maintain insurance coverage. Negative covenants include, among others, covenants restricting us from transferring any part of our business or intellectual property, incurring additional indebtedness, engaging in mergers or acquisitions, repurchasing shares, paying dividends or making other distributions, making investments, and creating other liens on our assets, including our intellectual property, in each case subject to customary exceptions. If we raise any additional debt financing, the terms of such additional debt could further restrict our operating and financial flexibility. These restrictions may include, among other things, limitations on the incurrence of additional debt and specific restrictions on the use of our assets, as well as prohibitions on our ability to create liens, pay dividends, redeem capital stock or make investments. If we default under the terms of the Notes or any future debt facility, holders of these Notes may accelerate all of our repayment obligations, potentially requiring us to renegotiate our agreement on terms less favorable to us or to immediately cease operations. Further, if we were to be liquidated, the holders of the Notes' rights to repayment would be senior to the rights of the holders of our ordinary shares. The holders of the Notes could declare an event of default upon the occurrence of any event that could reasonably be expected to result in what they interpret as a material adverse effect as defined under the Notes. Any declaration by the holders of the Notes of an event of default could significantly harm our business and operations and could cause the price of our ordinary shares to materially decline.

The debt under the Notes or any future debt we may incur could have significant adverse consequences, including:

- requiring us to dedicate a substantial portion of cash flow from operations or cash on hand to the payment of interest on, and principal of, our debt, which will reduce the amounts available to fund working capital, capital expenditures, product development efforts, and other general corporate purposes;
- increasing our vulnerability to adverse changes in general economic, industry, and market conditions;
- subjecting us to restrictive covenants that may reduce our ability to take certain corporate actions or obtain further debt or equity financing;
- limiting our flexibility in planning for, or reacting to, changes in our business and our industry; and
- placing us at a competitive disadvantage compared to our competitors that have less debt or better debt servicing options.

In order to satisfy our current and future debt service obligations, we will be required to raise funds from external sources. We may be unable to arrange for additional financing to pay the amounts due under our existing debt. Funds from external sources may not be available on acceptable terms, if at all. Our failure to satisfy our current and future debt obligations could materially adversely affect our financial condition and results of operations.

There can be no assurances that Oratech's proprietary POD™ technology will receive the necessary regulatory approvals.

There can be no assurances that Oratech's proprietary POD™ technology will receive the necessary regulatory approvals for the Phase 3 oral insulin trial in the United States or that the technology will be developed and commercialized successfully. Under a clinical trial management agreement, Oramed will retain responsibility for managing and funding the anticipated POD™ clinical program. In addition, we will be subject to a number of risks including risks relating to the lack of control over the clinical trial and potential disagreements with Oramed about how to manage the potential trial which may result in the delay or termination of the commercialization of Oratech's products or product candidates or that result in costly litigation or arbitration that would divert our management attention and resources.

There can be no assurances that Oratech's proprietary POD™ technology will receive the necessary regulatory approvals.

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General Risks

Exchange rate fluctuations between the U.S. dollar, the euro and the NIS may negatively affect our earnings.

The U.S. dollar is our functional and reporting currency. However, we pay a significant portion of our expenses in NIS and in euro, and we expect this to continue. As a result, we are exposed to exchange rate risks that may materially and adversely affect our financial results. Accordingly, any appreciation of the NIS or euro relative to the U.S. dollar would adversely impact our net loss or net income, if any. For example, if the NIS appreciates against the U.S. dollar or if the value of the NIS declines against the U.S. dollar at a time when the rate of inflation in the cost of Israeli goods and services exceeds the rate of decline in the relative value of the NIS, then the U.S. dollar cost of our operations in Israel would increase and our results of operations could be materially and adversely affected.

Our operations also could be adversely affected if we are unable to effectively hedge against currency fluctuations in the future.

We cannot predict any future trends in the rate of inflation in Israel or the rate of depreciation (if any) of the NIS against the U.S. dollar. For example, the NIS appreciated against the U.S. dollar by approximately 12.5% in 2025 and depreciated by approximately 0.6% and 3.1% in 2024 and 2023, respectively. The annual inflation rate in Israel was 2.6%, 3.2% and 3.0% for the years ended December 31, 2025, 2024 and 2023, respectively.

We have in the past engaged in limited hedging activities, and we may enter into other hedging arrangements with financial institutions from time to time. Any hedging strategies that we may implement in the future to mitigate currency risks,

such as forward contracts, options and foreign exchange swaps related to transaction exposures may not eliminate our exposure to foreign exchange fluctuations.

We are subject to certain regulatory regimes that may affect the way that we conduct business internationally, and our failure to comply with applicable laws and regulations could materially adversely affect our reputation and result in penalties and increased costs.

We are subject to a complex system of laws and regulations related to international trade, including economic sanctions and export control laws and regulations. We also depend on our distributors and agents for compliance and adherence to local laws and regulations in the markets in which they operate. Significant political or regulatory developments in the jurisdictions in which we sell our products, such as those stemming from the presidential administration in the United States or the U.K.'s exit from the E.U., are difficult to predict and may have a material adverse effect on us. For example, in the United States, the Trump administration-imposed tariffs on imports from China, Mexico, Canada, and other countries, and expressed support for greater restrictions on free trade and increase tariffs on goods imported into the United States. Changes in U.S. political, regulatory, and economic conditions or in its policies governing international trade and foreign manufacturing and investment in the United States could adversely affect our sales in the United States.

We are also subject to the FCPA and may be subject to similar worldwide anti-bribery laws that generally prohibit companies and their intermediaries from making corrupt payments to government officials for the purpose of obtaining or retaining business. Despite our compliance and training programs, we cannot be certain that our procedures will be sufficient to ensure consistent compliance with all applicable international trade and anti-corruption laws, or that our employees or channel partners will strictly follow all policies and requirements to which we subject them. Any alleged or actual violations of these laws may subject us to government scrutiny, investigation, debarment, and civil and criminal penalties, which may have an adverse effect on our results of operations, financial condition and reputation.

Our business may be materially affected by changes to fiscal and tax policies. Potentially negative or unexpected tax consequences of these policies, or the uncertainty surrounding their potential effects, could adversely affect our results of operations and share price.

The rules dealing with U.S. federal, state and local income taxation are constantly under review by persons involved in the legislative process and by the Internal Revenue Service (the "IRS") and the U.S. Treasury Department. Changes to tax laws (which changes may have retroactive application) could adversely affect us or holders of our ordinary shares. In recent years, many such changes have been made, and changes are likely to continue to occur in the future. It cannot be predicted whether, when, in what form or with what effective dates tax laws, regulations and rulings may be enacted, promulgated or issued, which could result in an increase in our or our shareholders' tax liability or require changes in the manner in which we operate in order to minimize or mitigate any adverse effects of changes in tax law.

In addition, foreign governments may enact tax laws in response to the changes in the rules dealing with U.S. federal, state and local income taxation or otherwise that could result in further changes to global taxation and materially affect our financial position and results of operations. The uncertainty surrounding the effect of the reforms on our financial results and business could also weaken confidence among investors.

Certain U.S. holders of our ordinary shares may suffer adverse U.S. tax consequences if we are characterized as a controlled foreign corporation, or a CFC, under Section 957 of the Code.

Each "Ten Percent Shareholder" (as defined below) in a non-U.S. corporation that is classified as a "controlled foreign corporation," or a CFC, for U.S. federal income tax purposes generally is required to include in income for U.S. federal tax purposes such Ten Percent Shareholder's pro rata share of the CFC's "Subpart F income," global intangible low-taxed income, and investment of earnings in U.S. property, even if the CFC has made no distributions to its shareholders. Subpart F income generally includes dividends, interest, rents and royalties, gains from the sale of securities and income from certain transactions with related parties. In addition, a Ten Percent Shareholder that realizes gain from the sale or exchange of shares in a CFC may be required to classify a portion of such gain as dividend income rather than capital gain. A non-U.S. corporation generally will be classified as a CFC for U.S. federal income tax purposes if Ten Percent Shareholders own, directly or indirectly, more than 50% of either the total combined voting power of all classes of stock of such corporation entitled to vote or of the total value of the stock of such corporation. A "Ten Percent Shareholder" is a United States person (as defined by the Code), who owns or is considered to own 10% or more of (1) the total combined voting power of all classes of stock entitled to vote or (2) the value of all classes of stock of such corporation. The determination of CFC status is complex and includes attribution rules, the application of which is not entirely certain.

During our 2025 taxable year, we believe that we had one shareholder that was a Ten Percent Shareholder for U.S. federal income tax purposes. However, our CFC status for the taxable year ending on December 31, 2025, and our current taxable year is unknown, and we may be a CFC for the taxable year ending on December 31, 2026, our current taxable year or a following year. In addition, recent changes to the attribution rules relation to the determination of CFC status may make it difficult to determine our CFC status for any taxable year or the CFC status of any of our subsidiaries. U.S. holders should consult their own tax advisors with respect to the potential adverse U.S. tax consequences of becoming a Ten Percent Shareholder in a CFC. If we are classified as both a CFC and a passive foreign investment company, or PFIC, we generally will not be treated as a PFIC with respect to those U.S. holders that meet the definition of a Ten Percent Shareholder during the period in which we are a CFC.

If there are significant disruptions in our information technology systems, our business, financial condition, and operating results could be adversely affected.

The efficient operation of our business depends on our information technology systems. We rely on our information technology systems to effectively manage sales and marketing data, accounting and financial functions, inventory management, product development tasks, research and development data, customer service and technical support functions. Our information technology systems are vulnerable to damage or interruption from earthquakes, fires, floods and other natural disasters, terrorist attacks, attacks by computer viruses or hackers, power losses, and computer system or data network failures. In addition, our data management application is hosted by a third-party service provider whose security and information technology systems are subject to similar risks, and our products' systems contain software which could be subject to computer virus or hacker attacks or other failures.

The failure of our or our service providers' information technology systems or our products' software to perform as we anticipate or our failure to effectively implement new information technology systems could disrupt our entire operation or adversely affect our software products and could result in decreased sales, increased overhead costs, and product shortages, all of which could have a material adverse effect on our reputation, business, financial condition, and operating results.

If we fail to properly manage our anticipated growth, our business could suffer.

Our growth and product expansion has placed, and we expect that it will continue to place, a significant strain on our management team and on our financial resources. Failure to manage our growth effectively could cause us to misallocate management or financial resources, and result in losses or weaknesses in our infrastructure, which could materially adversely affect our business. Additionally, our anticipated growth will increase the demands placed on our suppliers, resulting in an increased need for us to manage our suppliers and monitor for quality assurance. Any failure by us to manage our growth effectively could have an adverse effect on our ability to achieve our business objectives.

We are highly dependent on the knowledge and skills of our senior management, and if we are not successful in attracting and retaining highly qualified personnel, we may not be able to successfully implement our business strategy.

Our ability to compete in the highly competitive medical devices industry depends upon our ability to attract and retain highly qualified managerial, scientific, sales and medical personnel. We are highly dependent on our senior management team and have benefited substantially from the leadership and performance of our senior management. For example, we depend on our Chief Executive Officer's experience successfully scaling an early-stage medical device company, as well as the experience of other members of management. The loss of the services of any of our executive officers and other key employees, and our inability to find suitable replacements could result in delays in product development and harm our business. Competition for senior management in our industry is intense, and we cannot guarantee that we will be able to retain our personnel. Additionally, we do not carry key man insurance on any of our current executive officers. The loss of the services of certain members of our senior management could prevent or delay the implementation and completion of our strategic objectives or divert management's attention to seeking qualified replacements.

Shutdowns of the U.S. federal government could materially impair our business and financial condition.

Development of our product candidates and/or regulatory approval may be delayed for reasons beyond our control. For example, in recent years, the U.S. government shut down several times and certain regulatory agencies, such as the FDA and the SEC, had to furlough critical FDA, SEC, and other government employees and stop critical activities. Without appropriation of sufficient funding to federal agencies, our business operations related to our product development activities for the U.S. market could be impacted. If a prolonged government shutdown or budget sequestration occurs, it could significantly impact the ability of the FDA to timely review and process our regulatory submissions, which could have a material adverse effect on our business. Further, in our operations as a public company, future government shutdowns could impact our ability to access the public markets, such as through the declaration of effectiveness of registration statements and obtain necessary capital in order to properly capitalize and continue our operations.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 1C. CYBERSECURITY

Cybersecurity Risk Management and Strategy

We rely on information systems and the data stored on them to conduct our operations. We have adopted and maintain a cybersecurity risk management program in accordance with our risk profile and business that is informed by and incorporates elements of industry standards.

Our cybersecurity risk management program incorporates multiple components, including, but not limited to, ongoing monitoring of critical risks from cybersecurity threats using automated tools. Additionally, we have implemented an employee education and training program, which we provide on an annual basis, that is designed to raise awareness of cybersecurity threats. To support our cybersecurity risk management program, we leverage managed service providers and other third-party information technology and cybersecurity providers and consultants, including to perform regular system scans and threat intelligence analysis. Additionally, we require certain third-party providers and consultants to adhere to contractual requirements relating to privacy and cybersecurity standards.

We have not identified any cybersecurity incidents or threats that have materially affected us or are reasonably likely to materially affect us, including our business strategy, results of operations, or financial condition. However, like other companies in our industry, from time to time we and our third-party vendors have experienced threats and security incidents that could affect our information or systems. For more information, please see the section entitled “Risk Factors - Risks Related to Our Intellectual Property and Information Technology” in this Annual Report on Form 10-K.

Governance

Our audit committee, which reports directly to the board of directors, is responsible for overseeing our cybersecurity risk management program. The audit committee receives periodic updates on cybersecurity risks, mitigation strategies, and, in the event of a cybersecurity incident, incident response strategies from our Chief Financial Officer. The audit committee updates the full board of directors on matters relating to cybersecurity risk management and critical cybersecurity risks as appropriate.

Our Chief Technology Officer (“CTO”), who reports directly to our Chief Financial Officer, is responsible for the day-to-day management of our cybersecurity risk management program. The individual currently serving in this position is a third-party consultant who maintains 20 years of experience advising similarly situated companies on information technology and cybersecurity risk management. Our CTO provides regular cybersecurity updates to our Chief Financial Officer on matters relating to our cybersecurity program and cybersecurity risk management.

ITEM 2. PROPERTIES

Our corporate headquarters are located in Yokneam, Israel, our U.S. headquarters are located in Hudson, Massachusetts and our European headquarters are located in Berlin, Germany.

All of our facilities are leased, and we do not own any real property. The table below sets forth details of the square footage of our current leased properties, all of which are utilized. We have no material tangible fixed assets apart from the properties described below.

	Square feet (approximate)
Hudson, Massachusetts	16,335
Yokneam, Israel	11,500
Berlin, Germany	950
Total	28,785

We believe our facilities are adequate and suitable for our current needs.

ITEM 3. LEGAL PROCEEDINGS

Occasionally we are involved in various claims, lawsuits, regulatory examinations, investigations and other legal matters arising, for the most part, in the ordinary course of business. The outcome of litigation and other legal matters is inherently uncertain. In making a determination regarding accruals, using available information, we evaluate the likelihood of an unfavorable outcome in legal or regulatory proceedings to which we are a party and records a loss contingency when it is probable a liability has been incurred and the amount of the loss can be reasonably estimated.

Where we determine an unfavorable outcome is not probable or reasonably estimable, we do not accrue for any potential litigation loss. These subjective determinations are based on the status of such legal or regulatory proceedings, the merits of our defense's and consultation with legal counsel. Actual outcomes of these legal and regulatory proceedings may materially differ from our current estimates. It is possible that resolution of one or more of the legal matters currently pending or threatened could result in losses material to our consolidated results of operations, liquidity, or financial condition.

For information regarding legal proceedings, see Note 7 “Commitments and Contingent Liabilities” in the notes to our audited consolidated financial statements included in this annual report, which discussion we incorporate by reference into this Item.

ITEM 4. MINE SAFETY DISCLOSURES.

Not applicable.

PART II

ITEM 5. MARKET FOR REGISTRANT’S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Market Information

Our ordinary shares began trading publicly on The Nasdaq Global Market on September 12, 2014, under the symbol “RWLK” and were transferred for listing on The Nasdaq Capital Market effective May 25, 2017. In January 2024, the symbol for our ordinary shares was changed to “LFWD”. As of March 18, 2026, we had approximately 2,699 shareholders of record.

Dividend Policy

We have never declared or paid any cash dividends on our ordinary shares. We do not anticipate paying any cash dividends in the foreseeable future. We currently intend to retain future earnings, if any, to finance operations and expand our business. Any future determination relating to our dividend policy will be made at the discretion of our board of directors and will depend on a number of factors, including future earnings, capital requirements, financial condition and future prospects and other factors our board of directors may deem relevant. The distribution of dividends may also be limited by Israeli law, which permits the distribution of dividends only out of retained earnings or otherwise upon the permission of an Israeli court.

Israeli Taxes Applicable to U.S. Holders

A non-Israeli resident who derives capital gains from the sale of shares in an Israeli resident company that were purchased after the company was listed for trading on a stock exchange outside of Israel will be exempt from Israeli tax so long as (amongst other things) the shares were not held through a permanent establishment that the non-resident maintains in Israel. A partial exemption may be available for non-Israeli resident shareholders who acquired their shares prior to the issuer's initial public offering.

However, non-Israeli entities will not be entitled to the foregoing exemption if Israeli residents (i) have a controlling interest of more than 25% in such non-Israeli entity or (ii) are the beneficiaries of, or are entitled to, 25% or more of the revenue or profits of such non-Israeli entity, whether directly or indirectly. Such exemption is not applicable to a person whose gains from selling or otherwise disposing of the shares are deemed to be a business income. Additionally, under the United States-Israel Tax Treaty, or the treaty, the sale, exchange or other disposition of shares by a shareholder who (i) is a U.S. resident (for purposes of the treaty), (ii) holds the shares as a capital asset, and (iii) is entitled to claim the benefits afforded to such person by the treaty, is generally exempt from Israeli capital gains tax. Such exemption will not apply if: (i) the capital gain arising from the sale, exchange or other disposition can be attributed to a permanent establishment in Israel; (ii) the shareholder holds, directly or indirectly, shares representing 10% or more of the voting capital during any part of the 12-month period preceding the disposition, subject to certain conditions; or (iii) such U.S. resident is an individual and was present in Israel for 183 days or more during the relevant taxable year. In such case, the sale, exchange, or disposition of our ordinary shares should be subject to Israeli tax, to the extent applicable; however, under the treaty, the taxpayer would be permitted to claim a credit for such taxes against the U.S. federal income tax imposed with respect to such sale, exchange, or disposition, subject to the limitations under U.S. law applicable to foreign tax credits. The treaty does not relate to U.S. state or local taxes.

In some instances where our shareholders may be liable for Israeli tax on the sale of their ordinary shares, the payment of the consideration may be subject to the withholding of Israeli tax at source. If the above exemptions from capital gains tax are not available, individuals will be subject to a 25% tax rate on real capital gains derived from the sale of shares as long as the individual is not a substantial shareholder of the corporation issuing the shares (in which case the individual will be subject to a 30% tax rate), and corporations will be subject to a 23% corporate tax rate. A substantial shareholder is generally a person who alone or together with such person's relative or another person who collaborates with such person on a permanent basis, holds, directly or indirectly, at least 10% of any of the means of control of the corporation, including the right to vote, receive profits, nominate a director or an executive officer, receive assets upon liquidation, or order someone who holds any of the aforesaid rights how to act, regardless of the source of such right. The determination of whether the individual is a substantial shareholder will be made on the date on which the securities are sold. In addition, the individual will be deemed to be a substantial shareholder if at any time during the 12 months preceding the date of the sale he or she was a substantial shareholder.

Dividends paid on publicly traded shares, like our ordinary shares, to non-Israeli residents are generally subject to Israeli income tax at the rate of 25%, or 30% if the recipient of the dividend was a substantial shareholder at the time of distribution or at any time during the prior 12-month period. Such dividends are generally subject to Israeli withholding tax at a rate of 25% if the shares are registered with a nominee company (whether the recipient is a substantial shareholder or not), unless a different rate is provided under an applicable tax treaty, provided that a certificate from the Israeli Tax Authority allowing for a reduced withholding tax rate is obtained in advance. Under the United States-Israel Tax Treaty, the maximum rate of tax withheld at source in Israel on dividends paid to a holder of our ordinary shares who is a U.S. resident (for purposes of the treaty) is 25%. The treaty provides for reduced tax rates on dividends if (a) the shareholder is a U.S. corporation holding at least 10% of our issued voting power during the part of the tax year that precedes the date of payment of the dividend and held such minimal percentage during the whole of its prior tax year, and (b) not more than 25% of the Israeli company's gross income consists of interest or dividends, other than dividends or interest received from subsidiary corporations or corporations 50% or more of the outstanding voting shares of which is owned by the Israeli company. The reduced treaty rate, if applicable, is 15% in the case of dividends paid from income which was subject to benefits under the Encouragement of Capital Investments Law, 5719-1959 (which is entitled to corporate tax benefits) or 12.5% otherwise. We cannot assure you that in the event we declare a dividend we will designate the income out of which the dividend is paid in a manner that will reduce shareholders' tax liability. If the dividend is attributable partly to income derived from a Beneficiary or Preferred Enterprise and partly to other sources of income, the withholding rate will be a blended rate reflecting the relative portions of the two types of income. U.S. residents who are subject to Israeli withholding tax on a dividend may be entitled to a credit or deduction for U.S. federal income tax purposes in the amount of the taxes withheld.

Individuals who are subject to tax in Israel are also subject to an additional tax at the rate of 3% on annual income exceeding a certain threshold (NIS 721,560 for 2026, linked to the annual change in the Israeli Consumer Price Index), including, but not limited to, income derived from dividends, interest, and capital gains. In addition, beginning in 2025, certain capital income, including dividends, interest and capital gains, may be subject to an additional 2% surtax in Israel to the extent such income exceeds the above-mentioned threshold.

Recent Sales of Unregistered Equity Securities

None.

Purchases of Equity Securities by the Issuer and Affiliated Purchasers

None.

ITEM 6. [RESERVED]

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis should be read in conjunction with our audited consolidated financial statements and the related notes included elsewhere in this annual report. This discussion contains forward-looking statements that are based on our management's current expectations, estimates and projections for our business, which are subject to a number of risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of many factors, including those set forth under "Special Note Regarding Forward-Looking Statements" and "Part I. Item 1A. Risk Factors."

Overview

We are a medical device company that designs, develops, and commercializes life-changing solutions that span the continuum of care in physical rehabilitation and recovery, delivering proven functional and health benefits in clinical settings as well as in the home and community. Our initial product offerings were the ReWalk Personal and ReWalk Rehabilitation Exoskeleton devices for individuals with spinal cord injury ("SCI Products"). These devices are robotic exoskeletons that are designed for individuals with paraplegia that use our patented tilt-sensor technology and an onboard computer and motion sensors to drive motorized legs that power movement. These SCI Products allow individuals with spinal cord injury ("SCI") the ability to stand and walk again during everyday activities at home or in the community. In March 2023, we received clearance of our premarket notification ("510(k)") from the U.S. Food and Drug Administration ("FDA") for the ReWalk Personal Exoskeleton with stair and curb functionality, which adds usage on stairs and curbs to the indication for use for the device in the U.S. The clearance permits U.S. customers to participate in more walking activities in real-world environments in their daily lives where stairs or curbs may have previously limited them when using the exoskeleton for its intended, FDA-indicated uses. This feature has been available in Europe since initial CE Clearance, and real-world data from a cohort of 47 European users throughout a period of over seven years consisting of over 18,000 stair steps, were collected to demonstrate the safety and efficacy of this feature and support the FDA submission. In March 2025, we received 510(k) clearance from the U.S. Food and Drug Administration ("FDA") for the ReWalk 7 Personal Exoskeleton device, a next-generation ReWalk model.

We have sought to expand our product offerings beyond the SCI Products through internal development, distribution agreements, and acquisitions. We have developed our ReStore Exo-Suit device, which we began commercializing in June 2019. The ReStore is a powered, lightweight soft exo-suit intended for use during the rehabilitation of individuals with lower limb disabilities due to stroke. Sales of the device in the European Union ceased in May 2024. In the second quarter of 2020, we signed an agreement to become the exclusive distributor of the MYOLYN MyoCycle FES Pro cycles to U.S. rehabilitation clinics and for the MyoCycle Home cycles available to U.S. veterans through the Veterans Health Administration ("VHA") hospitals. We continue to distribute these products; however, our distribution rights are no longer exclusive.

In August 2023, we made our first acquisition to supplement our internal growth when we acquired AlterG, a leading provider of Anti-Gravity systems for use in physical and neurological rehabilitation. We paid a cash purchase price of approximately $19 million at closing. The purchase agreement also provided for the potential of additional cash earnout payments based on AlterG's revenue growth over the two years following the closing; however, no earnout payments were earned. The AlterG Anti-Gravity systems use patented, National Aeronautics and Space Administration ("NASA") derived differential air pressure ("DAP") technology to reduce the effects of gravity and allow patients to rehabilitate with finely calibrated support and reduced pain. AlterG Anti-Gravity systems are utilized in over 6,000 facilities globally in more than 40 countries. We will continue to evaluate other products for distribution or acquisition that can broaden our product offerings further to help individuals with injury and disability.

In February 2026, we entered into an Intellectual Property Assignment and Technology Transfer Agreement with Skelable Ltd., an Israeli technology company, pursuant to which we agreed to acquire certain intellectual property and related technology assets associated with a powered upper-body robotic orthotic system designed to assist individuals with impaired upper-limb function, including stroke survivors. The transaction remains subject to customary closing conditions. As part of the transaction, certain key employees of Skelable are expected to join our company. The consideration consists primarily of our ordinary shares and is subject to the achievement of certain milestones. The technology remains under development and is intended to expand our neurorehabilitation platform beyond lower-limb exoskeleton systems.

In March 2025, we announced an agreement with CorLife, LLC., a Delaware limited liability company ("CorLife") and a division of Numotion, the nation's leading and largest provider of products and services that provide mobility, health and personal independence, to increase our penetration of SCI Products into the workers' compensation market. Pursuant to the agreement, CorLife became the exclusive distributor for the ReWalk Personal Exoskeleton for individuals with workers' compensation claims. The agreement leverages CorLife's extensive network of credentialed providers and experts to include the ReWalk Personal Exoskeleton among the services and equipment they provide to thousands of injured workers each year. Under the agreement, the CorLife reimbursement team manages all workers' compensation claims submissions for the ReWalk Personal Exoskeleton. We believe this agreement will build awareness of the benefits of the ReWalk Personal Exoskeleton among individuals with workers' compensation coverage and gain us access to the resources of CorLife to facilitate efficient processing of claims.

In December 2025, we announced a distribution agreement with Verita Neuro, a provider of intensive neurological rehabilitation services. Pursuant to the agreement, Verita Neuro will serve as a distributor of the ReWalk Personal Exoskeleton in certain international markets, including Mexico, Thailand and the United Arab Emirates. Through its network of rehabilitation centers, Verita Neuro integrates advanced technologies and therapies to support individuals with neurological injuries. We believe this agreement will expand access to the ReWalk Personal Exoskeleton in additional international markets and support broader adoption of our technology.

Our principal markets are primarily in the United States and Europe with some lesser sales in Asia, the Middle East and South America. We sell our products primarily directly in the United States, through a combination of direct sales and distributors (depending on the product line) in Germany and Canada, and primarily through distributors in other markets. In markets where we sell direct to consumers, we have established relationships with clinics and rehabilitation centers, professional and college sports teams, individuals and organizations in the SCI community, and in markets where we do not sell direct to consumers, our distributors maintain these relationships. We have primary offices in Yokneam, Israel, Hudson, Massachusetts, and Berlin, Germany.

We have in the past generated and expect to generate in the future revenue from a combination of clinics and rehabilitation centers, commercial distributors, third-party payors (including private and government payors), professional and college sports teams, and self-pay individuals. While a broad uniform policy of coverage and reimbursement by third-party commercial payors currently does not exist in the United States for exoskeleton technologies such as the ReWalk Personal Exoskeleton, we are pursuing various paths of reimbursement, such as the VHA policy that was issued in December 2015 for the evaluation, training, and procurement of ReWalk Personal Exoskeleton systems for all qualifying veterans living with SCI across the United States.

We have engaged with CMS regarding the Medicare coverage framework applicable to personal exoskeletons. In 2024, the National Spinal Cord Injury Statistical Center ("NSCISC"), which maintains the world's largest database on spinal cord injury research, reported that CMS is the primary payor for approximately 57% of the SCI population that is at least five years post-injury, with Medicare representing a majority of this percentage. In July 2020, following a successful submission and hearing process, a code was issued for ReWalk Personal Exoskeleton, which may be used for purposes of claim submission to Medicare, Medicaid, and other payors.

On November 1, 2023, CMS released the Calendar Year 2024 Home Health Prospective Payment System Final Rule, CMS-1780-F ("Final Rule"), which was adopted through the notice and comment rulemaking process. The Final Rule includes a policy confirming that personal exoskeletons are included in the Medicare brace benefit category, as of January 1, 2024. Medicare personal exoskeleton claims with dates of service on or after January 1, 2024 that are billed using HCPCS code K1007 are assigned to the brace benefit category. CMS reimburses items classified under the brace benefit category using a lump-sum payment methodology.

On April 11, 2024, CMS revised its April 2024 Durable Medical Equipment, Prosthetics, Orthotics, and Supplies ("DMEPOS") Fee Schedule to include a final lump-sum Medicare purchase fee schedule amount for personal exoskeletons (HCPCS code K1007) with an established rate of $91,032. CMS determined this payment rate using a "gap-filling" methodology, which is applied when a technology has no prior fee schedule pricing history. In establishing the payment amount for HCPCS code K1007, CMS considered available pricing information for exoskeleton devices from Lifeward and other manufacturers.

In June 2025, an Administrative Law Judge ("ALJ") ruled in favor of a Medicare beneficiary's appeal and determined that their ReWalk Personal Exoskeleton shall be covered and reimbursed by Medicare as a "reasonable and necessary" medical device that enables walking after SCI. This ruling established a legal basis that the ReWalk system constitutes a reasonable and necessary medical intervention for paralyzed individuals.

In Germany, we continue to make progress toward achieving coverage from the various government, private and worker's compensation payors for our SCI Products. In September 2017, each of German insurer BARMER GEK ("BARMER") and national social accident insurance provider Deutsche Gesetzliche Unfallversicherung ("DGUV") indicated that they will provide coverage to users who meet certain inclusion and exclusion criteria. In February 2018, the head office of German Statutory Health Insurance ("SHI") Spitzenverband ("GKV") confirmed its decision to list the ReWalk Personal Exoskeleton system in the German Medical Device Directory. This decision means that ReWalk is listed among all medical devices for compensation, which SHI providers can procure for any approved beneficiary on a case-by-case basis. During the year 2020 and 2021, we announced several new agreements with German SHIs, including TK and DAK Gesundheit, as well as the first German Private Health Insurer ("PHI"), which outline the process of obtaining our devices for eligible insured patients. In February 2025, we finalized an agreement with BARMER to formalize the reimbursement process for the provision of ReWalk exoskeletons to medically eligible beneficiaries. We are also currently working with several additional SHIs on securing a formal operating contract that will establish the process of obtaining a ReWalk Personal Exoskeleton for their beneficiaries within their system. Additionally, to date, several private insurers in the United States and Europe are providing reimbursement for ReWalk in certain cases.

On January 12, 2026, we entered into a Share Purchase Agreement with Oramed Pharmaceuticals, Inc. ("Oramed") and Oratech Pharma, Inc. ("Oratech"), pursuant to which we agreed to acquire all of the outstanding equity interests of Oratech, a wholly owned subsidiary of Oramed. Upon closing of the transaction, and subject to the satisfaction of customary closing conditions, we will issue to Oramed ordinary shares and pre-funded warrants representing up to 49.99% of our fully diluted equity capitalization, with the number of ordinary shares issued at closing not exceeding 45% of our outstanding ordinary shares immediately after closing. We will also issue transaction warrants and agreed to make quarterly revenue sharing payments equal to 4% of net revenues from sales of our ReWalk Personal Exoskeleton products and related extended warranties, subject to certain caps and termination events.

In connection with the transaction, we also entered into a Securities Purchase Agreement with Oramed and certain investors providing for the issuance of up to $20.0 million of senior secured convertible notes, including $10.0 million to be issued at closing, together with accompanying warrants.

On March 12, 2026, our shareholders approved the transaction. We anticipate closing the transaction following the satisfaction of customary closing conditions.

In connection with the anticipated transaction, we received bridge financing from Oramed. On November 14, 2025, we entered into a Secured Promissory Note (the "Initial Secured Promissory Note") with Oramed Ltd., pursuant to which we issued to Oramed Ltd. a secured promissory note in the principal amount of $3.0 million. The loan bears interest at a rate of 15% per annum, is secured by a lien on our cash and matures on May 14, 2026.

On February 12, 2026, we entered into an additional Secured Promissory Note (the "Subsequent Secured Promissory Note") with Oramed, pursuant to which we issued a secured promissory note in the initial principal amount of $525,000, which amount may be increased by up to an additional $975,000 upon the mutual consent of the parties. The Subsequent Secured Promissory Note is secured by a lien on our cash, accrues interest at a rate of 24% per annum and matures on the earlier of August 12, 2026, or the failure to obtain shareholder approval of the transactions contemplated by the Securities Purchase Agreement and the Share Purchase Agreement described above.

On March 11, 2026, we and Oramed agreed to increase the principal amount available under the Subsequent Secured Promissory Note by an additional $500,000, resulting in an aggregate principal amount of $1,025,000 available under such note.

Components of Our Statements of Operations

Revenue

We currently rely, and in the future will rely, on sales of our ReWalk Personal Exoskeletons, AlterG Anti-Gravity systems, MyoCycle FES cycles, and related consumables, services, and extended warranties for our revenue. Our revenue is derived from a combination of third-party payors, including private and government employers, institutions, and self-payors. Payments for our products by third party payors have been made primarily through case-by-case determinations. Third-party payors include, without limitation, private insurance plans, workers' compensation programs, managed care organizations, and government programs including the VHA and Medicare. We expect that third-party payors will be an increasingly important source of revenue in the future as we increase the volume of sales of ReWalk Personal systems to Medicare-eligible beneficiaries following establishment of a benefit category and pricing.

ReWalk Personal and ReWalk Rehabilitation Exoskeleton systems are generally covered by a five-year warranty from the date of purchase, which is included in the purchase price. ReWalk systems sold to Medicare beneficiaries carry a two-year warranty, consistent with the coverage decision by CMS. The warranty covers all elements of the systems (except the batteries, which carry a one-year warranty), other than repairs for normal wear and tear. The AlterG Anti-Gravity systems are sold with a one-year factory warranty covering parts and services in the U.S. and a two-year factory warranty covering parts only in the rest of the world. The ReStore device is sold with a two-year warranty.

Cost of Revenue and Gross Profit

For ReWalk, which we began manufacturing at our facility in Yokneam, Israel in April 2025, cost of revenue consists primarily of raw materials, direct labor, including wages and related benefits for employees directly engaged in the manufacturing process, as well as indirect labor and other factory overhead costs such as rent and utilities. In addition, cost of revenue also includes field service costs, shipping expenses and reserves for warranty and inventory condition.

Starting in January 2025, the Company signed a contract with Cirtronics Corporation to manufacture and assemble our AlterG products. For these products, cost of revenue also includes internal costs such as salaries and related personnel costs including non-cash share-based compensation, functions that support manufacturing and inventory management, training and inspection, service activities, freight costs, and reserves for warranty and inventory condition.

For our AlterG systems, which we manufactured at our facility in Fremont, California until December 31, 2024, cost of revenue consists primarily of raw materials, direct labor, indirect labor, and other factory overhead costs such as rent and utilities. In addition, cost of revenue also includes field service costs, shipping expenses, and reserves for warranty and inventory condition.

For the MyoCycle product line, which we distribute, cost of revenue consists primarily of complete systems purchased from the manufacturers. In addition, the cost of revenue also includes field service costs and shipping expenses.

Our gross profit and gross margin (defined as gross profit as a percentage of revenue) are influenced by a number of factors, including the volume and price of our products sold, fluctuations in the mix of products sold, and variability in our cost of revenue. We expect that gross profit and gross margin will expand in the future as we increase our revenue volumes and realize operating efficiencies associated with greater scale which will reduce the cost of revenue as a percentage of revenue.

Operating Expenses

Research and Development Expenses, Net

Research and development expenses, net consist primarily of salaries and related personnel costs including share-based compensation, supplies, materials, and consulting expenses associated with product design and development, clinical studies, regulatory submissions, patent costs, sponsored research and other related activities. We expense all research and development expenses as they are incurred.

Research and development expenses are presented net of the amount of any grants we receive for research and development in the period in which we receive the grant. We previously received grants and other funding from the IIA. Certain of those grants require us to pay royalties on sales of certain systems, which are recorded as cost of revenue. We may receive additional funding from these entities or others in the future. See “Grants and Other Funding” below.

Sales and Marketing Expenses

Our sales and marketing expenses consist primarily of salaries and related personnel costs including share-based compensation for sales, sales support, marketing, and reimbursement and market access activities, travel, marketing, advertising, tradeshows and conferences, lobbying, and public relations activities.

General and Administrative Expenses

Our general and administrative expenses consist primarily of salaries and related personnel costs including share-based compensation for our administrative, finance, and general management personnel, professional services, and insurance.

Financial (Expeses) Income, Net

Financial income and expenses consist primarily of bank commissions, foreign exchange gains and losses, interest income earned on investments in short-term deposits, interest expense on our outstanding borrowings, and changes in the fair value of derivative liabilities associated with our loan arrangements.

Interest income consists of interest earned on our cash and cash equivalent balances. Interest expense consists primarily of interest accrued on our outstanding borrowings and certain other costs associated with such indebtedness. Changes in the fair value of derivative liabilities reflect the periodic remeasurement of derivatives embedded in or associated with our loan agreements. Foreign currency exchange changes reflect gains or losses related to transactions denominated in currencies other than the U.S. dollar.

Taxes on Income

As of December 31, 2025, we had not yet generated taxable income in Israel. As of that date, our net operating loss carryforwards for Israeli tax purposes amounted to approximately $279.9 million.

As of December 31, 2024, the Company had approximately $49.5 million of U.S. federal net operating loss ("NOL") carryforwards and $35.3 million of state NOL carryforwards. Federal NOLs generated prior to January 1, 2018 will begin to expire in 2027, while federal NOLs generated in tax years beginning after January 1, 2018 may be carried forward indefinitely. State NOLs will begin to expire in 2028, subject to applicable state tax laws.

Our taxable income generated outside of Israel will be subject to the applicable corporate tax rates in those jurisdictions. Accordingly, our effective tax rate will depend on the geographic distribution of our taxable income.

Grants and Other Funding

Israel Innovation Authority (formerly known as the Office of the Chief Scientist)

From our inception through December 31, 2025, we have received approximately $2.8 million in funding from the IIA, $1.6 million of which are royalty-bearing grants, $400 thousand were received in consideration for an investment in our preferred shares while $806 thousand was received without future obligation. Of the royalty-bearing grants received, we have paid royalties to the IIA in the total amount of $117 thousand. The agreements with IIA require us to pay royalties at a rate of 3% on sales of certain systems and related services up to the total amount of funding received for the development of these systems, linked to the dollar, and bearing interest at an annual rate of SOFRPR applicable to dollar deposits. If we transfer IIA-supported technology or know-how outside of Israel, we will be liable for additional payments to IIA depending upon the value of the transferred technology or know-how, the amount of IIA support, the time of completion of the IIA-supported research project and other factors.

As of December 31, 2025, the aggregate contingent liability to the IIA was $1.6 million. For more information, see "Part I, Item 1A. Risk Factors- We have received Israeli government grants for certain of our research and development activities and we may receive additional grants in the future. The terms of those grants restrict our ability to manufacture products or transfer technologies outside of Israel and we may be required to pay penalties in such cases or upon the sale of our company."

Results of Operations

Year Ended December 31, 2025 Compared to Year Ended December 31, 2024

Revenue

Our revenue for 2025 and 2024 were as follows (dollars in thousands, except unit amounts):

	Years Ended December 31,	
	2025	**2024**
Revenue	$ 22,034	$ 25,663

Revenue consists primarily of transactions for our portfolio of ReWalk, AlterG, ReStore and MyoCycle systems.

Revenue was $22.0 million, a decrease of $3.6 million, or 14%, during 2025 as compared to 2024. Of this decrease, $3.0 million was attributable to reduced AlterG sales, primarily reflecting lower international demand and fewer system shipments compared to 2024. The remaining $0.6 million decline was mainly due to decreased revenue from MyoCycle.

In the future, we expect our growth to be primarily driven by sales of our ReWalk Personal device through expansion of coverage and reimbursement by commercial, government third-party payors and through channel partnerships. We also expect increased shipments of our AlterG Anti-Gravity systems over time as we continue to expand our penetration of rehabilitation clinics in the U.S. and internationally.

Gross Profit

Our gross profit for 2025 and 2024 were as follows (in thousands):

	Years Ended December 31,	
	2025	**2024**
Gross profit	$ 8,428	$ 8,216

Gross profit was $8.4 million, or 38% of revenue, for 2025, as compared to a gross profit of $8.2 million, or 32% of revenue, for 2024. The increase in gross margin was primarily attributable to the absence in 2025 of approximately $1.5 million of amortization expenses and $1.2 million of restructuring expenses recognized in 2024. Excluding these items, gross profit decreased year over year, primarily due to lower sales and inventory write-downs related to the termination of our manufacturing agreement with Sanmina and obsolete ReStore inventory.

We expect gross profit and gross margin to improve over time as revenue volumes increase and we realize operating efficiencies associated with greater scale. Gross margin is also expected to improve as a result of the transition of AlterG system production from our Fremont, California facility, where operations were discontinued as of December 31, 2024, to a contract manufacturer. In addition, during April 2025 we transitioned the production of ReWalk to in-house manufacturing, which we expect will further support gross margin improvement over time through better utilization of our manufacturing capacity and enhanced control over production costs. These expected improvements are not expected to be impacted by the inventory write-downs recorded in 2025, which we believe were largely non-recurring in nature.

Research and Development Expense, Net

Our research and development expense, net for 2025 and 2024 was as follows (in thousands):

	Years Ended December 31,	
	2025	**2024**
Research and development expense, net	$ 3,249	$ 4,625

Research and development expense was $3.2 million in 2025, a decrease of $1.4 million, or 30%, as compared to 2024. The decrease is primarily attributable to lower costs associated with the development projects for the ReWalk 7 and NEO products, which were substantially completed.

Following the FDA clearance of the ReWalk 7 next-generation exoskeleton model in 2025, we expect to focus our research and development efforts primarily on product improvements and ongoing enhancements to our current products. We also continue development initiatives aimed at reducing material costs for our ReWalk and AlterG product lines. In addition, we expect to invest in the development and integration of technologies acquired as part of the Skelable transaction.

Sales and Marketing Expense

Our sales and marketing expense for 2025 and 2024 was as follows (in thousands):

	Years Ended December 31,	
	2025	2024
Sales and marketing expense	$ 13,875	$ 17,949

Sales and marketing expense was $13.9 million in 2025, a decrease of $4.1 million, or 23%, as compared to 2024. Of this decrease, approximately $1.5 million was attributable to amortization expense recognized in 2024 that did not recur in 2025. The remaining $2.6 million decrease was primarily driven by lower reimbursement, trade show, and marketing consultant expenses, as well as reductions in headcount, sales commissions, and travel-related costs.

In the near term, our sales and marketing expenses are expected to be driven by our efforts to facilitate growth in sales of our commercial product lines, expand reimbursement coverage for our ReWalk Personal Exoskeleton device, support training activities of ReWalk customers, promote sales through channel partners, and increase adoption of our AlterG Anti-Gravity systems through greater penetration of rehabilitation clinics and hospitals and expansion of our distributor network internationally.

General and Administrative Expense

Our general and administrative expense for 2025 and 2024 was as follows (in thousands):

	Years Ended December 31,	
	2025	2024
General and administrative	$ 8,195	$ 5,195

General and administrative expense was $8.2 million, an increase of $3.0 million, or 58%, as compared to 2024. Both periods included incomes related to the earnout liability; however, the net income recognized in 2025 was approximately $2.0 million lower than the income recognized in 2024. Excluding this item, the increase was primarily attributable to restructuring expenses associated with the departure of the Company's former Chief Executive Officer and transaction-related costs incurred in connection with the Oramed transaction.

Impairment charges

	Years Ended December 31,	
	2025	2024
Impairment charges	$ 2,783	$ 9,794

During the year ended December 31, 2025, we recorded a goodwill impairment charge of $2.8 million primarily resulting from a sustained decline in our share price, which constituted a triggering event under ASC 350 and indicated that our market capitalization was below our carrying value. This non-cash impairment charge does not affect our liquidity, cash flows, or ongoing operations. By comparison, in 2024 we recognized an impairment charge of $9.8 million, primarily related to certain acquired intangible assets, due to lower-than-expected financial performance.

Financial (expense) income, net

Our financial income, net for 2025 and 2024 was as follows (in thousands):

	Years Ended December 31,	
	2025	2024
Financial (expenses) income, net	$ (295)	$ 448

Financial (expenses) income, net, reflects a decrease in financial income of $0.7 million during 2025 as compared to 2024. The decrease was mainly attributable to interest expense recognized on the Oramed short-term loan in 2025, lower yields on a reduced cash balance reflecting fewer funds on deposit, and unfavorable foreign currency exchange rate fluctuations.

Income Tax

Our Income tax expense (benefit) for 2025 and 2024 was as follows (in thousands):

	Years Ended December 31,	
	2025	2024
Taxes on income (benefit)	$ (55)	$ 43

Income tax changed by $98 thousand during 2025 as compared to 2024, primarily due to lower current tax expenses in certain foreign jurisdictions.

Year Ended December 31, 2024 Compared to Year Ended December 31, 2023

A discussion of changes in our results of operations in 2024 compared to 2023 has been omitted from this annual report on Form 10-K but may be found in "Part I. Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" of our Form 10-K for the fiscal year ended December 31, 2024, filed with the SEC on March 7, 2025, which is available free of charge on the SEC's website at www.sec.gov and at golifeward.com, and is incorporated by reference herein.

Critical Accounting Policies

Our consolidated financial statements are prepared in accordance with United States generally accepted accounting principles. The preparation of our financial statements requires us to make estimates, judgments and assumptions that can affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. We base our estimates, judgments and assumptions on historical experience and other factors that we believe to be reasonable under the circumstances. Actual results could differ materially from those estimates as circumstances change and additional information becomes known. In addition to the estimates identified above that are considered critical, we make many other accounting estimates in preparing our financial statements and related disclosures. See Note 2 to our consolidated financial statements presented elsewhere in this annual report for a description of the significant accounting policies that we used to prepare our consolidated financial statements. The critical accounting policies affected by the estimates, judgments and assumptions used in the preparation of our consolidated financial statements are discussed below.

Revenue Recognition

Our revenue is recognized in accordance with ASC Topic 606 when obligations under the terms of a contract with our customer are satisfied; generally, this occurs with the transfer of control of our products or services. Revenue is measured as the amount of consideration to which we expect to be entitled in exchange for transferring products or providing services. To achieve this core principle, we apply the following five steps:

1. identify the contract with a customer;

2. identify the performance obligations in the contract;

3. determine the transaction price;

4. allocate the transaction price to performance obligations in the contract; and

5. recognize revenue when or as we satisfy a performance obligation.

Provisions are made at the time of revenue recognition for any applicable warranty cost expected to be incurred. The timing for revenue recognition among the various products and customers is dependent upon satisfaction of such criteria and generally varies from either shipment or delivery to the customer depending on the specific shipping terms of a given transaction, as stipulated in the agreement with each customer. Other than pricing terms which may differ due to the different volumes of purchases between distributors and end-users, there are no material differences in the terms and arrangements involving direct and indirect customers. Our products sold through agreements with distributors are non-exchangeable, non-refundable, non-returnable and without any rights of price protection or stock rotation. Accordingly, we consider all the distributors as end-users. We generally do not grant a right of return for our products except in rare circumstances, and in those cases we record reductions to revenue for expected future product returns based on our historical experience and estimates.

For the majority of sales of ReWalk Rehabilitation Exoskeleton systems, we include insignificant training and consider the elements in the arrangement to be a single performance obligation. Therefore, the Company recognizes revenue for the system only when control is transferred after delivery and when the training has been completed, in accordance with the agreement terms with the customer, once all other revenue recognition criteria have been met. For sales of ReWalk Personal Exoskeleton systems to end users, and for sales of ReWalk Personal Exoskeleton or ReWalk Rehabilitation Exoskeleton systems to third party distributors, we do not provide training to the end user as this training is completed by the rehabilitation centers or by the distributor that have previously completed the ReWalk Training program.

Warranties are classified as either assurance type or service type warranty. A warranty is considered an assurance type warranty if it provides the consumer with assurance that the product will function as intended for a limited period of time.

With the recent establishment of a Medicare reimbursement pathway for the ReWalk product, the Company includes variable consideration in the form of implicit price concessions if, in the Company's judgment, it is probable that a significant future reversal of cumulative revenue under the contract will not occur. The Company reassesses variable consideration at each reporting period and, if necessary, these estimates are adjusted to reflect the anticipated amounts to be collected when those facts and circumstances become known.

For contracts with Medicare, the Company determines the amount of variable consideration that should be included at the transaction price, using contractual agreements and historical reimbursement experience with Medicare. The Company applies constraint to the transaction price, such that revenue is recorded only to the extent that it is probable that a significant reversal in the amount of the cumulative revenue recognized will not occur in the future. If actual amounts of consideration ultimately received differ from the Company's estimates, the Company adjusts these estimates, which would affect revenue in the period such adjustments become known.

A portion of the Company's sales of products to customers are made through lease arrangements which typically include AlterG Anti-Gravity systems.

Revenue for the lease of AlterG Anti-Gravity systems is accounted for under ASC Topic 842, Leases. AlterG Anti-Gravity systems being utilized under service agreements, accounted for in accordance with ASC 842 as an operating lease. Revenues are recognized ratably over the lease term.

The Company provides product assurance warranties for periods of 1- 10 years (usually 2 years) that cover the compliance of the products with agreed-upon specifications. A provision is recorded for estimated warranty costs based on the Company's experience.

In certain contracts, the Company also provides a service-type warranty. Service-type warranty is accounted for as a separate performance obligation, and revenue is recognized ratably over the service period as the customer consumes the benefit over the service term.

Goodwill Impairment

Goodwill represents the excess of the purchase price over the fair value of the identifiable net assets acquired in a business combination. Goodwill is not amortized but is tested for impairment at least annually, or more frequently if events or changes in circumstances indicate that the carrying value of goodwill may not be recoverable.

We perform our annual goodwill impairment test during the fourth quarter of each fiscal year, or more frequently if impairment indicators arise. Such indicators may include, among others, a sustained decline in our market capitalization, significant adverse changes in economic or industry conditions, changes in the manner in which a reporting unit is utilized, or other factors that may affect the fair value of the reporting unit.

The goodwill impairment test is performed at the reporting unit level. We may first perform a qualitative assessment to determine whether it is more likely than not that the fair value of the reporting unit is less than its carrying value. If, based on the qualitative assessment, we determine that it is more likely than not that the fair value of the reporting unit is less than its carrying value, or if we elect to bypass the qualitative assessment, we perform a quantitative impairment test. In the quantitative test, we compare the fair value of the reporting unit with its carrying amount, including goodwill. If the carrying amount exceeds the reporting unit's fair value, an impairment loss is recognized in an amount equal to that excess, limited to the total amount of goodwill allocated to the reporting unit.

Determining the fair value of a reporting unit requires management to make certain estimates and assumptions, including assumptions related to the Company's market capitalization and the appropriate control premium applied in the market approach valuation. These estimates involve judgment and are based on publicly available market data, including control premium studies for comparable public company transactions. These estimates are inherently uncertain and may differ from actual market conditions. Changes in the Company's market capitalization, control premium assumptions, or overall market conditions could result in impairment charges in future periods.

During the second quarter of 2025, we recorded a goodwill impairment charge following the identification of impairment indicators and the completion of a quantitative impairment analysis. Our annual impairment test performed in the fourth quarter of 2025 did not result in any additional impairment.

Inventory Valuation

Inventories are stated at the lower of cost or net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less reasonably predictable costs of completion, disposal, and transportation. The carrying value of our inventory is reduced for excess or obsolete inventory based on assumptions about future demand and market conditions. If actual future demand or market conditions are less favorable than those projected by management, additional inventory write-downs may be required, which could have a material adverse effect on our results of operations.

Valuation of Derivative Liability

Our derivative liabilities are recorded at fair value based on observable and unobservable inputs. For the derivative liability related to the promissory note with Oramed, these inputs include our stock price, the expected volatility of our stock price, the remaining term of the loan, and assumptions regarding the probability of an equity financing that would result in an adjustment to the conversion price of the convertible loan.

The derivative liability associated with the compound derivative feature in the term loan with Oramed is based on similar assumptions, including the credit spread and the remaining term of the debt.

Recently Issued and Adopted Accounting Pronouncements

A discussion of recent accounting pronouncements is included in Note 2z, New Accounting Pronouncements, to our consolidated financial statements included elsewhere in this annual report.

Liquidity and Capital Resources

Sources of Liquidity and Outlook

Since inception, we have funded our operations primarily through the sale of our equity securities and convertible notes to investors in private placements, the sale of our equity securities in public offerings, cash exercises of outstanding warrants, the incurrence of bank debt and loans (including the [Loan] from Oramed.

As of December 31, 2025, we had cash and cash equivalents of $2.2 million. We had an accumulated deficit in the total amount of $284.7 million as of December 31, 2025 and further losses are anticipated in the development of its business. Those factors raise substantial doubt about the Company's ability to continue as a going concern. The ability to continue as a going concern is dependent upon the Company obtaining the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they come due.

We intend to finance operating costs over the next twelve months with existing cash on hand, potential reduction in operating cash burn and future issuances of equity and debt securities, or through a combination of the foregoing. However, we will also need to seek additional sources of financing if we require more funds than anticipated during the next 12 months or in later periods.

The accompanying consolidated financial statements have been prepared assuming the Company will continue as a going concern, which contemplates the realization of assets and liabilities and commitments in the normal course of business. The consolidated financial statements for the year ended December 31, 2025 do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts and classification of liabilities that may result from uncertainty related to the Company's ability to continue as a going concern.

We expect to incur future net losses and our transition to profitability is dependent upon, among other things, the successful development and commercialization of our products and product candidates, the establishment of contracts for the distribution of new product lines, or the acquisition of additional product lines, any of which, or in combination, would contribute to the achievement of a level of revenue adequate to support our cost structure. Until we achieve profitability or generate positive cash flows, we will continue to need to raise additional cash from time to time.

We intend to fund future operations through cash on hand, additional private and/or public offerings of debt or equity securities, cash exercises of outstanding warrants or a combination of the foregoing. In addition, we may seek additional capital through arrangements with strategic partners or from other sources and we will continue to address our cost structure.

Notwithstanding, there can be no assurance that we will be able to raise additional funds or achieve or sustain profitability or positive cash flows from operations.

Our anticipated primary uses of cash are funding (i) sales, marketing, and promotion activities related to market development for our ReWalk Personal Exoskeleton device and AlterG Anti-Gravity system, broadening third-party payor and CMS coverage for our ReWalk Personal Exoskeleton device and commercializing our new product lines added through distribution agreements; (ii) development of future generation designs for our ReWalk device, new AlterG products utilizing DAP technology, and the development and commercialization of the upper-body exoskeleton technology acquired from Skelable for potential personal health and rehabilitation applications across multiple indications; (iii) routine product updates; (iv) potential acquisitions of businesses and (v) general corporate purposes, including working capital needs. Our future cash requirements will depend on many factors, including our rate of revenue growth, the expansion of our sales and marketing activities, the timing and extent of our spending on research and development efforts, the attractiveness of potential acquisition candidates and international expansion. If our current estimates of revenue, expenses or capital or liquidity requirements change or are inaccurate, we may seek to sell additional equity or debt securities, arrange for additional bank debt financing, or refinance our indebtedness. There can be no assurance that we will be able to raise such funds on acceptable terms. For more information, see "Part I, Item 1A. Risk Factors-We have concluded that there is substantial doubt as to our ability to continue as a going concern."

Equity Raises

Use of Form S-3

Beginning with the filing of our Form 10-K on February 17, 2017, we were subject to limitations under the applicable rules of Form S-3, which constrained our ability to secure capital with respect to public offerings pursuant to our effective Form S-3. These rules limit the size of primary securities offerings conducted by issuers with a public float of less than $75 million to no more than one-third of their public float in any 12-month period. At the time of filing this Annual Report , we were subject to these limitations because our public float did not reach at least $75 million in the 60 days preceding the filing of this Annual Report. We will continue to be subject to these limitations until such time as our public float reaches at least $75 million. When we file our next annual report for the year ended December 31, 2026, we will also be required to re-test our status under these rules. These limitations do not apply to secondary offerings for the resale of our ordinary shares or other securities by selling shareholders or to the issuance of ordinary shares upon conversion by holders of outstanding convertible securities, such as warrants. We have registered up to $100 million of ordinary shares, warrants and/or debt securities and certain other outstanding securities with registration rights on our registration statement on Form S-3, which was declared effective by the SEC January 2026 (the "2026 Shelf Registration Statement").

Equity Offerings and Warrant Exercises

On January 7, 2025, we entered into a purchase agreement with certain institutional investors for the issuance and sale of 151,515 ordinary shares and ordinary warrants to purchase up to an aggregate of 151,514 ordinary shares at an exercise price of $33 per share. Each ordinary share was sold at an offering price of $33. The offering of the ordinary shares and the ordinary shares that are issuable from time to time upon exercise of the pre-funded warrants was made pursuant to our shelf registration statement on Form S-3 initially filed with the SEC on March 30, 2022, and declared effective by the SEC on May 16, 2022, and the ordinary warrants were issued in a concurrent private placement. The ordinary warrants are exercisable at any time and from time to time, in whole or in part, following the date of issuance and ending three years from the date of issuance. The offering closed on January 8, 2025. Additionally, we issued warrants to purchase up to 9,088 ordinary shares, with an exercise price of $41.25 per share, exercisable at any time and from time to time, in whole or in part, following the date of issuance and ending three years from the date of issuance, to certain representatives of H.C. Wainwright as compensation for its role as the placement agent in January 2025 private placement offering.

On March 7, 2025, the Company entered into an At-the-Market ("ATM") Offering Agreement with H.C. Wainwright & Co., LLC ("HCW"), pursuant to which the Company may, from time to time, offer and sell its ordinary shares having an aggregate offering price of up to $5.5 million through HCW acting as the Company's sales agent. Sales of ordinary shares under the ATM program will be made at prevailing market prices or as otherwise agreed with HCW. The Company is not obligated to make any sales under the agreement and may suspend or terminate the program at any time at its discretion.

During the three and twelve months ended December 31, 2025, the Company sold 114,008 and 289,903 ordinary shares, respectively, under the ATM program at an average price of $7.62 and $9.67 per share, respectively, for total gross proceeds of approximately $0.9 million and $2.8 million. The Company paid aggregate fees and commissions of $0.1 million to HCW and incurred other expenses of approximately $0.2 million, resulting in net proceeds of approximately $2.5 million. The Company's ATM program expired on November 16, 2025.

On June 25, 2025, the Company entered into a securities purchase agreement with certain institutional investors for the issuance and sale of 333,333 ordinary shares and warrants to purchase up to an aggregate of 333,328 ordinary shares at an exercise price of $7.8 per share. Each ordinary share was sold at a combined offering price of $7.8 together with a warrant to purchase one ordinary share. The offering of the ordinary shares and the ordinary shares issuable upon exercise of the warrants was made pursuant to the Company's registration statement on Form S-1, initially filed with the SEC on June 20, 2025, and declared effective by the SEC on June 25, 2025. The warrants are exercisable at any time and from time to time, in whole or in part, following the date of issuance and ending five years from the date of issuance. The offering closed on June 26, 2025. Additionally, the Company issued warrants to purchase up to 20,000 ordinary shares, with an exercise price of $9.75 per share, exercisable at any time and from time to time, in whole or in part, following the date of issuance and ending five years from the date of issuance, to certain representatives of H.C. Wainwright as compensation for its role as the placement agent in the June 2025 public offering.

The warrants issued in the January 2025 private placement and the June 2025 public offering are considered freestanding instruments. As the warrants are indexed to the Company's ordinary shares and meet the criteria for equity classification, they are recorded in shareholders' equity on the Company's consolidated balance sheets.

Agreements with Oramed

On January 12, 2026, we entered into a Share Purchase Agreement with Oramed Pharmaceuticals, Inc. ("Oramed") and Oratech Pharma, Inc. ("Oratech"), pursuant to which we agreed to acquire all of the outstanding equity interests of Oratech, a wholly owned subsidiary of Oramed. Upon closing of the transaction, and subject to the satisfaction of customary closing conditions, we will issue to Oramed ordinary shares and pre-funded warrants representing up to 49.99% of our fully diluted equity capitalization, with the number of ordinary shares issued at closing not exceeding 45% of our outstanding ordinary shares immediately after closing. We will also issue transaction warrants and agreed to make quarterly revenue sharing payments equal to 4% of net revenues from sales of our ReWalk Personal Exoskeleton products and related extended warranties, subject to certain caps and termination events.

In connection with the transaction, we also entered into a Securities Purchase Agreement with Oramed and certain investors providing for the issuance of up to $20.0 million of senior secured convertible notes, including $10.0 million to be issued at closing, together with accompanying warrants.

On March 12, 2026, our shareholders approved the transaction. We anticipate closing the transaction following the satisfaction of customary closing conditions.

In connection with the anticipated transaction, we received bridge financing from Oramed. On November 14, 2025, we entered into a Secured Promissory Note (the "Initial Secured Promissory Note") with Oramed Ltd., pursuant to which we issued to Oramed Ltd. a secured promissory note in the principal amount of $3.0 million. The loan bears interest at a rate of 15% per annum, is secured by a lien on our cash and matures on May 14, 2026.

On February 12, 2026, we entered into an additional Secured Promissory Note (the "Subsequent Secured Promissory Note") with Oramed, pursuant to which we issued a secured promissory note in the initial principal amount of $525,000, which amount may be increased by up to an additional $975,000 upon the mutual consent of the parties. The Subsequent Secured Promissory Note is secured by a lien on our cash, accrues interest at a rate of 24% per annum and matures on the earlier of August 12, 2026 or the failure to obtain shareholder approval of the transactions contemplated by the Securities Purchase Agreement and the Share Purchase Agreement described above.

On March 11, 2026, we and Oramed agreed to increase the principal amount available under the Subsequent Secured Promissory Note by an additional $500,000, resulting in an aggregate principal amount of $1,025,000 available under such note.

Cash Flows

	Years Ended December 31,		
	2025	**2024**	**2023**
Net cash used in operating activities	$ (16,826)	$ (21,718)	$ (20,667)
Net cash used in investing activities	(16)	-	(18,149)
Net cash provided by (used in) financing activities	12,203	-	(992)
Effect of Exchange rate changes on Cash, Cash Equivalents and Restricted Cash	110	34	45
Net cash flow	$ (4,529)	$ (21,684)	$ (39,763)

Year Ended December 31, 2025 to Year Ended December 31, 2024

Net Cash Used in Operating Activities

Net cash used in operating activities was $16.8 million in 2025, a decrease of $4.9 million as compared to 2024. The decrease was primarily attributable to improved working capital, including higher collections of trade receivables and a reduction in inventory levels reflecting inventory management and, to a lesser extent, inventory write-downs. These factors were partially offset by lower revenues relative to operating expenses.

Net Cash Used in Investing Activities

Net cash used in investing activities increased by $16 thousand in 2025 compared to 2024, primarily reflecting slightly higher purchases of property and equipment.

Net Cash Provided by Financing Activities

Net cash provided by financing activities was $12.2 million in 2025, primarily reflecting proceeds from registered direct offerings, issuances of ordinary shares under the Company's at-the-market program and public offering, as well as proceeds from the bridge loan from Oramed.

Year Ended December 31, 2024 Compared to Year Ended December 31, 2023

A discussion of changes in our cash flows in 2024 compared to 2023 has been omitted from this annual report on Form 10-K but may be found in "Part I. Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" of our Form 10-K for the fiscal year ended December 31, 2024, filed with the SEC on March 7, 2025, which is available free of charge on the SECs website at www.sec.gov and at golifeward.com, and is incorporated by reference herein.

Obligations and Commercial Commitments

Set forth below is a summary of our contractual obligations as of December 31, 2025:

	Payments due by period (in dollars, in thousands)			
Contractual obligations	**Total**	**Less than 1 year**	**1-3 years**	**3-5 years**
Purchase obligations (1)	$ 6,036	$ 6,036	$ —	$ —
Operating lease obligations (2)	1,917	452	1,166	299
Total	$ 7,953	$ 6,488	$ 1,166	$ 299

(1) Purchase obligations consist of non-cancelable purchase orders with suppliers for the manufacture of our ReWalk systems produced in-house and for AlterG Anti-Gravity systems manufactured by our contract manufacturer, Cirtronics Corporation. Purchase orders are placed with suppliers based on our sales forecasts and anticipated production requirements.

(2) Our operating leases consist of leases for our facilities in the United States, Israel and Germany and motor vehicles in Israel.

We calculated the payments due under our operating lease obligation for our Israeli office that are to be paid in NIS at a rate of exchange of NIS 3.19:$1.00, which was the applicable exchange rate as of December 31, 2025.

Off-Balance Sheet Arrangements

We had no off-balance sheet arrangements or guarantees of third-party obligations during the periods presented.

Trend Information

For information on significant known trends, please see "Part I-Item 1. Business – Overview" in this annual report.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Currency Exchange Risk

Our results of operations and cash flows are affected by fluctuations in foreign currency exchange rates. Since 2015, most of our expenses were denominated in U.S. dollars and the remaining expenses were denominated in NIS and euro, until 2018 most of our revenue was denominated in U.S. dollars and the remainder of our revenue was denominated in euro and British pound whereas in the last four years our euro revenue is higher than our U.S dollar revenue. Accordingly, changes in the value of the NIS and Euro relative to the U.S. dollar in each of the years 2025, 2024, and 2023 impacted amounts recorded on our consolidated statements of operations for these periods. We expect that the denominations of our revenue and expenses in 2026 will be consistent with what we experienced in 2025.

The following table presents information about the devaluation in the exchange rates of the NIS and euro against the U.S. dollar in 2025, 2024 and 2023:

	Change in Average Exchange Rate	
Period	NIS against the U.S. Dollar (%)	Euro against the U.S. Dollar (%)
2025	7.13	4.20
2024	(0.25)	0.06
2023	(9.00)	2.67

The figures above represent the change in the average exchange rate in the given period compared to the average exchange rate in the immediately preceding period. Negative figures represent the appreciation of the U.S. dollar compared to the NIS or the euro. A 10% increase or decrease in the value of the NIS against the U.S. dollar would have decreased or increased our net loss by approximately $555 thousand in 2025. A 10% increase or decrease in the value of the euro against the U.S. dollar would have decreased or increased our net loss by approximately $92 thousand in 2025.

Other Market Risks

We do not believe that we have material exposure to interest rate risks or to inflationary risks.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The information required hereunder is set forth under Report of Independent Registered Public Accounting Firm, Consolidated Balance Sheets, Consolidated Statements of Operations, Statements of Changes in Shareholders' Equity, Consolidated Statements of Cash Flows and Notes to Consolidated Financial Statements included in the Consolidated Financial Statements that are a part of this annual report. Other financial information is included in the Consolidated Financial Statements that are a part of this annual report.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in our Exchange Act reports is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required financial disclosure.

As of the end of the period covered by this annual report, we carried out an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rule 13a-15(e) and Rule 15d-15(e) of the Exchange Act). Based upon, and as of the date of, this evaluation, the Chief Executive Officer and the Chief Financial Officer concluded that our disclosure controls and procedures were effective such that the information required to be disclosed by us in our SEC reports is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms, and is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Management's Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act. Our internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with U.S. GAAP.

Our internal control over financial reporting includes those policies and procedures that:

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of our assets;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with U.S. GAAP, and that our receipts and expenditures are being made only in accordance with authorizations of our management and directors; and
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of our assets that could have a material effect on our financial statements.

Management has assessed the effectiveness of our internal control over financial reporting as of December 31, 2025. In making its assessment, management used the criteria described in Internal Control — Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission.

Based on management's assessment, management has concluded that our internal control over financial reporting was effective as of December 31, 2025 to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external reporting purposes in accordance with U.S. GAAP.

This annual report does not include an attestation report of our independent registered public accounting firm regarding internal controls over financial reporting because we are exempt from this requirement as a smaller reporting company and non-accelerated filer.

Changes in Internal Control over Financial Reporting

During the fourth quarter of the fiscal year ended December 31, 2025, there were no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act) that materially affected, or that are reasonably likely to materially affect, our internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

Rule 10b5-1 Trading Arrangements

During the quarter ended December 31, 2025, none of our directors or officers (as defined in Rule 16a-1(f) under the Exchange Act) adopted or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement" (as each term is defined in Item 408(a) of Regulation S-K).

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Information About Our Directors

The following table sets forth the names and ages of the directors of the Company as of March 18, 2026 and their principal occupations at present and for the past five years. Our Board of Directors (the "Board") currently consists of five members and is divided into three classes. Class I consists of 0 directors, Class II consists of three directors and Class III consists of two directors. One class is elected each year at the annual meeting of stockholders for a term of three years. The term of the Class III directors expires at the 2026 Annual Meeting of Shareholders. No family relationships exist between any directors or executive officers, as such term is defined in Item 401 of Regulation S-K promulgated under the Exchange Act.

Name	Age	Current Position with the Company	Director Since
Mark Grant	56	President, Chief Executive and Director	2025
Dr. John William Poduska* (2)(3)	88	Class II Director	2014
Randel E. Richner* (1)(2)	70	Class II Director	2020
Michael Swinford*(1)	57	Class III Director	2024
Robert Marshall*(3)	59	Class III Director, Chairman	2024

* Independent
(1) Member of Nominating and Corporate Governance Committee.
(2) Member of Compensation Committee.
(3) Member of Audit Committee.

Class III Directors Continuing in Office Until the 2026 Annual General Meeting of Shareholders

Set forth below is a list of our directors continuing in office until the 2026 annual general meeting of shareholders, together with certain biographical information, including their ages as of the date of this annual report:

Robert Marshall, 59, has served on our Board since November 2024 and has served as our Chairman since January 2026. Mr. Marshall has served as the Chief Financial Officer and Treasurer of Lantheus Holdings, Inc. ("Lantheus"), a public radiopharmaceutical company, since September 2018. Prior to joining Lantheus, Mr. Marshall spent 16 years with Zimmer Biomet Holdings, Inc. ("Zimmer Biomet"), a public global medical device company with a leading position in musculoskeletal health, in which he held various senior leadership roles, including Vice President, Investor Relations and Corporate Treasurer, and most recently Vice President, Americas Finance, for the U.S., Canadian and Latin American commercial markets. Before Zimmer Biomet, Mr. Marshall was employed with Brown & Williamson Tobacco, a subsidiary of British American Tobacco, p.l.c., in Louisville, Kentucky, where he held several positions of increasing responsibility. Mr. Marshall holds a Master of Business Administration from Indiana University, South Bend, and a Bachelor of Business Administration in Finance from the University of Notre Dame. He also holds the CFA designation. We believe that Mr. Marshall's extensive financial leadership experience provide him the qualifications and skills to serve as a member of our Board.

Michael Swinford, 57, has served on our Board since April 2024. Mr. Swinford has been Chief Executive Officer of Numotion since July 2014, where he has grown the company to become the largest provider of mobility and independence solutions in the United States – serving over 400,000 individuals annually with Spinal Cord Injuries, Traumatic Brain Injuries, ALS, Muscular Dystrophy, Cerebral Palsy, Multiple Sclerosis, Spinal Muscular Atrophy, Amputees and many other mobility related disabilities. As CEO at Numotion, Mr. Swinford has expanded commercial coverage with over 5000 health plans, rehab hospitals, specialty and multi-disciplinary clinics, skilled nursing facilities, primary care, and home health providers. Mr. Swinford has led efforts for benefit coverage determination for Power Wheelchair Seat Elevation systems in 2023 and is actively leading efforts for Power Standing Wheelchairs and reform of Service and Repair regulations and reimbursement levels. Prior to Numotion, Mr. Swinford had a highly successful 22-year career at GE Healthcare, including serving as the President and CEO of GE Healthcare Services and as an officer of General Electric Company. Mr. Swinford held various operational and commercial roles throughout his career leading through various business cycles from start-ups to turnarounds. Mr. Swinford also serves as a director of CareATC, a technology enabled population health primary care provider, as well as a director of Aspen Surgical, a global surgical supply manufacturer. We believe that Mr. Swinford's extensive experience with health and rehabilitation products, as well as his knowledge of the reimbursement process, provide him the qualifications and skills to serve as a member of our Board.

Class II Directors Continuing in Office Until the 2028 Annual General Meeting of Shareholders

Set forth below is a list of our directors continuing in office until the 2028 annual general meeting of shareholders, together with certain biographical information, including their ages as of the date of this annual report:

Mark Grant, 56, has served as our President and co-Chief Executive Officer and as a member of our Board of Directors since June 2025, and brings over 25 years of leadership experience in healthcare and medical technology. Prior to Lifeward, Mr. Grant served as President of Americas & Chief Commercial Officer of IMRA Surgical, a company specializing in surgical robotic training, since March 2023. From May 2004 to March 2023, Mr. Grant worked at Medtronic plc ("Medtronic"), a global healthcare technology company, where he held various positions of increasing responsibility, most recently as Vice President, Americas Region. In his role at Medtronic, he led the $1.5 billion Americas region and oversaw a 2,000-person commercial organization. Mr. Grant received his B.S. in Industrial Technology from East Carolina University. We believe that Mr. Grant's. successful leadership and executive experience, along with his extensive knowledge of the medical devices industry, provide him the qualifications and skills to serve as a member of our Board.

Dr. John William Poduska, 88, has served on our Board since 2014. He also serves as a director on the boards of a number of privately-held companies. Dr. Poduska also served as a director of EXA Corporation (Nasdaq: EXA), where he served as chairman of the company and a member of the nominating and corporate governance committee, until 2018, Novell, Inc. until 2011 and of Anadarko Petroleum Corporation and Safeguard Scientifics, Inc. until 2009. Dr. Poduska was the Chairman of Advanced Visual Systems Inc., a provider of visualization software, from January 1992 to December 2001. From December 1989 until December 1991, Dr. Poduska was President and Chief Executive Officer of Stardent Computer Inc., a computer manufacturer. From December 1985 until December 1989, Dr. Poduska served as Chairman and Chief Executive Officer of Stellar Computer Inc., a computer manufacturer he founded which is the predecessor of Stardent Computer Inc. Prior to founding Stellar Computer, Inc., Dr. Poduska founded Apollo Computer Inc. and Prime Computer, Inc. Dr. Poduska holds a Sc.D. from MIT and an Honorary Doctorate of Humane Letters from Lowell University. We believe that Dr. Poduska's varied director experience, both in private and public companies, his expertise in computer engineering and his familiarity with developing companies equip him with the qualifications and skills to serve as a member of our Board.

Randel E. Richner, 70, has served on our Board since November 2020. Ms. Richner has over 30 years' experience in health policy, reimbursement and economics. From 2013 to 2015, Ms. Richner served as Executive Vice President of Intralign Health, LLC. From 2006 to 2012, she was President and Founder of Neocure Group, data analytics, health economics and reimbursement strategic services, acquired by Intralign Health, LLC in 2013. From 1997 to 2006, Ms. Richner was Vice President of Global Government Affairs and Reimbursement, Boston Scientific Corporation. Ms. Richner has engaged with U.S. Congress and CMS, appointed as first industry representative, Executive Committee (EC) Medicare Coverage Advisory Committee (MCAC). She has served on the Executive Dean's Advisory Board, University of Michigan's School of Public Health, since 2007, and has served on multiple boards including MassMedic (founding Women in MedTech), Executive Advisory Board Center for Evaluation Value, Risk Tufts New England Medical Center, International Society of Pharmacoeconomics and Research (ISPOR), founding the U.S. Medical Device Council. Ms. Richner has been an invited executive lecturer at Dartmouth, Tuck School of Business; University of Michigan School of Engineering and University of Michigan School of Public Health. She has a Master of Public Health in Health Policy and Administration and a Bachelor of Science in Nursing from University of Michigan. We believe that Ms. Richner's extensive leadership and board membership experience in the healthcare industry, as well as her familiarity with health economics and reimbursement procedures, provides her with a unique perspective of our market and the qualifications and skills to serve as a member of our Board.

Information About Our Executive Officers

The following table sets forth the name, age and position of each of our executive officers as of March 18, 2026:

Name	Age	Position
Mark Grant	56	President, Chief Executive Officer and Director
Almog Adar	42	Chief Financial Officer
Jeannine Lynch	61	Vice President of Market Access

Mark Grant has served as our President and Chief Executive Officer and as a member of our board of directors since July 2025. Mr. Grant previously served as our President and co-Chief Executive Officer from June 2025 to July 2025. From March 2023 until June 2025, Mr. Grant served as President of Americas and Chief Commercial Officer of IMRA Surgical, a company specializing in surgical robotic training. From May 2004 until March 2023, Mr. Grant served in various positions of increasing responsibility at Medtronic plc ("Medtronic"), a global healthcare technology company, most recently as Vice President, Americas. Mr. Grant holds a B.S. in Industrial Technology from East Carolina University.

Almog Adar has served as our Chief Financial Officer since August 2025. Prior to his appointment as Chief Financial Officer, Mr. Adar served as our Vice President of Finance since December 2022 and as our Chief Accounting Officer since March 2022 and as our Director of Finance and Corporate Financial Controller from 2020 to December 2022. Prior to Lifeward, Mr. Adar served as Controller of Infinya Recycling Ltd. (previously Amnir Recycling) from January 2018 until December 2019. From January 2016 until December 2017, Mr. Adar served as Assistant Controller of Delta Galil Industries. Mr. Adar has a Bachelor of Arts degree in Accounting and Economics from the Open University of Israel and is a Certified Public Accountant licensed by the Israeli Ministry of Justice.

Jeannine Lynch has served as our Vice President of Market Access and Strategy since August 2021. Prior to Lifeward, Ms. Lynch served as Senior Director of Patient Access Services at BioMarin Pharmaceuticals from April 2009 to September 2021. In addition to her work with BioMarin, Ms. Lynch has worked for industry leaders such as Genentech and Pfizer/Agouron. She has held leadership roles in commercial management, product launches and built customized patient services to address several different rare and ultrarare medical conditions. Ms. Lynch also served on the Board of Directors for MVP, a non-profit organization to help young people of color prepare, perform, progress, and prosper in their education, leadership and early professional careers. Ms. Lynch is a graduate of the University of California Berkeley and holds a Master of Public Health from the University of Michigan.

Board Leadership Structure

Although the Board does not currently have a formal policy requiring the offices of Chairman of the Board and CEO to be separate, the Israel Companies Law provides that one individual cannot serve as both Chairman and CEO, unless the shareholders approve such dual role, with each such approval to be valid for not more than three years. Currently, we have separated the positions of CEO and Chairman of the Board in recognition of the differences between the two roles. The CEO is responsible for the day-to-day leadership and performance of the Company, while the Chairman of the Board (in collaboration with other members of the Board) sets the strategic direction of the Company, provides guidance to the management, sets the agenda for the Board meetings (in collaboration with the other members of the Board) and presides over meetings of the Board. We believe that the current separation between Chairman and CEO allows each of them to better focus on their designated responsibilities. In addition, we believe that the current separation provides a more effective monitoring and objective evaluation of the performance of the CEO. The Board believes it is important that the Company retain organizational flexibility to determine whether the roles of CEO and Chairman of the Board should be separated or combined.

Risk Management

The Board is actively involved in the oversight and management of risks that could affect the Company. This oversight and management is conducted primarily through committees of the Board, as disclosed in the descriptions of each of the committees above and in the charters of each of the committees, but the full Board has retained responsibility for general oversight of risks. The Board regularly receives reports from members of senior management on areas of material risk to the Company, including operational (which itself includes cybersecurity matters), financial, regulatory and legal. The audit committee oversees management of financial risks (including liquidity and credit), approves all transactions with related persons and is primarily responsible for oversight of the Company's financial reporting process and internal control over financial reporting. The compensation committee is responsible for overseeing the management of risks relating to the Company's executive compensation plans and arrangements. The nominating and corporate governance committee oversees the Company's corporate governance programs, including the administration of the Code of Business Conduct and Ethics. The Board discharges its oversight responsibility through full reports by each committee chair regarding the relevant committee's actions, as well as through regular reports directly from officers responsible for oversight of particular risks within the Company.

Opt-Out of Certain Israel Companies Law Requirements

As an Israeli company, we are required to comply with the requirements of the Israel Companies Law and the regulations promulgated thereunder. Until early 2018, our Board was required to include at least two "external directors" as defined under the Israel Companies Law. In addition, we were required to comply with certain requirements under the Israel Companies Law regarding the composition of our audit committee and compensation committee, including requirements relating to the inclusion and role of the external directors on such committees. Pursuant to regulations then promulgated under the Israel Companies Law, however, we — as a company that does not have a controlling shareholder, and that complies with the U.S. securities laws and the corporate governance rules of the Nasdaq Stock Market ("Nasdaq") — were permitted to "opt out" of the requirement to appoint external directors as well as the above requirements related to the composition of the audit committee and the compensation committee. In February 2018, our Board determined that opting out of such requirements would be beneficial to the Company and we opted out of such requirements.

However, as described above, upon the closing of the Oratech acquisition with Oramed, Oramed is expected to hold at least 45.00%, and potentially in excess of 49.99%, of the outstanding voting power of the Company, and will become a controlling shareholder of the Company. As a result, subject to and upon the closing of the Oratech Acquisition, we will again be required to comply with the requirement under the Israel Companies Law that our Board include at least two external directors and the requirements regarding the composition of our audit committee and compensation committee, including requirements relating to the inclusion and role of the external directors on such committees, as discussed below.

Director Independence

Our Board has determined that, other than Mark Grant, our President and CEO, all of our current directors, and each former director who served as a member of the Board during the last fiscal year, are independent under Nasdaq listing standards. As described above, upon and subject to the closing of the Oratech Acquisition we will be required to have at least two external directors. The definition of "independent director" under the NASDAQ listing standards and "external director" under the Israel Companies Law overlap to some extent, so that we would generally expect the two directors serving as external directors to satisfy the requirements to be independent under the NASDAQ listing standards. Furthermore, our Board also determined that all current members of the audit committee and compensation committee, as well as Messrs. Rozenbaum and Sigsbee, who will become members of the audit committee and compensation committee upon and subject to the closing of the Oratech Acquisition, as well as the current members of the nominating and corporate governance committee, are independent under the applicable Nasdaq listing standards and rules and regulations of the SEC. In making its determinations regarding independence, the Board carefully reviewed the categorical tests enumerated in the Nasdaq independence definition and (in the case of external directors) the standards imposed by Israeli law, as well as the individual circumstances of each director with regard to each director's business and personal activities as they may relate to the Company and our management.

Israel Companies Law Requirements

Under the Israel Companies Law, the definition of "external director" includes a set of statutory criteria that must be satisfied, including criteria whose aim is to ensure that there be no factor which would impair the ability of the external director to exercise independent judgment. The definition of "independent director" specifies similar requirements and also provide that the board must consider any factor which would impair the ability of the independent director to exercise independent judgment. In addition, both external directors and independent directors serve for a period of three years; external directors serve pursuant to the requirements of the Israel Companies Law and independent directors serve pursuant to the staggered board provisions of our Articles of Association. However, external directors must be elected by a Special Majority (as defined below under " - Approval of Related Party Transactions Under Israeli Law") of shareholders while independent directors may be elected by an ordinary majority.

Under the Israel Companies Law, subject to certain opt-out rights available to certain Israeli companies, we are required to have at least two external directors. External directors must meet stringent standards of independence from us, from our management and from any controlling shareholder (defined for this purpose as any shareholder who holds 50% or more of our outstanding shares, or who has the right to appoint the majority of our directors or our general manager). In addition, no person may serve as an external director if that person's position or professional or other activities create, or may create, a conflict of interest with that person's responsibilities as a director or otherwise interfere with that person's ability to serve as an external director or if the person is an employee of the Israel Securities Authority or of an Israeli stock exchange. These independence standards are applicable beginning two years before the external director's election and continuing for two years after the external director's term of service. In addition to election by the normal majority vote, external directors must generally be elected by a majority vote of the shares held by shareholders other than controlling shareholders. Subject to and upon the closing of the Oratech Acquisition, Moshe Rozenbaum and William Mark Sigsbee will serve as our external directors.

Nasdaq Listing Standards

The Nasdaq definition of "independent director" includes a series of objective tests. Specifically, a director is deemed independent under the Nasdaq rules if such director is not an executive officer or employee of the Company or any other individual having a relationship which, in the opinion of the company's Board, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. Generally, the following persons are not considered independent, among others:

- a director who is, or at any time during the past three years was, employed by the company;
- a director who accepted or who has a family member who accepted any compensation from the company in excess of $120,000 during any period of twelve consecutive months within the three years preceding the determination of independence, other than compensation for board or board committee service, compensation paid to a family member who is an employee (other than an executive officer) of the company, or benefits under a tax-qualified retirement plan, or non-discretionary compensation;
- a director who is a family member of an individual who is, or at any time during the past three years was, employed by the company as an executive officer;
- a director who is, or has a family member who is, a partner in, or a controlling shareholder or an executive officer of, any organization to which the company made, or from which the company received, payments for property or services in the current or any of the past three fiscal years that exceed 5% of the recipient's consolidated gross revenues for that year, or $200,000, whichever is more, other than the following: (i) payments arising solely from investments in the company's securities; or (ii) payments under non-discretionary charitable contribution matching programs;

- a director who is, or has a family member who is, employed as an executive officer of another entity where at any time during the past three years any of the executive officers of the company serve on the compensation committee of such other entity; and

- a director who is, or has a family member who is, a current partner of the company's outside auditor, or was a partner or employee of the company's outside auditor who worked on the company's audit at any time during any of the past three years.

Audit Committee

We have a separately designated standing audit committee. The audit committee currently consists of Mr. Robert Marshall and Dr. John William Poduska. Mr. Marshall serves as the chairman of the audit committee. The audit committee holds a minimum of four meetings per year and meets more frequently as circumstances require. The audit committee met four times during the fiscal year ended December 31, 2025.

Israel Companies Law Requirements

Under the Israel Companies Law, we are required to appoint an audit committee. As discussed above under "Opt-Out of Certain Israel Companies Law Requirements," in February 2018 we opted out of certain additional Israel Companies Law requirements relating to the audit committee, including certain requirements as to the composition of our audit committee. However, as described above, subject to and upon the closing of the Oratech Acquisition we will be required to comply again with the requirements under the Israel Companies Law regarding the composition of our audit committee, including requirements relating to the inclusion and role of the external directors on such committee. Such requirements provide that the audit committee must be comprised of at least three directors, including all of the external directors (one of whom must serve as chair of the committee). The audit committee may not include the following: the chairman of the board; a controlling shareholder of the company or a relative of a controlling shareholder; a director employed by or providing services on a regular basis to the company, to a controlling shareholder or to an entity controlled by a controlling shareholder; or a director who derives most of his or her income from a controlling shareholder. In addition, a majority of the members of the audit committee must be unaffiliated directors. In general, an unaffiliated director under the Israel Companies Law is defined as either (i) an external director, or (ii) an individual who has not served as a director of the company for a period exceeding nine consecutive years and who meets the qualifications for being appointed as an external director, except that he or she need not meet the requirement for accounting and financial expertise or professional qualification.

Nasdaq Listing Standards and SEC Requirements

Under the Nasdaq corporate governance rules, we are required to maintain an audit committee consisting of at least three independent directors, each of whom is financially literate and one of whom has accounting or related financial management expertise. Additionally, we must state whether any members of the audit committee qualifies as an "audit committee financial expert" under Item 407(d) of Regulation S-K as promulgated by the SEC.

All members of the audit committee meet the requirements for financial literacy under the applicable rules and regulations of the SEC and the Nasdaq corporate governance rules. Our Board has determined that Robert Marshall is an "audit committee financial expert" as defined by the SEC rules and has the requisite financial sophistication as defined by the Nasdaq corporate governance rules.

Each of the current audit committee members is "independent" as such term is defined under the Nasdaq corporate governance rules and under Rule 10A-3(b)(1) under the Exchange Act, which is different from the general test for independence of board members and members of other committees.

Audit Committee Role

Our Board has adopted an audit committee charter that sets forth the responsibilities of the audit committee consistent with the rules of the SEC and the Nasdaq corporate governance rules, as well as the requirements for such committee under the Israel Companies Law, including the following:

- overseeing our independent registered public accounting firm and recommending the engagement, compensation or termination of engagement of our independent registered public accounting firm to the Board in accordance with Israeli law;

- reviewing regularly the senior members of the independent auditor's team, including the lead audit partner and reviewing partner;
- pre-approving the terms of audit, audit-related and permitted non-audit services provided by the independent registered public accounting firm;
- recommending the engagement or termination of the person filling the office of our internal auditor;
- reviewing periodically with management, the internal auditor and the independent registered public accounting firm the adequacy and effectiveness of the Company's internal control over financial reporting; and
- reviewing with management and the independent registered public accounting firm the annual and quarterly financial statements of the Company prior to filing with the SEC.

The charter of the audit committee is available at *https://ir.golifeward.com/corporate-governance/charters-and-policies*. Information contained on, or that can be accessed through, our website does not constitute a part of this annual report and is not incorporated by reference herein.

The audit committee provides assistance to our Board in fulfilling its legal and fiduciary obligations in matters involving our accounting, auditing, financial reporting, internal control over financial reporting and legal compliance. Specifically, the audit committee pre-approves the services performed by our independent registered public accounting firm and reviews the firm's reports regarding our accounting practices and systems of internal control over financial reporting. The audit committee also oversees the audit efforts of our independent registered public accounting firm and takes those actions that it deems necessary to satisfy itself that such accountants are in fact independent of management.

Under the Israel Companies Law, the audit committee is responsible for:

- determining whether there are deficiencies in the business management practices of the Company and making recommendations to our Board to improve such practices;
- determining whether to approve certain related party transactions, and classifying transactions in which a controlling shareholder has a personal benefit or other interest as significant or insignificant (which affects the required approvals) (see "—Approval of Related Party Transactions under Israeli Law" below);
- examining our internal controls and internal auditor's performance, including whether the internal auditor has sufficient resources and tools to dispose of its responsibilities, and in certain cases approving the annual work plan of our internal auditor;
- examining the scope of our auditor's work and compensation and submitting a recommendation with respect thereto to our Board or shareholders, depending on which of them is considering the appointment of our auditor; and
- establishing procedures for the handling of employees' complaints as to the deficiencies in the management of our business and the protection to be provided to such employees.

The audit committee may not approve any actions requiring its approval unless at the time of the approval a majority of the committee's members are present, including at least one external director. See "—Approval of Related Party Transactions under Israeli Law" below.

Compensation Committee

We have a separately designated standing compensation committee. The compensation committee currently consists of Ms. Randel E. Richner and Dr. John William Poduska. Dr. Poduska serves as the chairman of the compensation committee. The compensation committee meets as circumstances require and held six meetings during the year ended December 31, 2025.

Israel Companies Law Requirements

Under the Israel Companies Law, the board of directors of a public company must appoint a compensation committee. As discussed above under "Opt-Out of Certain Israel Companies Law Requirements," in February 2018 we opted out of certain additional Israel Companies Law requirements relating to the compensation committee, including certain requirements as to the composition of our compensation committee. However, as described above, subject to and upon the closing of the Oratech Acquisition we will be required to comply again with the requirements under the Israel Companies Law regarding the composition of our compensation committee, including requirements relating to the inclusion and role of the external directors on such committee. The compensation committee must be comprised of at least three directors, including all of the external directors, one of whom must be the chair of the compensation committee. The external directors must constitute a majority of the members of the compensation committee. The compensation committee may not include the following: the chairman of the board; a controlling shareholder of the company or a relative of a controlling shareholder; a director employed by or providing services on a regular basis to the company, to a controlling shareholder or to an entity controlled by a controlling shareholder; or a director who derives most of his or her income from a controlling shareholder.

The duties of the compensation committee include the recommendation to the company's board of directors of a compensation policy regarding the terms of engagement of directors and of specified members of senior management. That compensation policy must be adopted by the company's board of directors, after considering the recommendations of the compensation committee, and must then be approved by the company's shareholders, which approval requires a Special Majority (as defined below under "—Approval of Related Party Transactions under Israeli Law— Disclosure of Personal Benefits or Other Interests of an Office Holder and Approval of Certain Transactions"). Our Board adopted a compensation policy, which our shareholders approved at the annual general meeting of our shareholders held on September 13, 2024 (the "Compensation Policy").

The compensation policy of an Israeli company must serve as the basis for decisions concerning the financial terms of employment or engagement of office holders, including compensation, benefits, exculpation, insurance and indemnification. The compensation policy must take into account certain factors, including advancement of the company's objectives, the company's business plan and its long-term strategy, and creation of appropriate incentives. It must also consider, among other things, the company's risk management, size and the nature of its operations. The compensation policy must include certain principles, such as: a link between variable compensation and long-term performance and measurable criteria; the relationship between variable and fixed compensation; and the minimum holding or vesting period for variable, equity-based compensation. We believe that the Compensation Policy satisfies these requirements.

The compensation committee is responsible for (a) recommending the Compensation Policy to our Board for its approval (and subsequent approval by our shareholders) and (b) carrying out duties related to the Compensation Policy and to the compensation of our directors and senior management, including:

- reviewing and making recommendations regarding our Compensation Policy at least every three years;
- recommending to the Board periodic updates to the Compensation Policy;
- assessing implementation of the Compensation Policy;
- approving compensation terms of executive officers, directors and employees affiliated with controlling shareholders; and
- exempting certain compensation arrangements from the requirement to obtain shareholder approval under the Israel Companies Law.

Nasdaq Listing Standards and Section 16 of the Exchange Act

Under the Nasdaq corporate governance rules, we are required to maintain a compensation committee consisting of at least two independent directors. Each of the members of the compensation committee is required to be independent under the Nasdaq listing standards relating to compensation committee members, which are different from the general test for independence of the Board and members of other committees. In assessing independence, the Board considered all factors specifically relevant to determining whether a director has a relationship to the Company which is material to that director's ability to be independent from management in connection with the duties of a compensation committee member and determined that each of the members of the compensation committee satisfies those requirements. Additionally, transactions between us and our directors and executive officers will be considered exempt from short-swing liability under Section 16(b) of the Exchange Act if approved by our Board or a committee composed solely of two or more "non-employee directors," as defined in Rule 16b-3 under the Exchange Act ("Rule 16b-3"). Our Board has determined that each of the members of the compensation committee is a "non-employee director," as defined in Rule 16b-3.

Compensation Committee Role

Our Board has adopted a compensation committee charter setting forth the responsibilities of the committee, which include:

- reviewing and approving the granting of options and other incentive awards under the Company's equity compensation plans to the extent such authority is delegated by our Board;
- recommending the Company's compensation policy and reviewing that policy from time to time both with respect to the CEO and other office holders and generally, including to assess the need for periodic updates;
- reviewing and approving corporate goals relevant to the compensation of the CEO and other officers and evaluating the performance of the CEO and other officers; and
- reviewing, evaluating and making recommendations regarding the compensation and benefits for our non-employee directors.

The charter of the compensation committee is available at *https://ir.golifeward.com/corporate-governance/charters-and-policies*. Information contained on, or that can be accessed through, our website does not constitute a part of this annual report and is not incorporated by reference herein.

Subject to applicable law, the compensation committee may delegate its authority to subcommittees established from time to time by the committee. Such subcommittees shall consist of one or more members of the committee or the board and shall report to the committee. The compensation committee is authorized to retain and terminate compensation consultants, legal counsel or other advisors to the committee and to approve the engagement of any such consultant, counsel or advisor, to the extent it deems necessary or appropriate after specifically analyzing the independence of any such consultant retained by the compensation committee.

Compensation Consultant

The compensation committee has authority to retain compensation consulting firms to assist it in the evaluation of executive officer and employee compensation and benefit programs. The compensation committee has retained Aon Hewitt ("Aon") as its independent compensation advisor. Aon provides an objective perspective as to the reasonableness of our executive compensation programs and practices and their effectiveness in supporting our business and compensation objectives, as well as our equity compensation plans and number of shares available for grants.

Although Aon regularly consults with management in performing work requested by the compensation committee, it did not perform any separate additional services for management. The compensation committee has assessed the independence of Aon pursuant to applicable SEC rules and concluded that no conflict of interest exists that would prevent Aon from independently representing the compensation committee.

Nominating and Corporate Governance Committee

The nominating and corporate governance committee currently consists of Ms. Randel E. Richner and Mr. Michael Swinford. Ms. Richner serves as the chairman of the nominating and corporate governance committee. The nominating and corporate governance committee meets as circumstances require, with two meetings having taken place during the fiscal year ended December 31, 2025. Our Board has adopted a nominating and corporate governance committee charter that sets forth the responsibilities of the nominating and corporate governance committee, which include:

- overseeing and assisting our Board in reviewing and recommending nominees for election as directors;
- reviewing and evaluating recommendations regarding management succession;
- assessing the performance of the members of our Board; and
- establishing and maintaining effective corporate governance policies and practices, including, but not limited to, developing and recommending to our Board a code of conduct.

The nominating and corporate governance committee considers proposals from a number of sources, including recommendations for nominees from shareholders submitted upon written notice to the chairman of the nominating and corporate governance committee, c/o Lifeward Ltd., 2 Cabot Rd., Hudson, MA 01749. Other sources include referrals from other directors, members of management and the Company's advisors. When considering a person to be recommended for nomination as a director, the nomination and governance committee evaluates, whether sourced by a shareholder or otherwise, among other factors, experience, accomplishments, education, skills, personal and professional integrity, diversity of the Board and the candidate's ability to devote the necessary time for service as a director (including directorships and other positions held at other corporations and organizations). The nominating and governance committee does not use different standards to evaluate nominees depending on whether they are proposed by our directors and management or by our shareholders.

The nominating and corporate governance committee has no specific policy on director diversity. However, the Board reviews diversity of viewpoints, background, experience, accomplishments, education and skills when evaluating nominees. The Board believes that such diversity is important because it provides varied perspectives and promotes active and constructive discussion among directors and between the Board and management, resulting in more effective oversight of management's formulation and implementation of strategic initiatives. In addition, in the Board's executive sessions and in annual performance evaluations conducted by the Board and its committees, the Board from time to time considers whether the Board's composition promotes a constructive and collegial environment. In determining whether an incumbent director should stand for reelection, the nominating and corporate governance committee considers the above factors, as well as that director's personal and professional integrity, attendance, preparedness, participation and candor and other relevant factors as determined by the Board. Additionally, under Israeli law, if at the time of election of a director, (or, if a board is required to include external directors, an external director), all of the members of the Board are of the same gender, the director (or, if applicable, the external director) to be elected must be of the other gender. The charter of the nominating and corporate governance committee is available at *https://ir.golifeward.com/corporate-governance/charters-and-policies*. Information contained on, or that can be accessed through, our website does not constitute a part of this annual report and is not incorporated by reference herein.

Delinquent Section 16(a) Reports

Section 16(a) of the Exchange Act requires that the Company's directors, executive officers and persons who own more than 10% of our outstanding ordinary shares file with the SEC initial reports of ownership in our ordinary shares and reports of changes in ownership in our ordinary shares. Based solely on a review of reports filed during the fiscal year ended December 31, 2025 and certain of our internal records, we believe that all Section 16(a) filing requirements applicable to our directors, officers and greater than 10% beneficial owners were satisfied on a timely basis, except each of Robert J. Marshall, Randel Richner, Hadar Levy, William John Poduska, Joseph E. Turk and Michael Swinford filed one late Form 4 with respect to the grant of an equity award.

Code of Ethics

We have adopted a Code of Conduct and Ethics (the "Code of Ethics"), which applies to all officers, directors and employees. The Code of Ethics is available on our website at https://ir.golifeward.com/corporate-governance/charters-and-policies. Any amendments to the Code of Ethics, or any waivers of its requirements, are expected to be disclosed on our website to the extent required by applicable rules and exchange requirements, including in order to satisfy Item 5.05 of Form 8-K. The reference to our website address here and elsewhere in this proxy statement does not constitute incorporation by reference of the information contained at or available through our website.

Policy Prohibiting Insider Trading and Related Procedure

We have adopted insider trading policies and procedures governing the purchase, sale, and other dispositions of our securities by directors, officers, and employees that we believe are reasonably designed to promote compliance with insider trading laws, rules and regulations, and applicable Nasdaq listing standards. Our insider trading policy states, among other things, that our directors, officers, and employees are prohibited from trading in such securities while in possession of material, nonpublic information. The foregoing summary of our insider trading policies and procedures does not purport to be complete and is qualified by reference to our Insider Trading Policy filed as an exhibit to this Annual Report on Form 10-K. In addition, with regard to the Company's trading in its own securities, it is our policy to comply with the federal securities laws and the applicable exchange listing requirements.

Policy on Trading, Pledging and Hedging of Company Stock

Under the terms of our insider trading policy, our executive officers and directors are prohibited from: trading in call or put options involving our securities and other derivative securities; engaging in short sales of our securities; holding our securities in a margin account, all forms of hedging or monetizing our transactions, such as zero-cost collars and forward sale contracts and pledging company securities to secure margin or other loans.

ITEM 11. EXECUTIVE COMPENSATION

As a smaller reporting company, we have opted to comply with the executive compensation rules otherwise applicable to "smaller reporting companies," as such term is defined in Rule 12b-2 under the Exchange Act.

This section provides certain compensation-related information for (1) all individuals who served as our CEO during any part of the year ended December 31, 2025, and (2) our two most highly compensated executive officers (other than our CEO) who were serving as executive officers as of December 31, 2025 (together, our "Named Executive Officers").

Named Executive Officers

Our Named Executive Officers for the year ended December 31, 2025, which consists of our principal executive officer and our three other most highly compensated executive officers, are:

- Mark Grant, our President and co-CEO from June 2, 2025 until June 30, 2025, and our President and Chief Executive Officer effective July 1, 2025;
- Larry Jasinski, our former CEO from September 2012 until June 1, 2025, and our former co-CEO from June 2, 2025 until June 30, 2025;
- Almog Adar, our Chief Financial Officer; and
- Jeannine Lynch, our Vice President of Market Access and Strategy.

2025 Summary Compensation Table

The following table provides information regarding the total compensation awarded to, earned by, or paid to our Named Executive Officers for services rendered to us in all capacities for the fiscal year ended December 31, 2025.

Name and Principal Position	Year	Salary ($)	Bonus ($)	Option Awards ($)[1]	Stock Awards ($)[2]	Non-Equity Incentive Plan Compensation($)[3]	All Other Compensation ($)	Total ($)
Mark Grant, [4] President and Chief Executive Officer	2025	253,750	177,625[5]	403,491	—	—	—	834,866
Larry Jasinski, [6] Former Chief Executive Officer	2025	221,156	—	—	—	—	577,045[7]	798,201
	2024	442,312	—	—	—	30,962	—	473,274
Almog Adar, Chief Financial Officer	2025	277,083	40,000[8]	133,242	—	22,050	—	472,375
	2024	204,913	—	—	—	10,000	68,023	282,936
Jeannine Lynch, Vice President of Market Access and Strategy	2025	361,637	—	—	35,375	6,329	—	403,341
	2024	359,004	—	—	—	—	—	359,004

(1) The amounts reported represent the aggregate grant date fair value of stock options awarded to the Named Executive Officers during the fiscal year ended December 31, 2025, calculated in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718 ("FASB ASC Topic 718"), disregarding estimated forfeitures related to service-based vesting. For a description of the assumptions used in determining these values, see Notes 2m and 9c to our consolidated financial statements included in our 2025 Annual Report. The amounts reported in this column reflect the accounting cost for the stock options and do not correspond to the actual economic value that may be received by the Named Executive Officers upon the exercise of the stock options or any sale of the underlying shares

(2) Amounts represent the aggregate grant date fair value of such awards computed in accordance with FASB ASC Topic 718. The fair value of restricted share units ("RSUs") granted is determined based on the price of the Company's Ordinary Shares on the date of grant. This amount does not correspond to the actual value that may be recognized by the Named Executive Officer upon the vesting and subsequent settlement of the restricted share units. For a description of the assumptions used in determining these values, see Notes 2m and 9c to our consolidated financial statements included in our 2025 Annual Report.

(3) Amounts represent the annual bonuses earned in fiscal year ended December 31, 2025, based on the achievement of certain Company, and, if applicable, individual performance objectives. For more information on these bonuses, see the description of the annual performance bonuses under "2025 Bonuses" below.

(4) Mr. Grant commenced employment with the Company on June 2, 2025. The amount reported represents his actual base salary earned during 2025. His annualized base salary for 2025 was $435,000.

(5) The amount represents the amount of the bonus that Mr. Grant is guaranteed to receive for the fiscal year ended December 31, 2025 pursuant to the Grant Employment Agreement. For more information on Mr. Grants bonus, see the descriptions of his bonus under "2025 Bonuses" below.

(6) Mr. Jasinski's employment with the Company terminated on June 30, 2025. Following this termination of employment, Mr. Jasinski served as a consultant to the Company from July 1, 2025 through December 31, 2025.

(7) The amount represents the severance payments Mr. Jasinski received in 2025 pursuant to the Jasinski Separation Agreement, accrued but unused vacation that was paid to Mr. Jasinski upon his termination of employment, and monthly consulting fees Mr. Jasinski received in 2025 pursuant to the Jasinski Consulting Agreement. For more information regarding Mr. Jasinski's severance payments and consulting fees, see the description of such amounts under "Employment Agreements of Named Executive Officers" below.

(8) The amount represents the portion of a retention bonus that Mr. Adar was entitled to receive in 2025 pursuant to the Adar Employment Agreement. For more information on Mr. Adar's retention bonus, see the descriptions of his bonus under "2025 Bonuses" below.

Pursuant to regulations promulgated under the Israel Companies Law, we are required to disclose the total compensation earned during 2025 by our five most highly-compensated office holders (as defined in the Israel Companies Law). Three of such individuals are our Named Executive Officers, as defined above, and their respective total compensation for 2025 is set forth in the Summary Compensation Table. The other two individuals, and their respective total compensation for 2025, is as follows:

Name and Principal Position	Salary ($)	Stock Awards ($)[1]	Non-Equity Incentive Plan Compensation($)[2]	All Other Compensation ($)	Total ($)
Charles Remsberg, Chief Sales Officer[3]	118,750	—	—	274,682[4]	393,432
Miri Pariente, Vice President of Operations, Regulatory and Quality[5]	206,165	35,375	15,621	100,398[6]	357,559

(1) Amounts represent the aggregate grant date fair value of such awards computed in accordance with FASB ASC Topic 718. The fair value of restricted share units ("RSUs") granted is determined based on the price of the Company's Ordinary Shares on the date of grant. This amount does not correspond to the actual value that may be recognized by the Named Executive Officer upon the vesting and subsequent settlement of the restricted share units. The valuation assumptions used in determining such amounts are described in Notes 2m and 9c to our consolidated financial statements included in our 2025 Annual Report.

(2) Amounts represent the annual bonuses earned in fiscal year ended December 31, 2025 based on the achievement of certain Company, and, if applicable, individual performance objectives. For more information on these bonuses, see the description of the annual performance bonuses under "2025 Bonuses" below.

(3) Mr. Remsberg's employment with the Company terminated on May 15, 2025.

(4) The amount represents the severance payments Mr. Remsberg received in 2025 pursuant to the Remsberg Separation Agreement, accrued but unused vacation that was paid to Mr. Remsberg upon his termination of employment.

(5) The amounts set forth for Ms. Pariente in the columns "Salary," "Non-Equity Incentive Plan," and "All Other Compensation" represent payments, contributions and/or allocations that were made in New Israel Shekels ("NIS") and have been translated to U.S. dollars according to the average exchange rate on the applicable period.

(6) Consists of $61,263 for payments, contributions and/or allocations for social benefits and the aggregate incremental cost to the Company of $39,135 with respect to Ms. Pariente's personal use of a Company-leased car.

Narrative Disclosure to the 2025 Summary Compensation Table

Our compensation committee reviews and approves the compensation of our executive officers and is primarily responsible for determining the compensation for the Named Executive Officers and office holders (within the meaning of the Israeli Companies Law) consistent with our overall executive compensation philosophy. Our compensation committee reviews and discusses the compensation of other officers with the chief executive officer and considers overall Company performance against goals, individual executive performance, and internal and external equity as key factors in those decisions. We develop our compensation programs after reviewing publicly available compensation data. Aon advises the compensation committee on all of the principal aspects of executive compensation. Aon attends meetings of the compensation committee when requested to do so. Aon reports directly to the compensation committee and not to management, although it meets with management for purposes of gathering information for its analyses and recommendations. The compensation committee has assessed the independence of Aon consistent with SEC regulations and Nasdaq listing standards and has concluded that the engagement of Aon does not raise any conflict of interest.

Base Salaries

At the beginning of 2025, our compensation committee reviewed and approved the base salaries of the Named Executive Officers (other than Mr. Grant, who was not employed by the Company at the time) based on an analysis of external market conditions and individual performance against goals. In the case of Mr. Adar, his base salary was approved in the beginning of 2025 and, in connection with his promotion to become our Chief Financial Officer, it was increased on August 1, 2025. The table below sets forth the base salaries for each of the Named Executive Officers for 2025:

Name	2025 Base Salary ($)
Mark Grant	435,000
Larry Jasinski	442,312
Almog Adar[1]	315,000
Jeannine Lynch	361,637

(1) Mr. Adar's base salary was increased from $250,000 to $315,000 on August 1, 2025 as a result of his promotion to become our Chief Financial Officer.

2025 Bonuses

All employees who have bonus features in their employment agreements, including our Named Executive Officers, were eligible to participate in a non-equity incentive plan for fiscal year 2025, pursuant to which employees were eligible to earn a bonus with respect to their performance in such year. Each Named Executive Officer's target was equal to a specified percentage of his or her base salary, and, except in the case of Mr. Grant and Mr. Adar, the actual bonus paid was based on the achievement revenue and net income targets and individual performance metrics. The revenue and net income targets are set forth in the Compensation Policy that has been approved by our shareholders. Not all goals are required to be satisfied for a Named Executive Officer to earn a portion of the bonus.

The percentage of the bonus to be paid may vary depending on the specific target and the level of achievement. In February 2026, the compensation committee completed an evaluation of the Company's overall performance for 2025 and the Named Executive Officers' respective contributions in achieving this performance. The compensation committee's review was based on Company performance against business objectives, as well as personal performance against individual goals established by the compensation committee. The revenue and net income targets for 2025 were not achieved and, therefore, no bonus was paid with respect to those corporate performance goals. However, Mr. Adar and Ms. Lynch partially achieved certain individual performance goals and, based on the compensation committee's evaluation, following the recommendation of the compensation committee, the Board approved bonuses for Mr. Adar and Ms. Lynch equal to $22,050 and $6,329, respectively.

Notwithstanding the foregoing, Mr. Grant and Mr. Adar received certain guaranteed bonus amounts for the fiscal year ended December 31, 2025. Pursuant to the Grant Employment Agreement, Mr. Grant was guaranteed a bonus under the non-equity incentive plan at the minimum amount of 70% of his 2025 base salary (which will be prorated based on the number of days that Mr. Grant was employed by the Company in the 2025 fiscal year), provided that Mr. Grant is employed by the Company on the date the bonus is paid. While Mr. Grant did not earn a bonus based on Company and/or individual performance, he received a bonus for fiscal year ended December 31, 2025 in the amount of $177,625 pursuant to the Grant Employment Agreement.

Pursuant to the Adar Employment Agreement, for the fiscal year ended December 31, 2025, Mr. Adar was eligible to earn an annual bonus equal to 35% of his 2025 base salary, structured as follows: (a) Mr. Adar was entitled to a retention payment in the total amount of $80,000 (the "Adar Retention Payment"), to be paid in two equal installments, with the first installment being paid on the first payroll date following his appointment as Chief Financial Officer, and the second installment to be paid when the Company pays 2025 bonuses to other executives, subject to Mr. Adar's continued employment on the date of payment; and (b) Mr. Adar was eligible to earn up to an additional 7% of his base salary (provided that the total annual bonus Mr. Adar is eligible to earn for the fiscal year ended December 31, 2025 will not exceed 35% of his 2025 base salary), prorated for the period commencing on August 1, 2025 through December 31, 2025, based on Mr. Adar's achievement of individual metrics and milestones as determined by our Board of Directors (the amounts in (a) and (b), the "Adar 2025 Bonus"). Mr. Adar earned 50% of the Adar Retention Payment in 2025, which was paid on August 15, 2025, and the remaining 50% is expected to be paid on March 31, 2026. Because the remaining 50% of the Adar Retention Payment was not earned in fiscal year ended December 31, 2025, such amount is not reflected in the Summary Compensation Table above pursuant to SEC guidance.

Equity Compensation

Our equity grant program is intended to align the interests of our Named Executive Officers with those of our shareholders and to motivate them to make important contributions to our performance. In 2025, stock options and RSU grants were made following shareholder approval of our 2025 Incentive Compensation Plan (the "2025 Plan").

Employee Benefits and Perquisites

We currently maintain the Lifeward, Inc. 401(k) Plan, a defined contribution plan, or the 401(k) Plan, for the benefit of our employees, including our Named Executive Officers, who satisfy certain eligibility requirements. Our Named Executive Officers were eligible to participate in the 401(k) Plan on the same terms as our other full-time employees. We believe that providing a vehicle for retirement savings though our 401(k) Plan adds to the overall desirability of our executive compensation package and further incentivizes our employees, including our Named Executive Officers.

Currently, we do not view perquisites or other personal benefits as a significant component of our Compensation Policy.

Equity Grant Timing

Our policies and practices regarding the granting of equity awards are carefully designed to ensure compliance with applicable securities laws and to maintain the integrity of our executive compensation program. The compensation committee of our Board of Directors is responsible for the timing and terms of equity awards to executives and other eligible employees.

The timing of equity award grants is determined with consideration to a variety of factors, including but not limited to, the achievement of pre-established performance goals and market conditions. We do not follow a predetermined schedule for the granting of equity awards. In determining the timing and terms of an equity award, the Board of Directors or the compensation committee may consider material nonpublic information to ensure that such grants are made in compliance with applicable laws and regulations. The board's or the compensation committee's procedures to prevent the improper use of material nonpublic information in connection with the granting of equity awards include oversight by legal counsel and, where appropriate, delaying the grant of equity awards until the public disclosure of such material nonpublic information.

We are committed to maintaining transparency in our executive compensation practices and to making equity awards in a manner that is not influenced by the timing of the disclosure of material nonpublic information for the purpose of affecting the value of executive compensation. We regularly review our policies and practices related to equity awards to ensure they meet the evolving standards of corporate governance.

On June 2, 2025, the compensation committee awarded a stock option grant to Mr. Grant, one of our Named Executive Officers, during the period beginning four business days before and ending one business day after the filing or furnishing of a Form 10-Q, Form 10-K or Form 8-K that discloses material nonpublic information, or the Designated Period. In addition, on August 13, 2025, the compensation committee awarded a stock option grant to Mr. Adar, one of our Named Executive Officers, during the Designated Period. As required by Item 402(x) of Regulation S-K under the Exchange Act, we are providing the following information related to the stock option grants awarded to Messrs. Grant and Adar during the Designated Period occurring in the fiscal year ended December 31, 2025. All share and per share amounts presented in this note have been retroactively adjusted to reflect the Company's 1-for-12 reverse share split effected on February 24, 2026.

Name	**Grant Date**	**Number of securities underlying the award ($/sh)**	**Exercise price of the award ($/Sh)**	**Grant date fair value of the award** (1)	**Percentage change in the closing market price of the securities underlying the award between the trading day ending immediately prior to the disclosure of material nonpublic information and the trading day beginning immediately following the disclosure of material nonpublic information**
William Mark Grant	June 2, 2025	33,333	14.70	403,491	0.41%(2)
Almog Adar	August 13, 2025	18,750	8.60	133,242	(11.6%)(3)

(1) The grant date fair value of such award was calculated in accordance with FASB ASC Topic 718, disregarding estimated forfeitures related to service-based vesting. For a description of the assumptions used in determining these values, see Notes 2m and 9c to our consolidated financial statements included in our 2025 Annual Report.

(2) The closing price per share of our common stock on June 2, 2025 (the trading date ending immediately prior to the filing of our Form 8-K on June 3, 2025) was $14.70, and the closing price per share of our common stock on June 4, 2025 (the next trading date beginning immediately following the filing of our Form 8-K on June 3, 2025) was $14.76.

(3) The closing price per share of our common stock on August 13, 2025 (the trading date ending immediately prior to the filing of our Form 10-Q on August 14, 2025) was $8.60, and the closing price per share of our common stock on August 15, 2025 (the next trading date beginning

immediately following the filing of our Form 10-Q on August 14, 2025) was $7.60.

Employment Agreements of Named Executive Officers

Each of Mr. Grant, our current President and CEO, Mr. Adar, our Chief Financial Officer, and Ms. Lynch, our Vice President of Market Access and Strategy, previously entered into an employment agreement with our Subsidiary. These employment agreements set forth their respective terms of employment, which terms are generally applicable to all of our executives, covering matters such as vacation, health and other benefits. The following are descriptions of the material terms of our Named Executive Officers' employment agreements.

Mark Grant

In connection with Mr. Grant's appointment as the Company's President and Chief Executive Officer, the Company and Mr. Grant entered into an employment agreement on May 16, 2025 (the "Grant Employment Agreement"). Pursuant to the Grant Employment Agreement, which is effective as of the Effective Date, Mr. Grant receives (i) an annual base salary of $435,000, subject to periodic adjustments as may be determined from time to time by the compensation committee of the Board and (ii) an annual performance bonus up to 70% of annual base salary, subject to the achievement of objectives as determined by the compensation committee of the Board, which will be pro-rated for the remainder of 2025. Mr. Grant also received an inducement grant of options (the "Option") to purchase 400,000 of the Company's Ordinary Shares, in accordance with Nasdaq Listing Rule 5635(c)(4), which vest in four equal annual installments beginning on the first anniversary of the grant date. The terms of the Option are materially consistent with the Company's form of inducement option award agreements for employees and executive officers.

Upon a termination of Mr. Grant's employment due to death, disability, termination for "Cause" (as defined in the Grant Employment Agreement) or resignation without "Good Reason" (as defined in the Grant Employment Agreement), Mr. Grant is entitled to receive: (i) any base salary earned through the date of termination and any unpaid expense reimbursements, (ii) any earned but unpaid wages required to be paid by law and (iii) any vested benefits he may have under any employee benefit plan through the termination date (collectively, the "Accrued Benefits").

Upon a termination of Mr. Grant's employment without "Cause" by the Company or resignation for "Good Reason" by Mr. Grant, in addition to the Accrued Benefits, and subject to Mr. Grant's execution of the Separation Agreement (as defined in the Employment Agreement), Mr. Grant is entitled to receive: (i) continuation of his base salary for six (6) months (the "Grant Severance Pay"), (ii) payment of his target bonus for the then-current year paid in six (6) substantially equal installments over a six-month period and in accordance with the Company's standard payroll practices, (iii) reimbursement of monthly health insurance premium equal to the monthly employer contribution that the Company would have made if he had remained employed by the Company until the earliest of (a) the end of the period over which the Company pays the Grant Severance Pay, (b) the date on which Mr. Grant becomes eligible to receive group medical plan benefits from another employer, or (c) the date on which Mr. Grant is no longer eligible to receive such coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("COBRA"). In addition, if such termination without "Cause" or resignation for "Good Reason" occurs within ninety (90) days prior to a Change of Control (as defined in the Grant Employment Agreement) or twelve (12) months immediately following a Change of Control, then in addition to the Accrued Benefits, and subject to Mr. Grant's execution of the Separation Agreement, Mr. Grant is entitled to receive: (i) continuation of base salary for twelve (12) months (the "Grant Change of Control Severance Pay"), (ii) lump-sum payment in an amount equal to his target bonus for the then-current year and (iii) reimbursement of monthly health insurance premium equal to the monthly employer contribution that the Company would have made if he had remained employed by the Company until the earliest of (a) the end of the period over which the Company pays the Grant Change of Control Severance Pay, (b) the date on which Mr. Grant becomes eligible to receive group medical plan benefits from another employer, or (c) the date on which Mr. Grant is no longer eligible to receive such coverage under COBRA.

The Grant Employment Agreement is governed by the laws of the State of North Carolina and contains non-solicitation and non-competition covenants (each of which remains in effect during the term of employment and for a period of 12 months following termination of employment) and confidentiality, trade secrets and inventions clauses.

Larry Jasinski

On January 17, 2011, we entered into an employment agreement with Mr. Jasinski, pursuant to which he served as the CEO of the Company beginning on February 12, 2012 (as amended from time to time, the "Jasinski Employment Agreement"). Mr. Jasinski served as co-CEO from June 2, 2025 until June 30, 2025, and thereafter ceased to serve as an officer of the Company.

The Jasinski Employment Agreement provided for an annual base salary, subject to annual increases in the discretion of, the Company, and an annual performance bonus. In accordance with previous shareholder approvals, and effective as of January 1, 2025, the annual base salary was $442,312. The annual performance bonus was originally set at up to 35% of annual base salary. In 2020, this was increased to an annual performance bonus of up to 70% of annual base salary for achieving 100% of targets (with adjustment upward or downward for performance exceeding or failing to meet such objectives, respectively).

In the event that Mr. Jasinski's employment was terminated by the Company without "Cause" (as defined in the Jasinski Employment Agreement), or if Mr. Jasinski terminated his employment for "Good Reason" (as defined in the Jasinski Employment Agreement), he would be entitled to certain severance payments and benefits, including: (i) a lump sum payment equal to 90 days of his base salary, (ii) an annual performance bonus (calculated based on the assumption that to the extent performance objectives were achieved in the six-month period preceding his termination, they will also be achieved in the six months following termination), (iii) reimbursement for any COBRA or other medical, dental and vision premiums for six months following his termination and (iv) continued participation in any employee and executive benefit programs in effect as of his termination and reimbursement for the premium or other fees associated with continuation in any insurance program available to the Company's employees as a non-employee or in a comparable program if participation as a non-employee would be barred. The Jasinski Employment Agreement further provided that if Mr. Jasinski's employment was terminated without Cause or by Mr. Jasinski for Good Reason, any unvested portion of the options promised in the Jasinski Employment Agreement, which would have vested during the six months following such termination had Mr. Jasinski remained employed by the Company, would automatically vest. If Mr. Jasinski terminated his employment without Good Reason, he would be entitled to receive a pro-rated amount of his annual performance bonus as determined in good faith by the Board. Mr. Jasinski was not be entitled to any severance if he was terminated by the Company for Cause.

The Jasinski Employment Agreement was amended in 2020 to provide that if a "Change of Control" (as defined in the Jasinski Employment Agreement) occurred, and within one year following such Change of Control Mr. Jasinski was terminated without Cause or he resigned for Good Reason, Mr. Jasinski would be entitled to severance of 18 months' salary as well as an annual bonus for the year in which the termination occurs (assuming achievement of 100% of milestones and targets set by the Board of Directors).

The Jasinski Employment Agreement was governed by the laws of the State of Delaware and contained non-solicitation and non-competition covenants (each of which remained in effect during the term of employment and for 12 months following termination of employment) and trade secrets and inventions clauses.

On June 30, 2025, we entered into a separation agreement with Mr. Jasinski, which included a release of claims in favor of the Company, pursuant to which he was entitled to receive: (i) the gross amount of $221,156.04, which was paid in 12 substantially equal installments, (ii) his annual bonus for the fiscal year ended December 31, 2025, which was paid in a lump sum in an amount based on the actual achievement of objectives during the 6-month period preceding the termination date and assumed 100% achievement of objectives during the 6-month period following the termination date, (iii) a monthly payment equal to the full monthly COBRA premium to continue health coverage for Mr. Jasinski and his eligible dependents until the earliest of (a) the 6-month anniversary of the date of termination, and (b) the cessation of Mr. Jasinski's health continuation rights under COBRA.

In addition, on June 30, 2025, we entered into a consulting agreement with Mr. Jasinski for a period of six months from July 1, 2025 through December 31 2025 (the "Consulting Period"), pursuant to which we agreed to pay Mr. Jasinski $18,429.67 per month for each month Mr. Jasinski performed consulting services pursuant to such agreement. Any of Mr. Jasinski's outstanding and unvested RSUs as of Mr. Jasinski's termination of employment continued to vest during the Consulting Period.

Almog Adar

In connection with Mr. Adar's appointment as the Company's Chief Financial Officer, the Company and Mr. Adar entered into a first amendment to Mr. Adar's then-existing employment agreement with the Company, effective as of August 1, 2025 (the "Adar Employment Agreement"). Pursuant to the Adar Employment Agreement, Mr. Adar is entitled to receive (i) an annual base salary of $315,000, subject to periodic adjustments as may be determined from time to time by the compensation committee of the Board and (ii) an annual performance bonus of up to 35% of his annual base salary, subject to the achievement of objectives as determined by the compensation committee of the Board. For the fiscal year ended December 31, 2025, Mr. Adar's annual performance bonus will be structured in the form of the Adar 2025 Bonus described under "2025 Bonuses" above. The Adar Employment Agreement also provided Mr. Adar with the right to receive an option to purchase 225,000 of the Company's Ordinary Shares, which vests in four equal annual installments beginning on the first anniversary of the grant date, subject to Mr. Adar's continued service with the Company and subject to the terms of the 2025 Plan.

Upon a termination of Mr. Adar's employment without "Cause" by the Company or resignation for "Good Reason" by Mr. Adar, and subject to Mr. Adar's execution of a release agreement in the form acceptable to the Company, Mr. Adar is entitled to receive: (i) continuation of his base salary for six (6) months (the "Adar Severance Pay"), (ii) payment of his target bonus for the then-current year paid in six (6) substantially equal installments over a six-month period and in accordance with the Company's standard payroll practices, (iii) reimbursement of monthly health insurance premium equal to the monthly employer contribution that the Company would have made if he had remained employed by the Company until the earliest of (a) the end of the period over which the Company pays the Adar Severance Pay, (b) the date on which Mr. Adar becomes eligible to receive group medical plan benefits from another employer, or (c) the date on which Mr. Adar is no longer eligible to receive such coverage under COBRA. In addition, if such termination without "Cause" or resignation for "Good Reason" occurs within ninety (90) days prior to a Change of Control (as defined in the Adar Employment Agreement) or twelve (12) months immediately following a Change of Control, and subject to Mr. Adar's execution of the Separation Agreement, Mr. Adar is entitled to receive: (i) salary continuation at the Base Salary (as defined in the Adar Employment Agreement) rate for twelve (12) months (the "Adar Change of Control Severance Pay"), (ii) lump-sum payment in an amount equal to his target bonus for the then-current year, (iii) reimbursement of monthly health insurance premium equal to the monthly employer contribution that the Company would have made if he had remained employed by the Company until the earliest of (a) the end of the period over which the Company pays the Adar Change of Control Severance Pay, (b) the date on which Mr. Adar becomes eligible to receive group medical plan benefits from another employer, or (c) the date on which Mr. Adar is no longer eligible to receive such coverage under COBRA, and (iv) accelerated vesting of all unvested restricted share units and options, which will vest and become immediately exercisable upon the effective date of the termination of Mr. Adar's employment.

The Adar Employment Agreement is governed by the laws of the Commonwealth of Massachusetts and contains non-solicitation and non-competition covenants (each of which remains in effect during the term of employment and for a period of 12 months following termination of employment) and confidentiality, trade secrets and inventions clauses.

Jeannine Lynch

On July 22, 2021, we entered into an employment agreement with Jeannine Lynch to serve as Vice President of Market Access and Strategy of the Company, effective August 31, 2021 (the "Lynch Employment Agreement"). Pursuant to the terms of the Lynch Employment Agreement, Ms. Lynch is entitled to (i) an annual base salary of $320,000, which was increased to $361,637 effective April 1, 2025, subject to increases as may be determined from time to time by the compensation committee of the Board and (ii) an annual performance bonus up to 35% of annual base salary, subject to the achievement of objectives as determined by the compensation committee of the Board. The Lynch Employment Agreement may be terminated by the Company upon prior written notice.

In the event that (x) Ms. Lynch's employment is terminated for any reason other than for "cause" (as defined therein), death, or disability, (y) the Company moves its primary office outside of the United States and/or reduces Ms. Lynch's title or primary responsibilities, or (z) the Company moves Ms. Lynch's principal location of work, the Company shall pay monthly severance to Ms. Lynch at the rate per annum of her salary and bonus (and the replacement cost of her benefits) at the time of such termination for a period from the date of such termination to the date which is six months after such termination.

In the event that the Company is subject to a merger or acquisition where Ms. Lynch is terminated during the 12-month period following the closing of the transaction, 100% of the then-unvested and outstanding equity awards held by Ms. Lynch will vest upon such termination.

Ms. Lynch is not entitled to receive any termination or change in control benefits under our Compensation Policy.

The Lynch Employment Agreement is governed by the laws of the Commonwealth of Massachusetts and contains non-solicitation and non-competition covenants (each of which remains in effect during the term of employment and for a period of 12 months following termination of employment) and trade secrets and inventions clauses.

Outstanding Equity Awards at 2025 Fiscal Year-End

The following table sets forth information concerning outstanding equity awards as of December 31, 2025, for each Named Executive Officer. This information reflects the number of ordinary shares of the Company after the 1-for-12 reverse share split of the ordinary shares effected by the Company on February 24, 2026.

		Option Awards				Stock Awards	
Name	Grant Date[1]	Number of Securities Underlying Unexercised Options Exercisable (#)	Number of Securities Underlying Unexercised Options Unexercisable (#)	Option Exercise Price ($)	Option Expiration Date	Number of Shares or Units of Stock that Have Not Vested (#)	Market Value of Shares or Units of Stock that Have Not Vested[2] ($)
Mark Grant	6/2/2025[3]	—	33,333	14.70	6/2/2035		
Larry Jasinski	6/27/2017[4]	59	—	4,410.00	3/31/2026		
	5/3/2018[5]	104	—	2,257.50	3/31/2026		
	3/27/2019[6]	147	—	450.66	3/31/2026		
Almog Adar	8/2/2022[7]					297	2,055
	6/30/2023[8]					744	5,148
	8/13/2025[9]	—	18,750	8.60	8/13/2035		
Jeannine Lynch	8/2/2022[10]					409	2,830
	6/30/2023[11]					818	5,661
	11/11/2025[12]					4,166	28,829

(1) Awards granted prior to 2025 were granted under the Company's 2014 Equity Incentive Plan, as amended from time to time, and awards granted in 2025 were granted under the 2025 Plan.
(2) The amount listed in this column represents the product of $6.92, which was the closing market price of the Company's Ordinary Shares as of December 31, 2025, multiplied by the number of shares subject to the award.
(3) Option awards vest with respect to 1/4th of the original number of Ordinary Shares subject thereto on each annual anniversary of June 2, commencing on June 2, 2026 and ending on June 2, 2029.
(4) This award is fully vested.
(5) This award is fully vested.
(6) This award is fully vested.
(7) 1/4th of the RSU award vests on an annual basis commencing on August 2, 2023, and ending on August 2, 2026.
(8) 1/4th of the RSU award vests on an annual basis commencing on June 30, 2025, and ending on June 30, 2027.
(9) Option awards vest with respect to 1/4th of the original number of Ordinary Shares subject thereto on each annual anniversary of August 13, commencing on August 13, 2026 and ending on August 13, 2029.
(10) 1/4th of the RSU award vests on an annual basis commencing on August 2, 2023, and ending on August 2, 2026.
(11) 1/4th of the RSU award vests on an annual basis commencing on June 30, 2025, and ending on June 30, 2027.
(12) 1/4th of the RSU award vests on an annual basis commencing on December 11, 2026, and ending on December 11, 2029.

Potential Payments Upon Termination or Change in Control

We have adopted, pursuant to shareholder approval, our Compensation Policy, which provides for certain benefits to our executive officers upon retirement or termination, whether or not in the event of a change in control. We may memorialize any of these benefits in arrangements we enter into with individual executive officers. Under the Compensation Policy, executive officers may be entitled to advance notice of termination of up to 12 months and to obtain up to 12 months of post-termination health insurance. In addition to receiving severance pay as required or facilitated under the local laws of the relevant jurisdiction, executive officers may have the right to receive up to 12 months of base salary (18 months in the case of the CEO), bonus and benefits, taking into account the period of the officer's service or employment, his or her performance during employment and contribution to the Company's targets and profits and the circumstances surrounding termination of his or her employment. These benefits are designed to attract and motivate highly skilled professionals to join our Company and to enable us to retain key management.

To the extent our Named Executive Officers are entitled to receive severance (except for any severance payments mandated by Israeli law for our Israeli employees) or change in control benefits, such entitlements are contractually agreed upon between the Company and the applicable Named Executive Officer. Accordingly, for further information regarding the payments and benefits our Named Executive Officers are entitled to receive upon a termination or change in control, please see "Executive Compensation — Employment Agreements of Named Executive Officers."

Compensation Committee Interlocks and Insider Participation

None of the members of the compensation committee is, or has ever been, an officer or employee of the Company or any of its subsidiaries. In addition, during the last fiscal year, no executive officer of the Company served as a member of the board of directors or the compensation committee of another entity that has one or more executive officers serving on the Company's compensation committee or the Board.

Policy for Recoupment of Incentive Compensation (Clawback Policy)

On September 13, 2023, we adopted an amended and restated policy for recoupment of incentive compensation (the "Clawback Policy") in compliance with the requirements of the Dodd-Frank Act, final SEC rules and applicable Nasdaq listing standards (the "final clawback rules"), which covers our current and former executive officers, including all of our named executive officers. Under the Clawback Policy, in the event that we are required to prepare a restatement of our previously issued financial statements due to our material noncompliance with any financial reporting requirement under securities laws, we are required to recover (subject to certain limited exceptions described in the Clawback Policy and permitted under the final clawback rules) any cash or equity incentive-based compensation received by any current or former executive officer after the effective date of the Clawback Policy and in the three years prior to the date we are required to restate our financial statements that is in excess of the amount that would have been received based on the restated financial statements.

Director Compensation

The following table provides certain information concerning the compensation for services rendered in all capacities by each non-employee director serving on our Board during the year ended December 31, 2025, other than Mr. Mark Grant, our CEO, and Larry Jasinski, our former CEO, who did not receive additional compensation for his services as director and whose compensation is set forth in the Summary Compensation Table found elsewhere in this annual report.

Name	Fees Earned in Cash ($)	Share Awards ($)[1]	Total ($)
Dr. John William Poduska	61,351[2]	25,000	86,351
Randel Richner	61,478[3]	25,000	86,478
Joseph Turk	85,786[4]	12,500[5]	98,286
Hadar Levy	49,277[6]	25,000	74,277
Michael Swinford	52,527[7]	25,000	77,527
Robert Marshall	58,551[8]	25,000	83,551

(1) Amounts represent the aggregate grant date fair value of an award of 35,899 RSUs issued under the Amended and Restated 2025 Incentive Compensation Plan (the "2025 Plan") as an annual award to the applicable directors, computed in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718 ("FASB ASC Topic 718"). The fair value of RSUs granted is determined based on the price of the Company's Ordinary Shares on the date of grant. All RSUs become vested and exercisable in four equal quarterly installments starting three months following the grant date. The valuation assumptions used in determining such amounts are described in Notes 2k and 8c to our consolidated financial statements included in our Annual Report, filed on March 7, 2025.

(2) Represents $24,658 earned by Dr. Poduska as an annual retainer for serving as a non-employee director on the Board of Directors, a cash payment of $12,500 received in lieu of equity compensation (as discussed below), $15,279 for attending meetings of the Board of Directors, $2,836 for serving as a member of the audit committee, $6,078 for serving as the chairman of the compensation committee.

(3) Represents $24,658 earned by Ms. Richner as an annual retainer for serving as a non-employee director on the Board of Directors, a cash payment of $12,500 received in lieu of equity compensation, $18,893 for attending meetings of the Board of Directors, $5,427 for serving as a member of the compensation committee.

(4) Represents $37,513 earned by Mr. Turk as an annual retainer for serving as our Chairman of the Board of Directors, a cash payment of $12,500 earned in lieu of equity compensation, $28,044 for attending meetings of the Board of Directors and $7,729 for serving as a member of the compensation committee. Mr. Turk elected to step down from the Board of Directors effective as of December 31, 2025.

(5) At our annual meeting for fiscal year ended December 31, 2024, our stockholders approved the right for the Chairman of the Board of Directors to receive an Annual RSU Grant (or a cash fee in lieu of an equity grant) having a value equal to $100,000 on the date of grant. Due to an insufficient number of shares under our 2025, Mr. Turk elected to forgo a portion of his Annual RSU Grant equal to $50,000 and, instead, in lieu of such equity compensation, receive such amount in cash in 4 substantially equal quarterly installments, subject to Mr. Turk's continued service as a member of the Board of Directors. Mr. Turk earned $12,500 of this $50,000 cash amount before electing to step down from the Board of Directors effective December 31, 2025.

(6) Represents $24,658 earned by Mr. Levy as an annual retainer for serving as a non-employee director on the Board of Directors, a cash payment of $12,500 received in lieu of equity compensation, $9,788 for attending meetings of the Board of Directors and $2,331 for serving as a member of the audit committee. Mr. Levy elected to step down from the Board of Directors effective as of February 24, 2026.

(7) Represents $24,658 earned by Mr. Swinford as a portion of the annual retainer for serving as a non-employee director on the Board of Directors, a cash payment of $12,500 received in lieu of equity compensation, $15,369 for attending meetings of the Board of Directors.

(8) Represents $24,658 earned by Mr. Marshall as a portion of the annual retainer for serving as a non-employee director on the Board of Directors, a cash payment of $12,500 received in lieu of equity compensation, $17,229 for attending meetings of the Board of Directors and $4,164 for serving as a member of the audit committee. Mr. Marshall was appointed Chairman of the Board of Directors effective January 1, 2026.

The aggregate number of Ordinary Shares subject to outstanding options and RSU awards for each of our non-employee directors as of December 31, 2025, is shown below. Information regarding Mr. Grant's and Mr. Jasinski's outstanding equity awards as of December 31, 2025, is set forth in the Outstanding Equity Awards Table found elsewhere in this annual report. This information reflects the number of ordinary shares of the Company after the 1-for-12 reverse share split of the ordinary shares effected by the Company on February 24, 2026.

Name	**Number of Shares**
Dr. John William Poduska	2,243
Randel Richner	2,243
Joseph Turk (1)	—
Hadar Levy(2)	2,243
Michael Swinford	2,243
Robert Marshall	2,243

(1) Mr. Turk elected to step down from the Board of Directors effective December 31, 2025.Mr. Levy elected to step down from the Board of Directors effective February 24, 2026.

Cash compensation for our independent, non-employee directors' services is governed by previous decisions of our compensation committee, Board of Directors and shareholders, and is subject to terms and conditions of our Compensation Policy. Additionally, each independent, non-employee director currently receives upon his or her appointment a restricted share unit award (the "Initial RSU Award"), with such Initial RSU Award having a value equal to $50,000 on the date of grant (in each case, as determined based on the closing price of our Ordinary Shares on the date of grant). Each independent, non-employee director is also entitled to receive an annual grant of RSUs, with such Annual RSU Award having a value equal to $50,000 on the date of grant, except in the case of the Chairman of the Board of Directors, who is eligible to receive an annual grant of RSUs having a value equal to $100,000 on the date of the grant (each annual RSU grant, the "Annual RSU Award"). The Initial RSU Award and Annual RSU Award each vest ratably in four equal quarterly instalments starting three months from the date of grant (subject to the non-employee director's continued service with the Company through each applicable vesting date), with the vesting of such awards to be accelerated upon certain change of control events in accordance with the Compensation Policy. At our 2020 annual general meeting, our shareholders approved an amendment to our then-current Compensation Policy whereby (x) all or a portion of our non-directors' cash compensation may be paid in equity, at the discretion of our compensation committee, in order to preserve the Company's cash, and (y) equity compensation of directors will be payable in the first instance in RSUs but such compensation may also be payable, at the discretion of our compensation committee, in cash, based on a formula to be determined and with such payment provisions as shall result in the equivalent effect of vesting of RSUs, in order to preserve the equity available for incentives.

In addition, each director is reimbursed for out-of-pocket expenses in connection with attending meetings of the Board of Directors or committees. Directors are also indemnified and insured by us for actions associated with being a director to the extent permitted under Israeli law. Further, none of our non-employee directors receive any benefits upon termination of their directorship positions. The compensation committee reviews director compensation annually and makes recommendations to the Board of Directors with respect to compensation and benefits provided to the members of the Board of Directors.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

As of March 9, 2026, there were 1,528,207 ordinary shares outstanding, excluding ordinary shares issuable in connection with the exercise of outstanding warrants or outstanding options or upon the vesting of restricted stock units ("RSUs"). The voting rights of all shareholders are the same. This information reflects the number of ordinary shares of the Company after the 1-for-12 reverse share split of the ordinary shares effected by the Company on February 24, 2026.

The following table sets forth certain information as of March 9, 2025, concerning the number of ordinary shares beneficially owned, directly or indirectly, by:

(1) each person, or group of affiliated persons, known to us to beneficially own more than 5% of our outstanding ordinary shares;

(2) each of our directors and director nominees;

(3) each of our Named Executive Officers (as defined under "Summary Compensation Table" above); and

(4) all of our directors and executive officers as a group.

Beneficial ownership is determined in accordance with the rules of the SEC based on voting and investment power with respect to such shares. Shares subject to options or warrants that are currently exercisable or exercisable within 60 days of March 9, 2026 and shares subject to RSUs that were vested as of or will vest within 60 days of March 9, 2026 are deemed to be outstanding and to be beneficially owned by the person holding such options, RSUs or warrants for the purpose of computing the percentage ownership of such person. However, such shares are not deemed to be outstanding and to be beneficially owned for the purpose of computing the percentage ownership of any other person.

Under the terms of certain outstanding warrants, a holder may not exercise the warrants to the extent that such shareholder, together with its affiliates, would beneficially own, after such exercise, more than 4.99% or 9.99% of the ordinary shares then outstanding, as applicable (subject to the right of the shareholder with a 4.99% ownership limitation to increase or decrease such beneficial ownership limitation upon notice to us, provided that such limitation cannot exceed 9.99%), and provided that any increase in the beneficial ownership limitation shall not be effective until 61 days after such notice is delivered. Consistent with beneficial ownership reporting principles under Section 13(d) of the Exchange Act, the below table only shows ordinary shares underlying warrants that are deemed to be beneficially owned, assuming compliance with these ownership limitations.

All information with respect to the beneficial ownership of any principal shareholder has been furnished by such shareholder or is based on our filings with the SEC and, unless otherwise indicated below, we believe that persons named in the table have sole voting and sole investment power with respect to all the ordinary shares shown as beneficially owned, subject to community property laws, where applicable. The ordinary shares beneficially owned by our directors and officers may include shares owned by their respective family members, as to which such directors and officers disclaim beneficial ownership. Unless otherwise noted below, each shareholder's address is c/o Lifeward Ltd., 2 Cabot Rd., Hudson, MA 01749.

Name	Number of Shares	Percentage
Greater than 5% Beneficial Owners:	-	-
Named Executive Officers, Directors and Director Nominees:		
Mark Grant[1]	-	-
Randel Richner[2]	3,292	*
Dr. John William Poduska[3]	3,166	*
Michael Swinford[4]	6,914	*
Robert Marshall[5]	1,494	*
Jeannine Lynch[6]	2,311	*
Almog Adar[7]	2,083	*
Lawrence Jasinski[8]	310	*
All directors and executive officers as a group (eight persons) [9]	19,570	1.3%

* Ownership of less than 1%.

(1) Mr. Grant commenced serving as our President and co-Chief Executive Officer and as a member of our Board of Directors effective June 2, 2025 and as President and sole Chief Executive Officer effective July 1, 2025.
(2) Consists of 3,292 Ordinary Shares, including 747 ordinary shares underlying RSUs vesting within 60 days.
(3) Consists of 3,164 Ordinary Shares, including 747 shares underlying RSUs vesting within 60 days, and 2 exercisable options to purchase ordinary shares.
(4) Consists of 6,914 Ordinary Shares, including 747 ordinary shares underlying RSUs vesting within 60 days.
(5) Consists of 1,494 Ordinary Shares, including 747 ordinary shares underlying RSUs vesting within 60 days.
(6) Consists of 2,311 Ordinary Shares.
(7) Consists of 2,083 Ordinary Shares.
(8) Consists of 310 exercisable options to purchase ordinary shares.
(9) Consists of (i)16,270 ordinary shares directly or beneficially owned by our executive officers and our directors other than Mr. Grant; (ii) 312 ordinary shares constituting the cumulative aggregate number of options granted to the director; and (iii) 2,988 shares underlying RSUs vesting within 60 days.

Equity Compensation Plan Information

The following table provides information as of December 31, 2025 with respect to the ordinary shares that may be issued under our existing equity compensation plans. The information below reflects a number of ordinary shares of the Company after the 1-for-12 reverse share split of the ordinary shares effected by the Company on February 24, 2026.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in first column)
Equity compensation plans approved by security holders (1)	92,549(1)	$ 46.47(2)	39,851(3)
Equity compensation plans not approved by security holders (2)	33,333(4)	$ 14.70	—
Total	125,882	$ 26.28	39,851

(1) Includes our 2014 Incentive Compensation Plan (the "2014 Plan") and our 2025 Plan.

(2) The weighted-average exercise price is calculated based solely on the exercise prices of the outstanding options to purchase ordinary shares. It does not reflect the ordinary shares that will be issued upon the vesting of outstanding awards of RSUs, which have no exercise price.

(3) As of December 31, 2025, a total of 39,851 ordinary shares were available for issuance under our 2025 Plan. Our 2025 Plan does not include an "evergreen" provision. The shares underlying awards under the 2025 Plan (or awards under the 2014 Plan) that are forfeited (including any shares subject to an award (or any such other award) that are repurchased by the Company due to failure to meet any applicable condition), cancelled, terminated or expire unexercised shall be available for issuance pursuant to future awards under the 2022 Plan. The Company no longer makes grants under the 2014 Plan.

(4) Represents an inducement grant of 33,333 options to purchase ordinary shares made to Mark Grant (the "Grant Inducement Award") as an inducement grant which were granted outside of our 2014 Plan but are subject to the terms and conditions applicable to options granted under our 2014 Plan. The Grant Inducement Award vests in four equal annual installments commencing on the date of grant, provided, that, in the event Mr. grant's employment with us is terminated by us without "cause" or by the applicable executive for "good reason" within 90 days prior to a "change of control" or one year following a change of control (each, as defined in the applicable executive's employment agreement with us), the Grant Inducement Award will fully vest upon the later of the date of the termination or the date of the change in control, subject to the applicable executive's execution of a release of claims.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

Director Independence

The information required by Item 407(a) of Regulation S-K is incorporated by reference herein from Item 10 above as set forth under the caption "Director Independence."

Certain Relationships and Related Transactions

See "Item 11. Executive Compensation —Employment Agreements of Named Executive Officers" above for a description of employment agreements between us and the Named Executive Officers.

We describe below transactions and series of similar transactions which are currently proposed or to which we have been or were a party since January 1, 2024, in which (a) the amount involved exceeds or exceeded the lesser of $120,000 or one percent of the average of the Company's total assets at year-end for the last two completed fiscal years and (b) any of our directors, executive officers, beneficial owners of more than 5% of our ordinary shares, or any affiliates or members of the immediate family of any of the foregoing persons, had or will have a direct or indirect material interest. Although we do not have a formal written policy as to the approval of related party transactions, all related party transactions for which disclosure would be required under Item 404 of Regulation S-K are approved based on procedures under Israeli law, as is duly memorialized in the minutes of the meetings of the Board and audit committee, as applicable.

Transactions with Current and/or Former 5% Beneficial Owners

Since January 1, 2024, we entered into the following transactions with other shareholders who are currently 5% beneficial owners or who we believe beneficially owned at the time of such transactions or became as a result of such transactions more than 5% of our ordinary shares, based on a review of Schedule 13G filings made and Company records during such period.

Agreements with Directors, Officers and Others

Employment Agreements

We have entered into written employment agreements with each of our executive officers. These agreements provide for notice periods of varying duration for termination of the agreement by us or by the relevant executive officer, during which time the executive officer will continue to receive base salary and benefits. We have also entered into customary non-competition, confidentiality of information and ownership of inventions arrangements with our executive officers. However, the enforceability of the noncompetition provisions may be limited under applicable law.

Options

Since our inception we have granted options to purchase our ordinary shares to our officers and certain of our directors. Such option agreements may contain acceleration provisions upon certain merger, acquisition, or change of control transactions.

Exculpation, Indemnification and Insurance

Our Articles of Association permit us to exculpate, indemnify and insure certain of our office holders to the fullest extent permitted by the Israel Companies Law. We have entered into indemnification agreements with our office holders, exculpating them from a breach of their duty of care to us to the fullest extent permitted by law and undertaking to indemnify them to the fullest extent permitted by law, subject to certain exceptions, including with respect to liabilities resulting from our IPO to the extent that these liabilities are not covered by insurance.

Consulting Agreement and Supplement Agreement with Randel E. Richner

At our 2022 annual meeting of shareholders, our shareholders approved the terms of a Consulting Agreement with Richner Consultants LLC, a Delaware company (the "Consultant") owned by Randel E. Richner, a member of our Board. Pursuant to the Consulting Agreement, the Consultant provided us with the following services during 2022: strategic advisory consultation on activities related to CMS, including reviewing Company submissions to CMS; reviewing the Company's dossier submitted to third-party insurers; coordinating and establishing lobbying efforts for the Company with U.S. government agencies; review and support with respect to reimbursements from private payers and with on-going interactions with the U.S. Veterans Benefits Administration; and other reimbursement-related matters as designated and agreed to with our CEO, including international reimbursement activities as needed. The services to be provided under the Consulting Agreement by the Consultant were provided solely by Ms. Richner.

The services were provided on an hourly basis at a rate of $425 per hour, payable by us on a monthly basis subject to the Consultant providing monthly invoices for the review of both our Chairman of the Board and our CEO. Under the Consulting Agreement, the aggregate total number of consulting hours provided by the Consultant could not exceed 282 hours.

The initial term of the Consulting Agreement commenced January 1, 2022, and expired December 31, 2022. Approximately $119,850 was owed and paid to the Consultant for the initial term of the Consulting Agreement.

At our 2023 annual meeting of shareholders, our shareholders approved an extension of the Consulting Agreement until the earlier of December 31, 2023 or such time as we receive approval from CMS. The extension term of the Consulting Agreement commenced January 1, 2023, and expired December 31, 2023. Approximately $119,999 was owed and paid to the Consultant for the extension term of the Consulting Agreement.

However, because the process of receiving reimbursement approval from CMS was far more complex and time-consuming than was initially contemplated, Ms. Richner was required to invest far more time during each of 2022 and 2023 than the maximum number of 282 consulting hours for each of 2022 and 2023 provided by the Consulting Agreement, as amended. Ms. Richner also provided services during the first four months of 2024. In addition, as a result of expending so much time in providing her consulting services to us, Ms. Richner was not able to take on other, higher-paying consulting assignments. The actual number of additional hours invested by Ms. Richner during 2022 and 2023 in excess of the maximum number of 282 hours per year provided in the Consulting Agreement, at her then-hourly rate of $425, and the hours expended by Ms. Richner in 2024 (for which Ms. Richner and we agreed that the hourly rate should be $550 per hour, which better represented Ms. Richner's then-new standard hourly rate), came to an aggregate of $297,000. At our 2024 annual meeting of shareholders, our shareholders approved compensating Ms. Richner for such excess hours in the form of equity compensation pursuant to an Amendment and Supplement Agreement among the Company, the Consultant and Ms. Richner (the "Supplement Agreement"), subject to approval by our shareholders of a new equity compensation plan. The Supplement Agreement provided for a grant of equity compensation to Ms. Richner (rather than to the Consultant) in the form of stock options to purchase our ordinary shares, to be issued in three tranches as follows:

- On November 10, 2024, options will be issued having an aggregate value of $120,000, calculated utilizing a Black-Scholes valuation model based on the closing price of our ordinary shares on such date, but in no event will we issue such options in 2024 to purchase more than 45,614 ordinary shares;

- On November 11, 2025, options will be issued having an aggregate value of $120,000, calculated utilizing a Black-Scholes valuation model based on the closing price of our ordinary shares on such date, but in no event will we issue such options in 2025 to purchase more than 45,614 ordinary shares; and

- On November 12, 2026, options will be issued having an aggregate amount of $57,000, calculated utilizing a Black-Scholes valuation model based on the closing price of our ordinary shares on such date, but in no event will we issue such options in 2026 to purchase more than 21,662 ordinary shares.

By way of example only, utilizing a Black-Scholes valuation of $2.35 per share underlying the options based on the closing price of our ordinary shares of $3.90 on July 15, 2024, the number of shares underlying the three grants of options to be made to Ms. Richner described above would have been 51,111, 51,111 and 10,668, respectively, but due to the caps described above on the number of shares that can underlie grants of options to Ms. Richner, the number of shares would be 45,614, 45,614 and 10,66 respectively.

The grant provided that each of the stock options will vest immediately upon issuance and will be exercisable for a term of seven years, whether or not Ms. Richner continues to serve as a member of the Board, the exercise price per share of the options will be the closing price of our ordinary shares used for purposes of the respective Black-Scholes valuation, and the stock options can be exercised on a net exercise basis. Finally, as long as Ms. Richner remains engaged by us as a member of the Board, her ability to engage in any transactions in relation to the ordinary shares underlying the stock options will be subject to our Insider Trading Policy.

As described above, as of the date of this annual report our shareholders have not approved a new equity incentive compensation plan.

Distribution Agreement with CorLife for which Michael Swinford Serves As CEO

On March 6, 2025, we announced an agreement in which CorLife will become the exclusive distributor for the ReWalk Personal Exoskeleton for individuals with workers' compensation claims. Michael Swinford, a member of our Board, serves as the Chief Executive Officer of Numotion, the parent company of CorLife. Our Board of Directors reviewed the financial terms of the contract which were negotiated at arms-length and the transaction was approved by the Board.

Approval of Related Party Transactions Under Israeli Law

Disclosure of Personal Benefits or Other Interests of an Office Holder and Approval of Certain Transactions

The Israel Companies Law requires that an office holder promptly disclose to the board of directors any personal benefit or other interest that he or she may have, and all related material information or documents, concerning any existing or proposed transaction with the company. A personal benefit or other interest includes the individual's own benefit or other interest and, in some cases, a personal benefit or other interest of such person's relative or an entity in which such individual, or his or her relative, is a 5% or greater shareholder, director or general manager, or in which he or she has the right to appoint at least one director or the general manager, but does not include a personal benefit or other interest stemming only from ownership of our shares.

If an office holder has a personal benefit or other interest in a transaction, approval by the board of directors is required for the transaction. Once an office holder has disclosed his or her personal benefit or other interest in a transaction, the board of directors may approve an action by the office holder that would otherwise be deemed a breach of duty of loyalty. A company may not, however, approve a transaction or action unless it is in the best interests of the company, or if the office holder is not acting in good faith.

Special approval is required for an extraordinary transaction, which under the Israel Companies Law is defined as any of the following:

- a transaction other than in the ordinary course of business;
- a transaction that is not on market terms; or
- a transaction that may have a material impact on a company's profitability, assets or liabilities.

An extraordinary transaction in which an office holder has a personal benefit or other interest requires approval first by the company's audit committee and subsequently by the board of directors. The compensation of, or an undertaking to indemnify or insure, an office holder who is not a director requires approval first by the company's compensation committee, then by the company's board of directors and, if such compensation arrangement or an undertaking to indemnify or insure is inconsistent with the Company's compensation policy or if the office holder is the Chief Executive Officer (apart from a number of specific exceptions), then such arrangement is subject to shareholder approval by a simple majority, which must also include at least a majority of the shares voted by all shareholders who are neither controlling shareholders nor have a personal benefit or other interest in such compensation arrangement (alternatively, in addition to a simple majority, the total number of shares voted against the compensation arrangement by non-controlling shareholders and shareholders who do not have a personal benefit or other interest in the arrangement may not exceed 2% of our outstanding shares). We refer to this as the "Special Majority". Arrangements regarding the compensation, indemnification or insurance of a director require the approval of the compensation committee, board of directors and shareholders by a simple majority, in that order, and under certain circumstances, a Special Majority.

Generally, a person who has a personal benefit or other interest in a matter that is considered at a meeting of the board of directors or the audit committee may not be present at such a meeting or vote on that matter unless the chairman of the board of directors or the audit committee (as applicable) determines that he or she should be present in order to present the transaction that is subject to approval. If a majority of the members of the board of directors or the audit committee (as applicable) have a personal benefit or other interest in the approval of a transaction, then all directors may participate in discussions of the board of directors or the audit committee (as applicable) on such transaction and in the voting, but shareholder approval is also required for such transaction.

Disclosure of Personal Benefits or Other Interests of Controlling Shareholders and Approval of Certain Transactions

Pursuant to the Israel Companies Law, the disclosure requirements regarding personal benefits or other interests that apply to directors and executive officers also apply to a controlling shareholder of a public company. In this context, a controlling shareholder includes a shareholder who holds 25% or more of our outstanding shares if no other shareholder holds more than 50% of our outstanding shares. For this purpose, the holdings of all shareholders who have a personal benefit or other interest in the same transaction will be aggregated. The approval of the audit committee, the board of directors and the shareholders of the company, in that order, is required for (a) extraordinary transactions with a controlling shareholder or in which a controlling shareholder has a personal benefit or other interest, (b) our engagement with a controlling shareholder or his or her relative, directly or indirectly, for the provision of services to us, (c) the terms of engagement and compensation of a controlling shareholder or his or her relative who is not an office holder or (d) our employment of a controlling shareholder or his or her relative, other than as an office holder. In addition to shareholder approval by a simple majority, the transaction must be approved by a Special Majority.

To the extent that any such transaction with a controlling shareholder is for a period extending beyond three years, approval is required once every three years, unless, with respect to certain transactions, the audit committee determines that the duration of the transaction is reasonable under the circumstances.

Arrangements regarding the compensation, indemnification or insurance of a controlling shareholder in his or her capacity as an office holder require the approval of the compensation committee, board of directors and shareholders, in that order, by a Special Majority, and the terms must be consistent with our Compensation Policy.

Pursuant to regulations promulgated under the Israel Companies Law, certain transactions with a controlling shareholder or his or her relative, or with directors, that would otherwise require approval of our shareholders may be exempt from shareholder approval upon certain determinations of the audit committee and board of directors. Under these regulations, we must publish these determinations, and a shareholder holding at least 1% of our outstanding shares may, within 14 days of after publication, demand shareholder approval despite such determinations.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

Principal Accounting Fees and Services

The following table sets forth, for each of the years indicated, the fees expensed by Kost Forer Gabbay & Kasierer, our independent registered public accounting firm, in each such year.

	2024	2025
	($ in thousands)	
Audit Fees[1]	$ 250	$ 280
Audit-Related Fees[2]	$ -	$ -
Tax Fees[3]	$ 30	$ 58
All Other Fees[4]	$ 4	$ 4
Total:	$ 284	$ 342

(1) "Audit fees" include fees for services performed by our independent public accounting firm in connection with our annual audit for 2024 and 2025, fees related to the review of quarterly financial statements, fees related to the pro forma financial information and fees for consultation concerning financial accounting and reporting standards.

(2) "Audit-related fees" relate to assurance and associated services that are traditionally performed by an independent auditor, including accounting consultation and consultation concerning financial accounting, reporting standards and due diligence.

(3) "Tax fees" include fees for professional services rendered by our independent registered public accounting firm for tax compliance, transfer pricing and tax advice on actual or contemplated transactions.

(4) "All other fees" include fees for services rendered by our independent registered public accounting firm with respect to government incentives and other matters.

Audit Committee's Pre-Approval Policies and Procedures

The audit committee has adopted a pre-approval policy for the engagement of our independent accountant to perform certain audit and non-audit services. Pursuant to this policy, which is designed to ensure that such engagements do not impair the independence of our auditors, the audit committee pre-approves annually a catalog of specific audit and non-audit services in the categories of audit service, audit-related service and tax services that may be performed by our independent accountants.

All engagements by us of the auditors for 2024 and 2025 were pre-approved by the audit committee.

PART IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES

(a)(1) Financial Statements.

The Consolidated Financial Statements filed as part of this annual report are identified in the Index to Consolidated Financial Statements on page F-1 hereto.

(a)(2) Financial Statement Schedules.

Financial Statement Schedules have been omitted because the information required to be set forth therein is not applicable or is shown in the financial statements or notes thereto.

(a)(3) Exhibits.

The exhibits listed in the Exhibit Index are filed, furnished, or incorporated by reference in this report.

EXHIBIT INDEX

2.1	Agreement and Plan of Merger, dated as of August 8, 2023, by and among Lifeward, Inc., Atlas Merger Sub, Inc., AlterG Inc. and Shareholder Representative Services LLC (incorporated by reference to Exhibit 2.1 of the Company's Current Report on Form 8-K filed with the SEC on August 9, 2023). +
2.2	Share Purchase Agreement, dated January 12, 2026 among Lifeward, Ltd., Oramed Pharmaceuticals, Inc. and Oratech Pharma, Inc. (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K filed with the SEC on January 13, 2026).
3.1	Eighth Amended and Restated Articles of Association of the Company.
4.1	Specimen share certificate (incorporated by reference to Exhibit 4.1 to the Company's registration statement on Form F-1/A (File No. 333-197344), filed with the SEC on August 20, 2014).
4.2	Description of the registrant's securities registered pursuant to Section 12 of the Securities Exchange Act of 1934
4.3	Form of purchaser warrant from July 2020 registered direct offering (incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K filed on July 6, 2020).
4.4	Form of purchaser warrant from December 2020 private placement (incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K filed with the SEC on December 8, 2020).
4.5	Form of placement agent warrant from December 2020 private placement (incorporated by reference to Exhibit 4.2 of the Company's Current Report on Form 8-K filed with the SEC on December 8, 2020).
4.6	Form of purchaser warrant from February 2021 private placement (incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K filed with the SEC on February 25, 2021).
4.7	Form of placement agent warrant from February 2021 private placement (incorporated by reference to Exhibit 4.2 of the Company's Current Report on Form 8-K filed with the SEC on February 25, 2021).
4.8	Form of ordinary warrant from September 2021 private placement (incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K filed with the SEC on September 29, 2021).
4.9	Form of placement agent warrant from September 2021 private placement (incorporated by reference to Exhibit 4.2 of the Company's Current Report on Form 8-K filed with the SEC on September 29, 2021).
4.10	Form of pre-funded warrant from September 2021 private placement (incorporated by reference to Exhibit 4.3 of the Company's Current Report on Form 8-K filed with the SEC on September 29, 2021).
4.11	Form of purchaser warrant from January 2025 registered direct offering and concurrent private placement of warrants (incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K/A filed with the SEC on January 8, 2025).
4.12	Form of placement agent warrant from January 2025 registered direct offering and concurrent private placement of warrants (incorporated by reference to Exhibit 4.2 of the Company's Current Report on Form 8-K/A filed with the SEC on January 8, 2025).
4.13	Form of Ordinary Warrant from June 2025 public offering (incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K filed with the SEC on June 26, 2025).
4.14	Form of Placement Agent Warrant from June 2025 public offering (incorporated by reference to Exhibit 4.2 of the Company's Current Report on Form 8-K filed with the SEC on June 26, 2025).
4.15	Form of Pre-Funded Warrant (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed with the SEC on January 13, 2026).
4.16	Form of Transaction Warrant (incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K filed with the SEC on January 13, 2026).
4.17	Form of Senior Secured Convertible Note (incorporated by reference to Exhibit 4.3 to the Company's Current Report on Form 8-K filed with the SEC on January 13, 2026).
4.18	Form of Common Warrant (incorporated by reference to Exhibit 4.4 to the Company's Current Report on Form 8-K filed with the SEC on January 13, 2026).
10.1	License Agreement, dated May 16, 2016, between the Company and the President and Fellows of Harvard College (incorporated by reference to Exhibit 10.8 to the Company's Annual Report on Form 10-K filed with the SEC on February 18, 2021).*
10.2	Form of indemnification agreement between the Company and each of its directors and executive officers (incorporated by reference to Exhibit 10.11 to the Company's registration statement on Form F-1/A (File No. 333-197344), filed with the SEC on August 20, 2014).**
10.3	2014 Incentive Compensation Plan, as amended (incorporated by reference to Exhibit 99.1 to the Company's registration statement on Form S-8 (File No. 333-239258), filed with the SEC on June 18, 2020).**
10.4	Executive Employment Agreement, dated as of January 17, 2011, between the Company and Larry Jasinski (incorporated by reference to Exhibit 10.16 to the Company's Annual Report on Form 10-K filed with the SEC on February 29, 2016, as amended on May 6, 2016).**

10.5	Amendment No. 1 to the Executive Employment Agreement, dated as of September 23, 2020, by and between the Company and Larry Jasinski (incorporated by reference to Exhibit 10.6 to the Company's Annual Report on Form 10-K filed with the SEC on March 7, 2025).**
10.6	Separation Agreement and Release, dated as of June 30, 2025, between the Company and Larry Jasinski. **
10.7	Amendment No. 1 to the Separation Agreement and Release, dated as of August 14, 2025, by and between the Company and Larry Jasinski. **
10.8	2014 Incentive Compensation Plan Form of Option Award Agreement for employees and executives (incorporated by reference to Exhibit 10.18 to the Company's Annual Report on Form 10-K filed with the SEC on February 29, 2016, as amended on May 6, 2016).**
10.9	2014 Incentive Compensation Plan Form of Restricted Share Unit Award Agreement for non-Israeli employees, and executives (incorporated by reference to Exhibit 10.19 to the Company's Annual Report on Form 10-K filed with the SEC on February 29, 2016, as amended on May 6, 2016).**
10.10	2014 Incentive Compensation Plan Form of Restricted Share Unit Award Agreement for Israeli non-employee directors, employees and executives (incorporated by reference to Exhibit 10.20.1 to the Company's registration statement on Form S-1 (File No. 333-227852), filed with the SEC on October 15, 2018).**
10.11	2014 Incentive Compensation Plan Prior Form of Restricted Share Unit Award Agreement for non-Israeli non-employee directors (incorporated by reference to Exhibit 10.20 to the Company's Annual Report on Form 10-K filed with the SEC on February 29, 2016, as amended on May 6, 2016).**
10.12	2014 Incentive Compensation Plan New Form of Restricted Share Unit Award Agreement for non-Israeli non-employee directors (incorporated by reference to Exhibit 10.22 to the Company's registration statement on Form S-1 (File No. 333-227852), filed with the SEC on October 15, 2018).**
10.13	2014 Incentive Compensation Plan Prior Form of Option Award Agreement for Israeli non-employee directors (incorporated by reference to Exhibit 10.21 to the Company's Annual Report on Form 10-K filed with the SEC on February 17, 2017, as amended on April 27, 2017).**
10.14	2014 Incentive Compensation Plan Prior Form of Option Award Agreement for non-Israeli non-employee directors (incorporated by reference to Exhibit 10.22 to the Company's Annual Report on Form 10-K filed with the SEC on February 17, 2017, as amended on April 27, 2017).**
10.15	Form of Nonqualified Stock Option Award Agreement (Inducement Award) for non-Israeli employees and executives (incorporated by reference by Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q filed with the SEC on August 14, 2025).
10.16	Lifeward Ltd. 2025 Incentive Compensation Plan (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed with the Commission on August 5, 2025).
10.17	Form of Incentive Stock Option Award Agreement for non-Israeli employees, executives and non-employee directors under the 2025 Incentive Compensation Plan (incorporated by reference to Exhibit 99.2 to the Registrant's Registration Statement on Form S-8 filed with the Commission on August 25, 2025).
10.18	Form of Non-Qualified Stock Option Award Agreement for non-Israeli employees, executives and non-employee directors under the 2025 Incentive Compensation Plan (incorporated by reference to Exhibit 99.3 to the Registrant's Registration Statement on Form S-8 filed with the Commission on August 25, 2025).
10.19	Form of Option Award Agreement for Israeli employees, executives and non-employee directors under the 2025 Incentive Compensation Plan (incorporated by reference to Exhibit 99.4 to the Registrant's Registration Statement on Form S-8 filed with the Commission on August 25, 2025).
10.20	Form of Restricted Share Unit Award Agreement for non-Israeli employees, executives and non-employee directors under the 2025 Incentive Compensation Plan (incorporated by reference to Exhibit 99.5 to the Registrant's Registration Statement on Form S-8 filed with the Commission on August 25, 2025).

10.21	Form of Restricted Share Unit Award Agreement for Israeli employees, executives and non-employee directors under the 2025 Incentive Compensation Plan (incorporated by reference to Exhibit 99.6 to the Registrant's Registration Statement on Form S-8 filed with the Commission on August 25, 2025).
10.22	Amendment No. 1 to the Exclusive License Agreement and Amendment No. 2 to the Research Collaboration Agreement, dated April 1, 2018, between the Company and the President and Fellows of Harvard College (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed with the SEC on June 29, 2018).*
10.23	Employment Agreement, dated July 9, 2021, by and between the Company and Jeannine Lynch (incorporated by reference to Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q filed with the SEC on November 10, 2021).**
10.24	Consulting Agreement, dated as of January 1, 2023), by and between the Company and Richner Consultants LLC (incorporated by reference to Appendix A to the Company's Definitive Proxy Statement on Schedule 14A filed with the SEC on August 9, 2023).**
10.25	Lifeward Ltd. Compensation Policy for Executive Officers and Non-Executive Directors (incorporated by reference to Appendix B to the Company's Definitive Proxy Statement on Schedule 14A filed with the SEC on August 9, 2023).**
10.26	Form of Restricted Share Unit Award (Inducement Award) for non-Israeli employees and executives (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q filed with the SEC on November 14, 2023).**
10.27	Employment and Relocation Agreement, dated as of July 17, 2024, by and between the Company and Almog Adar (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q filed with the SEC on August 14, 2024). **
10.28	Employment Agreement, dated May 16, 2025, by and between Lifeward, Inc. and William Mark Grant (incorporated by reference to Exhibit 10.29 of the Company's Registration Statement on Form S-1 (File No. 333-288172) filed with the SEC on June 20, 2025). **
10.29	First Amendment to Employment Agreement, dated August 1, 2025, by and between Lifeward, Inc. and Almog Adar. (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q filed with the SEC on November 14, 2025). **
10.30	Manufacturing Services Agreement, dated as of October 3, 2024, by and between the Company and Cirtronics Corporation. (incorporated by reference to Exhibit 10.23 to the Company's Annual Report on Form 10-K filed with the SEC on March 7, 2025).*
10.31	Secured Promissory Note, dated as of November 14, 2025, by and between the Company and Oramed Ltd.
10.32	Secured Promissory Note, dated as of February 12, 2026, by and between the Company and Oramed Ltd.
10.33	Form of Lock-up Agreement (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the SEC on January 13, 2026).
10.34	Securities Purchase Agreement, dated January 12, 2026, by and among the Company and the investors thereto and Oramed Pharmaceuticals, Inc., as agent (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed with the SEC on January 13, 2026).
19.1	Insider Trading Policy. (incorporated by reference to Exhibit 19.1 to the Company's Annual Report on Form 10-K filed with the SEC on March 7, 2025).
21.1	List of subsidiaries of the Company (incorporated by reference to Exhibit 21.1 to the Company's Annual Report on Form 10-K filed with the SEC on February 27, 2024).
23.1	Consent of Kost Forer Gabbay & Kasierer, a member of Ernst &Young Global, Independent Registered Public Accounting Firm.
31.1	Certification of Principal Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act 2002.***
31.2	Certification of Principal Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act 2002.***
32.1	Certification of Principal Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act 2002.***
32.2	Certification of Principal Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act 2002.***
97.1	Compensation Recovery Policy (incorporated by reference to Annex A to the Lifeward Ltd. Compensation Policy for Executive Officers and Non-Executive Directors filed herewith as Exhibit 10.18).
101.INS	XBRL Instance Document.
101.SCH	XBRL Taxonomy Extension Schema Document.
101.PRE	XBRL Taxonomy Presentation Linkbase Document.
101.CAL	XBRL Taxonomy Calculation Linkbase Document.
101.LAB	XBRL Taxonomy Label Linkbase Document.
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document.
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101)

\+ Schedules have been omitted pursuant to Item 601(b)(2) of Regulation S-K.

* Certain identified information in the exhibit has been omitted because it is the type of information that (i) the Company customarily and actually treats as private and confidential, and (ii) is not material.

** Management contract or compensatory plan, contract or arrangement.

*** Furnished herewith.

ITEM 16. FORM 10-K SUMMARY

Not applicable.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.

Lifeward Ltd.

By: /s/ Mark Grant
Name: Mark Grant
Title: Chief Executive Officer

Date: March 18, 2026

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENT: That the undersigned officers and directors of Lifeward Ltd. do hereby constitute and appoint Mark Grant and Almog Adar the lawful attorney and agent with power and authority to do any and all acts and things and to execute any and all instruments which said attorney and agent determines may be necessary or advisable or required to enable Lifeward Ltd. to comply with the Securities and Exchange Act of 1934, as amended, and any rules or regulations or requirements of the Securities and Exchange Commission in connection with this report. Without limiting the generality of the foregoing power and authority, the powers granted include the power and authority to sign the names of the undersigned officers and directors in the capacities indicated below to this report or amendments or supplements thereto, and each of the undersigned hereby ratifies and confirms all that said attorneys and agents, or either of them, shall do or cause to be done by virtue hereof. This Power of Attorney may be signed in several counterparts.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Mark Grant Mark Grant	Director, President and Chief Executive Officer (Principal Executive Officer)	March 18, 2026
/s/ Almog Adar Almog Adar	Chief Financial Officer (Principal Financial and Accounting Officer)	March 18, 2026
/s/ Robert Marshall Robert Marshall	Chairman of the Board	March 18, 2026
/s/ Dr. John William Poduska Dr. John William Poduska	Director	March 18, 2026
/s/ Randel Richner Randel Richner	Director	March 18, 2026
/s/ Michael Swinford Michael Swinford	Director	March 18, 2026

PART IV

LIFEWARD LTD

CONSOLIDATED FINANCIAL STATEMENTS

U.S. DOLLARS IN THOUSANDS

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and the Board of Directors of

LIFEWARD LTD.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Lifeward Ltd. and subsidiaries (the Company) as of December 31, 2025 and 2024, the related consolidated statements of operations, changes is shareholders' equity and cash flows for each of the three years in the period ended December 31, 2025, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2025, in conformity with U.S. generally accepted accounting principles.

The Company's Ability to Continue as a Going Concern

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 1e to the financial statements, the Company has suffered recurring losses from operations, has negative cash flows from operating activities, and has stated that substantial doubt exists about the Company's ability to continue as a going concern. Management's evaluation of the events and conditions and management's plans regarding these matters are also described in Note 1e. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Revenue recognition

Description of the Matter As described in Note 2 of the consolidated financial statements, the Company recognizes revenues from the sale of its products at a point in time based on the consideration to which the company is entitled to in exchange for sales of its products.

The Company estimates the amount of variable consideration that is included in the transaction price mainly by estimating claims reimbursement by the Centers for Medicare & Medicaid Services (CMS), which is based primarily on actual historical collection experience from CMS.

Auditing the Company's measurement of variable consideration involved challenging judgment because the calculation includes uncertainty and subjective management assumptions that were required to evaluate the transaction price adjustments.

How We Addressed the Matter in Our Audit To test the estimate of variable consideration, our audit procedures included, evaluating the methodology used and testing the underlying data used by management in its analysis, performing independent recalculation of management's estimate and evaluating the historical accuracy by comparing such estimates to subsequent actual results. We assessed the historical accuracy of management's estimate and performed sensitivity analyses to evaluate the changes in variable consideration that would result from changes in the expected collection rates used and the corresponding effect on revenues.

Goodwill Impairment

Description of the Matter As discussed in Note 2 to the consolidated financial statements, goodwill is tested by the Company's management for impairment at the reporting unit level at least annually, unless there are indications of impairment at other points throughout the year. During the year ended December 31, 2025, the Company recorded goodwill impairment charges of $2.8 million as it was determined that the fair value of its reporting unit was less than its carrying value.
As of December 31, 2025, the goodwill balance was $4.7 million.

We identified the valuation of goodwill for the Company's reporting unit as a critical audit matter because of the significant judgments made by management to estimate the fair value of the reporting unit. This required a high degree of auditor judgment and an increased extent of effort, including the need to involve our fair value specialists, when performing audit procedures to evaluate the reasonableness of management's judgments and estimates related to the estimated control premium.

How We Addressed the Matter in Our Audit To test the fair value of the reporting unit, our audit procedures included, among other, testing the completeness and accuracy of underlying data used in the estimate of the control premium; and evaluating the significant assumptions used by management in developing the control premium estimate. With the assistance of our fair value specialists, we evaluated the reasonableness of the Company's control premium by comparing it to data from publicly available premium studies for public company transactions.

/S/ KOST FORER GABBAY & KASIERER
A Member of EY Global

We have served as the Company's auditor since 2014.

Tel-Aviv, Israel
March 18, 2026

LIFEWARD LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
U.S. dollars in thousands

	December 31,	
	2025	**2024**
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 2,169	$ 6,746
Restricted cash	240	197
Trade receivables, net of credit losses of $192 and $160, respectively	6,138	6,004
Prepaid expenses and other current assets	1,528	1,624
Inventories	5,732	6,723
Total current assets	15,807	21,294
LONG-TERM ASSETS		
Restricted cash and other long-term assets	209	240
Operating lease right-of-use assets	1,544	548
Property and equipment, net	585	867
Goodwill	4,755	7,538
Total long-term assets	7,093	9,193
Total assets	$ 22,900	$ 30,487

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

LIFEWARD LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
U.S. dollars in thousands (except share and per share data)

	December 31,	
	2025	**2024**
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Trade payables	$ 5,590	$ 5,022
Employees and payroll accruals	1,442	1,332
Deferred revenue	920	1,248
Convertible promissory notes	2,803	-
Current maturities of operating leases liability	425	858
Earnout liability	-	608
Other current liabilities	859	1,157
Total current liabilities	12,039	10,225
LONG-TERM LIABILITIES		
Deferred revenues	1,233	1,324
Non-current operating leases liability	1,159	22
Other long-term liabilities	61	67
Total long-term liabilities	2,453	1,413
Total liabilities	14,492	11,638
COMMITMENTS AND CONTINGENT LIABILITIES		
Shareholders' equity:		
Ordinary share of NIS 1.75 par value-Authorized: 75,000,000 shares at December 31, 2025 and 25,000,000 shares at December 31, 2024; Issued: 1,572,319 and 781,854 shares at December 31, 2025 and December 31, 2024, respectively; Outstanding: 1,524,431 and 733,966 shares as of December 31, 2025 and December 31, 2024 respectively (1)	9,418	4,590
Additional paid-in capital	286,932	282,287
Treasury Shares at cost, 47,888 ordinary shares at December 31, 2025 and December 31, 2024 (1)	(3,203)	(3,203)
Accumulated deficit	(284,739)	(264,825)
Total shareholders' equity	8,408	18,849
Total liabilities and shareholders' equity	$ 22,900	$ 30,487

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

(1) Reflects the one-for-seven reverse share split that became effective on March 15, 2024, and the one-for-twelve reverse share split that became effective on February 24, 2026. See Note 8a to the consolidated financial statements.

LIFEWARD LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
U.S. dollars in thousands (except share and per share data)

	Year ended December 31,		
	2025	**2024**	**2023**
Revenue	$ 22,034	$ 25,663	$ 13,854
Cost of revenue	13,606	17,447	9,401
Gross profit	8,428	8,216	4,453
Operating expenses:			
Research and development, net	3,249	4,625	4,148
Sales and marketing	13,875	17,949	13,922
General and administrative	8,195	5,195	9,995
Impairment charges	2,783	9,794	-
Total operating expenses	28,102	37,563	28,065
Operating loss	(19,674)	(29,347)	(23,612)
Financial (expense) income, net	(295)	448	1,467
Loss before income taxes	(19,969)	(28,899)	(22,145)
Taxes on income (benefit)	(55)	43	(12)
Net loss	$ (19,914)	$ (28,942)	$ (22,133)
Net loss per ordinary share, basic and diluted	$ (17.16)	$ (39.96)	$ (31.13)
Weighted average number of shares used in computing net loss per ordinary share, basic and diluted (1)	1,160,521	724,272	710,941

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

(1) Reflects the one-for-seven reverse share split that became effective on March 15, 2024, and the one-for-twelve reverse share split that became effective on February 24, 2026. See Note 8a to the consolidated financial statements.

LIFEWARD LTD. AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
U.S. dollars in thousands (except share data)

	Ordinary Share		Additional paid-in capital	Treasury Shares	Accumulated deficit	Total shareholders' equity
	Number (1)	Amount				
Balance as of December 31, 2022	715,318	$ 4,489	$ 279,857	$ (2,431)	$ (213,750)	$ 68,165
Share-based compensation to employees and non-employees	-	-	1,328	-	-	1,328
Issuance of ordinary shares upon vesting of RSUs by employees and non-employees	13,202	76	(76)	-	-	-
Treasury shares at cost	(12,969)	(78)	-	(772)	-	(850)
Net loss	-	-	-	-	(22,133)	(22,133)
Balance as of December 31, 2023	715,551	4,487	281,109	(3,203)	(235,883)	46,510
Share-based compensation to employees and non-employees	-	-	1,281	-	-	1,281
Issuance of ordinary shares upon vesting of RSUs by employees and non-employees	18,415	103	(103)	-	-	-
Net loss	-	-	-	-	(28,942)	(28,942)
Balance as of December 31, 2024	733,966	4,590	282,287	(3,203)	(264,825)	18,849
Share-based compensation to employees and non-employees	-	-	743	-	-	743
Issuance of ordinary shares upon vesting of RSUs by employees and non-employees	15,714	99	(99)	-	-	-
Issuance of ordinary shares under at-the-market offering, net of issuance costs of $311 (2)	289,903	1,802	691	-	-	2,493
Issuance of ordinary shares in a in a public offering, net of issuance expenses in the amount of $584 (2)	333,333	2,058	(42)	-	-	2,016
Issuance of ordinary shares in a Registered Direct offering, net of issuance expenses in the amount of $779 (2)	151,515	869	3,352	-	-	4,221
Net loss	-	-	-	-	(19,914)	(19,914)
Balance as of December 31, 2025	1,524,431	9,418	286,932	(3,203)	(284,739)	8,408

(1) Reflects the one-for-seven reverse share split that became effective on March 15, 2024, and the one-for-twelve reverse share split that became effective on February 24, 2026. See Note 8a to the consolidated financial statements.

(2) See Note 8b to the condensed consolidated financial statements.

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

LIFEWARD LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
U.S. dollars in thousands

	Year ended December 31,		
	2025	2024	2023
Cash flows used in operating activities:			
Net loss	$ (19,914)	$ (28,942)	$ (22,133)
Adjustments to reconcile net loss to net cash used in operating activities:			
Depreciation	333	494	239
Amortization of intangible assets	-	3,347	1,608
Impairment of intangible and tangible assets	2,783	9,794	-
Share-based compensation	743	1,281	1,328
Remeasurement of earnout liability	(608)	(2,684)	(315)
Accrued interest	442	-	(11)
Change in fair value of derivative liability	(197)	-	-
Exchange rate fluctuations	(110)	(34)	(45)
Changes in assets and liabilities:			
Trade receivables, net	(134)	(2,884)	(311)
Prepaid expenses and other assets	192	188	(656)
Operating lease right-of-use assets	439	1,195	125
Inventories	896	(920)	(277)
Trade payables	(347)	(47)	1,037
Employees and payroll accruals	110	(702)	(14)
Deferred revenues	(419)	(438)	(269)
Operating lease liabilities	(731)	(1,216)	(144)
Other liabilities	(304)	(150)	(829)
Net cash used in operating activities	(16,826)	(21,718)	(20,667)
Cash flows used in investing activities:			
Acquisition of a business, net of cash acquired	-	-	(18,068)
Purchase of property and equipment	(16)	-	(81)
Net cash used in investing activities	(16)	-	(18,149)
Cash flows used in financing activities:			
Issuance of ordinary shares in a Registered Direct offering, net of issuance expenses in the amount of $558 (1)	4,442	-	-
Issuance of ordinary shares under at-the-market offering, net of issuance costs of $192 (1)	2,578	-	-
Issuance of ordinary shares in a public offering, net of issuance expenses in the amount of $432 (1)	2,183	-	-
Purchase of treasury shares	-	-	(992)
Proceeds from short term loan	1,437	-	-
Proceeds from bifurcated embedded derivatives	1,563	-	-
Net cash provided by (used in) financing activities	12,203	-	(992)
Effect of Exchange rate changes on Cash, Cash Equivalents and Restricted Cash	110	34	45
Decrease in cash, cash equivalents, and restricted cash	(4,529)	(21,684)	(39,763)
Cash, cash equivalents, and restricted cash at beginning of period	7,108	28,792	68,555
Cash, cash equivalents, and restricted cash at end of period	$ 2,579	$ 7,108	$ 28,792

(1) See Note 8b to the condensed consolidated financial statements.

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

LIFEWARD LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
U.S. dollars in thousands

	Year ended December 31,		
	2025	**2024**	**2023**
Supplemental disclosures of non-cash flow information			
Classification of inventory to property and equipment, net	$ 35	$ 404	$ 481
Expenses related to offerings not yet paid (1)	$ 473	$ -	$ -
ROU assets obtained from lease liabilities	$ 1,435	$ 193	$ 513
Supplemental disclosures of cash flow information:			
Cash paid (received) for income taxes	$ 36	$ (7)	$ 126
Cash received from interest	$ 81	$ 654	1,341
Reconciliation of cash, cash equivalents and restricted cash as shown in the consolidated statements of cash flows			
Cash and cash equivalents	$ 2,169	$ 6,746	$ 28,083
Restricted cash	$ 410	$ 362	$ 709
Total Cash, cash equivalents, and restricted cash	$ 2,579	$ 7,108	$ 28,792

(1) See Note 8b to the condensed consolidated financial statements

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

NOTE 1:- GENERAL

a. Lifeward Ltd. ("LL," and together with its subsidiaries, the "Company") was originally incorporated under the laws of the State of Israel on June 20, 2001, and commenced operations on the same date under the name Argo Medical Technologies Ltd. This name was later changed to ReWalk Robotics Ltd. on June 18, 2014. On January 29, 2024, the Company announced that it had rebranded as Lifeward, with each subsidiary of LL renamed to reflect the new corporate identity. The Company officially changed its name to Lifeward Ltd. on September 10, 2024.

b. LL has three wholly owned (directly and indirectly) subsidiaries: (i) Lifeward Inc. ("LI") originally incorporated under the laws of Delaware on February 15, 2012 under the name of ReWalk Robotics, Inc., (ii) Lifeward GMBH ("LG") originally incorporated under the laws of Germany on January 14, 2013 under the name of ReWalk Robotics GMBH, and (iii) Lifeward CA, Inc. ("LCAI") originally incorporated in Delaware on October 21, 2004 under the name of Gravus, Inc., which was later changed to AlterG, Inc. on June 30, 2005.

c. The Company is a medical device company that designs, develops, and commercializes life-changing solutions that span the continuum of care in physical rehabilitation and recovery, delivering proven functional and health benefits in clinical settings as well as in the home and community. The Company's initial product offerings were the ReWalk Personal and ReWalk Rehabilitation Exoskeleton devices for individuals with spinal cord injury (collectively, the "SCI Products"). These devices are robotic exoskeletons that are designed for individuals with paraplegia that use the Company's patented tilt-sensor technology and an on-board computer and motion sensors to drive motorized legs that power movement. These SCI Products allow individuals with spinal cord injury the ability to stand and walk again during everyday activities at home or in the community.

The Company has sought to expand its product offerings beyond the SCI Products through internal development and distribution agreements. In the past, the Company developed the ReStore Exo-Suit device ("ReStore"), a powered, lightweight soft exo-suit intended for use during the rehabilitation of individuals with lower limb disabilities due to stroke. The Company is no longer actively commercializing the ReStore product. The Company distributes the MYOLYN MyoCycle FES Pro cycles to U.S. rehabilitation clinics and the MyoCycle Home cycles available to U.S. veterans through VA hospitals on a non-exclusive basis.

In August 2023, the Company acquired AlterG, Inc., a provider of anti-gravity systems. AlterG's systems utilize patented, NASA-derived Differential Air Pressure ("DAP") technology designed to reduce the effects of gravity and enable patients to rehabilitate with calibrated support and reduced pain. Following the Company's rebranding, AlterG, Inc. was renamed LCAI and operates as a wholly owned subsidiary of the Company.

The Company markets and sells its products directly to institutions and individuals and through third-party distributors. The Company sells its products directly primarily in the United States, through a combination (depending on the product line) of direct sales and distributors in Germany, Canada, and Australia, and primarily through distributors in other markets. In its direct markets, the Company has established relationships with clinics and rehabilitation centers, professional and college sports teams, individuals and organizations in the spinal cord injury community, and in its indirect markets, the Company's distributors maintain these relationships.

d. Beginning in the second quarter of 2025, the Company transitioned the manufacturing of its ReWalk exoskeleton products to its facility in Yokneam, Israel, where the Company currently manufactures these systems.

The Company depends on one contract manufacturer to manufacture the AlterG products in its portfolio, Cirtronics Corporation. Reliance on this vendor makes the Company vulnerable to possible capacity constraints and reduces control over component availability, delivery schedules, manufacturing yields and costs.

e. As of December 31, 2025, the Company incurred a consolidated net loss of $19.9 million and had an accumulated deficit of $284.7 million. The Company's cash and cash equivalents as of December 31, 2025 totaled $2.2 million and net cash used in operating activities for the year ended December 31, 2025, was $16.8 million.

The Company expects to continue to generate operating losses and negative operating cash flows in the foreseeable future and will require additional funding to support its planned operations. These conditions raise substantial doubt about the Company's ability to continue as a going concern for a period of one year from the date that these consolidated financial statements are issued.

Management intends to raise additional capital through one or more financings in the near term in order to meet the Company's cash requirements for the next 12 months. As described in Note 15 – Subsequent Events, in January 2026 the Company entered into agreements with Oramed Pharmaceuticals, Inc. and its subsidiary Oratech Pharma, Inc. which include a potential strategic transaction and related financing arrangements. On March 12, 2026, the Company's shareholders approved the transaction. However, the closing of the transaction remains subject to the satisfaction of customary closing conditions, and there can be no assurance that the transaction will be completed or that the Company will receive the anticipated funding. If completed, the transaction is expected to provide the Company with additional liquidity to support its operations.

If the Company is unable to obtain additional capital, management may implement measures intended to manage cash expenditures and preserve liquidity. These measures may include prioritizing research and development activities, delaying certain product development initiatives, and reducing discretionary operating expenses such as marketing, travel and other non-essential costs.

Accordingly, the Company has concluded that substantial doubt exists about its ability to continue as a going concern for a period of at least 12 months from the date of issuance of these consolidated financial statements.

The consolidated financial statements do not include any adjustments to the carrying amounts and classifications of assets and liabilities that might result should the Company be unable to continue as a going concern. Such adjustments could be material.

NOTE 2:- SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in with U.S. generally accepted accounting principles, applied on a consistent basis, as follows:

a. Use of Estimates

The preparation of the consolidated financial statements in conformity with U.S. GAAP requires management to make estimates, judgments, and assumptions. The Company's management believes that the estimates, judgments, and assumptions used are reasonable based upon information available at the time they are made. These estimates, judgments, and assumptions can affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements, as well as the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

On an ongoing basis, the Company's management evaluates estimates, including those related to inventories, fair values of share-based awards, derivatives, contingent liabilities, goodwill impairment, provision for warranty, allowance for credit losses, revenue recognition, and deferred taxes. Such estimates are based on historical experience and on various other assumptions that are believed to be reasonable, the results of which form the basis for making judgments about the carrying values of assets and liabilities. Actual results could differ from those estimates.

b. Financial Statements in U.S. Dollars:

The functional currency is the currency that best reflects the economic environment in which the Company and its subsidiaries operate and conduct their transactions. Most of the Company's revenues and costs are incurred in U.S. dollar. In addition, the Company's financing activities are incurred in U.S. dollars. The Company's management believes that the dollar is the primary currency of the economic environment in which the Company and each of its subsidiaries operate. Thus, the dollar is the Company's and its subsidiary's functional and reporting currency.

Accordingly, monetary accounts maintained in currencies other than the U.S. dollar are remeasured into U.S. dollars in accordance with ASC 830 "Foreign Currency Matters." All transaction gains and losses of the remeasured monetary balance sheet items are reflected in the consolidated statements of operations as financing income or expenses as appropriate.

c. Principles of Consolidation:

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries. Intercompany balances have been eliminated upon consolidation.

d. Cash Equivalents:

Cash equivalents are short-term highly liquid investments that are readily convertible to cash with original maturities of three months or less, at the date acquired.

e. Inventories:

Inventories are stated at the lower of cost or net realizable value. Net realizable value is the estimated selling prices in the ordinary course of business, less reasonably predictable costs of completion, disposal, and transportation. Inventory write-offs are provided to cover risks arising from slow-moving items or technological obsolescence.

The Company periodically evaluates the ability to realize the value of inventory based on a combination of factors, including the quantities on hand relative to historical, current, and projected sales volume. Purchasing requirements and alternative usage are explored within these processes to mitigate inventory exposure. Based on this evaluation, an impairment charge is recorded when required to write-down inventory to its net realized value. Any write-off is recognized in the consolidated statements of operations as cost of revenues.

Cost is determined as follows:

Finished products - based on raw materials and manufacturing costs on an average basis.

Work in process - based on raw materials, labor, and applicable manufacturing overhead on an average cost basis.

Raw materials - The weighted average cost method.

f. Property and Equipment:

Property and equipment are stated at cost, net of accumulated depreciation. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets at the following annual rates:

	Percentage of Original Cost
Computer equipment	20-33% (mainly 33)
Office furniture and equipment	6 – 10% (mainly 10)
Machinery and laboratory equipment	15%
Field service units	20-50%
Leasehold improvements	Over the shorter of the lease term or estimated useful life

g. Business Combinations

The Company accounts for business combinations in accordance with ASC 805, "Business Combinations" ("ASC 805"). For business combinations accounted for under the acquisition method, ASC 805 requires recognition of assets acquired, liabilities assumed, and any non-controlling interest at the acquisition date, measured at their fair values as of that date. The Company determines the recognition of intangible assets based on the following criteria: (i) the intangible asset arises from contractual or other rights; or (ii) the intangible asset is separable or divisible from the acquired entity and capable of being sold, transferred, licensed, returned or exchanged.

The excess of the fair value of the purchase price over the fair values of the identifiable assets and liabilities is recorded as goodwill. Determining the fair value of the identifiable assets and liabilities requires management to use significant judgment and estimates including the forecasted revenue and revenues growth rates, discount rates, customer contract renewal rates and customer attrition rates. The process of estimating the fair values requires significant estimates, especially with respect to intangible assets. Management's determination of fair value of assets acquired and liabilities assumed at the acquisition date is based on the best information available in the circumstances and incorporates management's own assumptions and involves a significant degree of judgment.

Acquisition related costs include legal fees, consulting and success fees, and other non-recurring integration related costs. Acquisition-related costs are expensed as incurred.

h. Goodwill and Other Intangibles

For business combinations, the purchase prices are allocated to the tangible assets and intangible assets acquired and liabilities assumed based on their estimated fair values on the acquisition dates, with the remaining unallocated purchase prices recorded as goodwill.

The Company has no indefinite-lived intangible assets other than goodwill. Acquired identifiable finite-lived intangible assets include identifiable acquired technology, customer relationships, trademarks and backlog and are amortized on a straight-line basis over the estimated useful lives of the assets. The Company routinely reviews the remaining estimated useful lives of finite-lived intangible assets.

Goodwill is not amortized and is tested for impairment at least annually.

The Company operates as one reporting unit and the fair value of the reporting unit is estimated using quoted market prices of the Company's stock in active markets. The Company tests goodwill for impairment annually in the fourth quarter and whenever events or changes in circumstances indicate the carrying amount of goodwill may not be recoverable.

When testing goodwill for impairment, the Company may first perform a qualitative assessment. If the Company determines it is not more likely than not the reporting unit's fair value is less than its carrying value, then no further analysis is necessary. If the Company determines that it is more likely than not that the fair value of its reporting unit is less than its carrying amount, then the quantitative impairment test will be performed. The Company may elect to bypass the qualitative assessment and proceed directly to performing a quantitative analysis. Under the quantitative impairment test, if the carrying amount of the Company's reporting unit exceeds its fair value, the Company recognizes an impairment of goodwill for the amount of this excess.

As a result of this assessment, the Company recorded a goodwill impairment of $2.8 million during the year ended December 31, 2025. During the year ended December 31, 2024, no impairments of goodwill have been recognized.

i. Impairment of Long-Lived Assets

The Company's long-lived assets, including right-of-use ("ROU") assets and identifiable intangible assets that are subject to amortization, are reviewed for impairment in accordance with ASC 360, "Property, Plant and Equipment" whenever events or changes in circumstances indicate that the carrying amount of an asset (or asset group) may not be recoverable. Recoverability of assets (or asset group) to be held and used is measured by a comparison of the carrying amount of an asset to the future undiscounted cash flows expected to be generated by the assets. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. There were no impairment charges to long-lived assets during the year ended December 31, 2025.

During the year ended December 31, 2024, the Company recorded an impairment charge in the amount of $9.8 million

j. Restricted cash and Other long-term assets:

Other long-term assets include long-term prepaid expenses and restricted cash deposits for offices and cars leasing based upon the term of the remaining restrictions.

k. Treasury shares

The Company repurchased its ordinary shares and holds them as treasury shares. The Company presents the cost to repurchase treasury shares as a reduction of shareholders' equity.

l. Revenue Recognition:

The Company generates revenues from sales of products. The Company sells its products directly to end customers and through distributors. The Company sells its products to clinics and rehabilitation centres, professional and college sports teams, private individuals (who finance the purchases by themselves, through fundraising or reimbursement coverage from insurance companies), and distributors.

The Company recognizes revenue in accordance with ASC 606, "Revenue Recognition" when, or as, control of the promised good or service is transferred to the customer, in an amount that reflects the consideration the Company expects to be entitled to in exchange for those goods or services. The Company applies the following five steps:

1. Identify the contract with a customer

   The Company generally considers a purchase order or a signed quote to be a contract with a customer. In evaluating the contract with a customer, the Company analyses the customer's intent and ability to pay the amount of promised consideration and considers the probability of collecting substantially all of the consideration.

2. Identify the performance obligations in the contract

   Performance obligations promised in a contract are identified based on the products and services that will be transferred to the customer that are both capable of being distinct, whereby the customer can benefit from the products or services either on their own or together with other resources that are readily available from third parties or from the Company, and are distinct in the context of the contract, whereby the transfer of the products and services is separately identifiable from other promises in the contract.

3. Determine the transaction price

   The transaction price is determined based on the consideration to which the Company will be entitled in exchange for transferring products or services to the customer. Determining the transaction price requires of level judgment, which is discussed by revenue category in further detail below.

   The Company does not offer extended payment terms beyond one year to customers and has chosen to apply the practical expedient, opting not to evaluate payment terms of one year or less for the existence of a significant financing component.

   Sales and other taxes collected from customers on behalf of governmental authorities are accounted for on a net basis and are not included in revenues.

4. Allocate the transaction price to performance obligations in the contract

   If the contract contains a single performance obligation, the entire transaction price is allocated to the single performance obligation. Contracts that contain multiple performance obligations require an allocation of the transaction price to each performance obligation based on a relative standalone selling price basis. Certain arrangements with customers contain multiple distinct performance obligations. For these arrangements, the Company allocates the transaction price to each performance obligation based on its relative standalone selling price (SSP). The Company generally establishes SSPs based on observable selling prices.

5. Recognize revenue when or as the Company satisfies a performance obligation

   Revenue is recognized when or as performance obligations are satisfied by transferring control of a promised good or service to a customer. Control either transfers over time or at a point in time, which affects when revenue is recorded.

Disaggregation of Revenue (in thousands):

	Year Ended December 31,		
	2025	2024	2023
Sale of product	$ 17,165	$ 19,920	$ 10,681
Lease of products	1,781	2,557	1,033
Service and warranty	3,088	3,186	2,140
Total Revenues	$ 22,034	$ 25,663	$ 13,854

Product revenue

The Company offered to its customers five products: (1) ReWalk Personal, (2) ReWalk Rehabilitation, (3) AlterG Anti-Gravity system, (4) MyoCycle, and (5) ReStore.

Revenue from Products sold to rehabilitation facilities and end users is recognized at a point in time once the customer has obtained control of the products usually upon delivery.

The Company generally does not grant a right of return for its products.

With the recent establishment of a Medicare reimbursement pathway for the ReWalk product, the Company includes variable consideration in the form of implicit price concessions if, in the Company’s judgment, it is probable that a significant future reversal of cumulative revenue under the contract will not occur. The Company reassesses variable consideration at each reporting period and, if necessary, these estimates are adjusted to reflect the anticipated amounts to be collected when those facts and circumstances become known.

For contracts with Medicare, the Company determines the amount of variable consideration that should be included at the transaction price, using contractual agreements and historical reimbursement experience with Medicare. The Company applies constraint to the transaction price, such that revenue is recorded only to the extent that it is probable that a significant reversal in the amount of the cumulative revenue recognized will not occur in the future. If actual amounts of consideration ultimately received differ from the Company’s estimates, the Company adjusts these estimates, which would affect revenue in the period such adjustments become known.

Payment terms between the Company and its payors typically range between 30 to 45 days, depending on the type of payer, country of sale, and the products or services offered. However, for CMS, payments may take up to twelve months.

Lease revenue

A portion of the Company's sales of products to customers are made through lease arrangements which typically include AlterG Anti-Gravity systems.

Revenue for the lease of AlterG Anti-Gravity systems is accounted for under ASC Topic 842, Leases. AlterG Anti-Gravity systems being utilized under service agreements, accounted for in accordance with ASC 842 as an operating lease. Revenues are recognized ratably over the lease term. See Note 2y for more additional information.

Service and warranties

The Company provides product assurance warranties for periods of 1- 10 years (usually 2 years) that cover the compliance of the products with agreed-upon specifications. A provision is recorded for estimated warranty costs based on the Company's experience.

A warranty is considered an assurance type warranty if it provides the customer with assurance that the product will function as intended for a limited period of time. An assurance type warranty is not accounted for as a separate performance obligation under the revenue model.

In certain contracts, the company also provides a service-type warranty. Service-type warranty is accounted for as a separate performance obligation, and revenue is recognized ratably over the service period as the customer consumes the benefit over the service term.

Contract balances (in thousands):

	December 31, 2025	December 31, 2024
Trade receivable, net of credit losses	$ 6,138	$ 6,004
Deferred revenues (1)	$ 2,153	$ 2,572

(1) $1.4 million of the December 31, 2024 deferred revenue balance was recognized as revenue during the year ended December 31, 2025.

Deferred revenue is composed primarily of unearned revenue related to service type warranty obligations, multi-year services contracts, as well as other advances and payments which the Company received from customers prior to satisfying the performance obligation, for which revenue has not yet been recognized.

The Company's unearned performance obligations as of December 31, 2025 and the estimated revenue expected to be recognized in the future amounts to $2.3 million, which will be fulfilled over one to five years.

m. Accounting for Share-Based Compensation:

The Company accounts for share-based compensation in accordance with ASC 718, “Compensation-Stock Compensation” (“ASC 718”). ASC 718 requires companies to estimate the fair value of equity-based payment awards on the date of grant using an Option-Pricing Model (“OPM”). The value of the award is recognized as an expense over the requisite service periods in the Company’s consolidated statements of operations.

The Company recognizes compensation expenses for the value of its awards granted based on the straight-line method over the requisite service period of each of the awards. The Company accounts for forfeitures as they occur.

The Company selected the Black-Scholes-Merton option pricing model as the most appropriate fair value method for its share-option awards. The option-pricing model requires a number of assumptions, of which the most significant are the fair market value of the underlying ordinary share, expected share price volatility and the expected option term. Expected volatility is calculated based on actual historical stock price movements over the most recent periods ending on the grant date, equal to the expected term of the options. The expected option term is determined based on the simplified method, as adequate historical experience is not available to provide a reasonable estimate. The simplified method will continue to apply until enough historical experience is available to provide a reasonable estimate of the expected term. The risk-free interest rate is based on the yield from U.S. treasury bonds with an equivalent term. The Company has historically not paid dividends and has no foreseeable plans to pay dividends.

The fair value of Restricted Stock Units (“RSUs”) granted is determined based on the price of the Company’s ordinary shares on the date of grant.

The Company elects the straight-line recognition method for awards subject to graded vesting based only on a service condition

The Company accounts for options granted to consultants and other service providers under ASC 718. The fair value of these options was estimated using a Black-Scholes-Merton option-pricing model.

n. Warrants to Acquire Ordinary Shares:

During the twelve-month ended December 31, 2025, the Company issued warrants to acquire up to 513,930 ordinary shares. There were no issued warrants during the twelve months ended December 31, 2024. Refer to Note 8f for additional information.

The Company accounts for warrants as either equity-classified or liability-classified instruments based on an assessment of the warrant's specific terms and applicable authoritative guidance. The assessment considers whether the warrants are freestanding financial instruments, meet the definition of a liability under ASC 480, are indexed to the Company's own shares and whether the warrants are eligible for equity classification under ASC 815-40. This assessment is conducted at the time of warrant issuance and as of each subsequent reporting period end date while the warrants are outstanding.

Warrants that meet all the criteria for equity classification, are required to be recorded as a component of additional paid-in capital. Warrants that do not meet all the criteria for equity classification, are required to be recorded as liabilities at their initial fair value on the date of issuance and remeasured to fair value through earnings at each balance sheet date thereafter.

o. Research and Development Costs:

Research and development costs are charged to the consolidated statement of operations as incurred and are presented net of the amount of any grants the Company received for research and development in the period in which the grant was received.

p. Income Taxes

The Company accounts for income taxes in accordance with ASC 740, "Income Taxes" ("ASC 740"), using the liability method whereby deferred tax assets and liability account balances are determined based on the differences between financial reporting and the tax basis for assets and liabilities and are measured using the enacted tax rates and laws that will be in effect when the differences are expected to reverse. The Company provides a valuation allowance, if necessary, to reduce deferred tax assets to the amounts that are more likely-than-not to be realized.

ASC 740 contains a two-step approach to recognizing and measuring a liability for uncertain tax positions. The first step is to evaluate the tax position taken or expected to be taken in a tax return by determining if the weight of available evidence indicates that it is more likely than not that, on an evaluation of the technical merits, the tax position will be sustained on audit, including resolution of any related appeals or litigation processes. The second step is to measure the tax benefit as the largest amount that is more than 50% likely to be realized upon ultimate settlement. The Company accrues interest and penalties related to unrecognized tax benefits in its taxes on income.

As of December 31, 2025, and 2024, the Company did not identify any significant uncertain tax positions.

q. Warranty provision:

For assurance-type warranty, the Company records a provision for the estimated cost to repair or replace products under warranty at the time of sale. Factors that affect the Company's warranty reserve include the number of units sold, historical and anticipated rates of warranty repairs and the cost per repair.

	US Dollars in thousands
Balance at December 31, 2024	$ 392
Provision	674
Usage	(723)
Balance at December 31, 2025	$ 343

r. Concentrations of Credit Risks:

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash, cash equivalents and trade receivables.

The Company's cash and cash equivalents are deposited in major banks in Israel, the United States and Germany. Such deposits in the United States may be in excess of insured limits and are not insured in other jurisdictions. The Company maintains cash and cash equivalents with diverse financial institutions and monitors the amount of credit exposure to each financial institution. The bank deposits are held in financial institutions which management believes are institutions with high credit standing, and accordingly, minimal credit risk from geographic or credit concentration exists with respect to these deposits.

The below table reflects the concentration of credit risk for the Company's current customers as of December 31, 2025 and 2024, to which substantial sales were made.

Concentration of credit risk with respect to trade receivable is primarily limited to a customer to which the Company makes substantial sales.

	December 31,	
	2025	**2024**
Customer A	56%	40%

The allowance for credit losses is based on the Company's assessments of the collectability of accounts. The Company regularly reviews the adequacy of the allowance for credit losses based on a combination of factors, including an assessment of the current customer's aging balance, the nature and size of the customer, the financial condition of the customer, and the amount of any receivables in dispute. The Company does not have any off-balance sheet credit exposure related to its customers. As of December 31, 2025, and 2024 trade receivables are presented net of allowance for credit losses in the amount of $192 thousand and $160 thousand respectively.

s. Accrued Severance Pay:

Pursuant to Israel's Severance Pay Law, Israeli employees are entitled to severance pay equal to one month's salary for each year of employment, or a portion thereof. All of the employees of the LL elected to be included under section 14 of the Severance Pay Law, 1963 ("section 14"). According to this section, these employees are entitled only to monthly deposits, at a rate of 8.33% of their monthly salary, made in their name with insurance companies. Payments in accordance with section 14 release the Company from any future severance payments (under the above Israeli Severance Pay Law) in respect of those employees; therefore, related assets and liabilities are not presented in the balance sheet.

Total Company's expenses related to severance pay amounted to $146 thousand, $126 thousand and $114 thousand for the years ended December 31, 2025, 2024 and 2023, respectively.

t. Fair Value Measurements:

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The Company uses a three -tier fair value hierarchy to classify and disclose all assets and liabilities measured at fair value on a recurring basis, as well as assets and liabilities measured at fair value on a non-recurring basis, in periods subsequent to their initial measurement. The hierarchy requires the Company to use observable inputs when available, and to minimize the use of unobservable inputs when determining fair value. If a financial instrument uses inputs that fall in different levels of the hierarchy, the instrument will be categorized based upon the lowest level of input that is significant to the fair value calculation. The three -tiers are defined as follows:

- **Level 1.** Observable inputs based on unadjusted quoted prices in active markets for identical assets or liabilities;
- **Level 2.** Inputs, other than quoted prices in active markets, that are observable either directly or indirectly; and
- **Level 3.** Unobservable inputs for which there is little or no market data requiring the Company to develop its own assumptions.

The carrying amounts of cash and cash equivalents, short term deposits, trade receivables and trade payables approximate their fair value due to the short-term maturity of such instruments.

The following tables present information about the Company's financial assets and liabilities that are measured in fair value on a recurring basis as of December 31, 2025 and December 31, 2024 (in thousands):

		Fair value measurements as of	
Description	**Fair Value Hierarchy**	**December 31, 2025**	**December 31, 2024**
Financial assets:			
Money market funds included in cash and cash equivalent	Level 1	$ -	$ 2,697
Total Assets Measured at Fair Value		$ -	$ 2,697
Financial Liabilities:			
Earnout	Level 3	$ -	$ 608
Derivative liability	Level 3	$ 1,366	-
Total liabilities measured at fair value		$ 1,366	$ 608

The Company classifies Money market funds within Level 1, because the Company uses quoted market prices or alternative pricing sources and models utilizing market observable inputs to determine their fair values.

The estimated fair value of the earnout is determined using Level 3 inputs. Inherent in a Monte Carlo simulation analysis are assumptions related to projected revenues, expected term, volatility, annual revenue yield and interest rate. The interest rate is based on the U.S. Technology B bond yield.

The estimated fair value of the derivative liability is using the Black-Scholes option-pricing model, which is a Level 3 fair value measurement. The model requires the use of several key assumptions, including the stock price, exercise price, expected term, expected volatility, risk-free interest rate, and expected dividend yield.

The following table provides the inputs used for Level 3 fair value measurements of derivative liability:

	December 31, 2025
Stock price	$ 0.58
Term (in years)	0.37
Volatility	87.91%-93.12%
Risk-free rate	3.65%-3.65%
Dividend yield	$ 0%

The following table summarizes the earnout liability activity as of December 31, 2025 (in thousands):

	Earnout
Balance December 31, 2024	$ 608
Change in fair value	$ (608)
Balance December 31, 2025	$ -

As part of the acquisition of AlterG Inc., the Company was obligated to pay an earnout based on the performance of the acquired entity, LCAI. The earnout consists of two potential payments:

1. A cash payment equal to 65% of the amount, if any, by which LCAI's revenue for the first 12-month period following the acquisition exceeds a predefined revenue target ("First Earnout Payment").

2. A cash payment equal to 65% of the amount, if any, by which LCAI's revenue for the subsequent 12-month period exceeds its respective revenue target.

At the acquisition date, management estimated the fair value of the total earnout liability at approximately $3.6 million, based on the actual performance of LCAI to date and the assessed probability of meeting the revenue targets. The earnout liability is recognized in the consolidated financial statements and is remeasured at each reporting period, with changes in fair value recorded through the consolidated statement of operations.

LCAI did not meet the first and the second revenue targets, and therefore, no payment was made.

During the year ended December 31, 2025, the Company recognized a change in fair value of the earnout of approximately $608 thousand, which was recorded under general and administrative expenses in the consolidated statement of operations.

Derivative liability at fair value

The following table summarizes the derivative liability activity as of December 31, 2025 (in thousands):

	Derivative liability
Balance November 14, 2025	$ -
Issuance of embedded derivative	$ 1,563
Change in fair value	$ (197)
Balance December 31, 2025	$ 1,366

The estimated fair value of the asset group, is part of an impairment assessment, is determined using Level 3 inputs, by applying both a market and cost approach, which we believe most accurately reflects a market participant's viewpoint in assessing its value.

The goodwill impairment recorded during fiscal year 2025 was estimated using the Company's stock price, a Level 1 input, adjusted for an estimated control premium. Refer to Note 5 for additional information.

u. Convertible Promissory Notes

The Company applies ASC 470-20, "Debt with Conversion and Other Options" ("ASC 470-20"). In accordance with ASC 470-20 the Company first allocates the proceeds to freestanding liability instrument that are measured at fair value at each reporting date, based on their fair value. The remaining proceeds are allocated between the convertible debt and any bifurcated embedded derivatives.

In accordance with ASC 815 "Derivatives and Hedging" ("ASC 815"), the Company bifurcates embedded derivatives for the conversion option that require bifurcation and accounts for it separately from the convertible debt.

The Company applies ASC 815, "Derivatives and Hedging" to all features related to convertible debt. When features meet the definition of a derivative that do not qualify for any scope exceptions within ASC 815, they are required to be accounted for separately from the debt instrument and recorded as derivative instrument liabilities. The fair value assigned to the embedded derivative instruments is marked to market in each reporting period. The Company has recorded embedded derivative liabilities related to the convertible promissory note.

For further information regarding the convertible promissory notes, see Note 9.

v. Basic and Diluted Net Loss Per Share:

Basic net loss per share is computed by dividing the net loss by the weighted-average number of shares of ordinary shares outstanding during the period.

Diluted loss per share is computed based on the weighted average number of ordinary shares outstanding during the period, plus dilutive potential shares considered outstanding during the period.

w. Contingent liabilities

The Company accounts for its contingent liabilities in accordance with ASC 450, "Contingencies." A provision is recorded when it is both probable that a liability has been incurred and the amount of the loss can be reasonably estimated.

With respect to legal matters, provisions are reviewed and adjusted to reflect the impact of negotiations, estimated settlements, legal rulings, advice of legal counsel and other information and events pertaining to a particular matter.

x. Government grants

Royalty and non-royalty-bearing grants from the Israeli Innovation Authority (the "IIA") of the Ministry of Economy and Industry in Israel for funding of approved research and development projects are recognized at the time the Company is entitled to such grants, on the basis of the costs incurred, and are presented as a reduction from research and development expenses (see Note 7c). Research and development grants recognized during the years ended December 31, 2025, 2024 and 2023 were $27 thousand, $220 thousand and $259 thousand, respectively.

y. Lessee

At the inception of an arrangement, the Company determines whether the arrangement is or contains a lease based on the unique facts and circumstances present. Operating lease liabilities and their corresponding right-of-use assets are recorded at commencement date based on the present value of lease payments over the expected lease term. The interest rate implicit in lease contracts is typically not readily determinable. As such, the Company utilizes its incremental borrowing rate, which is the rate incurred to borrow on a collateralized basis over a similar term an amount equal to the lease payments in a similar economic environment. Certain adjustments to the right-of-use asset may be required for items, such as initial direct costs paid or incentives received. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the Company will exercise such options.

Leases with an initial term of 12 months or less are not recorded on the balance sheet.

The Company elected the practical expedient to not separate lease and non-lease components for its leases.

Lessor accounting - Operating leases

A portion of the AlterG revenues for the AlterG Anti-Gravity systems are made through lease arrangements.

AlterG products are available for lease agreements ranging from 12 to 42 months. If the customer terminates the contract during the lease period, they are required to pay a cancellation fee. The lease period may be extended by an additional period as specified in the contract.

In determining the leases classification as a sales type or operating lease, the Company assesses, among other criteria: (i) the lease term to determine if it is for the major part of the economic life of the underlying equipment; and (ii) the present value of the lease payments to determine if they are equal to or greater than substantially all of the fair market value of the equipment at the inception of the lease of AlterG Anti-Gravity systems. When these criteria are not met, the lease accounted for as operating leases and revenues are recognized over the term of the lease.

Under these arrangements, when the Company acts as the lessor for its product line, the Company accounted for the lease arrangements as operating leases in accordance with ASC 842, "Lease" ("ASC 842").

The total lease revenue for the AlterG Anti-Gravity Products has amounted to $751 thousand for the year ended December 31, 2025 and $719 thousand for the year ended December 31, 2024.

z. New Accounting Pronouncements

Recently Implemented Accounting Pronouncements

i. In December 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures, which requires public entities, on an annual basis, to provide disclosure of specific categories in the rate reconciliation, as well as disclosure of income taxes paid, disaggregated by jurisdiction. ASU 2023-09 is effective for fiscal years beginning after December 15, 2024, with early adoption permitted. The Company adopted ASU 2023-09 during the year ended December 31, 2025 and has applied the disclosure prospectively. For additional information see Note 10 of these consolidated financial statements.

Recent Accounting Pronouncements Not Yet Adopted

i. In November 2024, the FASB issued ASU 2024-03, Income Statement-Reporting Comprehensive Income-Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses, requiring public entities to disclose additional information about specific expense categories in the notes to the financial statements on an interim and annual basis. ASU 2024-03 is effective for fiscal years beginning after December 15, 2026, and for interim periods beginning after December 15, 2027, with early adoption permitted. The Company is currently evaluating the impact of adopting ASU 2024-03.

ii. In July 2025, the FASB issued ASU 2025-05, Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets. This amendment introduces a practical expedient for the application of the current expected credit loss ("CECL") model to current accounts receivable and contract assets. ASU 2025-05 is effective for fiscal years beginning after December 15, 2025, and interim reporting periods within those annual reporting periods. Early adoption is permitted. The Company is currently evaluating the timing of adoption and impact of this amendment on its consolidated financial statements and related disclosures.

iii. In December 2025, the FASB issued ASU 2025-10, Government Grants (Topic 832): Accounting for Government Grants Received by Business Entities. The update provides recognition, measurement, presentation, and disclosure requirements for government grants, including guidance for grants related to an asset and grants related to income. The amendments introduce two permitted approaches for asset-related grants: a deferred income approach or a cost accumulation approach. The guidance is effective for the Company beginning December 15, 2028, with early adoption permitted. The Company is currently evaluating the impact on its consolidated financial statement.

iv. In December 2025, the FASB issued ASU 2025-11 to amend the guidance in Interim Reporting (Topic 270). The update provides clarifications intended to improve the consistency and usability of interim disclosure requirements, including a comprehensive listing of required interim disclosures and a new disclosure principle for reporting material events occurring after the most recent annual period. The amendments do not change the underlying objectives of interim reporting but are designed to enhance clarity in application. The guidance is effective for fiscal years beginning after December 15, 2027, including interim periods within those fiscal years. The Company is currently evaluating the impact on its consolidated financial statement disclosures.

NOTE 3:- PREPAID EXPENSES AND OTHER CURRENT ASSETS

The components of prepaid expenses and other current assets are as follows (in thousands):

	December 31,	
	2025	2024
Government institutions	$ 218	$ 289
Prepaid expenses	917	1,046
Other assets	393	289
	$ 1,528	$ 1,624

NOTE 4:- INVENTORIES

The components of inventories are as follows (in thousands):

	December 31,	
	2025	2024
Finished products	$ 3,689	$ 3,580
Work in progress	38	-
Raw materials	2,005	3,143
	$ 5,732	$ 6,723

During the twelve months ended December 31, 2025, 2024, and 2023, the Company recognized, at cost of revenues, reserves for excess and obsolete in the amount of $539 thousand, $981 thousand, and $398 thousand, respectively.

NOTE 5:- GOODWILL

The changes in the carrying amount of goodwill:

	Thousand Dollars
Balance as of December 31, 2024	$ 7,538
Goodwill impairment	(2,783)
Balance as of December 31, 2025	$ 4,755

The Company periodically analyses whether any indicators of goodwill impairment have occurred. In the second quarter of 2025, the Company experienced a decline in its stock price resulting in its market capitalization being less than the carrying value of its one reporting unit. Thus, the Company performed quantitative assessments of the Company's reporting unit. The fair value was determined based on the market approach. The market approach utilizes the Company's market capitalization plus an appropriate control premium. In calculating the goodwill impairment charges, the Company estimated the fair value of its single reporting unit based on its market capitalization and an appropriate control premium. Market capitalization is determined by multiplying the number of shares of common stock outstanding by the market price of its common stock. The control premium, or the amount paid by a new controlling shareholder for the benefits resulting from synergies and other potential benefits derived from controlling the acquired company, is determined by utilizing data from publicly available premium studies for similarly situated public company transactions. A goodwill impairment loss was recognized for the difference between the carrying value of the reporting unit and the fair value.

As a result of this assessment, the Company recorded a goodwill impairment of $2.8 million during the year ended December 31,2025.

Long-lived assets:

The Company evaluates the recoverability of long-lived assets, including property and equipment and intangible assets subject to amortization for possible impairment whenever events or circumstances indicate that the carrying amount of such assets may not be fully recoverable. Such events and changes may include significant changes in performance relative to expected operating results, significant changes in asset use, significant negative industry or economic trends, and changes in the Company's business strategy. Recoverability of these assets is measured by a comparison of the carrying amounts to the future undiscounted cash flows the assets are expected to generate. If such review indicates that the carrying amount of long-lived assets is not recoverable, the carrying amount of such assets is reduced to fair value.

The carrying intangible assets were fully impaired as of December 31, 2024.

NOTE 6:- PROPERTY AND EQUIPMENT, NET

The components of property and equipment, net are as follows (in thousands):

	December 31,	
	2025	2024
Cost:		
Computer equipment	$ 1,695	$ 1,690
Office furniture and equipment	468	468
Machinery and laboratory equipment	633	621
Field service units	4,442	4,464
Leasehold improvements	658	658
	$ 7,896	$ 7,901

	December 31,	
	2025	2024
Accumulated depreciation	7,311	7,034
Property and equipment, net	$ 585	$ 867

Depreciation expenses amounted to $333 thousand, $494 thousand, and $239 thousand for the years ended December 31, 2025, 2024 and 2023, respectively.

In the fourth quarter of 2024, the Company recorded an impairment charge of $305 thousand related to the closure of its Fremont, California site. The impairment was due to the reduction in the expected future use of the assets at this location. No impairment charges were recorded for the year ended December 31, 2025.

NOTE 7:- COMMITMENTS AND CONTINGENT LIABILITIES

a. Purchase commitment:

The Company has contractual obligations to purchase goods from its contract manufacturer as well as raw materials from different vendors. Purchase obligations do not include contracts that may be cancelled without penalty. As of December 31, 2025, non-cancellable outstanding obligations amounted to approximately $6.0 million.

b. Operating lease commitment:

(i) The Company operates from leased facilities in Israel, the United States and Germany, with leases expiring in 2030. A portion of the Company's facilities leases is generally subject to annual changes in the Consumer Price Index (CPI). The changes to the CPI are treated as variable lease payments and recognized in the period in which the obligation for those payments was incurred.

(ii) LL and LG lease cars for their employees under cancellable operating lease agreements expiring at various dates between 2026 and 2028. A subset of the Company's cars leases is considered variable. The variable lease payments for such cars leases are based on actual mileage incurred at the stated contractual rate. LL and LG have an option to be released from these agreements, which may result in penalties in a maximum amount of approximately $34 thousand as of December 31, 2025.

The Company's future lease payments for its facilities and cars, which are presented as current maturities of operating leases and non-current operating leases liabilities on the Company's consolidated balance sheets as of December 31, 2025 are as follows (in thousands):

2026	$ 452
2027	428
2028	380
2029	358
2030	299
Total lease payments	1,917
Less: imputed interest	(333)
Present value of future lease payments	1,584
Less: current maturities of operating leases	(425)
Non-current operating leases	$ 1,159
Weighted-average remaining lease term (in years)	4.72
Weighted-average discount rate	8.94%

Total lease expense under the Company's operating leases for the years ended December 31, 2025, 2024 and 2023 were $0.8 million, $1.3 million, and $1.0 million, respectively.

c. Royalties:

The Company's research and development efforts are financed, in part, through funding from the IIA. Since the Company's inception through December 31, 2025, the Company received funding from the IIA in the total amount of $2.8 million. Out of the $2.8 million in funding from the IIA, a total amount of $1.6 million were royalty-bearing grants, $400 thousand was received in consideration of 209 convertible preferred A shares, which converted after the Company's initial public offering in September 2014 into ordinary shares in a conversion ratio of 1 to 1, while $806 thousand was received without future obligation. The Company is obligated to pay royalties to the IIA, amounting to 3% of the sales of the products and other related revenues generated from such projects, up to 100% of the grants received. The royalty payment obligations also bear interest at the SOFRPR rate. The obligation to pay these royalties is contingent on actual sales of the applicable products and in the absence of such sales, no payment is required.

As of December 31, 2025, the Company paid royalties to the IIA in the total amount of $117 thousand.

Royalties expenses in cost of revenue were $8 thousand, $2 thousand and $17 thousand, for the years ended December 31, 2025, 2024 and 2023, respectively.

As of December 31, 2025, the contingent liability to the IIA amounted to $1.6 million. The Israeli Research and Development Law provides that know-how developed under an approved research and development program may not be transferred to third parties without the approval of the IIA. Such approval is not required for the sale or export of any products resulting from such research or development. The IIA, under special circumstances, may approve the transfer of IIA-funded know-how outside Israel, in the following cases:

(a) the grant recipient pays to the IIA a portion of the sale price paid in consideration for such IIA-funded know-how or in consideration for the sale of the grant recipient itself, as the case may be, which portion will not exceed six times the amount of the grants received plus interest (or three times the amount of the grant received plus interest, in the event that the recipient of the know-how has committed to retain the R&D activities of the grant recipient in Israel after the transfer); (b) the grant recipient receives know-how from a third party in exchange for its IIA-funded know-how; (c) such transfer of IIA-funded know-how arises in connection with certain types of cooperation in research and development activities; or (d) If such transfer of know-how arises in connection with a liquidation by reason of insolvency or receivership of the grant recipient.

LCAI earns royalties under a license agreement with a third party and is recognized as earned. Royalty payments for the year ended December 31, 2025 and 2024, were $0 and $55 thousand, respectively.

d. Liens

As part of the Company's restricted cash and other long-term assets, as of December 31, 2025, an amount of $410 thousand has been pledged as security in respect of a guarantee granted to a third party. Such deposit cannot be pledged to others or withdrawn without the consent of such third party.

e. Legal Claims:

Occasionally, the Company is involved in various claims such as product liability claims, lawsuits, regulatory examinations, investigations, and other legal matters arising, for the most part, in the ordinary course of business. While the outcome of any pending or threatened litigation and other legal matters is inherently uncertain, the Company does not believe the outcome of any of the matters will have a material adverse effect on the Company's consolidated results of operation, liquidity or financial condition.

NOTE 8:- SHAREHOLDERS' EQUITY

a. Reverse share split:

1. At the Company's 2023 annual general meeting, the Company's shareholders approved (i) a reverse share split within a range of 1:2 to 1:12, to be effective at the ratio and on a date to be determined by the Board of Directors, and (ii) amendments to the Company's Articles of Association authorizing an increase in the Company's authorized share capital (and corresponding authorized number of ordinary shares, proportionally adjusting such number for the reverse share split) so that the maximum number of authorized ordinary shares would be 120 million. In accordance with the shareholder approval, in early March 2024 the Board of Directors of the Company approved a one-for-seven reverse share split of the Company's ordinary shares, reducing the number of the Company's issued and outstanding ordinary shares from approximately 60.1 million pre-split shares to approximately 8.6 million post-split shares. The Company's ordinary shares began trading on a split-adjusted basis on March 15, 2024. Additionally, effective at the same time, the total authorized number of ordinary shares of the Company was adjusted to 25 million post-split shares, the par value per share of the ordinary shares changed to NIS 1.75 and the authorized share capital of the Company changed from NIS 30,000,000 to NIS 43,750,000. All share and per share data included in these consolidated financial statements give retroactive effect to the reverse share split for all periods presented.

   Upon the effectiveness of the reverse share split, every seven shares were automatically combined and converted into one ordinary share. Appropriate adjustments were also made to all outstanding derivative securities of the Company, including all outstanding equity awards and warrants.

   No fractional shares were issued in connection with the reverse share split. Instead, all fractional shares (including shares underlying outstanding equity awards and warrants) were rounded down to the nearest whole number.

2. At the Company's extraordinary general meeting of shareholders held on January 6, 2026, the Company's shareholders approved amendments to the Company's Articles of Association to effect (i) a reverse share split of the Company's ordinary shares within a range of 1-for-2 to 1-for-12, to be effective at the ratio and on a date to be determined by the Board of Directors, and (ii) an increase in the Company's authorized share capital to up to 100,000,000 ordinary shares following implementation of the reverse share split. On January 30, 2026, the Finance Committee of the Board approved a one-for-twelve reverse share split of the Company's ordinary shares, and on February 16, 2026 approved amendments to the Company's Articles of Association to reflect the implementation of the reverse share split and the increase in authorized share capital.

   On February 24, 2026, the Company effected the one-for-twelve reverse share split of its ordinary shares. As a result of the reverse share split, every twelve issued and outstanding ordinary shares were automatically combined and converted into one ordinary share. The number of the Company's issued and outstanding ordinary shares was reduced from 18,339,098 pre-split shares to 1,528,207 post-split shares. Concurrently, the total authorized number of ordinary shares under the Company's Articles of Association increased from 75,000,000 ordinary shares to 100,000,000 ordinary shares.

   Appropriate adjustments were also made to all outstanding derivative securities of the Company, including warrants, pre-funded warrants and stock options, such that the number of ordinary shares underlying such securities and the applicable exercise prices were proportionately adjusted in accordance with their terms and the Company's equity incentive plans.

   No fractional shares were issued in connection with the reverse share split and fractional shares were rounded down to the nearest whole share.

b. Equity raise:

1. On January 7, 2025, the Company entered into a securities purchase agreement with certain institutional investors for the issuance and sale of 151,515 ordinary shares and warrants to purchase up to an aggregate of 151,514 ordinary shares at an exercise price of $33 per share. Each ordinary share was sold at an offering price of $33. The warrants are exercisable at any time and from time to time, in whole or in part, following the date of issuance and ending three years from the date of issuance. The offering closed on January 8, 2025. In addition, the Company issued warrants to purchase up to 9,088 ordinary shares, with an exercise price of $41.25 per share, exercisable at any time and from time to time, in whole or in part, following the date of issuance and ending three years from the date of issuance, to certain representatives of H.C. Wainwright as compensation for its role as the placement agent in the January 2025 private placement offering.

2. On March 7, 2025, the Company entered into an At-the-Market ("ATM") Offering Agreement with H.C. Wainwright & Co., LLC ("HCW"), pursuant to which the Company may, from time to time, offer and sell its ordinary shares having an aggregate offering price of up to $5.5 million through HCW acting as the Company's sales agent. Sales of ordinary shares under the ATM program will be made at prevailing market prices or as otherwise agreed with HCW. The Company is not obligated to make any sales under the agreement and may suspend or terminate the program at any time at its discretion.

   During the three and twelve months ended December 31, 2025, the Company sold 114,008 and 289,903 ordinary shares, respectively, under the ATM program at an average price of $7.62 and $9.67 per share, respectively, for total gross proceeds of approximately $0.9 million and $2.8 million. The Company paid aggregate fees and commissions of $0.1 million to HCW and incurred other expenses of approximately $0.2 million, resulting in net proceeds of approximately $2.5 million. The Company's ATM program expired on November 16, 2025.

3. On June 25, 2025, the Company entered into a securities purchase agreement with certain institutional investors for the issuance and sale of 333,333 ordinary shares and warrants to purchase up to an aggregate of 333,328 ordinary shares at an exercise price of $7.8 per share. Each ordinary share was sold at a combined offering price of $7.8 together with a warrant to purchase one ordinary share. The offering of the ordinary shares and the ordinary shares issuable upon exercise of the warrants was made pursuant to the Company's registration statement on Form S-1, initially filed with the SEC on June 20, 2025, and declared effective by the SEC on June 25, 2025. The warrants are exercisable at any time and from time to time, in whole or in part, following the date of issuance and ending five years from the date of issuance. The offering closed on June 26, 2025. Additionally, the Company issued warrants to purchase up to 20,000 ordinary shares, with an exercise price of $9.75 per share, exercisable at any time and from time to time, in whole or in part, following the date of issuance and ending five years from the date of issuance, to certain representatives of H.C. Wainwright as compensation for its role as the placement agent in the June 2025 public offering.

   The warrants issued in the January 2025 private placement and the June 2025 public offering are considered freestanding instruments. As the warrants are indexed to the Company's ordinary shares and meet the criteria for equity classification, they are recorded in shareholders' equity on the Company's consolidated balance sheets.

c. Share option plans:

On August 1, 2025, the Company's shareholders approved the Lifeward Ltd. 2025 Incentive Compensation Plan (the "2025 Plan"), which became effective on the same date. The 2025 Plan provides for the grant of stock options, stock appreciation rights, restricted stock awards, restricted stock units ("RSUs"), cash-based awards and other stock-based awards to the Company's and its affiliates' respective employees, non-employee directors and consultants. All share and per share amounts presented in this note have been retroactively adjusted to reflect the Company's 1-for-12 reverse share split effected on February 24, 2026.

The Company's prior Lifeward Ltd. 2014 Incentive Compensation Plan (the "2014 Plan") expired on August 19, 2024, and no further grants may be made under it. Certain awards granted under the 2014 Plan remain outstanding and continue to be governed by its terms.

As of December 31, 2025, the Company had reserved 39,851 ordinary shares available for issuance to employees, directors, officers and non-employees of the Company. As of December 31, 2024, no ordinary shares remained reserved, as the Company's Plan expired on August 19, 2024.

RSUs have been granted to non-employee directors and employees under the 2025 Plan. An RSU award represents a right to receive the Company's ordinary shares upon vesting.

Options to purchase ordinary shares have been granted to employees and non-employee directors under the Company's equity incentive plans.

Any options or RSUs that are forfeited or canceled before expiration become available for future grants under the 2025 Plan, as applicable.

Equity awards granted under the Company's equity incentive plans generally vest over four years, with certain awards granted to non-employee directors vesting quarterly over one year.

No stock options were granted during the year ended December 31, 2024. The fair value of stock options granted during the year ended December 31, 2025 was estimated on the grant date using the Black-Scholes-Merton option pricing model based on the following assumptions:

	Year Ended December 31, 2025
Expected volatility	102.5%
Risk-free rate	4.1%
Dividend yield	0%
Expected term (in years)	6.25
Share price	$ 12.51

A summary of the Company's stock options activity for the year ended December 31, 2025 is as follows:

	Number	Weighted average exercise price	Weighted average remaining contractual life (years)	Aggregate intrinsic value (in thousands)
Options outstanding at the beginning of the year	371	$ 2,255.29	3.47	$ -
Granted	52,083	12.51	-	-
Exercised	-	-	-	-
Forfeited	(4)	1,078.44	-	-
Options outstanding at the end of the year	52,450	$ 13.86	9.43	$ -
Options exercisable at the end of the year	367	$ 1,981.30	0.52	$ -

Options were granted during the year ended December 31, 2025. No options were granted during the years ended December 31, 2024 and 2023. The weighted average grant date fair values of options granted during the fiscal year ended December 31, 2025, were $10.31. During fiscal years ended December 31, 2024 and 2023 no options were granted. The aggregate intrinsic value in the table above represents the total intrinsic value that would have been received by the option holders had all option holders who hold options with positive intrinsic value exercised their options on the last day of the fiscal year. During the years ended December 31, 2025, 2024 and 2023, no options were exercised. A summary of the Company's RSU activity for the year ended December 31, 2025 is as follows:

	Number of shares underlying outstanding RSUs	Weighted-average grant date fair value
Unvested RSUs at the beginning of the year	27,215	68.16
Granted	73,915	8.69
Vested	(15,712)	50.52
Forfeited	(11,986)	43.87
Unvested RSUs at the end of the year	73,432	15.30

The weighted average grant date fair values of RSUs granted during the fiscal year ended December 31, 2025, 2024 and 2023, were $8.69, $57.60 and $55.44, respectively.

The total fair value of RSUs vested during the years ended December 31, 2025, 2024 and 2023 was $0.9 million, $1.4 million, and $1.3 million, respectively. As of December 31, 2025, there was $1.4 million of unrecognized compensation cost related to non-vested share-based compensation arrangements granted under the Plan. This cost is expected to be recognized as expense over a period of approximately 2.1 years.

The number of options and RSUs outstanding as of December 31, 2025 is presented below, with options separated by range of exercise prices:

Range of exercise price	Options and RSUs Outstanding as of December 31, 2025	Weighted average remaining contractual life (years) (1)	Options Exercisable as of December 31, 2025	Weighted average remaining contractual life (years) (1)
RSUs only	73,432	-	-	-
$8.6	18,750	9.62	-	-
$14.7	33,333	9.42	-	-
$450.7	147	0.25	147	0.25
$2,142 - $18,272	220	0.70	220	0.70
	125,882	9.43	367	0.52

(1) Calculation of weighted average remaining contractual term does not include the RSUs that were granted, which have an indefinite contractual term.

d. Equity compensation issued to consultants:

No equity awards were granted to non-employees consultants during the year ended December 31, 2025. The Company granted 391 RSUs during the fiscal year ended December 31, 2024, to non-employee consultants. As of December 31, 2025, no RSUs were outstanding.

e. Share-based compensation expense for employees and non-employees:

The Company recognized share-based compensation expense in the consolidated statements of operations as follows (in thousands):

	Year Ended December 31,		
	2025	2024	2023
Cost of revenue	$ 13	$ 16	$ 9
Research and development, net	138	168	157
Sales and marketing	240	401	381
General and administrative	352	696	781
Total	$ 743	$ 1,281	$ 1,328

f. Warrants to purchase ordinary shares:

The following table summarizes information about warrants outstanding and exercisable as of December 31, 2025:

Issuance date	Warrants outstanding (number)	Exercise price per warrant	Warrants outstanding and exercisable (number)	Contractual term
July 6, 2020 (1)	5,340	$ 147.84	5,340	January 6, 2026
December 8, 2020 (2)	6,984	$ 112.56	6,984	June 8, 2026
December 8, 2020 (3)	1,294	$ 150.54	1,294	June 8, 2026
February 26, 2021 (4)	64,998	$ 302.04	64,998	August 26, 2026
February 26, 2021 (5)	7,800	$ 384.56	7,800	August 26, 2026
September 29, 2021 (6)	95,314	$ 168.00	95,314	March 29, 2027
September 29, 2021 (7)	11,437	$ 213.68	11,437	September 27, 2026
January 8, 2025 (8)	151,514	$ 33.00	151,514	January 10, 2028
January 8, 2025 (9)	9,088	$ 41.25	9,088	January 10, 2028
June 26, 2025 (10)	333,328	$ 7.80	333,328	June 26, 2030
June 26, 2025 (11)	20,000	$ 9.75	20,000	June 25, 2030
	707,097		707,097	

(1) Represents warrants that were issued to certain institutional purchasers in a private placement in the Company's registered direct offering of ordinary shares in July 2020. As of December 31, 2025, 24,052 warrants were exercised for total consideration of $3,555,976. During the twelve months that ended December 31, 2025, no warrants were exercised.

(2) Represents warrants that were issued to certain institutional purchasers in a private placement in the Company's private placement offering of ordinary shares in December 2020. As of December 31, 2025, 42,834 warrants were exercised for total consideration of $4,821,416. During the twelve months that ended December 31, 2025, no warrants were exercised.

(3) Represents warrants that were issued to the placement agent as compensation for its role in the Company's December 2020 private placement. As of December 31, 2025, 2,690 warrants were exercised for total consideration of $405,003. During the twelve months that ended December 31, 2025, no warrants were exercised.

(4) Represents warrants that were issued to certain institutional purchasers in a private placement in the Company's private placement offering of ordinary shares in February 2021.

(5) Represents warrants that were issued to the placement agent as compensation for its role in the Company's February 2021 private placement.

(6) Represents warrants that were issued to certain institutional purchasers in a private placement in the Company's registered direct offering of ordinary shares in September 2021.

(7) Represents warrants that were issued to the placement agent as compensation for its role in the Company's September 2021 registered direct offering.

(8) Represents warrants that were issued to certain institutional purchasers in a private placement in the Company's registered direct offering of ordinary shares in January 2025.

(9) Represents warrants that were issued to the placement agent as compensation for its role in the Company's January 2025 registered direct offering.

(10) Represents warrants that were issued to certain institutional investors in connection with the Company's public offering of ordinary shares in June 2025.

(11) Represents warrants that were issued to the placement agent as compensation for its role in the Company's public offering of ordinary shares in June 2025.

NOTE 9:- CONVERTIBLE PROMISSORY NOTES

On November 14, 2025, the Company entered into a Secured Promissory Note (the "Note") with Oramed Ltd. ("Oramed"), pursuant to which the Company issued a secured promissory note in the principal amount of $3.0 million. The loan bears interest at a rate of 15% per annum and is secured by a lien on the Company's cash. The loan matures on May 14, 2026.

The principal and interest under the Note are convertible into ordinary shares at $5.40 per share, subject to limitations described therein. The conversion price reflects the Company's one-for-twelve reverse share split effected on February 24, 2026. The note contains customary representations, covenants and events of default for transactions of this type, including limitations on additional indebtedness, liens, guarantees, mergers, asset sales, investments and related party transactions. Following an event of default, Oramed may accelerate all obligations, impose a default interest rate and exercise other rights and remedies available under the note or applicable law. As of December 31, 2025, no events of default had occurred. In addition, under certain circumstances described in the Note, the Company may be required to pay Oramed a termination fee of $500 thousand.

The Company has evaluated the Note for embedded derivatives required to be bifurcated and concluded that the conversion features and the redemption features should be bifurcated from the debt host since they are not clearly and closely related to the debt host, meet the definition of derivative instruments, and do not qualify for a scope exception under ASC 815. Thus, the embedded features were bifurcated from the debt host and are accounted for at fair value through earnings. The derivative liability is remeasured at fair value at each reporting date, with changes in fair value recognized in earnings.

The Company allocated the proceeds between the conversion option (recorded as a derivative liability) and the debt host based on their respective fair values, with the remaining proceeds allocated to the debt host. The debt host is measured at its amortized cost using the effective interest method. As of the date of the transaction, the amount allocated to the debt host and the derivative liability was $1.4 million and $1.6 million, respectively. As of December 31, 2025, the amortized cost of the debt host was $1.4 million. For the year ended December 31, 2025, the Company recognized total interest expense of $442 thousand related to the Note, which includes the amortization of the debt discount.

NOTE 10:- INCOME TAXES

The Company's subsidiaries are separately taxed under the domestic tax laws of the jurisdiction of incorporation of each entity.

a. Corporate tax rates in Israel:

Presented hereunder are the tax rates relevant to the Company in the years 2023-2025:

The Israeli statutory corporate tax rate and real capital gains were 23% in the years 2023-2025.

b. Income (loss) before taxes on income is comprised as follows (in thousands):

	Year Ended December 31,		
	2025	2024	2023
Domestic	$ (19,316)	$ (15,022)	$ (19,638)
Foreign	(653)	(13,877)	(2,507)
	$ (19,969)	$ (28,899)	$ (22,145)

c. Taxes on income (benefit) are comprised as follows (in thousands):

	Year Ended December 31,		
	2025	2024	2023
Current	$ (55)	$ 43	$ (12)
Deferred	-	-	-
	$ (55)	$ 43	$ (12)

	Year Ended December 31,		
	2025	2024	2023
Domestic	$ -	$ -	$ -
Foreign	(55)	43	(12)
	$ (55)	$ 43	$ (12)

d. Deferred income taxes (in thousands):

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. The Company's deferred tax assets as of December 31, 2025 and 2024 are derived from temporary differences.

In assessing the realization of deferred tax assets, the Company considers whether it is more likely than not that all or some portion of the deferred tax assets will not be realized.

Undistributed earnings of certain subsidiaries as of December 31, 2025 were immaterial. The Company intends to reinvest these earnings indefinitely in the foreign subsidiaries. As a result, the Company has not provided for any deferred income taxes.

	December 31,	
	2025	**2024**
Deferred tax assets:		
Carry forward tax losses	$ 76,695	$ 70,430
Research and development expenses	905	1,378
Accrual and reserves	363	661
Share based compensation	84	507
Credit tax carry forwards	2,189	1,913
Intangible Assets	95	140
Lease liabilities	364	224
Total deferred tax assets	80,695	75,253
Valuation allowance	(79,353)	(75,055)
Deferred tax assets after valuation allowance	$ 1,342	$ 198
Deferred tax liabilities:		
Right-of-use asset	(355)	(136)
Property and equipment	(91)	(62)
Other	(896)	-
Total deferred tax liabilities	(1,342)	(198)
Net deferred tax assets	$ -	$ -

The net changes in the total valuation allowance for each of the years ended December 31, 2025, 2024 and 2023, are comprised as follows (in thousands):

	Year Ended December 31,		
	2025	**2024**	**2023**
Balance at beginning of year	$ (75,055)	$ (65,209)	$ (52,525)
Additions during the year	(4,298)	(9,846)	(12,684)
Balance at end of year	$ (79,353)	$ (75,055)	$ (65,209)

e. Reconciliation of the theoretical tax expenses:

A reconciliation of the Company's theoretical income tax expense to actual income tax expense after the adoption of ASU 23-09 is as follows (in thousands):

	Year Ended December 31, 2025	
Tax at Israel statutory rate	$ (4,593)	23%
Foreign Tax Effects		
United States		
Change in valuation allowance	$ (402)	2.0%
Non-deductible Impairment	584	(2.9)%
Other	11	(0.1)%
Germany	(98)	0.5%
Changes in valuation allowance	4,358	(21.8)%
Non-taxable or Non-deductible Items	85	(0.4)%
Effective Tax Rate	$ (55)	0.3%

A reconciliation of the Company's theoretical income tax expense to actual income tax expense before the adoption of ASU 23-09 is as follows (in thousands):

	Year Ended December 31,	
	2024	2023
Loss before taxes, as reported in the consolidated statements of operations	$ (28,899)	$ (22,145)
Statutory tax rate	23%	23%
Theoretical tax benefits on the above amount at the Israeli statutory tax rate	$ (6,646)	$ (5,093)
Income tax at rate other than the Israeli statutory tax rate	(2,364)	56
Operating losses and other temporary differences for which valuation allowance was provided	9,846	5,410
Permanent differences	(496)	(342)
Adjustment in respect of prior years	(297)	(43)
Actual tax expense (benefit)	$ 43	$ (12)

f. Foreign tax rates:

Taxable income of LI and LCAI was subject to tax at the rate of 21% in 2025, 2024 and 2023.

Taxable income of LG was subject to tax at the rate of 30% in 2025, 2024, and 2023.

g. Tax assessments:

LL has had final tax assessments up to and including the 2020 tax year. LG has had final tax assessments up to and including the 2019 tax year.

LI and LCAI file income tax returns in the United States and in various U.S. states. The returns for the years ended December 31, 2022, and later are generally subject to federal tax examination, while the returns for the years ended December 31, 2021, and later are generally subject to state tax examination. However, net operating losses and tax credits generally remain subject to tax examination and adjustment until they are utilized on a future tax return and the statute of limitations closes for that year. Therefore, tax attributes generally remain open to both federal and state tax examination and adjustment.

h. Net operating carry-forward losses for tax purposes:

As of December 31, 2025, LL has carry-forward losses amounting to approximately $279.9 million, which can be carried forward for an indefinite period.

As of December 31, 2025, the Company had approximately $49.5 million of U.S. federal net operating loss ("NOL") carry forwards, and $35.3 million of state NOL carry forwards, which will begin to expire in 2027 and 2028, respectively. The federal net operating losses from years beginning after January 1, 2018, of approximately $20.0 million may be carried forward indefinitely and losses prior to January 1, 2018 of approximately $29.5 million expire beginning in 2027 under prior law.

Internal Revenue Code Section 382 places a limitation ("Section 382 Limitation") on the amount of taxable income which can be offset by NOL carry forwards after a change in control (generally greater than 50% change in the value of the stock owned by 5% shareholders during the testing period) of a loss corporation. California has similar rules. On August 11, 2023, AlterG was involved in an equity transaction that constitutes a Section 382 change in ownership. The change in ownership limits the ability to utilize net operating loss carry forwards in future years. The 382-limitation impact on NOLs has been included in the current period provision. The Company may have had earlier Section 382 changes in ownership. This will be assessed upon realization of tax attributes.

i. Cash paid for income taxes, net of refunds was as follows:

We adopted ASU 2023-09 on a prospective basis for the year ended December 31, 2025 and have included the following table which presents income taxes paid (net of refunds received) is as follows (in thousands):

	Year Ended December 31, 2025
Israel	-
Foreign	
United States	9
Germany	27
Total cash taxes paid	36

NOTE 11:- FINANCIAL (EXPENSES) INCOME, NET

The components of financial (expenses) income, net were as follows (in thousands):

	Year Ended December 31,		
	2025	2024	2023
Interest Income (expense), net	$ (312)	$ 643	$ 1,354
Bank fees and commissions	(125)	(128)	(20)
Foreign currency transactions and other	(55)	(67)	133
Income from derivatives remeasurement	197	-	-
	$ (295)	$ 448	$ 1,467

NOTE 12:- REPORTABLE SEGMENT

ASC 280, “Segment Reporting,” establishes standards for reporting information about operating segments. Operating segments are defined as components of an enterprise about which separate financial information is available that is evaluated regularly by the chief operating decision maker ("CODM") in deciding how to allocate resources and in assessing performance. The Company manages its business on the basis of one reportable segment and unit and derives revenues mainly from products, lease revenues and warranty and services (see Note 1 for a brief description of the Company’s business and Note 2l for details on the Company's revenue recognition).

The Company operates as one operating segment. Operating segments are defined as components of an enterprise for which separate financial information is regularly evaluated by the CODM, which is the Company’s chief executive officer, who reviews financial information and annual operating plans presented on a consolidated basis, for purposes of making operating decisions, evaluating financial performance, and allocating resources. There is no expense or asset information, that are supplemental to those disclosed in these consolidated financial statements, that are regularly provided to the CODM. The allocation of resources and assessment of performance of the operating segment is based on consolidated net loss as shown in our consolidated statements of operations. The CODM considers net loss in the annual forecasting process and reviews actual results when making decisions about allocating resources. Since the Company operates as one operating segment, financial segment information, including profit or loss and asset information, can be found in the consolidated financial statements.

NOTE 13:- GEOGRAPHIC INFORMATION AND MAJOR CUSTOMER AND PRODUCT DATA

Total revenues from external customers on the basis of the Company's geographical areas are as follows (in thousands):

	Year Ended December 31,		
	2025	**2024**	**2023**
Revenue based on customer’s location:			
United States	13,237	14,425	7,636
Europe	2,907	5,124	2,340
Germany	4,014	4,422	2,704
Asia-Pacific	460	825	387
Rest of the world	1,416	867	787
Total revenues	$ 22,034	$ 25,663	$ 13,854

	December 31,	
	2025	**2024**
Long-lived assets by geographic region (*):		
Israel	$ 1,579	$ 359
United States	545	947
Germany	5	109
	$ 2,129	$ 1,415

(*) Long-lived assets are comprised of property and equipment, net, and operating lease right-of-use assets.

Major customers data as a percentage of total revenue:

	Year Ended December 31,		
	2025	**2024**	**2023**
Customer A	14.7%	12.3%	-
Customer B	*)	*)	12.2%

*) Less than 10%

NOTE 14:- BASIC AND DILUTED NET LOSS PER SHARE

The following table sets forth the computation of the Company's basic and diluted net loss per ordinary share (in thousands, except share and per share data):

	Year ended December 31,		
	2025	2024	2023
Net loss	$ (19,914)	$ (28,942)	$ (22,133)
Net loss attributable to ordinary shares	(19,914)	(28,942)	(22,133)
Shares used in computing net loss per ordinary shares, basic and diluted *	1,160,521	724,272	710,941
Net loss per ordinary share, basic and diluted	$ (17.16)	$ (39.96)	$ (31.13)

(*) Reflects one-for-seven reverse share split that became effective on March 15, 2024. See Note 8a to the consolidated financial statements. All share and per share amounts presented in this note have been retroactively adjusted to reflect the Company's 1-for-12 reverse share split effected on February 24, 2026.

Basic and diluted net loss per share was the same for each period presented as the inclusion of all potential shares of ordinary shares and warrants outstanding would have been anti-dilutive.

For the twelve months ended December 31, 2025, 2024 and 2023 the total number of ordinary shares related to the outstanding warrants, share option plans and convertible notes aggregated to 759,547, 198,772 and 228,816, respectively. The amount was excluded from the calculations of diluted loss per ordinary share since it would have an anti-dilutive effect.

NOTE 15:- SUBSEQUENT EVENTS

a. In January 2026, we entered into agreements with Oramed Pharmaceuticals, Inc. ("Oramed") and its subsidiary, Oratech Pharma, Inc. ("Oratech"), pursuant to which we agreed to acquire all of the outstanding equity interests of Oratech and enter into related financing arrangements with Oramed and certain investors. Additional information regarding these agreements is included in "Part I – Business." In connection with the anticipated transaction, we received bridge financing from Oramed. On February 12, 2026, we entered into an additional secured promissory note with Oramed with an initial principal amount of $525,000, which may be increased upon mutual consent of the parties. On March 11, 2026, the parties agreed to increase the amount available under this note by an additional $500,000, resulting in an aggregate principal amount of $1,025,000 available under the note. Additional information regarding the Company's promissory notes is included in Note 9 to the consolidated financial statements. On March 12, 2026, our shareholders approved the transaction. The closing of the transaction remains subject to the satisfaction of customary closing conditions.

b. On February 24, 2026, the Company effected a one-for-twelve reverse share split of its ordinary shares. As a result of the reverse share split, every twelve issued and outstanding ordinary shares were automatically combined into one ordinary share. All share and per-share amounts presented in these consolidated financial statements have been retroactively adjusted to reflect the reverse share split. Additional information regarding the reverse share split is included in Note 8A to the consolidated financial statements.

c. On February 19, 2026, we entered into an Intellectual Property Assignment and Technology Transfer Agreement with Skelable Ltd., an Israeli limited liability company, pursuant to which we agreed to acquire certain intellectual property and related technology assets associated with a powered upper-body robotic orthotic system. In connection with the transaction, certain employees of Skelable are expected to enter into employment agreements with us. The consideration for the assets is up to $500,000, payable in instalments subject to the achievement of certain milestones, consisting primarily of our ordinary shares and $20,000 in cash. The transaction remains subject to customary closing conditions, and the initial closing is expected to occur in the near future.

Exhibit 3.1

THE ISRAELI COMPANIES LAW

A COMPANY LIMITED BY SHARES

EIGHTH AMENDED AND RESTATED

ARTICLES OF ASSOCIATION

OF

Lifeward Ltd.

GENERAL PROVISIONS

1. Definitions

a) In these Articles the following terms shall bear the meaning ascribed to them below:

"**Alternate Director**" is defined in Article 41.

"**Annual General Meeting**" shall have the meaning assigned to such term in the Companies Law.

The "**Articles**" shall mean these Articles of Association of the Company, as amended from time to time.

"**Audit Committee**" shall mean the Audit Committee of the Board of Directors.

"**Board of Directors**" shall mean Board of Directors of the Company.

The "**Company**" shall mean Lifeward Ltd.

The "**Companies Law**" shall mean the Israeli Companies Law, 1999, as amended from time to time.

A "**Director**" shall mean a member of the Board of Directors.

"**External Director**" shall have the meaning assigned to such term in the Companies Law.

"**Extraordinary General Meeting**" shall mean any General Meeting other than the Annual General Meeting.

"**General Counsel"** shall mean the General Counsel of the Company.

"**General Manager(s)**" is defined in Article 46.

"**General Meeting**" shall mean a general meeting of the shareholders of the Company, which may be an Annual General Meeting or an Extraordinary General Meeting.

"**NIS**" shall mean New Israeli Shekel.

"**Office**" means the registered office of the Company.

"**Ordinary Majority**" shall mean a simple majority of the votes cast by shareholders at a General Meeting in person or by means of a proxy.

"**Ordinary Shares**" shall mean the ordinary shares of the Company, without par value.

"**Person**" shall mean any individual or firm, corporation, partnership, association, trust or other entity.

"**Register of Shareholders**" shall mean a register of the shareholders of the Company.

The "**Secretary**" shall mean the corporate secretary of the Company.

"**Shareholders Resolution**" shall mean a resolution adopted by votes of shareholders of the Company at a General Meeting.

b) The captions in these Articles are for convenience only and shall not be deemed a part hereof or affect the construction of any provision hereof.

c) Unless the subject or the context otherwise requires, words and expressions not defined herein shall have the respective meanings set forth in the Companies Law in force on the date when these Articles or any amendment thereto, as the case may be, first became effective; words and expressions importing the singular shall include the plural and vice versa; and words and expressions importing the masculine gender shall include the feminine gender.

2. Object and Purpose of the Company

(a) The object and purpose of the Company shall be to engage in any lawful activity.

(b) In accordance with Section 11(a) of the Companies Law, the Company may donate reasonable amounts to any cause it deems worthy. The Board of Directors or an authorized Committee of the Board of Directors may from time to time determine the policy and amounts within which such donations may be made by the Company, and the Person or Persons authorized to approve any such specific donation.

3. Limitation of Liability

The liability of the shareholders is limited to the payment of the nominal value of the shares in the Company issued to them and which remains unpaid, and only to that amount. If the Company's share capital shall include at any time shares without a nominal value, the shareholders' liability in respect of such shares shall be limited to the payment of up to NIS 1.75 for each such share issued to them and which remains unpaid, and only to that amount.

SHARE CAPITAL

4. Authorized Share Capital

The authorized share capital of the Company is One Hundred Million (100,000,000) Ordinary Shares, without par value.

5. Increase of Authorized Share Capital

(a) The Company may, from time to time, by Shareholders Resolution, whether or not all the shares then authorized have been issued, and whether or not all the shares theretofore issued have been called up for payment, increase its authorized share capital by the creation of new shares through amending these Articles. Any such increase shall be in such amount and shall be divided into shares of such nominal amounts (or no nominal amounts), and such shares shall confer such rights and preferences, and shall be subject to such restrictions, as such resolution shall provide.

(b) Except to the extent otherwise provided in such resolution, such new shares shall be subject to all the provisions applicable to the shares prior to such resolution.

6. Rights of the Ordinary Shares

The Ordinary Shares confer upon the holders thereof all rights accruing to a shareholder of the Company, as provided in these Articles, including, *inter alia*, the right to receive notices of, and to attend meetings of shareholders; for each share held, the right to one vote at all meetings of shareholders; and to share equally, on a per share basis, in such dividend and other distributions to shareholders of the Company as may be declared by the Board of Directors in accordance with these Articles and the Companies Law, and upon liquidation or dissolution of the Company, in the distribution of assets of the Company legally available for distribution to shareholders in accordance with the terms of applicable law and these Articles. All Ordinary Shares rank *pari passu* in all respects with each other.

7. Special Rights; Modifications of Rights

(a) The Company may, from time to time, by Shareholders Resolution, provide for shares with such preferred or deferred rights or rights of redemption or other special rights and/or such restrictions, whether in regard to dividends, voting, repayment of share capital or otherwise, as may be stipulated in such resolution.

(b) (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class, unless otherwise provided by these Articles and subject to applicable law, may be modified or abrogated by the Company, by Shareholders Resolution, subject to an approval by a resolution passed by the holders of a simple majority of the shares of such class voting at a separate General Meeting of the holders of the shares of such class.

(ii) The provisions of these Articles relating to General Meetings shall, *mutatis mutandis*, apply to any separate General Meeting of the holders of the shares of a particular class.

(iii) Unless otherwise provided by these Articles, the enlargement of an existing class of shares, or the issuance of additional shares thereof, shall not be deemed, for purposes of this Article 7(b), to modify or abrogate the rights attached to the previously issued shares of such class or of any other class.

8. Consolidation, Subdivision, Cancellation and Reduction of Share Capital

(a) The Company may, from time to time, by Shareholders Resolution (subject, however, to the provisions of Article 7(b) hereof and to applicable law):

(i) consolidate and divide all or any of its issued or unissued share capital into shares of larger nominal value than its existing shares;

(ii) subdivide its shares (issued or unissued) or any of them, into shares of smaller nominal value than is fixed by these Articles (subject, however, to the provisions of the Companies Law), and the Shareholders Resolution whereby any share is subdivided may determine that, as among the holders of the shares resulting from such subdivision, one or more of the shares may, as compared with the others, have any such preferred or deferred rights or rights of redemption or other special rights, or be subject to any such restrictions, as the Company has power to attach to unissued or new shares;

(iii) cancel any shares which, at the date of the adoption of such resolution, have not been taken or agreed to be taken by any Person, and diminish the amount of its share capital by the amount of the shares so cancelled; or

(iv) reduce its share capital in any manner, and with and subject to any consent required by law.

(b) With respect to any consolidation of issued shares into shares of larger nominal value, and with respect to any other action which may result in fractional shares, the Board of Directors may settle any difficulty which may arise with regard thereto, as it deems fit, including, *inter alia*, resort to one or more of the following actions:

(i) determine, as to the holder of shares so consolidated, which issued shares shall be consolidated into each share of larger nominal value;

(ii) issue, in contemplation of or subsequent to such consolidation or other action, such shares or fractional shares sufficient to preclude or remove fractional share holdings;

(iii) redeem, in the case of redeemable preference shares, and subject to applicable law, such shares or fractional shares sufficient to preclude or remove fractional share holdings;

(iv) subject to applicable law, cause the transfer of fractional shares by certain shareholders of the Company to other shareholders thereof so as to most expediently preclude or remove any fractional shareholdings, and cause the transferees to pay the transferors the fair value of fractional shares so transferred, and the Board of Directors is hereby authorized to act as agent for the transferors and transferees with power of substitution for purposes of implementing the provisions of this sub-Article 8(b)(iv); or

(v) cause the aggregation of fractional shares and the sale thereof so as to most expediently preclude or remove any fractional shareholding and cause the proceeds thereof, less expenses, to be paid to the former holders of the fractional shares.

(c) Notwithstanding the foregoing, if a class of shares has no nominal value, then any of the foregoing actions may be taken with respect to such class without regard to nominal value.

SHARES

9. Issuance of Share Certificates; Replacement of Lost Certificates

(a) Share certificates shall be issued under the seal or stamp of the Company and shall bear the signature of any two (2) Directors or any two (2) of the following: the General Manager, the Chief Financial Officer, the General Counsel, the Secretary, the Chairman of the Board of Directors, the Vice Chairman of the Board of Directors, or of any other Person or Persons authorized thereto by the Board of Directors. For the avoidance of doubt, any transfer agent designated by the Company may issue share certificates on behalf of the Company even if the signatories on the share certificate no longer serve in the relevant capacities at the time of such issuance.

(b) The Company may issue un-certificated shares, provided, however, that each holder of shares shall be entitled to one numbered certificate for all the shares of any class registered in his name, and if reasonably requested by such holder, to several certificates, each for one or more of such shares.

(c) A share certificate registered in the names of two or more Persons shall be delivered to the Person first named in the Register of Shareholders in respect of such co-ownership.

(d) If a share certificate is defaced, lost or destroyed, it may be replaced, upon payment of such fee, and upon the furnishing of such evidence of ownership and such affidavit and indemnity or security, as the Company's Secretary may deem fit.

10. Issuance of Shares; Registered Holders of Shares

(a) The unissued shares from time to time shall be under the control of the Board of Directors, who shall have the power to issue shares or otherwise dispose of them to such Persons, on such terms and conditions (including *inter alia* terms relating to calls as set forth in Article 11(f) hereof), and either at par or at a premium, or, subject to the provisions of the Companies Law, at a discount, and at such times, as the Board of Directors may deem fit, and the power to give to any Person the option to acquire from the Company any shares, either at par or at a premium, or, subject to the provisions of the Companies Law, at a discount, during such time and for such consideration as the Board of Directors may deem fit.

(b) Except as otherwise provided in these Articles, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof, and, accordingly, shall not, except as ordered by a court of competent jurisdiction, or as required by statute, be bound to recognize any trust or equitable or other claim to, or interest in such share on the part of any other Person.

(c) Subject to and in accordance with the provisions of the Companies Law and to all orders and regulations issued thereunder, the Board of Directors may elect to maintain one or more Registers of Shareholders outside of Israel in addition to its principal Register of Shareholders, and each such register shall be deemed a Register of Shareholders for purposes of these Articles, and, subject to all applicable requirements of law, the Board of Directors may from time to time adopt such rules and procedures as it may think fit in connection with the keeping of such branch registers.

11. Calls on Shares

(a) The Company may, from time to time, make such calls as the Board of Directors may determine upon holders of shares in respect of any sum unpaid for shares held by such holders which is not, by the terms of issuance thereof or otherwise, payable at a fixed time, and each such holder shall pay the amount of every call so made upon him (and of each installment thereof if the same is payable in installments), to the Person(s) and at the time(s) and place(s) designated by the Board of Directors, as any such time(s) may be thereafter extended and/or such Person(s) or place(s) changed. Unless otherwise stipulated in the resolution of the Board of Directors (and in the notice hereafter referred to), each payment in response to a call shall be deemed to constitute a pro rata payment on account of all shares in respect of which such call was made.

(b) Notice of any call shall be given in writing to the holder(s) in question not less than fourteen (14) days prior to the time of payment, specifying the time and place of payment, and designating the Person to whom such payment shall be made, provided, however, that before the time for any such payment, the Company upon approval of the Board of Directors may, by notice in writing to such holder(s), revoke such call in whole or in part, extend such time, or alter such Person and/or place. In the event of a call payable in installments, only one notice thereof need be given.

(c) If, by the terms of issuance of any share or otherwise, any amount is made payable at any fixed time, every such amount shall be payable at such time as if it were a call duly made by the Company and of which due notice had been given, and all the provisions herein contained with respect to such calls shall apply to each such amount.

(d) The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof and all interest payable thereon.

(e) Any amount unpaid in respect of a call shall bear interest from the date on which it is payable until actual payment thereof, at such rate (not exceeding the then prevailing debitory rate charged by leading commercial banks in Israel), and at such time(s) as the Board of Directors may prescribe.

(f) Upon the issuance of shares, the Board of Directors may provide for differences among the holders of such shares as to the amount of calls and/or the times of payment thereof.

(g) With the approval of the Board of Directors, any holder of shares may pay to the Company any amount not yet payable in respect of his shares. The Board of Directors may at any time cause the Company to repay all or any part of the money so advanced, without premium or penalty.

12. Forfeiture and Surrender

(a) If any holder fails to pay any amount payable in respect of a call, or interest thereon as provided for herein, on or before the day fixed for payment of the same, the Company, by resolution of the Board of Directors, may at any time thereafter, so long as the said amount or interest remains unpaid, forfeit all or any of the shares in respect of which said call had been made. Any expense incurred by the Company in attempting to collect any such amount or interest, including, *inter alia*, attorneys' fees and costs of suit, shall be added to, and shall, for all purposes (including the accrual of interest thereon), constitute a part of the amount payable to the Company in respect of such call.

(b) Upon the adoption of a resolution of forfeiture, the Board of Directors shall cause notice thereof to be given to such holder, which notice shall state that, in the event of the failure to pay the entire amount so payable within a period stipulated in the notice (which period shall not be less than fourteen (14) days and which may be extended by the Company with the approval of the Board of Directors), such shares shall be *ipso facto* forfeited, provided, however, that, prior to the expiration of such period, the Board of Directors may nullify such resolution of forfeiture, but no such nullification shall estop the Board of Directors from adopting a further resolution of forfeiture in respect of the non-payment of the same amount.

(c) Whenever shares are forfeited as herein provided, all dividends theretofore declared in respect thereof and not actually paid shall be deemed to have been forfeited at the same time.

(d) The Company, by resolution of the Board of Directors, may accept the voluntary surrender of any share.

(e) Any shares forfeited or surrendered as provided herein shall become Dormant Shares and the property of the Company, and the same, subject to the provisions of these Articles, may be sold, re-issued or otherwise disposed of as the Board of Directors deems fit.

(f) Any holder whose shares have been forfeited or surrendered shall cease to be a holder in respect of the forfeited or surrendered shares, but shall, notwithstanding, be liable to pay, and shall forthwith pay, to the Company, all calls, interest and expenses owing upon or in respect of such shares at the time of forfeiture or surrender, together with interest thereon from the time of forfeiture or surrender until actual payment, at the rate prescribed in Article 11(e) above, and the Company, in its discretion, may enforce the payment of such moneys, or any part thereof, but shall not be under any obligation to do so. In the event of such forfeiture or surrender, the Company, by resolution of the Board of Directors, may accelerate the date(s) of payment of any or all amounts then owing by the holder in question (but not yet due) in respect of all shares owned by such holder, solely or jointly with another.

(g) The Board of Directors may at any time, before any share so forfeited or surrendered shall have been sold, re-issued or otherwise disposed of, nullify the forfeiture or surrender on such conditions as it deems fit, but no such nullification shall estop the Board of Directors from re-exercising its powers of forfeiture pursuant to this Article 12.

13. Lien

(a) Except to the extent the same may be waived or subordinated in writing, to the extent permitted by applicable law, the Company shall have a first and paramount lien upon all the shares (other than shares which are fully paid up) registered in the name of each holder (without regard to any equitable or other claim or interest in such shares on the part of any other Person), and upon the proceeds of the sale thereof, for his debts and liabilities, solely or jointly with another, to the Company in respect of such shares, whether the period for the payment, fulfillment or discharge thereof shall have actually arrived or not. Such lien shall extend to all dividends from time to time declared in respect of such share. Unless otherwise provided, the registration by the Company of a transfer of shares shall be deemed to be a waiver on the part of the Company of the lien (if any) existing on such shares immediately prior to such transfer.

(b) The Board of Directors may cause the Company to sell any shares subject to such lien when any such debt or liability has matured, in such manner as the Board of Directors may deem fit, but no such sale shall be made unless such debt or liability or has not been satisfied within fourteen (14) days after written notice of the intention to sell shall have been served on such holder, his executors or administrators.

(c) The net proceeds of any such sale, after payment of the costs thereof, shall be applied in or toward satisfaction of such debts or liabilities of such holder (whether or not the same have matured), or any specific part of the same (as the Company may determine), and the residue (if any) shall be paid to the holder, his executors, administrators or assigns.

14. Sale after Forfeiture or Surrender or in Enforcement of Lien

Upon any sale of shares after forfeiture or surrender or for enforcing a lien, the Board of Directors may appoint some Person to execute an instrument of transfer of the shares so sold and cause the purchaser's name to be entered in the Register of Shareholders in respect of such shares, and the purchaser shall not be bound to see to the propriety of the proceedings, or to the application of the purchase money, and after his name has been entered in the Register of Shareholders in respect of such shares, the validity of the sale shall not be impeached by any Person, and the remedy of any Person aggrieved by the sale shall be in damages only and against the Company exclusively.

15. Redeemable Shares

The Company may, subject to applicable law, issue redeemable shares and redeem the same upon the conditions and terms determined by the Board of Directors.

TRANSFER OF SHARES

16. Effectiveness and Registration

(a) No transfer of shares shall be registered in the Register of Shareholders unless a proper instrument of transfer (in form and substance satisfactory to the Secretary) has been submitted to the Company or its agent, together with any share certificate(s) and such other evidence of title as the Secretary may reasonably require, and unless such transfer complies with applicable law and these Articles. Until the transferee has been registered in the Register of Shareholders in respect of the shares so transferred, the Company may continue to treat the transferor as the owner thereof. The Board of Directors may, from time to time, prescribe a fee for the registration of a transfer.

(b) The Company shall be entitled to refuse to recognize a transfer deed until the certificate of the transferred share is attached to it together with any other evidence which the Board of Directors or the Secretary shall require as proof of the transferor's right to transfer the share and payment of any transfer fee determined by the Board of Directors. Registered transfer deeds shall remain with the Company, but any transfer deed which the Company refused to register shall be returned to the transferor upon demand.

(c) The Board of Directors may close the Register of Shareholders for a period of up to thirty (30) days in each year.

TRANSMISSION OF SHARES

17. Decedents' Shares

(a) In case of a share registered in the names of two or more holders, the Company may recognize the survivor(s) as the sole owner(s) thereof unless and until the provisions of Article 17(b) have been effectively invoked.

(b) Any Person becoming entitled to a share in consequence of the death of any individual, upon producing evidence of the grant of probate or letters of administration or declaration of succession (or such other evidence as the Board of Directors or the Secretary may reasonably deem sufficient of the capacity in which he proposes to act under this Article), shall be registered as a holder in respect of such share, or may, subject to the regulations as to transfer herein contained, transfer such share.

18. Receivers and Liquidators

(a) The Company may recognize the receiver or liquidator or similar official of any corporate shareholder in winding-up or dissolution, or the receiver or trustee or similar official in bankruptcy or in connection with the reorganization of any shareholder, as being entitled to the shares registered in the name of such shareholder.

(b) The receiver or liquidator or similar official of a corporate shareholder in winding-up or dissolution, or the receiver or trustee or similar official in bankruptcy or in connection with the reorganization of any shareholder, upon producing such evidence as the Board of Directors or the Secretary may deem sufficient of the capacity in which he proposes to act under this Article, shall with the consent of the Secretary, be registered as a shareholder in respect of such shares, or may, subject to the provisions as to transfer herein contained, transfer such shares.

RECORD DATE WITH RESPECT TO OWNERSHIP OF SHARES

19. Record Dates

(a) Notwithstanding any provision to the contrary in these Articles, for the determination of the holders entitled to receive notice of and to participate in and vote at a General Meeting or to express consent to or dissent from any corporate action in writing, the Board of Directors may fix, in advance, a record date which shall neither be earlier nor later than is permitted under applicable law. No Persons other than holders of record of Ordinary Shares as of such record date shall be entitled to notice of and to participate in and vote at such General Meeting, or to exercise such other right, as the case may be. A determination of holders of record with respect to a General Meeting shall apply to any adjournment of such meeting, provided that the Board of Directors may fix a new record date for an adjourned meeting.

(b) Subject to the applicable law, the holders entitled to receive payment of any dividend or other distribution or issuance of any rights, shall be the shareholders on the date upon which it was resolved to distribute the dividend or at such later date as shall be determined by, or pursuant to a resolution of, the Board of Directors.

GENERAL MEETINGS

20. Annual General Meeting

An Annual General Meeting shall be held once in every calendar year at such time (within a period of not more than fifteen (15) months after the last preceding Annual General Meeting) and at such place either within or without the State of Israel as may be determined by the Board of Directors.

21. Extraordinary General Meetings

The Board of Directors may, whenever it deems fit, convene an Extraordinary General Meeting at such time and place, within or without the State of Israel, as may be determined by the Board of Directors, and shall be obliged to do so upon a demand in writing in accordance with Section 63(b) of the Companies Law, if the proposed resolution is suitable for determination by shareholders.

22. Notice of General Meetings

(a) The Company is required to give such prior notice of a General Meeting as required by applicable law, but in any event not less than fourteen (14) days. The Company is not required to deliver personal notice to every shareholder except to the extent required by applicable law. In any event, the accidental omission to give notice of a meeting to any shareholder or the non-receipt of notice by any of the shareholders shall not invalidate the proceedings at any meeting.

(b) The notice of the meeting shall set forth the agenda of the meeting.

(c) Any Shareholder or Shareholders of the Company holding at least one percent (1%) of the voting rights of the Company (the "Proposing Shareholder(s)") may request, subject to the Companies Law, that the Board of Directors include a matter on the agenda of a General Meeting, provided that the matter is appropriate to be considered in a General Meeting (a "Proposal Request"). In order for the Board of Directors to consider a Proposal Request and whether to include the matter stated therein in the agenda of a General Meeting, notice of the Proposal Request must be timely delivered under any applicable law and stock exchange rules and regulations and the Proposal Request must comply with the requirement of these Articles (including this Article 22) and any applicable law and stock exchange rules and regulations. The Proposal Request must be in writing, signed by all of the Proposing Shareholder(s) making such request, delivered, either in person or by certified mail, postage prepaid, and received by the Secretary (or, in the absence thereof by the Chief Executive Officer of the Company). The announcement of an adjournment or postponement of a General Meeting shall not commence a new time period (or extend any time period) for the delivery of a Proposal Request as described above. The Proposal Request must include the following: (i) the name, address, telephone number, fax number and email address of the Proposing Shareholder (or each Proposing Shareholder, as the case may be) and, if an entity, the name(s) of the person(s) that controls or manages such entity; (ii) the number of Ordinary Shares held by the Proposing Shareholder(s), directly or indirectly (and, if any of such Ordinary Shares are held indirectly, an explanation of how they are held and by whom), which shall be in such number no less than as is required to qualify as a Proposing Shareholder, accompanied by evidence satisfactory to the Company of the record holding of such Ordinary Shares by the Proposing Shareholder(s) as of the date of the Proposal Request, and a representation that the Proposing Shareholder(s) intends to appear in person or by proxy at the meeting; (iii) the matter requested to be included on the agenda of a General Meeting, all information related to such matter, the reason that such matter is proposed to be brought before the General Meeting, the complete text of the resolution that the Proposing Shareholder proposes to be voted upon at the General Meeting and, if the Proposing Shareholder wishes to have a position statement in support of the Proposal Request, a copy of such position statement that complies with the requirement of any applicable law; (iv) a description of all arrangements or understandings between the Proposing Shareholders and any other Person(s) (naming such Person or Persons) in connection with the matter that is requested to be included on the agenda and a declaration signed by all Proposing Shareholder(s) of whether any of them has a personal interest in the matter and, if so, a description in reasonable detail of such personal interest; (v) a description of all Derivative Transactions (as defined below) by each Proposing Shareholder(s) during the previous twelve (12) month period, including the date of the transactions and the class, series and number of securities involved in, and the material economic terms of, such Derivative Transactions; and (vi) a declaration that all of the information that is required under the Companies Law and any other applicable law and stock exchange rules and regulations to be provided to the Company in connection with such matter, if any, has been provided to the Company. The Board of Directors, may, in its discretion, to the extent it deems necessary, request that the Proposing Shareholder(s) provide additional information necessary so as to include a matter in the agenda of a General Meeting, as the Board of Directors may reasonably require. A "Derivative Transaction" means any agreement, arrangement, interest or understanding entered into by, or on behalf or for the benefit of, any Proposing Shareholder or any of its affiliates or associates, whether of record or beneficial: (i) the value of which is derived in whole or in part from the value of any class or series of shares or other securities of the Company, (ii) which otherwise provides any direct or indirect opportunity to gain or share in any gain derived from a change in the value of securities of the Company, (iii) the effect or intent of which is to mitigate loss, manage risk or benefit of security value or price changes, or (iv) which provides the right to vote or increase or decrease the voting power of, such Proposing Shareholder, or any of its affiliates or associates, with respect to any shares or other securities of the Company, which agreement, arrangement, interest or understanding may include, without limitation, any option, warrant, debt position, note, bond, convertible security, swap, stock appreciation right, short position, profit interest, hedge, right to dividends, voting agreement, performance-related fee or arrangement to borrow or lend shares (whether or not subject to payment, settlement, exercise or conversion in any such class or series), and any proportionate interest of such Proposing Shareholder in the securities of the Company held by

any general or limited partnership, or any limited liability company, of which such Proposing Shareholder is, directly or indirectly, a general partner or managing member.

The information required pursuant to this Article 22(c) shall be updated as of (i) the record date of the General Meeting, (ii) five business days before the General Meeting, and (iii) as of the General Meeting, and any adjournment or postponement thereof.

(d) Notwithstanding anything to the contrary in these Articles, unless otherwise provided by applicable law, notice by the Company of a General Meeting which is published in one (1) daily newspaper in the State of Israel, if at all, shall be deemed to have been duly given on the date of such publication to any shareholder whose address as registered in the Register of Shareholders (or as designated in writing for the receipt of notices and other documents) is located in the State of Israel or whose shares of the Company are registered with a transfer agent, or listed for trade on a stock exchange, that is located in the State of Israel.

(e) Notwithstanding anything to the contrary in these Articles, unless otherwise provided by applicable law, notice by the Company of a General Meeting or any other matter which is published via one international wire service shall be deemed to have been duly given on the date of such publication to any shareholder whose address as registered in the Register of Shareholders (or as designated in writing for the receipt of notices and other documents) is located outside the State of Israel or whose shares of the Company are registered with a transfer agent, or listed for trade on a stock exchange that is located outside the State of Israel.

PROCEEDINGS AT GENERAL MEETINGS

23. Quorum

Two or more holders of Ordinary Shares (not in default in payment of any sum referred to in Article 12(a) hereof), present in person or by proxy and holding shares conferring in the aggregate at least thirty-three-and-one-third percent (33-1/3%) of the voting power of the Company shall constitute a quorum at General Meetings. No business shall be transacted at a General Meeting, or at any adjournment thereof, unless the requisite quorum is present when the meeting proceeds to business.

24. Chairman of Meetings

The Chairman, if any, of the Board of Directors shall preside as Chairman at every General Meeting of the Company. If there is no such Chairman, or if at any meeting he is not present within fifteen (15) minutes after the time fixed for the meeting or is unwilling to act as Chairman or has notified the Company that he will not attend such meeting, the holders of Ordinary Shares present (or their proxies) shall choose someone else to be Chairman. The office of Chairman shall not, by itself, entitle the holder thereof to vote at any General Meeting (without derogating, however, from the rights of such Chairman to vote as a holder of Ordinary Shares or proxy of a shareholder if, in fact, he is also a shareholder or a proxy).

25. Adoption of Resolutions at General Meetings

(a) Subject to Article 35(a), unless otherwise indicated herein or required by applicable law any Shareholders Resolution shall be deemed adopted if approved by an Ordinary Majority, including without limitation, a Merger of the Company or an amendment to these Articles, to the extent permitted by applicable law.

(b) Every question submitted to a General Meeting shall be decided by a show of hands, without derogating from voting by written ballot to the extent permitted, pursuant to applicable law.

(c) A declaration by the Chairman of the meeting that a resolution has been carried unanimously, or carried by a particular majority, or defeated, and an entry to that effect in the minutes book of the Company, shall be conclusive evidence of the fact without need of proof of the number or proportion of the votes recorded in favor of or against such resolution.

26. Power to Adjourn

The Chairman of a General Meeting at which a quorum is present may, with the consent of the holders of a majority of the voting power represented in person or by proxy and voting on the question of adjournment (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting as originally called. In addition, the Chairman shall, if directed by the Board, adjourn a General Meeting (whether prior to or at the General Meeting) from time to time and from place to place, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting as originally called.

27. Voting Power

Subject to applicable law, and subject to any provision hereof conferring special rights as to voting, or restricting the right to vote, every holder of Ordinary Shares shall have one vote for each share registered in his name in the Register of Shareholders upon any resolution put to a vote of the holders of Ordinary Shares.

28. Voting Rights

(a) The shareholders entitled to vote at a General Meeting shall be the shareholders listed in the Company's Register(s) of Shareholders on the record date, as specified in Article 19.

(b) A company or other entity which is not an individual being a holder of Ordinary Shares of the Company may be represented by an authorized individual at any meeting of the Company. Such authorized individual shall be entitled to exercise on behalf of such holder all the power, which the latter could have exercised if it were an individual shareholder. Upon the request of the Chairman of the meeting, written evidence of such authorization (in form acceptable to the Chairman in his sole discretion) shall be delivered to him.

(c) Any holder of Ordinary Shares entitled to vote at the General Meeting may vote thereat either personally or by proxy (who need not be a shareholder of the Company), or, if the shareholder is a company or other corporate body, by a representative authorized pursuant to Article 28(b).

(d) If two or more Persons are registered in the Register of Shareholders as joint holders of any Ordinary Share, the vote of the senior who tenders a vote, in person or by proxy, shall be accepted to the exclusion of the vote(s) of the other joint holder(s); and for this purpose seniority shall be determined by the order in which the names stand in the Register of Shareholders, all subject to applicable law.

(e) No shareholders shall be entitled to vote at any General Meeting (or be counted as a part of the quorum thereat), unless all calls and other sums then payable by him in respect of his shares in the Company have been paid.

(f) The Board of Directors may determine, in its discretion, the matters, if any, that may be voted upon by written ballot delivered to the Company (without attendance in person or by proxy) at a General Meeting, in addition to the matters on which shareholders are entitled to do so pursuant to applicable law.

(g) Subject to the provisions of applicable law, the Secretary of the Company may, in his discretion, disqualify proxies, proxy cards, written ballots or any other similar instruments.

PROXIES

29. Instrument of Appointment

(a) The instrument appointing a proxy shall be substantially in the form provided below or any other usual or customary form or such other form as may be approved by the Board of Directors from time to time. It shall be duly signed by the appointer or his duly authorized attorney or, if such appointer is a company or other corporate body, under its common seal or stamp or the hand of its duly authorized agent(s) or attorney(s).

"I, the undersigned, _____, being a
(name of shareholder)

shareholder of **Lifeward Ltd.** hereby appoint

_____ of _____
(name of proxy) (address of proxy)

as my proxy to attend and vote on my behalf at [any General Meeting of the Company] [the General Meeting of the Company to be held on the _____ day of _____ , 2____] and at any adjournment thereof.

Signed this _____ day of _____, 2___ .

_____."
(signature of shareholder)

(b) The instrument appointing a proxy (and the power of attorney or other authority, if any, under which such instrument has been signed) shall be delivered to the Company (at its registered office, or at its principal place of business or at the offices of its registrar and/or transfer agent or at such place as the Board of Directors may specify) not less than forty-eight (48) hours before the time fixed for the meeting at which the Person named in the instrument proposes to vote, unless otherwise determined by the Chairman of the meeting.

(c) The rights of a shareholder who is legally incapacitated to attend and/or vote at a General Meeting may be exercised by his guardian.

30. Effect of Death of Appointer or Revocation of Appointment

A vote cast pursuant to an instrument appointing a proxy shall be valid notwithstanding the previous death of the appointing shareholder (or of his attorney-in-fact, if any, who signed such instrument) or the revocation of the appointment, provided that no written notice of such death or revocation shall have been received by the Company or by the Chairman of the meeting before such vote is cast and provided, further, that the appointing shareholder, if present in person at said meeting, may revoke the authority granted by the execution of a proxy by filing with the Company a duly executed instrument appointing another proxy, on or prior to the deadline for the delivery of proxies, or by voting in person at the General Meeting.

BOARD OF DIRECTORS

31. Powers of Board of Directors

(a) In General

The oversight of the management of the business of the Company shall be vested in the Board of Directors, which may exercise all such powers and do all such acts and things as the Company is authorized to exercise and do, and are not hereby or by law required to be exercised or done by the Company in a General Meeting. The authority conferred on the Board of Directors by this Article 31 shall be subject to the provisions of the Companies Law, of these Articles and any resolution consistent with the Companies Law and these Articles adopted from time to time by a General Meeting, provided, however, that no such resolution shall invalidate any prior act done by or pursuant to a decision of the Board of Directors which would have been valid if such resolution had not been adopted.

(b) Borrowing Power

The Board of Directors may from time to time, in its discretion, cause the Company to borrow or secure the payment of any sum or sums of money for the purposes of the Company, and also may cause the Company to secure or provide for the repayment of such sum or sums in such manner, at such times and upon such terms and conditions in all respects as it deems fit, and, in particular, by the issuance of bonds, perpetual or redeemable debentures, debenture stock, or any mortgages, charges, or other securities on the undertaking or the whole or any part of the property of the Company, both present and future, including its uncalled or called but unpaid share capital for the time being.

(c) Reserves

The Board of Directors may, from time to time, set aside any amount(s) out of the profits of the Company as a reserve or reserves for any purpose(s) which the Board of Directors, in its absolute discretion, shall deem fit, and the Company may invest any sum so set aside in any manner and from time to time deal with and vary such investments, and dispose of all or any part thereof, and employ any such reserve or any part thereof in the business of the Company without being bound to keep the same separate from other assets of the Company, and may subdivide or redesignate any reserve or cancel the same or apply the funds therein for another purpose, all as the Board of Directors may from time to time deem fit.

32. Exercise of Powers of Directors

(a) A meeting of the Board of Directors at which a quorum is present (in person, by means of a conference call or any other device allowing each director participating in such meeting to hear all the other directors participating in such meeting) shall be competent to exercise all the authorities, powers and discretions vested in or exercisable by the Board of Directors.

(b) A resolution proposed at any meeting of the Board of Directors shall be deemed adopted if approved by a simple majority of the Directors present and lawfully entitled to vote thereon (as conclusively determined by the Secretary or General Counsel, and in the absence of such determination, by the Chairman of the Audit Committee) and voting thereon.

(c) A resolution may be adopted by the Board of Directors without convening a meeting if all Directors then in office and lawfully entitled to participate in the meeting and vote thereon (as conclusively determined by the Secretary or General Counsel, and in the absence of such determination, by the Chairman of the Audit Committee), have given their written consent (in any manner whatsoever) not to convene a meeting to discuss such matter. Such resolution shall be adopted if approved by a majority of the Directors lawfully entitled to vote thereon (as determined as aforesaid). The Chairman of the Board of Directors shall sign the instrument evidencing any resolutions so adopted, including the decision to adopt said resolutions without a meeting.

33. Delegation of Powers

(a) The Board of Directors may, subject to the provisions of the Companies Law and these Articles, delegate any of its powers to committees, each consisting of two or more Persons (all of whose members must be Directors), and it may from time to time revoke such delegation or alter the composition of any such committee. Any Committee so formed (in these Articles referred to as a "**Committee of the Board of Directors**"), shall, in the exercise of the powers so delegated, conform to any regulations imposed on it by the Board of Directors. The meetings and proceedings of any such Committee of the Board of Directors shall, *mutatis mutandis*, be governed by the provisions herein contained for regulating the meetings of the Board of Directors, so far as not superseded by the Companies Law or any regulations adopted by the Board of Directors under this Article. Notwithstanding the foregoing, the Chairman of a Committee of the Board of Directors shall not have a casting vote. Unless otherwise expressly provided by the Board of Directors in delegating powers to a Committee of the Board of Directors, such Committee shall not be empowered to further delegate such powers.

(b) Without derogating from the provisions of Article 46, the Board of Directors may, subject to the provisions of the Companies Law, from time to time appoint a Secretary to the Company, as well as any officers of the Company, and may terminate the service of any such Person, and also may cause the Company to engage employees, agents and independent contractors and to terminate the service of any such Person, all as the Board of Directors may deem fit. Without derogating from the provisions of Article 46, the Board of Directors may, subject to the provisions of the Companies Law, determine the powers and duties, as well as the compensation terms of all such Persons, and may require security in such cases and in such amounts as it deems fit.

34. Number of Directors

(a) The Board of Directors shall include at least five (5) Directors and cannot be more than thirteen (13) Directors, including two External Directors.

(b) The requirements of the Companies Law applicable to an External Director shall prevail over the provisions of these Articles to the extent that these Articles are inconsistent with the Companies Law, and shall apply to the extent that these Articles are silent.

35. Election and Removal of Directors

(a) Other than External Directors, the directors will be elected in three staggered classes by the vote of a majority of the ordinary shares present and entitled to vote. The directors of only one class will be elected at each annual meeting for a three year term, so that the regular term of only one class of directors expires annually. The directors serving as of the date these Articles become effective will be classified as shall be determined by a resolution of the Board. At the Company's Annual General Meeting to be held in 2015, the term of the first class, consisting of three (3) directors will expire, and the directors elected at that meeting will be elected for a three-year term. At the Company's Annual General Meeting to be held in 2016, the term of the second class, consisting of three (3) directors, will expire and the directors elected at that meeting will be elected for a three-year term. At the Company's Annual General Meeting to be held in 2017, the term of the third class, consisting of three (3) directors, will expire and the director elected at that meeting will be elected for a three-year term. The External Directors will not be assigned a class.

If the number of directors constituting the Board is changed, any increase or decrease shall be apportioned among the classes so as to maintain the number of directors in each class as nearly equal as possible, but in no case will a decrease in the number of directors constituting the Board shorten the term of any incumbent director.

The provisions of this Article 35(a) may not be amended without a resolution of the general meeting of the Company approved by shareholders holding 65% or more of the voting power of the issued and outstanding share capital of the Company.

(b) Subject to subsection (a), each Director shall be elected by a Shareholders Resolution at the Annual General Meeting by the vote of the holders of a simple majority of the voting power represented at such meeting in person or by proxy and voting on such election. .

(c) Notwithstanding the provisions of subsection (a), External Directors shall be elected in accordance with the Companies Law. An elected External Director shall commence his term from the date of, and shall serve for the period stated in, the resolution of the General Meeting at which he was elected, unless his office becomes vacant earlier in accordance with the provisions of the Companies Law.

(d) A Director may serve for multiple terms, provided, however, that the terms of an External Director shall be limited in accordance with applicable law.

(e) The General Meeting shall be entitled to remove any Director(s) from office by a Shareholder Resolution approved by Shareholders holding 65% or more of the voting power of the issued and outstanding share capital of the Company, subject to applicable law. The Board of Directors shall be entitled to remove from office any Director(s) appointed by the Board of Directors.

36. Qualification of Directors

No Person shall be disqualified to serve as a Director by reason of his not holding shares in the Company.

37. Vacancies in the Board of Directors

(a) Subject to the provisions of Article 35(a), any vacancy in the Board of Directors, however occurring, including a vacancy resulting from an enlargement of the Board of Directors by resolution of the Board of Directors or from the number of Directors serving being less than the maximum permitted number, may be filled by resolution of the Board of Directors. A Director elected to fill a vacancy shall be elected to hold office until the Annual General Meeting at which the term for the other directors of his class expires, unless his office becomes vacant earlier in accordance with the provisions of these Articles.

(b) In the event of one or more vacancies in the Board of Directors, the continuing Directors may continue to act in every matter, provided, however, that if they number less than the minimum number set forth in Article 34(a) hereof, they may only act in an emergency (as determined in their absolute discretion), may appoint one or more Directors and call one or more General Meetings for any purpose.

38. Vacation of Office

(a) The office of a Director shall be vacated, *ipso facto*, upon his death, or if he be found mentally incapacitated, or upon the conviction of a crime enumerated in the Companies Law or as otherwise provided by applicable law.

(b) The office of a Director shall be vacated by his written resignation. Such resignation shall become effective on the date fixed therein, or upon the delivery thereof to the Company, whichever is later.

39. Remuneration of Directors

No Director shall be paid any remuneration by the Company for his services as Director except as may be approved pursuant to the provisions of the Companies Law. Except as otherwise provided by applicable law, reimbursement of expenses incurred by a Director in carrying out his duties as such shall be made pursuant to the policy in this respect as determined by the Board of Directors and in effect from time to time.

40. Conflict of Interests

(a) Subject to the provisions of the Companies Law, the Company may enter into any contract or otherwise transact any business with any Director in which contract or business such Director has a Personal Interest, directly or indirectly; and may enter into any contract of otherwise transact any business with any third party in which contract or business a Director has a Personal Interest, directly or indirectly.

(b) A Transaction (other than an Extraordinary Transaction) between the Company and an Office Holder or Controlling Person of the Company, or in which an Office Holder or Controlling Person of the Company has a Personal Interest, may be approved by:

(i) the Audit Committee – without any monetary limit; or

(ii) the Board of Directors – without any monetary limit; or

(iii) the Company's authorized officer(s) or director(s) in accordance with the Company's signatory rights (provided that no such approval may be given by any signatory who has a Personal Interest in the transaction). Any such approval may relate to a specific Transaction or to a general category of Transactions.

41. Alternate Directors

(a) A Director may, subject to the consent of a majority of the members of the Board of Directors excluding such Director, appoint an individual as an alternate for himself ("**Alternate Director**"), remove such Alternate Director and appoint another Alternate Director in place of any Alternate Director appointed by him whose office has been vacated for any reason whatsoever. Unless the appointing Director, by the instrument appointing an Alternate Director or by written notice to the Company, limits such appointment to a specified period of time or restricts it to a specified meeting or action of the Board of Directors, or otherwise restricts its scope, the appointment shall be for an indefinite period and for all purposes.

(b) Any notice given to the Company pursuant to Article 41(a) shall become effective on the date fixed therein, or upon the delivery thereof to the Company, whichever is later.

(c) An Alternate Director shall have all the rights and obligations of the Director who appointed him, provided, however, that he may not in turn appoint an alternate for himself, and provided further that an Alternate Director shall have no standing at any meeting of the Board of Directors or any committee thereof while the Director who appointed him is present at such meeting.

(d) An Alternate Director shall alone be responsible for his own acts and omissions, and he shall not be deemed the agent of the Director who appointed him.

(e) The office of an Alternate Director shall be vacated under the circumstances, *mutatis mutandis*, set forth in Article 38, and such office shall *ipso facto* be vacated if the Director who appointed such Alternate Director ceases to be a Director.

(f) Notwithstanding Article 41(a), (i) no Person shall be appointed as the Alternate Director for more than one Director and (ii) except as otherwise specifically permitted by the Companies Law, (A) no External Director may appoint an Alternate Director and (B) no Director may serve as an Alternate Director.

PROCEEDINGS OF THE BOARD OF DIRECTORS

42. Meetings

(a) The Board of Directors may meet and adjourn its meetings according to the Company's needs but at least once in every three (3) months, and otherwise regulate such meetings and proceedings as the Directors think fit. Notice of the meetings of the Board of Directors shall be sent to each Director at the last address that the Director provided to the Company, or via telephone, facsimile or e-mail message, to the last telephone number, fax number or e-mail address, as applicable, that the Director provided to the Company.

(b) Any two (2) Directors may, at any time, convene a meeting of the Board of Directors, but not less than seventy-two (72) hours' notice shall be given of any meeting so convened, provided that the Chairman of the Board of Directors or the Vice Chairman of the Board of Directors may convene a meeting of the Board of Directors upon not less than twenty-four (24) hours written notice, and further provided, that the Board of Directors may convene a meeting without such prior notice with the consent of all of the Directors who are lawfully entitled to participate in and vote at such meeting (as conclusively determined by the Secretary or General Counsel, and in the absence of such determination, by the Chairman of the Audit Committee). The notice of a meeting of the Board of Directors shall describe the agenda for such meeting in reasonable detail, as determined by those convening such meeting. The failure to give notice to a Director in the manner required hereby may be waived by such Director. In urgent situations, a meeting of the Board of Directors can be convened without any prior notice with the consent of a majority of the Directors, including a majority of those who are lawfully entitled to participate in and vote at such meeting (as conclusively determined by the Secretary or General Counsel, and in the absence of such determination, by the Chairman of the Audit Committee).

43. Quorum

Unless otherwise unanimously decided by the Board of Directors, a quorum at a meeting of the Board of Directors shall be constituted by the presence in person or by any other means of communication by which the Directors may hear each other simultaneously, of at least a majority of the Directors then in office who are lawfully entitled to participate in the meeting and vote thereon (as conclusively determined by the Secretary or General Counsel, and in the absence of such determination, by the Chairman of the Audit Committee). No business shall be transacted at a meeting of the Board of Directors unless the requisite quorum is present as aforesaid.

44. Chairman of the Board of Directors

(a) The Board of Directors may from time to time elect one of its members to be the Chairman of the Board of Directors, remove such Chairman from office and appoint another in his place.

(b) The Chairman, if any, of the Board of Directors shall preside at every meeting of the Board of Directors, but if there is no such Chairman, or if at any meeting he is not present within fifteen (15) minutes after the time fixed for the meeting, or is unwilling to act as Chairman or has notified the Company that he will not attend such meeting, the Directors present shall choose one of their number to be the Chairman of such meeting. The office of Chairman shall not, by itself, entitle the holder thereof to vote at any meeting of the Board of Directors nor shall it entitle such holder to a second or casting vote (without derogating, however, from the rights of such Chairman to vote as a Director of the Company).

45. Validity of Acts Despite Defects

Subject to the provisions of the Companies Law, all acts done bona fide at any meeting of the Board of Directors, or of a Committee of the Board of Directors, or by any Person(s) acting as Director(s), shall, notwithstanding that it may afterwards be discovered that there was some defect in the process or in the appointment of the participants in such meetings or any of them or any Person(s) acting as aforesaid, or that they or any of them were disqualified, be as valid as if there were no such defect or disqualification.

GENERAL MANAGER

46. General Manager

(a) The Board of Directors may from time to time appoint one or more Persons, whether or not Directors, as general managers (the "**General Manager(s)**") of the Company and may confer upon such Person(s), and from time to time modify or revoke, such title(s) (including Managing Director, President, Chief Executive Officer, Director General or any similar or dissimilar title) and such duties and authorities of the Board of Directors as the Board of Directors may deem fit, subject to such limitations and restrictions as the Board of Directors may from time to time prescribe. Such appointment(s) may be either for a fixed term or without any limitation of time, and the Board of Directors may from time to time (subject to the provisions of the Companies Law and of any contract between any such Person and the Company) fix his or their compensation terms, remove or dismiss him or them from office, or assume his or their authorities with respect to a specific matter or period of time.

(b) The General Manager shall have the authority, in his discretion, to appoint any Person to become an Office Holder (other than a Director) and fix his remuneration. The General Manager shall have the authority, in his discretion, to promote or demote, or to increase or decrease any remuneration of, any other Office Holder (other than a Director) who reports directly or indirectly to the General Manager, provided that such matter is not considered an Extraordinary Transaction. Nothing in this Article 46(b) shall derogate from the authority of the Board of Directors.

MINUTES

47. Minutes

(a) Minutes of each General Meeting and of each meeting of the Board of Directors and any Committees thereof shall be recorded and duly entered in books provided for that purpose. Such minutes shall, in all events, set forth the names of the persons present at the meeting and all resolutions adopted thereat.

(b) Any minutes as aforesaid, if purporting to be signed by the Chairman of the meeting, shall constitute *prima facie* evidence of the matters recorded therein.

DIVIDENDS

48. Declaration and Payment of Dividends

(a) Subject to the Companies Law, the Board of Directors may from time to time declare, and cause the Company to pay, such dividend as may appear to the Board of Directors to be appropriate. Subject to the Companies Law, the Board of Directors shall determine the time for payment of such dividends, and the record date for determining the shareholders entitled thereto.

(b) The Company's obligation to pay dividends or any other amount in respect of shares may be set-off by the Company against any indebtedness, however arising, liquidated or non-liquidated, of the Person entitled to receive the dividend. The provisions contained in this Article shall not prejudice any other right or remedy vested with the Company pursuant to these Articles or otherwise.

49. Amount Payable by Way of Dividends

Subject to the rights of the holders of shares with special rights as to dividends, any dividend paid by the Company shall be allocated among the shareholders entitled thereto in proportion to their respective holdings of the shares in respect of which such dividend is being paid.

50. Interest

No dividend shall carry interest as against the Company.

51. Form of Dividend

Upon the declaration of the Board of Directors, a dividend may be paid, wholly or partly, by the distribution of cash or specific assets of the Company or by distribution of securities of the Company or of any other companies, or in any one or more of such ways.

52. Retention of Dividends

The Board of Directors may retain any dividend or other moneys payable or property distributable in respect of a share in respect of which any Person is, under Articles 17 or 18, entitled to become a shareholder, or which any Person is, under said Articles, entitled to transfer, until such Person shall become a shareholder in respect of such share or shall transfer the same.

53. Unclaimed Dividends

All unclaimed dividends or other moneys payable in respect of a share may be invested or otherwise made use of by and for the benefit of the Company until claimed. The payment by the Company of any unclaimed dividend or such other moneys into a separate account shall not constitute the Company a trustee in respect thereof, and any dividend unclaimed after a period of seven (7) years from the date of declaration of such dividend, and any such other moneys unclaimed after a like period from the date the same were payable, shall be forfeited and shall revert to the Company, provided, however, that the Board of Directors may, at its discretion, cause the Company to pay any such dividend or such other moneys, or any part thereof, to a Person who would have been entitled thereto had the same not reverted to the Company.

FINANCIAL STATEMENTS

54. Financial Statements

The Board of Directors shall cause accurate books of account to be kept in accordance with the provisions of applicable law. Such books of account shall be kept at the Registered Office of the Company, or at such other place or places as the Board of Directors may think fit, and they shall always be open to inspection by all Directors. No shareholder, not being a Director, shall have any right to inspect any account or book or other similar document of the Company, except as conferred by law or authorized by the Board of Directors or by a Shareholders Resolution. The Company shall not be required to send copies of its financial statements to the shareholders.

AUDITORS

55. Outside Auditor

The outside auditor of the Company shall be recommended by the Audit Committee and elected by Shareholder Resolution at each Annual General Meeting and shall serve until the next Annual General Meeting or its earlier removal or replacement by Shareholder Resolution. The Board of Directors shall have the authority to fix, in its discretion, the remuneration of the auditor for audit and any other services, or to delegate such authority to the Audit Committee.

56. Internal Auditor

The internal auditor of the Company shall be subject to the administrative supervision of the Chairman of the Board of Directors and shall present all its proposed work plans to the Audit Committee, which shall have the authority to approve them subject to any modifications in its discretion.

57. Exemption, Insurance and Indemnity

(a) Insurance of Office Holders:

i. The Company may insure the liability of any Office Holder therein to the fullest extent permitted by law.

ii. Without derogating from the aforesaid the Company may enter into a contract to insure the liability of an Office Holder therein for an obligation imposed on him in consequence of an act done in his capacity as an Office Holder therein, in any of the following cases:

1. A breach of the duty of care vis-à-vis the Company or vis-à-vis another Person;

2. A breach of the duty of loyalty vis-à-vis the Company, provided that the Office Holder acted in good faith and had reasonable basis to believe that the act would not harm the Company;

3. A monetary obligation imposed on him in favor of another Person;

4. Reasonable litigation expenses, including attorney fees, incurred by the Office Holder as a result of an administrative enforcement proceeding instituted against him. Without derogating from the generality of the foregoing, such expenses will include a payment imposed on the Office Holder in favor of an injured party as set forth in Section 52(54)(a)(1)(a) of the Israeli Securities Law, 1968, as amended (the "Securities Law") and expenses that the Office Holder incurred in connection with a proceeding under Chapters H'3, H'4 or I'1 of the Securities Law, including reasonable legal expenses, which term includes attorney fees; or

5. Any other matter in respect of which it is permitted or will be permitted under applicable law to insure the liability of an Office Holder in the Company.

(b) Indemnity of Office Holders:

i. The Company may indemnify an Office Holder therein, retroactively or pursuant to an advance undertaking, to the fullest extent permitted by law. Without derogating from the aforesaid the Company may indemnify an Office Holder in the Company for liability or expense imposed on him in consequence of an action made by him in the capacity of his position as an Office Holder in the Company, as follows:

1. Any financial liability he incurs or imposed on him in favor of another Person in accordance with a judgment, including a judgment given in a settlement or a judgment of an arbitrator, approved by a court.

2. Reasonable litigation expenses, including legal fees, incurred by the Office Holder or which he was ordered to pay by a court, within the framework of proceedings filed against him by or on behalf of the Company, or by a third party, or in a criminal proceeding in which he was acquitted, or in a criminal proceeding in which he was convicted of a criminal offense which does not require proof of criminal intent.

3. Reasonable litigation expenses, including legal fees he incurs due to an investigation or proceeding conducted against him by an authority authorized to conduct such an investigation or proceeding, and which was ended without filing an indictment against him and without being subject to a financial obligation as a substitute for a criminal proceeding, or that was ended without filing an indictment against him, but with the imposition of a financial obligation, as a substitute for a criminal proceeding relating to an offence which does not require proof of criminal intent, within the meaning of the relevant terms in the Companies Law, or in connection with an administrative enforcement proceeding or a financial sanction. Without derogating from the generality of the foregoing, such expenses will include a payment imposed on the Office Holder in favor of an injured party as set forth in Section 52(54)(a)(1)(a) of the Securities Law, and expenses that the Office Holder incurred in connection with a proceeding under Chapters H'3, H'4 or I'1 of the Securities Law, including reasonable legal expenses, which term includes attorney fees.

ii. Advance Indemnity The Company may indemnify an Office Holder therein, except as provided by applicable law. The Company may give an advance undertaking to indemnify an Office Holder therein in respect of the following matters:

1. Matters as detailed in Article 57(b)(i)(1), provided, however, that the undertaking is restricted to events, which in the opinion of the Board of Directors, are foreseeable in light of the Company's actual activity at the time of granting the obligation to indemnify and is limited to a sum or measurement determined by the Board of Directors as reasonable under the circumstances. The indemnification undertaking shall specify the events that, in the opinion of the Board of Directors are foreseeable in light of the Company's actual activity at the time of grant of the indemnification and the sum or measurement, which the Board of Directors determined to be reasonable under the circumstances;

2. Matters as detailed in Article 57(b)(i)(2) and 57(b)(i)(3); and

3. Any matter permitted by applicable law.

(c) Exemption of Office Holders. The Company may exempt an Office Holder therein in advance and retroactively for all or any of his liability for damage in consequence of a breach of the duty of care vis-à-vis the Company, to the fullest extent permitted by law.

(d) Insurance, Exemption and Indemnity – General.

i. The provisions of this Article 57 with regard to insurance, exemption and indemnity are not and shall not limit the Company in any way with regard to its entering into an insurance contract and/or with regard to the grant of indemnity and/or exemption in connection with a person who is not an Office Holder of the Company, including employees, contractors or consultants of the Company, all subject to any applicable law.

ii. Articles 57(a) through 57(d) shall apply mutatis mutandis in respect of the grant of insurance, exemption and/or indemnification for Persons serving on behalf of the Company as Office Holders in companies controlled by the Company, or in which the Company has an interest.

iii. An undertaking to insure, exempt and indemnify an Office Holder in the Company as set forth above shall remain in full force and effect even following the termination of such Office Holder's service with the Company.

iv. Any amendment to the Companies Law, the Securities Law or any other applicable law adversely affecting the right of any Office Holder to be indemnified or insured pursuant to this Article 57 shall be prospective in effect, and shall not affect the Company's obligation or ability to indemnify or insure an Office Holder for any act or omission occurring prior to such amendment, unless otherwise provided by the Companies Law, the Securities Law or such other applicable law.

NOTICES

58. Notices

(a) Any written notice or other document may be served by the Company upon any shareholder either personally, or by facsimile transmission, or by sending it by prepaid mail (airmail or overnight air courier, if being sent from any country to a destination outside such country) or electronic mail addressed to such shareholder at his address as set forth in the Register of Shareholders or such other address as he may have designated in writing for the receipt of notices and other documents. Any written notice or other document may be served by any shareholder upon the Company by tendering the same in person to the Secretary or the General Manager of the Company at the principal office of the Company, or by facsimile transmission, or by sending it by prepaid registered mail (airmail or overnight air courier if being sent from any country outside Israel) to the Company at its registered office. Any such notice or other document shall be deemed to have been served (i) in the case of mailing, three (3) days after it has been posted, or when actually received by the addressee if sooner than three (3) days, after it has been posted; (ii) in the case of overnight air courier, on the second business day following the day sent; (iii) in the case of personal delivery, on the date such notice was actually tendered in person to such shareholder (or to the Secretary or the General Manager); (iv) in the case of facsimile transmission, on the date on which the sender receives automatic electronic confirmation that such notice was successfully transmitted; or (v) in the case of electronic mail, on the date on which the sender receives telephonic or written confirmation that such notice was received. If a notice is, in fact, received by the addressee, it shall be deemed to have been duly served, when received, notwithstanding that it was defectively addressed or failed, in some respect, to comply with the provisions of this Article 58(a).

(b) All notices to be given to the shareholders shall, with respect to any share to which Persons are jointly entitled, be given to whichever of such Persons is named first in the Register of Shareholders, and any notice so given shall be sufficient notice to the holders of such share.

(c) Any shareholder whose address is not specified in the Register of Shareholders, and who shall not have designated in writing an address for the receipt of notices, shall not be entitled to receive any notice from the Company.

RIGHTS OF SIGNATURE

59. Rights of Signature

The Board of Directors shall be entitled to authorize any Person or Persons (who need not be officers or Directors) to act and sign on behalf of the Company, and the acts and signature of such Person(s) on behalf of the Company with the Company's stamp or printed name shall bind the Company insofar as such Person(s) acted and signed within the scope of his or their authority.

WINDING UP

60. Winding Up

(a) Notwithstanding anything to the contrary in these Articles, a Shareholders Resolution approved by 75% of the voting shares represented at such meeting in person or by proxy is required to approve the voluntary winding up of the Company.

(b) If the Company be wound up, liquidated or dissolved, then, subject to applicable law and to the rights of the holders of shares with special rights upon winding up, if any, the assets of the Company legally available for distribution among the shareholders, after payment of all debts and other liabilities of the Company, shall be distributed to the shareholders in proportion to the nominal value of their respective holdings of the shares in respect of which such distribution is being made, provided, however, that if a class of shares has no nominal value, then the assets of the Company legally available for distribution among the holders of such class shall be distributed to them in proportion of their respective holdings of the shares in respect of which such distribution is made.

JURISDICTION

61. Jurisdiction

(a) Unless the consent of the Company in writing has been received to the election of an alternative forum, and with the exception of all matters concerning a claimant or class of claimants having the right to file an action in the courts in Israel, in relation to causes of action by virtue of the U.S. Securities Act of 1933 (as amended), the federal district courts of the United States of America shall be the exclusive forum for resolving any action the causes of which result from the U.S. Securities Act of 1933 (as amended).

(b) Unless the consent of the Company in writing has been received to the election of an alternative forum, the Tel-Aviv District Court will constitute the exclusive forum for: (a) a derivative action or derivative proceeding that is filed in the name of the Company; (b) any action grounded in a breach of fiduciary duty of a director, officeholder or other employee of the Company towards the Company or towards the shareholders of the Company; or (c) any action the cause of which results from any provision of the Companies Law or the Securities Law. Any person or entity purchasing or otherwise acquiring, or holding, any interest in the shares of the Company will be deemed to be parties to whom notice has been given of the provisions of these clauses and as parties who have given their consent to the provisions of these clauses.

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Effective February 24, 2026

Exhibit 4.2

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

The following is a description of the ordinary shares, no par value, of Lifeward Ltd. (the "Company," "we" or "us") registered under Section 12 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). This description is a summary and is qualified in its entirety by reference to the Eighth Amended and Restated Articles of Association, a copy of which is filed as Exhibit 3.1 to the Annual Report on Form 10-K of the Company for the fiscal year ended December 31, 2025 (the "2025 Annual Report"). We refer in this exhibit to our Eighth Amended and Restated Articles of Association as our "Articles of Association."

General

Our authorized share capital currently consists solely of 100,000,000 ordinary shares, no par value per share. 1,528,222 ordinary shares were issued and outstanding as of March 16, 2026.

All of our issued and outstanding ordinary shares are validly issued, fully paid and non-assessable. Our ordinary shares are not redeemable and do not have any preemptive rights.

For information about deduction of the withholding tax or other duties from dividend payments, see "Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities" and "Item 1A. Risk Factors. Risks Related to Our Incorporation and Location in Israel" of our 2025 Annual Report.

Ordinary Shares

Quorum requirements

The quorum required for our general meetings of shareholders consists of at least two holders of our ordinary shares present in person or by proxy and holding among them at least 33 1/3% of the total outstanding voting rights.

Vote Requirements

Pursuant to our Articles of Association, holders of our ordinary shares have one vote for each ordinary share held on all matters submitted to a vote before the shareholders at a general meeting. Shareholders may vote at a general meeting either in person, by proxy or by written ballot.

Our Articles of Association provide that all resolutions of our shareholders require a simple majority vote, unless otherwise required by the Israel Companies Law, 5799-1999 (the "Israel Companies Law") or by our Articles of Association. Under the Israel Companies Law, each of (i) the approval of an extraordinary transaction with a controlling shareholder, (ii) the terms of employment or other engagement of the controlling shareholder of the company or such controlling shareholder's relative (even if not extraordinary), (iii) the adoption or amendment of a Compensation Policy, and (iv) the approval of the terms of employment of our chief executive officer, requires special approval. For more information, see our Registration Statement on Form 8-A as filed with the SEC on September 2, 2014 under the heading "Item 1. Description of Registrant's Securities to be Registered." Under our Articles of Association, the alteration of the rights, privileges, preferences or obligations of any class of our shares requires a simple majority vote of all classes of shares voting together as a single class at a shareholder meeting. Our Articles of Association also require that the removal of any director from office (other than our external directors) or the amendment of the provisions of our amended articles relating to our staggered board requires the vote of 65% of the total voting power of our shareholders. In addition, the voluntary winding up, or approval of a scheme of arrangement or reorganization, of the Company pursuant to Section 350 of the Israel Companies Law, requires the approval of holders of 75% of the voting rights represented at the meeting, in person, by proxy or by voting deed and voting on the resolution.

Preferred Stock

The Company may, from time to time, by shareholders resolution, provide for shares with such preferred or deferred rights or rights of redemption or other special rights and/or such restrictions, whether in regard to dividends, voting, repayment of share capital or otherwise, as may be stipulated in such resolution (subject to the provisions of the Israel Companies Law). The rights of the holders of ordinary shares will be subject to, and may be adversely affected by, the rights of holders of any preferred stock that may be issued in the future. As of the date of the filing of the 2025 Annual Report, we had no shares of preferred stock outstanding.

Transfer of Shares; Share Ownership Restrictions

Our fully paid ordinary shares are issued in registered form and may be freely transferred under our Articles of Association, unless the transfer is restricted or prohibited by another instrument, applicable law or the rules of a stock exchange on which the shares are listed for trade. The ownership or voting of our ordinary shares by non-residents of Israel is not restricted in any way by our Articles of Association or the laws of the State of Israel, except for ownership by nationals of some countries that are, or have been, in a state of war with Israel.

Election of Directors

Our ordinary shares do not have cumulative voting rights for the election of directors. As a result, the holders of a majority of the voting power represented at a shareholders meeting have the power to elect all of our directors, subject to the special approval requirements for external directors.

Under our Articles of Association, our board of directors must consist of not less than five but no more than thirteen directors, including two external directors as and if required by the Israel Companies Law. Pursuant to our Articles of Association, other than the external directors, for whom special election requirements apply under the Israel Companies Law, the vote required to appoint a director is a simple majority vote of holders of our voting shares, participating and voting at the relevant meeting. In addition, our directors, other than the external directors, are divided into three classes that are each elected at a general meeting of our shareholders every three years, in a staggered fashion (such that one class is elected each year), and serve on our board of directors unless they are removed by a vote of 65% of the total voting power of our shareholders at a general or special meeting of our shareholders or upon the occurrence of certain events, in accordance with the Israel Companies Law and our Articles of Association. In addition, our Articles of Association allow our board of directors to appoint new directors and appoint directors to fill vacancies on the board of directors to serve for a term of office equal to the remaining period of the term of office of the directors(s) whose office(s) have been vacated.

External directors are elected for an initial term of three years, may be elected for additional terms of three years each under certain circumstances and may be removed from office pursuant to the terms of the Israel Companies Law. Pursuant to regulations promulgated under the Israel Companies Law, as a company that does not have a controlling shareholder and that complies with the United States securities laws and the corporate governance rules of the Nasdaq Stock Market, we are permitted to "opt out" of the requirement to appoint external directors. In February 2018, we opted out of the requirement to have external directors.

Dividend and Liquidation Rights

Subject to the Israel Companies Law, we may declare a dividend to be paid to the holders of our ordinary shares in proportion to their respective shareholdings. Under the Israel Companies Law, dividend distributions are determined by the board of directors and do not require the approval of the shareholders of a company unless the company's articles of association provide otherwise. Our Articles of Association do not require shareholder approval of a dividend distribution and provide that dividend distributions may be determined by our board of directors.

Pursuant to the Israel Companies Law, a company may make a distribution of dividends out of its profits on the condition that there is no reasonable concern that the distribution may prevent the company from meeting its existing and expected obligations when they fall due. The Israel Companies Law defines such profit as retained earnings or profits accrued in the last two years, whichever is greater, according to the last reviewed or audited financial statements of the company, provided that the date of the financial statements is not more than six months before the distribution.

In the event of our liquidation, after satisfaction of liabilities to creditors, our assets will be distributed to the holders of our ordinary shares in proportion to their shareholdings. This right, as well as the right to receive dividends, may be affected by the grant of preferential dividend or distribution rights to the holders of a class of shares with preferential rights that may be authorized in the future.

Exchange Controls

There are currently no Israeli currency control restrictions on payments of dividends or other distributions with respect to our ordinary shares or the proceeds from the sale of the shares, except for the obligation of Israeli residents to file reports with the Bank of Israel regarding certain transactions. However, legislation remains in effect pursuant to which currency controls can be imposed by administrative action at any time.

Shareholder Meetings

Under Israeli law, we are required to hold an annual general meeting of our shareholders once every calendar year and no later than 15 months after the date of the previous annual general meeting. All meetings other than the annual general meeting of shareholders are referred to in our Articles of Association as extraordinary general meetings. Our board of directors may call extraordinary general meetings whenever it sees fit, at such time and place, within or outside of Israel, as it may determine. In addition, the Israel Companies Law provides that our board of directors is required to convene an extraordinary general meeting upon the written request of (i) any two of our directors or one-quarter of the members of our board of directors or (ii) one or more shareholders holding, in the aggregate, either (a) five percent or more of our outstanding issued shares and one percent of our outstanding voting power or (b) five percent or more of our outstanding voting power.

Subject to the provisions of the Israel Companies Law and the regulations promulgated thereunder, shareholders entitled to participate and vote at general meetings are the shareholders of record on a date to be decided by the board of directors, which may be between four and 40 days prior to the date of the meeting. Furthermore, the Israel Companies Law requires that resolutions regarding the following matters be passed at a general meeting of our shareholders:

- amendments to our Articles of Association;
- appointment or termination of our auditors;
- appointment of external directors;
- approval of certain related party transactions;
- increases or reductions of our authorized share capital;
- a merger; and
- the exercise of our board of directors' powers by a general meeting, if our board of directors is unable to exercise its powers and the exercise of any of its powers is required for our proper management.

The Israel Companies Law and our Articles of Association require that notice of any annual general meeting or extraordinary general meeting be provided to shareholders at least 21 days prior to the meeting and if the agenda of the meeting includes the appointment or removal of directors, the approval of transactions with office holders or interested or related parties, or an approval of a merger, notice must be provided at least 35 days prior to the meeting.

Under the Israel Companies Law and under our Articles of Association, our shareholders are not permitted to take action via written consent in lieu of a meeting.

Access to Corporate Records

Under the Israel Companies Law, shareholders generally have the right to review: minutes of our general meetings; our shareholders register and principal shareholders register; our Articles of Association; our annual financial statements; and any document that we are required by law to file publicly with the Israel Companies Registrar or the Israel Securities Authority. In addition, shareholders may request to be provided with any document related to an action or transaction with a related party that requires shareholder approval under the related party transaction provisions of the Israel Companies Law. We may deny a request to review a document if we believe it has not been made in good faith, that the document contains a trade secret or patent or that the document's disclosure may otherwise impair our interests.

Acquisitions Under Israeli Law

Full Tender Offer. A person wishing to acquire shares of an Israeli public company and who would as a result hold over 90% of the target company's issued and outstanding share capital (or of a class thereof) is required by the Israel Companies Law to make a tender offer to all of the company's shareholders for the purchase of all of the issued and outstanding shares of the company (or the applicable class). If as a result of a full tender offer the purchaser would own more than 95% of the issued and outstanding share capital of the company or of the applicable class, and more than half of the shareholders who do not have a personal interest in the offer accept the offer, all of the shares that the purchaser offered to purchase will be transferred to the acquirer by operation of law. The law provides for appraisal rights if any shareholder files a request in court within six months following the consummation of a full tender offer, provided that the purchaser is entitled to stipulate that tendering shareholders forfeit their appraisal rights. If as a result of a full tender offer the purchaser would own 95% or less of the issued and outstanding share capital of the company or of the applicable class, the purchaser may not acquire shares that will cause its shareholding to exceed 90% of the issued and outstanding share capital of the company or of the applicable class.

Special Tender Offer. The Israel Companies Law provides that an acquisition of shares of an Israeli public company must be made by means of a special tender offer if as a result of the acquisition the purchaser would become a holder of 25% or more of the voting rights in the company, unless there is already another holder of at least 25% of the voting rights in the company. Similarly, the Israel Companies Law provides that an acquisition of shares in a public company must be made by means of a special tender offer if as a result of the acquisition the purchaser would become a holder of more than 45% of the voting rights in the company, if there is no other shareholder of the company who holds more than 45% of the voting rights in the company, subject to certain exceptions.

A special tender offer must be extended to all shareholders of a company but the offeror is not required to purchase shares representing more than 5% of the voting power attached to the company's outstanding shares, regardless of how many shares are tendered by shareholders. A special tender offer may be consummated only if (i) at least 5% of the voting power attached to the company's outstanding shares will be acquired by the offeror and (ii) the number of shares tendered in the offer exceeds the number of shares whose holders objected to the offer (excluding the purchaser, controlling shareholders, holders of 25% or more of the voting rights in the company or any person having a personal interest in the acceptance of the tender offer). If a special tender offer is accepted, then the purchaser or any person or entity controlling it or under common control with the purchaser or such controlling person or entity may not make a subsequent tender offer for the purchase of shares of the target company and may not enter into a merger with the target company for a period of one year from the date of the offer, unless the purchaser or such person or entity undertook to effect such an offer or merger in the initial special tender offer.

Merger. The Israel Companies Law permits merger transactions if approved by each party's board of directors and, unless certain requirements described under the Israel Companies Law are met, by a majority vote of each party's shares, and, in the case of the target company, a majority vote of each class of its shares, voted on the proposed merger at a shareholders meeting.

For purposes of the shareholder vote, unless a court rules otherwise, the merger will not be deemed approved if a majority of the votes of shares represented at the shareholders meeting that are held by parties other than the other party to the merger, or by any person (or group of persons acting in concert) who holds (or hold, as the case may be) 25% or more of the voting rights or the right to appoint directors of the other party, vote against the merger. If, however, the merger involves a merger with a company's own controlling shareholder or if the controlling shareholder has a personal interest in the merger, then the merger is instead subject to the same special majority approval that governs all extraordinary transactions with controlling shareholders.

If the transaction would have been approved by the shareholders of a merging company but for the separate approval of each class or the exclusion of the votes of certain shareholders as provided above, a court may still approve the merger upon the request of holders of at least 25% of the voting rights of a company, if the court holds that the merger is fair and reasonable, taking into account the value of the parties to the merger and the consideration offered to the shareholders of the company.

Upon the request of a creditor of either party to the proposed merger, the court may delay or prevent the merger if it concludes that there exists a reasonable concern that, as a result of the merger, the surviving company will be unable to satisfy the obligations of the merging entities, and may further give instructions to secure the rights of creditors.

In addition, a merger may not be consummated unless at least 50 days have passed from the date on which a proposal for approval of the merger was filed by each party with the Israeli Companies Registrar and at least 30 days have passed from the date on which the merger was approved by the shareholders of each party.

Anti-takeover Measures Under Israeli Law

The Israel Companies Law allows us to create and issue shares having rights different from those attached to our ordinary shares, including shares providing certain preferred rights with respect to voting, distributions or other matters and shares having preemptive rights. Upon the closing of our initial public offering, our Articles of Association were amended to provide that no preferred shares are authorized. In the future, if we do authorize, create and issue a specific class of preferred shares, such class of shares, depending on the specific rights that may be attached to it, may have the ability to frustrate or prevent a takeover or otherwise prevent our shareholders from realizing a potential premium over the market value of their ordinary shares. The authorization and designation of a class of preferred shares will require an amendment to our Articles of Association, which requires the prior approval of the holders of a majority of the voting power attaching to our issued and outstanding shares at a general meeting. The convening of the meeting, the shareholders entitled to participate and the majority vote required to be obtained at such a meeting will be subject to the requirements set forth in the Israel Companies Law as described above in "- Vote Requirements."

Transfer Agent and Registrar

The transfer agent and registrar for our ordinary shares is Equiniti, LLC. Its address is 6201 15th Avenue, Brooklyn, New York 11219, and its telephone number is (800) 937-5449.

Exhibit 10.6

June 30, 2025

PERSONAL AND CONFIDENTIAL

Larry Jasinski

Re: Separation Agreement

Dear Larry:

As indicated in the earlier "notice of termination" provided to you pursuant to Section 9.4 of the Executive Employment Agreement between the Lifeward, Inc. f/k/a Argo Medical Technologies, Inc. (the "Company") and you (the "Employment Agreement"), your employment with the Company will terminate pursuant Section 9.4.1 of the Employment Agreement, effective as of May 18, 2025, to be extended until June 30, 2025 based upon your agreement in principal to the terms of the Agreement (as defined below), or on an earlier date as determined by the Company upon the Company's waiver of the Notice Period (as defined in the Employment Agreement) pursuant to Section 9.4.4 of the Employment Agreement (such date, the "Separation Date").

During the Notice Period you will continue to serve at the direction of the Board of Directors and will continue to owe a duty of care to the Company. You will also cooperate in good faith with the Company in transitioning the duties of your position.

The Company is also proposing an agreement with you, with the purpose of establishing an amicable arrangement for ending your employment relationship (the "Agreement"). Regardless of whether you sign the Agreement, the Company will provide you with the payments and benefits set forth in Section 9.4.1 of the Employment Agreement; however, if you do not sign the Agreement, the Company will not provide you with the additional payments and benefits set forth herein.

Further, regardless of whether you sign this Agreement, the following will apply:

- The Company will provide you with the right to continue group health plan coverage after your employment ends under the law known as "COBRA," which will be described in a separate written notice.

- If you have rights under any incentive stock options, non-qualified stock options, stock appreciation rights, restricted stock units, restricted stock awards, unrestricted stock awards and dividend equivalent rights granted to you pursuant to any equity compensation plan of the Company or Lifeward, Ltd. (the "Parent") approved by the Board of Directors of the Company or the Board of Directors of Parent, as applicable (collectively, "Equity Awards"), your rights to such Equity Awards shall not be affected by this Agreement.

- Regardless of whether you enter into an agreement with the Company, you remain subject to the post-termination obligations in the Employment Agreement, including but not limited to Sections 6, 7, and 8.

Agreement

You acknowledge that you are entering into this agreement (the "Agreement") knowingly and voluntarily. It is customary in employment separation agreements for the departing employee to release the employer from any possible claims, even if the employer believes, as is the case here, that no such claims exist. By proposing and entering into this Agreement, the Company is not admitting in any way that it violated any legal obligation that it owed to you.

With those understandings, you and the Company agree as follows:

1. Separation from Employment

This confirms that your employment with the Company shall end on the Separation Date. You agree to and do hereby resign, effective on the Separation Date, as an officer, director and manager of the Company, Parent, and any affiliate of the Company or Parent, and as a fiduciary of any benefit plan of the Company, Parent or any affiliate of the Company or Parent, and to promptly execute and provide to the Company any further documentation, as requested by the Company, to confirm such resignation.

2. Severance Benefits

Provided you enter into, do not revoke, and comply with this Agreement, the Company shall provide you with the below (the "Severance Benefits").

(a) The Company will pay you the gross amount of $221,156.04, which shall be paid in substantially equal installments in accordance with the Company's payroll practices, starting on the first practicable payroll date following the Effective Date (as defined below); and (ii) the bonus for the calendar year 2025, which shall be paid to you in an amount based on the actual achievement of objectives during the 6 month period preceding the Separation Date and assumes 100% achievement of objectives during the 6 month period following the Separation Date (collectively, the "Severance Pay"). The Severance Pay shall be less withholdings and taxes.

(b) Subject to your proper election to receive benefits under COBRA, the Company shall pay the monthly COBRA premium to continue coverage for you and your eligible dependents under the Company's group healthcare plan directly to the COBRA administrator or carrier until the earliest of (A) six (6) months; (B) the cessation of your health continuation rights under COBRA.

(c) The Company will use commercially reasonable efforts to continue your participation in any other Company employee and executive benefit programs in effect as of the Separation Date, and with respect to any insurance program available to employees only, the Company will, upon receipt of proof of payment, reimburse you for the premium or other fees associated with continuation in such program as a non-employee or in a comparable program if participation as a non-employee is barred.

(d) Immediately following the Separation Date, the Company will enter into a consulting relationship with you for a period of six (6) months (the "Consulting Period"). You and the Company agree to enter into the Consulting Agreement, attached hereto as Exhibit A, and the Consulting Agreement will govern the terms of the consulting relationship. During the Consulting Period, the Company will pay you at a rate of $18,429.67 per month. Further, any of your outstanding and unvested restricted stock units as of the Separation Date will continue to vest during the Consulting Period (and, for the avoidance of doubt, will cease vesting when the consulting relationship terminates).

The payments and benefits under this Section 2 are together referred to as the "Severance Benefits." You hereby acknowledge and agree that, other than your final wages (including any and all earned, unused vacation pay) and the Severance Benefits, you are not owed any additional compensation from the Company, whether under the Employment Agreement, or otherwise.

3. Continuing Obligations

You hereby acknowledge that you remain subject to the post-termination obligations in the Employment Agreement, including but not limited to Sections 6, 7, and 8, (the "Continuing Obligations").

4. Release of Claims

In consideration for, among other terms, the Severance Benefits, to which you acknowledge you would otherwise not be entitled, you voluntarily release and forever discharge the Company, Parent, their affiliated and related entities, their predecessors, successors and assigns and those of each of the foregoing, its and their respective employee benefit plans and fiduciaries of such plans, and the current and former officers, directors, shareholders, employees, attorneys, accountants and agents of each of the foregoing in their official and personal capacities (collectively referred to as the "Released Parties") generally from all claims, demands, debts, damages and liabilities of every name and nature, known or unknown ("Claims") that, as of the date when you sign this Agreement, you have, ever had, now claim to have or ever claimed to have had against any or all of the Released Parties. This release includes, without limitation, your release of all Claims:

- relating to your employment by and termination of employment with the Company;
- of wrongful discharge or violation of public policy;
- of breach of contract;
- of defamation or other torts;
- of retaliation or discrimination under federal, state or local law (including, without limitation, Claims of discrimination or retaliation under the Age Discrimination in Employment Act, Title VII of the Civil Rights Act of 1964, the Americans with Disabilities Act, Massachusetts General Laws Chapter 151B, and The Massachusetts Civil Rights Act);
- under any other federal or state statute (including, without limitation, Claims under the Fair Labor Standards Act, the Family and Medical Leave Act, and the Massachusetts Paid Family and Medical Leave Law);
- for wages, bonuses, incentive compensation, vacation pay or any other compensation or benefits, regardless of whether based on Massachusetts Wage Act, M.G.L. c. 149, §§148-150C or any other law or agreement; and
- for damages or other remedies of any sort, including, without limitation, compensatory damages, punitive damages, injunctive relief and attorney fees;

provided, however, that this release shall not affect your rights under this Agreement or any rights that you may have under any "employee benefit plan," as that term is defined in Section 3(3) of the Employee Retirement Income Security Act, 29 U.S.C. § 1002(3).

You agree not to accept damages of any nature, other equitable or legal remedies for your own benefit or attorney's fees or costs from any of the Released Parties with respect to any Claim released by this Agreement. As a material inducement to the Company to enter into this Agreement, you represent that you have not assigned any Claim to any third party.

5. Non-Disparagement

Subject to Section 7 of this Agreement, you agree not to make any disparaging statements concerning the Company, any of the products, services or other activities of the Company or any current or former officers, directors or employees of the Company. Likewise, the Company agrees to instruct its Board of Directors and senior managers to refrain from making any disparaging statements about you or your job performance with the Company.

6. Future Cooperation

You agree to cooperate reasonably with the Company (including its outside counsel) in connection with (i) the contemplation, prosecution and defense of all phases of existing, past and future litigation about which the Company believes you may have knowledge or information; and (ii) responding to requests for information from regulatory agencies or other governmental authorities (together "Cooperation Services"). You further agree to make yourself available to provide Cooperation Services at mutually convenient times during and outside of regular business hours as reasonably deemed necessary by the Company's counsel. The Company shall not utilize this section to require you to make yourself available to an extent that would unreasonably interfere with full-time employment responsibilities that you may have. Cooperation Services include, without limitation, appearing without the necessity of a subpoena to testify truthfully in any legal proceedings in which the Company calls you as a witness. The Company shall reimburse you for any reasonable travel expenses that you incur due to your performance of Cooperation Services, after receipt of appropriate documentation consistent with the Company's business expense reimbursement policy.

7. Protected Disclosures and Other Protected Actions

Nothing contained in this Agreement, the Continuing Obligations, or any other surviving obligation to the Company limits your ability, with or without notice to the Company, to: (i) file a charge or complaint with any federal, state or local governmental agency or commission (a "Government Agency"), including without limitation, the Equal Employment Opportunity Commission, the National Labor Relations Board or the Securities and Exchange Commission (the "SEC"); (ii) communicate with any Government Agency or otherwise participate in any investigation or proceeding that may be conducted by any Government Agency, including by providing non-privileged documents or information; (iii) testify truthfully in a legal proceeding; or (iv) file a claim for unemployment benefits with an applicable Government Agency and to provide a copy of this Agreement to the applicable Government Agency in connection with such unemployment benefits claim. Any such communications and disclosures must be consistent with applicable law and the information disclosed must not have been obtained through a communication that was subject to the attorney-client privilege (unless disclosure of that information would otherwise be permitted consistent with such privilege or applicable law). If a Government Agency or any other third party pursues any claim on your behalf, you waive any right to monetary or other individualized relief (either individually or as part of any collective or class action), but the Company will not limit any right you may have to receive an award pursuant to the whistleblower provisions of any applicable law or regulation for providing information to the SEC or any other Government Agency. In addition, for the avoidance of doubt, pursuant to the federal Defend Trade Secrets Act of 2016, you shall not be held criminally or civilly liable under any federal or state trade secret law or under this Agreement or the Continuing Obligations for the disclosure of a trade secret that (a) is made (i) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (b) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.

8. Other Provisions

(a) Termination of Payment Obligation or Return of Payment. If you breach any of your obligations under this Agreement or any of the Continuing Obligations, in addition to any other legal or equitable remedies it may have for such breach, the Company shall have the right not to pay the Severance Benefits. If the Severance Pay is paid before such breach or before the Company's discovery of such breach, you shall return the Severance Pay to the Company. The Company's exercise of its right not to pay the Severance Benefits in such circumstances or your return of the Severance Pay will not affect your continuing obligations under this Agreement or the Continuing Obligations.

(b) Absence of Reliance. In signing this Agreement, you are not relying upon any promises or representations made by anyone at or on behalf of the Company other than those promises and representations set forth in this Agreement.

(c) Enforceability. If any portion or provision of this Agreement (including, without limitation, any portion or provision of any section of this Agreement) shall to any extent be declared illegal or unenforceable by a court of competent jurisdiction, then the remainder of this Agreement, or the application of such portion or provision in circumstances other than those as to which it is so declared illegal or unenforceable, shall not be affected thereby, and each portion and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

(d) Waiver. No waiver of any provision of this Agreement shall be effective unless made in writing and signed by the waiving party. The failure of a party to require the performance of any term or obligation of this Agreement, or the waiver by a party of any breach of this Agreement, shall not prevent any subsequent enforcement of such term or obligation or be deemed a waiver of any subsequent breach.

(e) Governing Law; Interpretation. This Agreement shall be interpreted and enforced under the laws of the Commonwealth of Massachusetts, without regard to conflict of law principles. In the event of any dispute, this Agreement is intended by the parties to be construed as a whole, to be interpreted in accordance with its fair meaning, and not to be construed strictly for or against either you or the Company or the "drafter" of all or any portion of this Agreement.

(f) Jurisdiction; Jury Trial Waiver. You and the Company agree that the Superior Court of the Commonwealth of Massachusetts and the United States District Court for the District of Massachusetts shall have the exclusive jurisdiction to consider any matters related to this Agreement, including without limitation any claim of a violation of this Agreement. With respect to any such court action, you submit to the jurisdiction of such courts and you acknowledge that venue in such courts is proper. Each party to this Agreement irrevocably waives any and all right to a trial by jury in any legal proceeding arising out of or relating to this Agreement.

(g) Relief. You agree that it would be difficult to measure any harm caused to the Company that might result from any breach by you of this Agreement or the Continuing Obligations. Accordingly, you agree that if you breach, or propose to breach, any portion of your obligations under this Agreement or the Continuing Obligations, the Company shall be entitled, in addition to all other remedies it may have, to an injunction or other appropriate equitable relief to restrain any such breach, without showing or proving any actual damage to the Company and without the necessity of posting a bond.

(h) Entire Agreement. This Agreement supersedes any previous agreements or understandings between you and the Company, except the Continuing Obligations, your Equity Awards, and any other obligations specifically preserved in this Agreement.

(i) Time for Consideration; Effective Date. You acknowledge that you have knowingly and voluntarily entered into this Agreement and that the Company advises you to consult with an attorney before signing this Agreement. By entering into this Agreement, you acknowledge that you have been given twenty-one (21) days to consider this Agreement. To accept this Agreement, you must return a signed original of the Agreement so that it is received by the Board within twenty-one (21) days after you received this Agreement. In the event that you execute and return this Agreement within less than twenty-one (21) days, you acknowledge that such decision was entirely voluntary and that you understood that you had the opportunity to consider this Agreement for the entire twenty-one (21) day period. For the period of seven (7) days from the date when you sign this Agreement, you have the right to revoke this Agreement by written notice to the Board, provided that such notice is delivered so that it is received at or before the expiration of the seven (7) day revocation period. This Agreement shall not become effective or enforceable during the revocation period. This Agreement shall become effective on the first business day following the expiration of the revocation period (the "Effective Date").

(j) Counterparts. This Agreement may be executed in separate counterparts. When both counterparts are signed, they shall be treated together as one and the same document.

[*Signature Page Follows*]

Please indicate your agreement to the terms of this Agreement by signing and returning to the Board the original or a PDF copy of this letter within the time period set forth above.

Sincerely,

LIFEWARD, INC.

By: /s/ William Mark Grant _____
By: Date
Title:

You are advised to consult with an attorney before signing this Agreement. This is a legal document. Your signature will commit you to its terms. By signing below, you acknowledge that you have carefully read and fully understand all of the provisions of this Agreement and that you are knowingly and voluntarily entering into this Agreement.

_____ _____
Larry Jasinski Date

Exhibit 10.7

August 14, 2025

PERSONAL AND CONFIDENTIAL

Larry Jasinski

Re: Supplemental Release

Dear Larry:

As you are aware, your employment with Lifeward, Inc. f/k/a Argo Medical Technologies, Inc. (the "Company") terminated, effective as of June 30, 2025 (such date, the "Separation Date"). On the Separation Date, you enter entered into a Separation Agreement dated June 30, 2025 (the "Separation Agreement"). Capitalized terms used herein and not otherwise defined shall have the meanings given to them in the Separation Agreement.

Following the Effective Date of the Separation Agreement, a dispute arose regarding the amount of vacation time that was due and owing to you (the "Disputed Vacation") and regarding the timing of certain severance payments that are due to you under the terms of the Separation Agreement.

The Company is proposing this agreement with you (the "Supplemental Release"), with the purpose of settling any claims related to the Disputed Vacation, the timing of the payments under the terms of the Separation Agreement, and any other claims arising since the Effective Date of the Separation Agreement.

With those understandings, you and the Company agree as follows:

Provided you enter into this Supplemental Release, in addition to the Severance Benefits set forth in the Separation Agreement, the Company and you agree to each of the below.

(a) The Company will pay you an amount that is equivalent to 108 hours of vacation time, less taxes and withholdings, which shall be paid on the Company's first regular payroll date following your execution of this Supplemental Release. You hereby acknowledge and agree that this resolves any and all claims related to the Disputed Vacation.

(b) The severance payments calculated based on bonus amounts for calendar year 2025 that are due to you pursuant to Section 2(a)(ii) of the Separation Agreement shall be paid as follows: (i) the portion of those severance amounts that are for the first half of the year 2025 (i.e., the gross amount of $30,961) shall be paid on the Company's first payroll date following your execution of this Supplemental Release; and (ii) the portion of those severance amounts that are for the second half of the year 2025 (i.e., the gross amount of $154,809.20) will be paid no later than December 31, 2025. You hereby acknowledge and agree that this resolves any and all claims related to the timing of the payment of the 2025 bonus.

In consideration for, among other terms, the agreements made by the Company in this Supplemental Release, you voluntarily release and forever discharge the Company, Lifeward, Ltd., their affiliated and related entities, their predecessors, successors and assigns and those of each of the foregoing, its and their respective employee benefit plans and fiduciaries of such plans, and the current and former officers, directors, shareholders, employees, attorneys, accountants and agents of each of the foregoing in their official and personal capacities (collectively referred to as the "Released Parties") generally from all claims, demands, debts, damages and liabilities of every name and nature, known or unknown ("Claims") that, as of the date when you sign this Supplemental Release, you have, ever had, now claim to have or ever claimed to have had against any or all of the Released Parties. This release includes, without limitation, your release of all Claims:

- relating to your employment by and termination of employment with the Company;
- of wrongful discharge or violation of public policy;
- of breach of contract;
- of defamation or other torts;
- of retaliation or discrimination under federal, state or local law (including, without limitation, Claims of discrimination or retaliation under Title VII of the Civil Rights Act of 1964, the Americans with Disabilities Act, Massachusetts General Laws Chapter 151B, and The Massachusetts Civil Rights Act);
- under any other federal or state statute (including, without limitation, Claims under the Fair Labor Standards Act, the Family and Medical Leave Act, and the Massachusetts Paid Family and Medical Leave Law);
- for wages, bonuses, incentive compensation, vacation pay or any other compensation or benefits, regardless of whether based on Massachusetts Wage Act, M.G.L. c. 149, §§148-150C or any other law or agreement; and
- for damages or other remedies of any sort, including, without limitation, compensatory damages, punitive damages, injunctive relief and attorney fees;

provided, however, that this release shall not affect your rights under the Separation Agreement or this Supplemental Release, or any rights that you may have under any "employee benefit plan," as that term is defined in Section 3(3) of the Employee Retirement Income Security Act, 29 U.S.C. § 1002(3).

You agree not to accept damages of any nature, other equitable or legal remedies for your own benefit or attorney's fees or costs from any of the Released Parties with respect to any Claim released by this Supplemental Release. As a material inducement to the Company to enter into this Supplemental Release, you represent that you have not assigned any Claim to any third party.

You and the Company acknowledge and agree that nothing in this Supplemental Release modifies or changes your or the Company's ongoing obligations under the Separation Agreement or your Consulting Agreement.

Nothing contained in this Supplement Release or any other surviving obligation to the Company limits your ability, with or without notice to the Company, to: (i) file a charge or complaint with any federal, state or local governmental agency or commission (a "Government Agency"), including without limitation, the Equal Employment Opportunity Commission, the National Labor Relations Board or the Securities and Exchange Commission (the "SEC"); (ii) communicate with any Government Agency or otherwise participate in any investigation or proceeding that may be conducted by any Government Agency, including by providing non-privileged documents or information; (iii) testify truthfully in a legal proceeding; or (iv) file a claim for unemployment benefits with an applicable Government Agency and to provide a copy of this Supplemental Release to the applicable Government Agency in connection with such unemployment benefits claim. Any such communications and disclosures must be consistent with applicable law and the information disclosed must not have been obtained through a communication that was subject to the attorney-client privilege (unless disclosure of that information would otherwise be permitted consistent with such privilege or applicable law). If a Government Agency or any other third party pursues any claim on your behalf, you waive any right to monetary or other individualized relief (either individually or as part of any collective or class action), but the Company will not limit any right you may have to receive an award pursuant to the whistleblower provisions of any applicable law or regulation for providing information to the SEC or any other Government Agency.

In signing this Supplemental Release, you are not relying upon any promises or representations made by anyone at or on behalf of the Company other than those promises and representations set forth in this Supplemental Release.

If any portion or provision of this Supplemental Release shall to any extent be declared illegal or unenforceable by a court of competent jurisdiction, then the remainder of this Supplemental Release, or the application of such portion or provision in circumstances other than those as to which it is so declared illegal or unenforceable, shall not be affected thereby, and each portion and provision of this Supplemental Release shall be valid and enforceable to the fullest extent permitted by law.

This Supplemental Release shall be interpreted and enforced under the laws of the Commonwealth of Massachusetts, without regard to conflict of law principles. In the event of any dispute, this Supplemental Release is intended by the parties to be construed as a whole, to be interpreted in accordance with its fair meaning, and not to be construed strictly for or against either you or the Company or the "drafter" of all or any portion of this Supplemental Release.

You and the Company agree that the Superior Court of the Commonwealth of Massachusetts and the United States District Court for the District of Massachusetts shall have the exclusive jurisdiction to consider any matters related to this Suppelemntal Release, including without limitation any claim of a violation of this Supplemental Release. With respect to any such court action, you submit to the jurisdiction of such courts and you acknowledge that venue in such courts is proper. Each party to this Supplemental Release irrevocably waives any and all right to a trial by jury in any legal proceeding arising out of or relating to this Supplemental Release.

This Supplemental Release supersedes any previous agreements or understandings between you and the Company, except the Separation Agreement, Consulting Agreement, Continuing Obligations, your Equity Awards, and any other obligations specifically preserved in this Supplemental Release.

You acknowledge that you have knowingly and voluntarily entered into this Supplemental Release and that the Company advises you to consult with an attorney before signing this Supplemental Release. By entering into this Supplemental Release, you acknowledge that you have been given sufficient time to consider this Supplemental Release. This Supplemental Release shall become effective on the date you sign it.

This Supplemental Release may be executed in separate counterparts. When both counterparts are signed, they shall be treated together as one and the same document.

[*Signature Page Follows*]

Please indicate your agreement to the terms of this Supplemental Release by signing and returning to the Company the original or a PDF copy of this letter within the time period set forth above.

Sincerely,

LIFEWARD, INC.

By: /s/ William Mark Grant
By:
Title: President and Chief Executive Officer

_____
Date

You are advised to consult with an attorney before signing this Supplemental Release. This is a legal document. Your signature will commit you to its terms. By signing below, you acknowledge that you have carefully read and fully understand all of the provisions of this Supplemental Release and that you are knowingly and voluntarily entering into this Supplemental Release.

_____
Larry Jasinski

_____
Date

Exhibit 10.31

THE SECURITIES REFERENCED HEREIN HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AND HAVE BEEN ACQUIRED FOR INVESTMENT AND NOT WITH A VIEW TO, OR IN CONNECTION WITH, THE SALE OR DISTRIBUTION THEREOF. NO SUCH SALE OR DISTRIBUTION MAY BE EFFECTED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT RELATED THERETO OR AN OPINION OF COUNSEL IN A FORM SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED UNDER THE SECURITIES ACT OF 1933.

ANY TRANSFEREE OF THIS NOTE SHOULD CAREFULLY REVIEW THE TERMS OF THIS NOTE. THE PRINCIPAL AMOUNT REPRESENTED BY THIS NOTE AND, ACCORDINGLY, THE SECURITIES ISSUABLE UPON CONVERSION HEREOF MAY BE LESS THAN THE AMOUNTS SET FORTH ON THE FACE HEREOF PURSUANT TO SECTION 4(a) OF THIS NOTE.

SECURED PROMISSORY NOTE

$3,000,000 **November 14, 2025**

FOR VALUE RECEIVED, and subject to the terms and conditions set forth herein, Lifeward Ltd., an Israeli company (the "**Borrower**"), hereby unconditionally promises to pay to Oramed Ltd. or its assigns (the "**Noteholder**," and together with the Borrower, the "**Parties**"), the principal sum of $3,000,000 together with all amounts due and payable to the Noteholder as provided in this Promissory Note (the "**Note**").

1. Definitions; Interpretation.

1.1 Capitalized terms used herein shall have the meanings set forth in this 1.1.

"**Affiliate**" as to any Person, means any other Person that, directly or indirectly through one or more intermediaries, is in control of, is controlled by, or is under common control with, such Person. For purposes of this definition, "control" of a Person means the power, directly or indirectly, either to (a) vote 10% or more of the securities having ordinary voting power for the election of directors (or persons performing similar functions) of such Person or (b) direct or cause the direction of the management and policies of such Person, whether by contract or otherwise.

"**Anti-Corruption Laws**" means all laws, rules, and regulations of any jurisdiction applicable to the Borrower from time to time concerning or relating to bribery or corruption, including the United States Foreign Corrupt Practices Act of 1977.

"**Anti-Terrorism Laws**" means all laws, rules, and regulations of any jurisdiction related to money laundering or financing terrorism including the USA PATRIOT Act, The Currency and Foreign Transactions Reporting Act (31 U.S.C. §§ 5311-5330 and 12 U.S.C. §§ 1818(s), 1820(b) and 1951-1959) (also known as the “Bank Secrecy Act”), the Trading With the Enemy Act (50 U.S.C. § 1 et seq.) and Executive Order 13224 (effective September 24, 2001).

"**Automatic Exchange Date**" shall have the meaning set forth in Section 3.3(a).

"**Beneficial Ownership Regulation**" has the meaning set forth Section 17.10.

"**Borrower**" has the meaning set forth in the introductory paragraph.

"**Business Day**" means a day other than a Saturday, Sunday, or other day on which commercial banks in New York City are authorized or required by law to close.

"**Change of Control**" means the occurrence of (a) an acquisition by an individual or legal entity or "group" (as described in Rule 13d-5(b)(1) promulgated under the Exchange Act) of effective control (whether through legal or beneficial ownership of capital stock of the Borrower, by contract or otherwise) of in excess of 50% of the voting securities of the Borrower, (b) any Person or two or more Persons acting in concert shall have acquired by contract or otherwise, or shall have entered into a contract or arrangement that, upon consummation thereof, will result in its or their acquisition of the power to exercise, directly or indirectly, control over the management or policies of the Borrower or control over the equity interests of such Person entitled to vote for members of the Borrower's board of directors ("**Board of Directors**") of the Borrower on a fully-diluted basis (and taking into account all such voting power that such Person or group has the right to acquire pursuant to any option right) representing 50% or more of the combined voting power of such equity interests, (c) the Borrower (and all of its Subsidiaries, taken as a whole) sells or transfers all or substantially all of its assets to another Person, or (d) a replacement at one time of more than one-half of the members of the Board of Directors which is not approved by a majority of those individuals who are members of the Board of Directors on the date hereof (or by those individuals who are serving as members of the Board of Directors on any date whose nomination to the Board of Directors was approved by a majority of the members of the Board of Directors who are members on the date hereof).

"**Collateral**" shall have the meaning provided for such term in Section 16.1.

"**Commission**" means the U.S. Securities and Exchange Commission.

"**Control**" shall mean the manner in which "*control*" is achieved under the UCC with respect to any Collateral for which the UCC specifies a method of achieving "*control*".

"**Companies Law**" means the Israel Companies Law, 5759-1999 and all regulations promulgated thereunder, as the same may be amended from time to time.

"**Conversion Shares**" means, collectively, Ordinary Shares issuable upon conversion of this Note in accordance with the terms hereof.

"**Debt**" of the Borrower, means all (a) indebtedness for borrowed money; (b) obligations for the deferred purchase price of property or services, except trade payables arising in the ordinary course of business; (c) obligations evidenced by notes, bonds, debentures, or other similar instruments; (d) obligations as lessee under capital leases; (e) obligations in respect of any interest rate swaps, currency exchange agreements, commodity swaps, caps, collar agreements, or similar arrangements entered into by the Borrower providing for protection against fluctuations in interest rates, currency exchange rates, or commodity prices, or the exchange of nominal interest obligations, either generally or under specific contingencies; (f) obligations under acceptance facilities and letters of credit; (g) guaranties, endorsements (other than for collection or deposit in the ordinary course of business), and other contingent obligations to purchase, to provide funds for payment, to supply funds to invest in any Person, or otherwise to assure a creditor against loss, in each case, in respect of indebtedness set out in clauses (a) through (f) of a Person other than the Borrower; (h) indebtedness set out in clauses (a) through (g) of any Person other than Borrower secured by any lien on any asset of the Borrower, whether or not such indebtedness has been assumed by the Borrower, and (i) indebtedness of any partnership, unlimited liability company, or unincorporated joint venture in which the Borrower is a general partner, member, or a joint venturer, respectively (unless such Debt is expressly made non-recourse to the Borrower).

"**Debtor Relief Laws**" shall mean the Bankruptcy Code of the United States of America, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief Laws of the United States or other applicable jurisdictions from time to time in effect.

"**Default**" means any of the events specified in 11 which constitute an Event of Default or which, upon the giving of notice, the lapse of time, or both, pursuant to 11, would, unless cured or waived, become an Event of Default.

"**Default Premium**" has the meaning set forth in Section 13.

"**Deposit Account**" has the meaning set forth in the UCC.

"**Event of Default**" has the meaning set forth in 11.

"**Exchange Act**" has the meaning set forth in Section 8.10.

"**GAAP**" has the meaning set forth in Section 8.10.

"**Governmental Authority**" means the government of the United States of America or any nation or any political subdivision thereof, whether state or local, and the government of the State of Israel and any agency, authority, instrumentality, regulatory body, court, central bank or other entity thereof exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank).

"**Investments**" means, as to any Person, any direct or indirect acquisition or investment by such Person, whether by means of (a) the purchase or other acquisition (including by merger) of Equity Interests of another Person, (b) a loan, advance or capital contribution to, guarantee or assumption of debt of, or purchase or other acquisition of any other debt or interest in, another Person, (c) the purchase or other acquisition (in one transaction or a series of transactions) of assets of another Person that constitutes a business unit or all or a substantial part of the business of, such Person, or (d) acquire intellectual property rights such as one or more patents.

"**Law**" as to any Person, means the certificate of incorporation and by-laws or other organizational or governing documents of such Person, and any law (including common law), statute, ordinance, treaty, rule, regulation, order, decree, judgment, writ, injunction, settlement agreement, requirement or determination of an arbitrator or a court or other Governmental Authority, in each case applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject.

"**Legend Removal Date**" shall have the meaning set forth in Section 12.

"**Lien**" means any mortgage, pledge, hypothecation, encumbrance, lien (statutory or other), charge, or other security interest.

"**Loan**" the aggregate principal amount of this Note in an amount equal to $3,000,000.

"**Make-Whole Amount**" means the greater of (x) interest accrued and unpaid through the applicable payment date, and (y) interest that would have accrued for the three (3) month period beginning on the date hereof, in each case, calculated at the interest rate on the principal amount of this Note outstanding immediately prior to such payment, net of interest previously paid.

"**Mandatory Conversion**" shall have the meaning set forth in Section 3.3(a).

"**Material Adverse Effect**" means a material adverse effect on the business, assets, properties, liabilities (actual or contingent), operations, condition (financial or otherwise), or prospects of the Borrower.

"**Maturity Date**" means the earlier of (i) the date that is the six (6) month anniversary of the date hereof, provided that, if such date is not a Trading Day, the immediately following Trading Day thereafter, and (ii) the Automatic Exchange Date, or such earlier date as this Note is required or permitted to be repaid or converted as provided hereunder.

"**Money**" has the meaning set forth in the UCC.

"**Note**" has the meaning set forth in the introductory paragraph.

"**Noteholder**" has the meaning set forth in the introductory paragraph.

"**OFAC**" means the U.S. Department of the Treasury's Office of Foreign Assets Control.

"**Ordinary Shares**" means the ordinary shares of the Borrower, par value NIS 1.75 per share, and any other class of securities into which such securities may hereafter be reclassified or changed.

"**Ordinary Share Equivalents**" means any securities of the Borrower or its Subsidiaries which would entitle the holder thereof to acquire at any time Ordinary Shares, including, without limitation, any debt, preferred shares, right, option, warrant or other instrument that is at any time convertible into or exercisable or exchangeable for, or otherwise entitles the holder thereof to receive, Ordinary Shares.

"**Parties**" has the meaning set forth in the introductory paragraph.

"**Permitted Debt**"[1] means Debt (a) existing or arising under this Note; (b) existing as of the date of this Note and disclosed to the Noteholder prior to the date hereof; and (c) other Debt owing in the ordinary course of business not to exceed $200,000 in the aggregate, provided that in the case of (d) such Debt does not mature prior to the Maturity Date and (e) Debt incurred in the ordinary course of business in respect of netting services, overdraft protections, automatic clearinghouse arrangements, and other cash management and similar arrangements.

"**Person**" means any individual, corporation, limited liability company, trust, joint venture, association, company, limited or general partnership, unincorporated organization, Governmental Authority, or other entity.

"**Proceeds**" has the meaning set forth in the UCC.

"**Sanctioned Country**" means, at any time, a country or territory which is itself the subject or target of any comprehensive or country-wide Sanctions.

"**Sanctioned Person**" means, at any time, (a) any Person listed in any Sanctions-related list of designated Persons maintained by a Sanctions Authority; (b) any Person operating, organized, or resident in a Sanctioned Country, (c) any Person controlled or 50% owned by any such Person or Persons described in the foregoing clauses (a) or (b), or (d) any Person that is the subject or target of any Sanctions.

"**Sanctions**" mean all economic or financial sanctions or trade embargoes imposed, administered, or enforced from time to time by a Sanctions Authority.

[1] Goodwin: we removed Subsequent Investment as this Note will not be outstanding at the same time as the subsequent note and therefore the carveout is not necessary

"**Sanctions Authority**" means OFAC, the U.S. Department of State, the United Nations Security Council, the European Union, any EU member state, His Majesty's Treasury of the United Kingdom, or other relevant sanctions authority.

"**SEC Reports**" has the meaning set forth in Section 8.10.

"**Securities Act**" has the meaning set forth in Section 8.10.

"**Secured Obligations**" shall mean, without duplication: (a) all obligations of the Borrower under this Note; and (b) all costs and expenses incurred in connection with enforcement and collection of such obligations pursuant to the terms of this Note and/or applicable Laws, including, without limitation, any reasonable fees, charges and disbursements of counsel.

"**Shareholder Approval**" means such approval as may be required by the applicable rules and regulations of the Nasdaq Stock Market (or any successor entity) or the Companies Law from the shareholders of the Borrower with respect to the transactions contemplated by this Note, including the issuance of all of the Conversion Shares in excess of 19.99% or in excess of 24.99% of the issued and outstanding Ordinary Shares on the date hereof.

"**Share Delivery Date**" has the meaning set forth in Section 7(b)(ii).

"**Subsequent Investment**" means such additional financing of the Borrower consummated following the date hereof on the terms and conditions acceptable to the Noteholder and the Borrower resulting in aggregate gross proceeds of at least $10,000,000 (inclusive of any amounts funded pursuant to this Note).

"**Subsidiary**" means, as to any Person, a corporation, partnership, exempted limited partnership, exempted company, limited liability company or other entity of which shares of stock or other ownership interests having ordinary voting power (other than stock or such other ownership interests having such power only by reason of the happening of a contingency) to elect a majority of the board of directors or other managers of such corporation, partnership, exempted limited partnership, exempted company, or other entity are at the time owned, or the management of which is otherwise controlled, directly or indirectly through one or more intermediaries, or both, by such Person.

"**Trading Day**" means a day on which the principal Trading Market is open for trading.

"**Trading Market**" means any of the following markets or exchanges on which the Ordinary Shares are listed or quoted for trading on the date in question: the NYSE American, the Nasdaq Capital Market, the Nasdaq Global Market, the Nasdaq Global Select Market, or the New York Stock Exchange (or any successors to any of the foregoing).

"**Transfer Agent**" means Equiniti Trust Company, LLC, the current transfer agent of the Borrower, with a mailing address of 6201 15th Avenue, Brooklyn, New York 11219, and any successor transfer agent of the Borrower.

"**UCC**" means the Uniform Commercial Code as in effect from time to time in the state of New York except as such term may be used in connection with the perfection of the Collateral and then the applicable jurisdiction with respect to such affected Collateral shall apply.

"**USA PATRIOT Act**" means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (Title III of Pub. L. 107-56, signed into law October 26, 2001).

"**U.S. Bank Account**" means the Borrower's Deposit Account held at Silicon Valley Bank with account number ending 3301364277**.**

1.2 Interpretation. For purposes of this Note (a) the words "include," "includes," and "including" shall be deemed to be followed by the words "without limitation"; (b) the word "or" is not exclusive; and (c) the words "herein," "hereof," "hereby," "hereto," and "hereunder" refer to this Note as a whole. The definitions given for any defined terms in this Note shall apply equally to both the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine, and neuter forms. Unless the context otherwise requires, references herein to: (x) Schedules, Exhibits, and Sections mean the Schedules, Exhibits, and Sections of this Note; (y) an agreement, instrument, or other document means such agreement, instrument, or other document as amended, supplemented, and modified from time to time to the extent permitted by the provisions thereof; and (z) a statute means such statute as amended from time to time and includes any successor legislation thereto and any regulations promulgated thereunder. This Note shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting an instrument or causing any instrument to be drafted.

2. [Reserved].

3. Payment Dates; Optional Prepayments.

3.1 Payment Dates. The Loan *plus* any accrued and unpaid interest thereon and the Make-Whole Amount, if applicable, shall be payable by the Borrower on the Maturity Date; provided, however, that if the Maturity Date is the Automatic Exchange Date, the Borrower's obligations hereunder shall be satisfied in full by the Mandatory Conversion.

3.2 Optional Prepayments. The Borrower may not prepay the Loan in whole or in part without the prior written consent of the Noteholder.

3.3 Mandatory Repayments.

(a) Mandatory Conversion Upon Subsequent Investment. If, following the date hereof, the Borrower consummates the Subsequent Investment (the date on which the Subsequent Investment is consummated, the "**Automatic Exchange Date**"), then the aggregate principal amount of this Note, *plus* any accrued and unpaid interest thereon and the Make-Whole Amount, if applicable, shall automatically be exchanged into the same form of convertible notes (or other debt instruments) ("**Subsequent Notes**") issued by the Borrower to the Noteholder in such Subsequent Investment, on the same terms and conditions as those applicable to the Subsequent Notes (a "**Mandatory Conversion**"). Upon a Mandatory Conversion in accordance with the provisions of this Section 3.3(a), (i) this Note shall no longer be deemed outstanding and (ii) all rights of this Note shall cease and terminate.

(b) Mandatory Redemption upon a Change of Control Transaction.

(i) At any time after the date hereof, to the extent that there occurs a Change of Control, other than a Change of Control that results directly or indirectly from any Subsequent Investment, the Noteholder shall have the right, by delivering written notice to the Borrower, to cause the Borrower to redeem all or any portion of this Note then outstanding, *plus* all accrued and unpaid interest thereon and the Make-Whole Amount, if applicable (a "**Change of Control Redemption**"). The Note subject to redemption pursuant to this Section 3.3(b) shall be redeemed by the Borrower in cash at a price equal to the aggregate principal amount of the Note being redeemed, *plus* and all accrued and unpaid interest thereon and the Make-Whole Amount, if applicable.

(ii) With respect to any portion of this Note which has been specified to be redeemed by the Borrower pursuant to the Change of Control Redemption and which has been redeemed in accordance with the provisions of this Section 3.3(b), (i) such portion of this Note shall no longer be deemed outstanding and (ii) all rights with respect to such portion of this Note shall cease and terminate.

(iii) In the event of the Borrower's redemption of any portion of this Note under this Section 3.3(b), a Noteholder's damages would be uncertain and difficult to estimate because of the parties' inability to predict future interest rates and the uncertainty of the availability of a suitable substitute investment opportunity for such Noteholder. Accordingly, any redemption premium due under this Section 3.3(b) is intended by the parties to be, and shall be deemed, a reasonable estimate of such Noteholder's actual loss of its investment opportunity and not as a penalty.

3.4 No Reborrowing. No repaid or prepaid hereunder amount may be reborrowed.

4. [Reserved.]

5. Interest.

5.1 Interest. This Note shall initially bear interest at a rate of fifteen percent (15%) per annum. Except as otherwise set forth in this Note, any interest payable on this Note shall be payable on the Maturity Date (the "**Interest Payment Date**") (if the Interest Payment Date is not a Business Day, then the payment shall be due on the next succeeding Business Day), in cash. Notwithstanding the foregoing, in connection with any repayment, redemption, conversion, acceleration, or termination of this Note, including on the Maturity Date, if such date occurs prior to the date that is three (3) months following the date hereof, then the Borrower shall, in addition to any other amounts due hereunder, pay to the Noteholder the Make-Whole Amount, to the extent not previously paid, in cash on the date of such repayment, redemption, conversion, acceleration, termination or Maturity Date. Upon the occurrence and during the continuance of an Event of Default, the outstanding principal amount plus all accrued and unpaid interest thereon and the Make-Whole Amount, if applicable, shall automatically upon the occurrence and during the continuance of such Event of Default, bear interest at a rate equal to eighteen percent (18%) of the amount payable (inclusive of the Default Premium) per annum until such date that the Event of Default is cured or this Note is paid in full ("**Default Interest**").

5.2 Payments of Default Interest. Default Interest shall be due and payable in cash on the demand of the Noteholder.

5.3 Computation of Interest. All computations of interest shall be made on the basis of 365 or 366 days, as the case may be, and the actual number of days elapsed.

5.4 Interest Rate Limitation. If at any time and for any reason whatsoever, the interest rate payable on this Note shall exceed the maximum rate of interest permitted to be charged by the Noteholder to the Borrower under applicable Law, such interest rate shall be reduced automatically to the maximum rate of interest permitted to be charged under applicable Law and that portion of each sum paid attributable to that portion of such interest rate that exceeds the maximum rate of interest permitted by applicable Law shall be deemed a voluntary prepayment of principal. To the extent it may lawfully do so, the Borrower agrees not to insist upon or plead or in any manner whatsoever claim, and will resist any and all efforts to be compelled to take the benefit or advantage of, usury laws wherever enacted, now or at any time hereafter in force, in connection with any claim, action or proceeding that may be brought by any Noteholder in order to enforce any right or remedy under this Note.

6. Payment Mechanics.

6.1 Manner of Payments. All payments of interest and principal shall be made in lawful money of the United States of America no later than 12:00 PM (local time in New York City, New York) on the date on which such payment is due by wire transfer of immediately available funds to the Noteholder's account at a bank specified by the Noteholder in writing to the Borrower from time to time.

6.2 Application of Payments. All payments made under this Note shall be applied *first* to the payment of any fees or charges outstanding pursuant to the this Note, *second* to accrued interest (if any) and the Make-Whole Amount (if any), and *third* to the payment of the principal amount outstanding under the Note.

6.3 Business Day Convention. Whenever any payment to be made hereunder shall be due on a day that is not a Business Day, such payment shall be made on the next succeeding Business Day and such extension will be taken into account in calculating the amount of interest payable under this Note.

6.4 [Reserved.]

6.5 Rescission of Payments. If at any time any payment made by the Borrower under this Note is rescinded or must otherwise be restored or returned upon the insolvency, bankruptcy, or reorganization of the Borrower or otherwise, the Borrower's obligation to make such payment shall be reinstated as though such payment had not been made.

7. Voluntary Conversion. At any time after the date hereof until this Note is no longer outstanding, this Note, and at the sole option of the Noteholder, all accrued and unpaid interest thereon, shall be convertible, in whole or in part, into Ordinary Shares at the option of the Noteholder, at any time and from time to time (subject to the conversion limitations set forth in Section 7(b)). The Noteholder shall effect conversions by delivering to the Borrower a Notice of Conversion, the form of which is attached hereto as Annex A (each, a "**Notice of Conversion**"), specifying therein the principal amount of this Note, *plus*, at the option of the Noteholder, any accrued and unpaid interest thereon to be converted, and the date on which such conversion shall be effected (such date, the "**Conversion Date**"). If no Conversion Date is specified in a Notice of Conversion, the Conversion Date shall be the date that such Notice of Conversion is deemed delivered hereunder. No ink-original Notice of Conversion shall be required, nor shall any medallion guarantee (or other type of guarantee or notarization) of any Notice of Conversion form be required. To effect conversions hereunder, the Noteholder shall not be required to physically surrender this Note to the Borrower unless the entire principal amount of this Note, *plus* all accrued and unpaid interest thereon, has been so converted in which case the Noteholder shall surrender this Note as promptly as is reasonably practicable after such conversion without delaying the Borrower's obligation to deliver the shares on the Share Delivery Date. Conversions hereunder shall have the effect of lowering the outstanding principal amount of this Note (*plus*, if applicable, any accrued and unpaid interest thereon) in an amount equal to the applicable conversion. The Noteholder and the Borrower shall maintain records showing the principal amount(s) (*plus*, if applicable, any accrued and unpaid interest thereon) converted and the date of such conversion(s). The Borrower may deliver an objection to any Notice of Conversion within one (1) Business Day of delivery of such Notice of Conversion. In the event of any dispute or discrepancy, the records of the Noteholder shall be controlling and determinative in the absence of manifest error. **The Noteholder, and any assignee by acceptance of this Note, acknowledge and agree that, by reason of the provisions of this paragraph, following conversion of a portion of this Note, the unpaid and unconverted principal amount of this Note may be less than the amount stated on the face hereof.**

(a) Conversion Price. The conversion price in effect on any Conversion Date shall be equal to $0.45, subject to adjustment as provided herein (the "**Conversion Price**").

(b) Mechanics of Conversion.

(i) Conversion Shares Issuable Upon Conversion. The number of Conversion Shares issuable upon a conversion hereunder shall be determined by the quotient obtained by dividing (x) the outstanding principal amount of this Note to be converted *plus*, at the option of the Noteholder, all accrued and unpaid interest thereon (the "**Conversion Amount**") by (y) the Conversion Price.

(ii) Delivery of Conversion Shares Upon Conversion. Not later than the earlier of (i) one (1) Trading Day and (ii) the number of Trading Days comprising the Standard Settlement Period (as defined below) after each Conversion Date (the "**Share Delivery Date**"), the Borrower shall deliver, or cause to be delivered, to the Noteholder (A) a certificate or book entry statement representing the Conversion Shares to be acquired upon conversion of this Note, which, following the Legend Removal Date, shall be free of restrictive legends and trading restrictions and (B) *plus*, if the Noteholder has not elected to include accrued and unpaid interest in the Conversion Amount pursuant to Section 7(b)(i) above, a certified check (or wire transfer) in the amount of such accrued and unpaid interest. Except in the case of any certificate or book entry statement bearing a restrictive legend, all Conversion Shares required to be delivered by the Borrower under this Section 7(b) shall be delivered electronically through the Depository Trust Company or another established clearing corporation performing similar functions. If the Conversion Date is prior to the Legend Removal Date, then the Conversion Shares shall bear a restrictive legend in the following form, as appropriate:

"THE ISSUANCE AND SALE OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE STATE SECURITIES LAWS. THE SECURITIES MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED OR ASSIGNED (I) IN THE ABSENCE OF (A) AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR (B) AN OPINION OF COUNSEL (WHICH COUNSEL SHALL BE SELECTED BY THE HOLDER), IN A GENERALLY ACCEPTABLE FORM, THAT REGISTRATION IS NOT REQUIRED UNDER SAID ACT OR (II) UNLESS SOLD PURSUANT TO RULE 144 OR RULE 144A UNDER SAID ACT. NOTWITHSTANDING THE FOREGOING, THE SECURITIES MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT OR OTHER LOAN OR FINANCING ARRANGEMENT SECURED BY THE SECURITIES."

As used herein, "Standard Settlement Period" means the standard settlement period, expressed in a number of Trading Days, on the Borrower's primary Trading Market with respect to the Ordinary Shares as in effect on the date of delivery of the Notice of Conversion.

(iii) Fractional Shares. No fractional shares or scrip representing fractional shares shall be issued upon the conversion of this Note. As to any fraction of a share which the Noteholder would otherwise be entitled to purchase upon such conversion, the Borrower shall round down to the next whole share.

(iv) Transfer Taxes and Expenses. The issuance of Conversion Shares on conversion of this Note shall be made without charge to the Noteholder hereof for any documentary stamp or similar taxes that may be payable in respect of the issue or delivery of such Conversion Shares, provided that the Borrower shall not be required to pay any tax that may be payable in respect of any transfer involved in the issuance and delivery of any such Conversion Shares upon conversion in a name other than that of the Noteholder of this Note so converted and the Borrower shall not be required to issue or deliver such Conversion Shares unless or until the Person or Persons requesting the issuance thereof shall have paid to the Borrower the amount of such tax or shall have established to the satisfaction of the Borrower that such tax has been paid. The Borrower shall pay all Transfer Agent fees required for same-day processing of any Notice of Conversion and all fees to the Depository Trust Company (or another established clearing corporation performing similar functions) required for same-day electronic delivery of the Conversion Shares.

(c) Noteholder's Conversion Limitations. The Borrower shall not effect any conversion of this Note, and a Noteholder shall not have the right to convert any portion of this Note, to the extent that after giving effect to the conversion set forth on the applicable Notice of Conversion, the Noteholder (together with the Noteholder's Affiliates, and any other Persons acting as a group (including acting as a group for purposes of the Companies Law) together with the Noteholder or any of the Noteholder's Affiliates (such Persons, "**Attribution Parties**")) would beneficially own in excess of the Beneficial Ownership Limitation (as defined below). For purposes of the foregoing sentence, the number of Ordinary Shares beneficially owned by the Noteholder and its Affiliates and Attribution Parties shall include the number of Ordinary Shares issuable upon conversion of this Note with respect to which such determination is being made, but shall exclude the number of Ordinary Shares which would be issuable upon (i) conversion of the remaining, unconverted principal amount of this Note (*plus*, if applicable, any accrued and unpaid interest thereon) beneficially owned by the Noteholder or any of its Affiliates or Attribution Parties and (ii) exercise or conversion of the unexercised or unconverted portion of any other securities of the Borrower subject to a limitation on conversion or exercise analogous to the limitation contained herein beneficially owned by the Noteholder or any of its Affiliates or Attribution Parties. Except as set forth in the preceding sentence, for purposes of this Section 7(c), beneficial ownership shall be calculated in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder; *provided, however*, that for purposes of determining compliance with the Companies Law, beneficial ownership shall be calculated in accordance with the Companies Law. To the extent that the limitation contained in this Section 7(c) applies, the determination of whether this Note is convertible (in relation to other securities owned by the Noteholder together with any Affiliates and Attribution Parties) and of which principal amount (*plus*, if applicable, any accrued and unpaid interest thereon) of this Note is convertible shall be in the sole discretion of the Noteholder, and the submission of a Notice of Conversion shall be deemed to be the Noteholder's determination of whether this Note may be converted (in relation to other securities owned by the Noteholder together with any Affiliates or Attribution Parties) and which principal amount (*plus*, if applicable, any accrued and unpaid interest thereon) of this Note is convertible, in each case subject to the Beneficial Ownership Limitation, and the Borrower shall have no obligation to verify or confirm the accuracy of such determination. In addition, a determination as to any group status as contemplated above shall be determined in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder; *provided, however*, that a determination as to any group status under the Companies Law shall be calculated in accordance with the Companies Law. For purposes of this Section 7(c), in determining the number of outstanding Ordinary Shares, the Noteholder may rely on the number of Ordinary Shares as reflected in (A) the Borrower's most recent periodic or annual report filed with the Commission, as the case may be, (B) a more recent public announcement by the Borrower, or (C) a more recent written notice by the Borrower or the Transfer Agent setting forth the number of Ordinary Shares outstanding. Upon the written or oral request of a Noteholder, the Borrower shall within one Trading Day confirm orally and in writing to the Noteholder the number of Ordinary Shares then outstanding. In any case, the number of outstanding Ordinary Shares shall be determined after giving effect to the conversion or exercise of securities of the Borrower, including this Note by the Noteholder or its Affiliates since the date as of which such number of outstanding Ordinary Shares was reported. The "Beneficial Ownership Limitation" shall be 4.99% of the number of Ordinary Shares outstanding immediately after giving effect to the issuance Ordinary Shares issuable upon conversion of this Note. Upon delivery of a written notice to the Borrower, the Noteholder may from time to time increase (with such increase not effective until the sixty-first (61^{st}) day after delivery of such notice) or decrease the Beneficial Ownership Limitation to any other percentage not in excess of 9.99% as specified in such notice; provided that any such increase in the Beneficial Ownership Limitation will not be effective until the sixty-first (61^{st}) day after such notice is delivered to the Borrower. The Beneficial Ownership Limitation provisions of this paragraph shall be construed and implemented in a manner otherwise than in strict conformity with the terms of this Section 7(c) to correct this paragraph (or any portion hereof) which may be defective or inconsistent with the intended Beneficial Ownership Limitation contained herein or to make changes or supplements necessary or desirable to properly give effect to such limitation. The limitations contained in this paragraph shall apply to a successor holder of this Note.

(d) Principal Trading Market Regulation. The Borrower shall not issue any Ordinary Shares upon conversion of this Note or otherwise pursuant to the terms of this Note, if the issuance of such Ordinary Shares would exceed the aggregate number of Ordinary Shares which the Borrower may issue upon conversion of this Note without breaching the Borrower's obligations under the rules and regulations of the principal Trading Market (the number of shares which may be issued without violating such rules and regulations, including, but not limited to, rules related to the aggregate offerings under Nasdaq Listing Rule 5635(b) and Nasdaq Listing Rule 5635(d), the "**Exchange Cap**"), except that such limitation shall not apply in the event that the Borrower (A) obtains the Shareholder Approval or (B) obtains a written opinion from outside counsel to the Borrower that such approval is not required, which opinion shall be reasonably satisfactory to the Noteholder. Until such Shareholder Approval or such written opinion is obtained, the Noteholder shall not be issued in the aggregate, upon conversion this Note, Ordinary Shares in an amount greater than the Exchange Cap as of the date hereof. In the event that the Noteholder shall sell or otherwise transfer this Note, the restrictions of the prior sentence shall apply.

(e) Noteholder of Record of Conversion Shares. The Person in whose name any Conversion Share is issuable or deliverable upon conversion of this Note will be deemed for all corporate purposes to hold such share as of the close of business on the date of receipt by such Person of the Conversion Shares for such conversion.

(f) Stock Dividends and Stock Splits. If the Borrower, at any time while this Note is outstanding: (i) pays a stock dividend or otherwise makes a distribution or distributions payable in Ordinary Shares on Ordinary Shares or any Ordinary Share Equivalents (which, for the avoidance of doubt, shall not include any Ordinary Shares issued by the Borrower upon conversion of this Note), (ii) subdivides outstanding Ordinary Shares into a larger number of shares, (iii) combines (including by way of a reverse stock split) outstanding Ordinary Shares into a smaller number of shares or (iv) issues, in the event of a reclassification of Ordinary Shares, any shares of capital stock of the Borrower, then the Conversion Price shall be multiplied by a fraction of which the numerator shall be the number of Ordinary Shares (excluding any treasury shares of the Borrower) outstanding immediately before such event, and of which the denominator shall be the number of Ordinary Shares outstanding immediately after such event. Any adjustment made pursuant to this Section 7(f) shall become effective immediately after the record date for the determination of shareholders entitled to receive such dividend or distribution and shall become effective immediately after the effective date in the case of a subdivision, combination or re-classification.

(g) Adjustment to Conversion Price. Whenever the Conversion Price is adjusted pursuant to any provision of this Section 7, the Borrower shall promptly deliver to the Noteholder a notice setting forth the Conversion Price after such adjustment and setting forth a brief statement of the facts requiring such adjustment.

(h) Calculations. All calculations under this Section 7 shall be made to the nearest cent or the nearest 1/100th of a share, as the case may be. For purposes of this Section 7, the number of Ordinary Shares deemed to be issued and outstanding as of a given date shall be the sum of the number of Ordinary Shares (excluding any treasury shares of the Borrower) issued and outstanding.

8. Representations and Warranties. The Borrower hereby represents and warrants to the Noteholder on the date hereof as follows:

8.1 Existence; Power and Authority; Compliance with Laws. The Borrower (a) is an entity duly incorporated or otherwise organized and validly existing under the laws of the jurisdiction of its incorporation or organization, (b) has the requisite power and authority, and the legal right, to own, lease, and operate its properties and assets and to conduct its business as it is now being conducted, to execute and deliver this Note, and to perform its obligations hereunder and thereunder, and (c) is in compliance with all Laws except to the extent that the failure to comply therewith would not reasonably be expected to have a Material Adverse Effect.

8.2 Authorization; Execution and Delivery. The execution and delivery of this Note by the Borrower and the performance of its obligations hereunder and thereunder have been duly authorized by all necessary corporate action in accordance with all applicable Laws. The Borrower has duly executed and delivered this Note.

8.3 No Approvals. No consent or authorization of, filing with, notice to, or other act by, or in respect of, any Governmental Authority or any other Person is required in order for the Borrower to execute, deliver, or perform any of its obligations under this Note, other than (i) the notice and/or application(s) to each applicable Trading Market for the issuance and sale of the Securities and the listing of the Conversion Shares for trading thereon in the time and manner required thereby, (ii) the filing of Form D with the Commission and such filings as are required to be made under applicable state securities laws, (iii) the Shareholder Approval and (iv) notice to the Bank of Israel and the Israel Investment Authority.

8.4 No Violations. The execution and delivery of this Note and the consummation by the Borrower of the transactions contemplated hereby do not and will not (a) violate any Law applicable to the Borrower or by which any of its properties or assets may be bound; or (b) constitute a default under any material agreement or contract by which the Borrower may be bound, in each case of (a) and (b), that would reasonably be expected to result in a Material Adverse Effect.

8.5 Enforceability. Each of the Note is a valid, legal, and binding obligation of the Borrower, enforceable against the Borrower in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws affecting the enforcement of creditors' rights generally and by general equitable principles (whether enforcement is sought by proceedings in equity or at law).

8.6 No Litigation. No action, suit, litigation, investigation, or proceeding of, or before, any arbitrator or Governmental Authority is pending or, to the knowledge of the Borrower, threatened by or against the Borrower or any of its property or assets (a) with respect to the Note or any of the transactions contemplated hereby or (b) that would be expected to materially adversely affect the Borrower's financial condition or the ability of the Borrower to perform its obligations under the Note.

8.7 Anti-Terrorism Laws. The Borrower is, and to the knowledge of the Borrower, its directors, officers, employees, and agents are, in compliance in all material respects with Anti-Terrorism Laws.

8.8 Anti-Corruption Laws and Sanctions.

(a) The Borrower has implemented and maintains in effect policies and procedures reasonably designed to ensure compliance in all material respects by the Borrower and its directors, officers, employees, and agents with Anti-Corruption Laws and applicable Sanctions and the Borrower is, and to the knowledge of the Borrower, its directors, officers, employees, and agents are, in compliance with Anti-Corruption Laws and applicable Sanctions in all material respects.

(b) The Borrower is not, and to the knowledge of the Borrower, no director, officer, employee of the Borrower, or any agent of the Borrower that will act in any capacity in connection with or benefit from the Loan, is a Sanctioned Person.

(c) No use of proceeds of the Loan or other transaction contemplated by this Note will violate any Anti-Corruption Law or applicable Sanctions.

8.9 Collateral.

(a) The Borrower is the legal and beneficial owner of all of its property constituting Collateral and has the right to pledge, sell, assign, or transfer the same.

(b) This Note creates a valid security interest in favor of the Noteholder, in the Collateral, and, when properly perfected by filing, shall constitute a valid and perfected, first priority security interest in such Collateral, to the extent that such security interest can be perfected by filing under the UCC, in each case, free and clear of all Liens except for Liens permitted under Section 10.2. With respect to any Collateral consisting of a Deposit Account (including the US Bank Account), upon execution and delivery by the Borrower, the depository bank, and the Noteholder of an agreement granting Control to the Noteholder over such Collateral, the Noteholder shall have a valid and perfected, first priority security interest in such Collateral, subject to Liens permitted by Section 10.2.

8.10 SEC Reports. The Borrower has filed all reports, schedules, forms, statements and other documents required to be filed by the Borrower under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") and the U.S. Exchange Act of 1934, as amended (the "**Exchange Act**"), including pursuant to Section 13(a) or 15(d) thereof (the foregoing materials filed prior to the date hereof, including the exhibits thereto and documents incorporated by reference therein, being collectively referred to herein as the "**SEC Reports**") on a timely basis or has qualified for a valid extension of such time of filing and has filed any such SEC Reports prior to the expiration of any such extension. As of their respective dates, the SEC Reports complied in all material respects with the requirements of the Securities Act and the Exchange Act, as applicable, and none of the SEC Reports, when filed, contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. The Borrower is not currently, and has never been, an issuer subject to paragraph (i) of Rule 144. The financial statements of the Borrower included in the SEC Reports comply in all material respects with applicable accounting requirements and the rules and regulations of the Commission with respect thereto as in effect at the time of filing. Such financial statements have been prepared in accordance with the United States generally accepted accounting principles applied on a consistent basis during the periods involved ("**GAAP**"), except as may be otherwise specified in such financial statements or the notes thereto and except that unaudited financial statements may not contain all footnotes required by GAAP, and fairly present in all material respects the financial position of the Borrower and its consolidated subsidiaries as of and for the dates thereof and the results of operations and cash flows for the periods then ended, subject, in the case of unaudited statements, to normal, immaterial, year-end audit adjustments. The Borrower is not aware of any reason why it will not be able to timely file its Annual Report on Form 10-K for the fiscal year ending December 31, 2025.

8.11 Material Developments. Since the date of the latest financial statements included within the SEC Reports, except as specifically disclosed in a subsequent SEC Report filed prior to the date hereof: (i) there has been no event, occurrence or development that has had or that would reasonably be expected to result in a Material Adverse Effect, (ii) neither the Borrower nor any Subsidiary has incurred any liabilities (contingent or otherwise) other than (A) trade payables and accrued expenses incurred in the ordinary course of business consistent with past practice, and (B) liabilities not required to be reflected in the Borrower's financial statements pursuant to GAAP or disclosed in filings made with the Commission, (iii) the Borrower has not altered its method of accounting, (iv) the Borrower has not declared or made any dividend or distribution of cash or other property to its shareholders or purchased, redeemed or made any agreements to purchase or redeem any shares of its share capital, and (v) the Borrower has not issued any equity securities to any officer, director or Affiliate, except pursuant to existing Borrower stock option plans. The Borrower does not have pending before the Commission any request for confidential treatment of information. To the knowledge of the Borrower, no event, liability, fact, circumstance, occurrence or development has occurred or exists or is reasonably expected to occur or exist with respect to the Borrower or its Subsidiaries or their respective businesses, properties, operations, assets or financial condition, that would be required to be disclosed by the Borrower under applicable securities laws at the time this representation is made or deemed made that has not been publicly disclosed at least 1 Business Day prior to the date that this representation is made.

8.12 Insurance. The Borrower is insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as are prudent and customary in the businesses in which the Borrower is engaged, including, but not limited to, directors and officers insurance coverage. The Borrower does not have any reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business without a significant increase in cost.

8.13 Acknowledgment Regarding Noteholder's Purchase of Securities. The Borrower further represents to the Noteholder that the Borrower's decision to enter into this Note has been based solely on the independent evaluation of the transactions contemplated hereby by the Borrower and its representatives.

8.14 Acknowledgment Regarding Noteholder's Trading Activity. It is understood and acknowledged by the Borrower (i) that the Noteholder has not been asked by the Borrower to agree, nor has any Noteholder agreed with the Borrower, to desist from effecting any transactions in or with respect to (including, without limitation, purchasing or selling, long and/or short) any securities of the Borrower, or "derivative" securities based on securities issued by the Borrower or to hold any of such securities for any specified term; (ii) the Noteholder, and counterparties in "derivative" transactions to which the Noteholder is a party, directly or indirectly, presently may have a "short" position in the Ordinary Shares which was established prior to the Noteholder's knowledge of the transactions contemplated hereby; (iii) the Noteholder shall not be deemed to have any affiliation with or control over any arm's length counterparty in any "derivative" transaction; and (iv) the Noteholder may rely on the Borrower's obligation to timely deliver Ordinary Shares upon conversion, exercise or exchange, as applicable, of the Note for purposes of effecting trading in the Ordinary Shares of the Borrower. The Borrower further understands and acknowledges that following the public disclosure of the transactions contemplated hereby pursuant to a press release (x) the Noteholder may engage in hedging and/or trading activities at various times during the period that the Note is outstanding and (y) such hedging and/or trading activities, if any, can reduce the value of the existing shareholders' equity interest in the Borrower at and after the time the hedging and/or trading activities are being conducted. The Borrower acknowledges that such aforementioned hedging and/or trading activities do not constitute a breach of this Note.

8.15 Acknowledgment of Dilution. The Borrower acknowledges that the issuance of the Conversion Shares may result in dilution of the outstanding Ordinary Shares, which dilution may be substantial under certain market conditions. The Borrower acknowledges that its obligations under this Note, are unconditional and absolute and not subject to any right of set off, counterclaim, delay or reduction, regardless of the effect of any such dilution or any claim the Borrower may have against the Noteholder and regardless of the dilutive effect that such issuance may have on the ownership of the other shareholders of the Borrower.

8.16 Rule 144 Tacking. The Borrower agrees that for purposes of the Securities Act and Rule 144 promulgated thereunder, this Note is a security. In the event that, subsequent to the original issuance date of this Note, this Note is exchanged for or becomes exchangeable for or convertible into, other securities of the Borrower ("**Exchange Securities**"), then, for purposes of Rule 144, the Noteholder's holding period for the Exchange Securities shall tack back to the such original issuance date. The Borrower will not take any position to the contrary and will cause its outside legal counsel to issue any legal opinions reasonably required by the Noteholder to give effect to the foregoing.

8.17 Legal Advice. The Borrower has received advice from legal counsel of their choosing with respect to this Note and the transactions contemplated hereby.

8.18 Issuance of the Securities. This Note is duly authorized and, is duly and validly issued, fully paid and nonassessable, free and clear of all Liens imposed by the Borrower other than restrictions on transfer provided for herein. The Note constitutes the valid and binding obligations of the Borrower, enforceable against the Borrower in accordance with their terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization or similar laws affecting the rights of creditors generally and subject to general principles of equity. The Conversion Shares are duly authorized and, when issued in accordance with the terms of this Note, will be validly issued, fully paid and nonassessable, free and clear of all Liens imposed by the Borrower other than restrictions on transfer provided for herein.

8.19 Waiver. Borrower hereby waives any claim, whether in tort, contract or otherwise, that (i) this Note, and the transactions contemplated hereby are usurious, unconscionable, predatory, fraudulent, tortious or violate law and (ii) the Borrower did not receive reasonably equivalent value for its covenants, agreements, waivers, representations, warranties, releases and acknowledgements set forth in this Note.

9. Affirmative Covenants. Until all amounts outstanding under this Note have been paid in full, the Borrower shall and shall cause each of its Subsidiaries:

9.1 Maintenance of Existence. (a) Preserve, renew, and maintain in full force and effect its corporate or organizational existence and (b) take all reasonable action to maintain all rights, privileges, and franchises necessary or desirable in the normal conduct of its business, except, in each case, where the failure to do so would not reasonably be expected to have a Material Adverse Effect.

9.2 Compliance. (a) Comply with all Laws applicable to it and its business and its obligations under its material contracts and agreements, except where the failure to do so would not reasonably be expected to have a Material Adverse Effect and (b) maintain in effect and enforce policies and procedures reasonably designed to achieve compliance in all material respects by the Borrower and its directors, officers, employees and agents with Anti-Corruption Laws, Anti-Terrorism Laws, and applicable Sanctions.

9.3 Payment Obligations. Pay, discharge, or otherwise satisfy at or before maturity or before they become delinquent, as the case may be, all its material tax obligations of whatever nature, except where the amount or validity thereof is currently being contested in good faith by appropriate proceedings, and reserves in conformity with GAAP with respect thereto have been provided on its books.

9.4 Notice of Events of Default. As soon as possible and in any event within two (2) Business Days after it becomes aware that an Event of Default has occurred, notify the Noteholder in writing of the nature and extent of such Event of Default and the action, if any, it has taken or proposes to take with respect to such Event of Default.

9.5 Collateral.

(a) Execute and deliver all agreements, assignments, instruments and/or other documents as reasonably requested by the Noteholder for the purpose of obtaining and maintaining Control with respect to any Collateral consisting of Deposit Accounts.

(b) Execute and deliver to the Noteholder such agreements, assignments, or instruments (including, without limitation, affidavits, notices and reaffirmations of existing documents) as the Noteholder may reasonably request, and do all such other things as the Noteholder may reasonably deem necessary or appropriate to: (i) provide adequate assurance to the Noteholder regarding the proper filing, maintenance and perfection of the security interests created, or purported to be created, pursuant to this Note, including, without limitation, such instruments as the Noteholder may from time to time reasonably request, in order to perfect and maintain the security interests granted pursuant to this Note in accordance with the UCC or otherwise in compliance with the requirements of the applicable Law of the relevant jurisdiction; (ii) consummate the transactions contemplated by this Note; and (iii) otherwise protect, and ensure the Noteholder of, its rights and interests under this Note.

9.6 Further Assurances. Upon the request of the Noteholder, execute and deliver such further instruments and do or cause to be done such further acts as may be necessary or advisable to carry out the intent and purposes of this Note.

9.7 Annual Report. Continue to file all reports required by the Securities Act or the Exchange Act with the Commission (including any applicable financial statements) in a timely manner.

9.8 U.S. Bank Account.

(a) Immediately upon receipt from the Noteholder, the Borrower shall deposit all Proceeds from this Note into the U.S. Bank Account.

(b) From and after the date hereof, all cash received by the Borrower and its Affiliates in the course of operating their business, regardless of the source, shall be immediately deposited into the U.S. Bank Account.

9.9 Shareholder Approval. Upon the prior written request of the Noteholder, the Borrower shall, as promptly as practicable, and in any event within ninety (90) days of such request, hold a special meeting of shareholders (which may also be at the annual meeting of shareholders) at the earliest practical date for the purpose of obtaining Shareholder Approval, with the recommendation of the Borrower's Board of Directors that such proposal be approved, and the Borrower shall solicit proxies from its shareholders in connection therewith in the same manner as all other management proposals in such proxy statement and all management-appointed proxyholders shall vote their proxies in favor of such proposal. The Borrower shall use its reasonable best efforts to obtain such Shareholder Approval. If the Borrower does not obtain Shareholder Approval at the first meeting, the Borrower shall call a meeting every ninety (90) days thereafter to seek Shareholder Approval until the earlier of the date Shareholder Approval is obtained or this Note is no longer outstanding.

10. Negative Covenants. Until all amounts outstanding under this Note have been paid in full, the Borrower shall not and shall not permit any Subsidiary to:

10.1 Indebtedness. Incur, create, or assume any Debt, other than Permitted Debt.

10.2 Liens. Incur, create, assume, or suffer to exist any Lien on any of its property or assets, whether now owned or hereafter acquired, except for (the following, "Permitted Liens"), (a) Liens for taxes not yet due or which are being contested in good faith by appropriate proceedings if adequate reserves with respect thereto are maintained on the books of the Borrower in conformity with GAAP; (b) non-consensual Liens arising by operation of law, arising in the ordinary course of business, and for amounts which are not overdue for a period of more than 30 days or that are being contested in good faith by appropriate proceedings; (c) Liens securing the obligations under this Note and any documents entered into in connection with this Note; (d) Liens arising from judgments, decrees or attachments in circumstances which do not constitute an Event of Default hereunder; and (e) Liens on deposits under worker's compensation, unemployment insurance, social security and other similar laws.

10.3 Line of Business. Enter into any business, directly or indirectly, except for those businesses in which the Borrower is engaged on the date of this Note or that are reasonably related thereto.

10.4 Repurchase of Ordinary Shares. Repay, repurchase or offer to repay, repurchase or otherwise acquire more than a de minimis number of shares of its Ordinary Shares or Ordinary Share Equivalents other than as to the Conversion Shares as permitted or required under this Note.

10.5 Payment of other Debt. Repay, repurchase or offer to repay, repurchase or otherwise acquire any Debt, other than this Note in accordance with its terms, and other than regularly scheduled principal and interest payments of Permitted Debt as in effect as of the date hereof, provided that such payments shall not be permitted if, at such time, or after giving effect to such payment, any Event of Default exist or occur.

10.6 No Dividends. Pay cash dividends or distributions.

10.7 No Dispositions. Assign, sell, transfer, license, lease or otherwise dispose of any its assets other than (a) sales of inventory in the ordinary course of business, (b) to the extent constituting assignments, sales, transfers or dispositions, Permitted Liens and Investments not prohibited by the terms of this Note, (c) dispositions of worn-out, obsolete or surplus equipment at fair market value in the ordinary course of business and (d) consisting of Borrower's or its Subsidiaries' use or transfer of money or cash equivalents in a manner that is not prohibited by the terms of this Note.

10.8 Investments. Make or hold any Investments other than: (a) Investments existing on the date of this Note and that are disclosed in the SEC Reports (provided, for clarity, that neither the Borrower nor any Subsidiary shall increase the size of its Investment in any such Investment existing on the date of this Note other than in accordance with this Note), (b) Investments where the Noteholder is provided with a sufficient security interest as determined in the sole discretion of the Noteholder, (c) Investments consisting of the endorsement of negotiable instruments for deposit or collection or similar transactions in the ordinary course of Borrower and (d) other Investments that do not exceed $300,000 in the aggregate per calendar year.

10.9 Change of Control. Suffer or permit a Change of Control.

10.10 Subsidiary. Directly or indirectly, form or acquire a new subsidiary.

11. Events of Default. The occurrence and continuance of any of the following shall constitute an Event of Default hereunder:

11.1 Failure to Pay. The Borrower fails to pay (a) any principal amount of the Loan when due or (b) interest or any other amount owed when due pursuant to the Loan and such failure continues for two (2) days after written notice to the Borrower.

11.2 Breach of Representations and Warranties. Any representation or warranty made or deemed made by the Borrower to the Noteholder herein is incorrect in any material respect on the date as of which such representation or warranty was made or deemed made.

11.3 Breach of Covenants. The Borrower fails to observe or perform (a) any covenant, condition or agreement contained in Section 9 or Section 10, or (b) any other covenant, obligation, condition, or agreement contained in this Note, other than those specified in clause (a), and such default shall continue unremedied for a period of 15 days after the earlier of the date on which (x) the Borrower becomes aware of such failure or (y) written notice thereof shall have been given to the Borrower from Noteholder.

11.4 [Reserved.].

11.5 Cross-Defaults. The Borrower fails to pay when due any of its Debt having an aggregate principal amount in excess of $250,000 (other than Debt arising under this Note), or any interest or premium thereon, when due and such failure continues after the applicable grace period, if any, specified in the agreement or instrument relating to such Debt.

11.6 Bankruptcy.

(a) The Borrower commences any case, proceeding, or other action (i) under any existing or future Law relating to bankruptcy, insolvency, reorganization, or other relief of debtors, seeking to have an order for relief entered with respect to it, or seeking to adjudicate it as bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition, or other relief with respect to it or its debts or (ii) seeking appointment of a receiver, trustee, custodian, conservator, or other similar official for it or for all or any substantial part of its assets, or the Borrower makes a general assignment for the benefit of its creditors;

(b) There is commenced against the Borrower any case, proceeding, or other action of a nature referred to in 11.6(a) which (i) results in the entry of an order for relief or any such adjudication or appointment or (ii) remains undismissed, undischarged, or unbonded for a period of 45 days;

(c) There is commenced against the Borrower any case, proceeding, or other action seeking issuance of a warrant of attachment, execution, or similar process against all or any substantial part of its assets which results in the entry of an order for any such relief which has not been vacated, discharged, or stayed or bonded pending appeal within 45 days from the entry thereof;

(d) The Borrower takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in 11.6(a), 11.6(b), or 11.6(c) above; or

(e) The Borrower is generally not, or shall be unable to, or admits in writing its inability to, pay its debts as they become due.

11.7 Judgments. One or more judgments or decrees in an amount in excess of $500,000 shall be entered against the Borrower and all of such judgments or decrees shall not have been vacated, discharged, or stayed or bonded pending appeal within 30 days from the entry thereof.

11.8 MAE. There occurs a Material Adverse Effect.

11.9 Trading. The suspension (or threatened suspension) from trading or the failure (or threatened failure) of the Ordinary Shares to be trading or listed (as applicable) on a Trading Market for a period of five (5) consecutive Trading Days.

11.10 Failure to Deliver Conversion Shares. The Borrower shall fail for any reason to deliver Conversion Shares to the Noteholder prior to the fifth (5th) Trading Day after a Conversion Date pursuant to Section 7, or the Borrower shall provide at any time notice to the Noteholder, including by way of public announcement, of the Borrower's intention to not honor requests for conversions of this Note in accordance with the terms hereof.

11.11 SEC Filings. The Borrower fails to maintain its registration under Section 12(b) of the Exchange Act or to timely file with the Commission any reports or other filings required to be filed under the Exchange Act or the Securities Act.

11.12 Collateral. The security interest granted to the Noteholder pursuant to Section 16 hereof, at any time after the execution and delivery of this Note and for any reason other than as expressly permitted hereunder or satisfaction in full of all the obligations under this Note, ceases to be in full force and effect or ceases to give the Noteholder any of the Liens purported to be created hereby; or the Borrower or any Subsidiary or any other Person contests in any manner the validity or enforceability of any of the Liens granted to the Noteholder pursuant to Section 16.

12. Legends. In connection with any sale, assignment, transfer or other disposition of the Conversion Shares by the Noteholder pursuant to Rule 144 or pursuant to any other exemption under the Securities Act such that the Noteholder acquires freely tradable shares and upon compliance by the Noteholder with the requirements of this Note, if requested by the Noteholder by notice to the Borrower, the Borrower shall request the Transfer Agent to remove any restrictive legends related to the book entry account holding such shares and make a new, unlegended entry for such book entry shares sold or disposed of without restrictive legends as soon as reasonably practicable following any such request therefor from the Noteholder, provided that the Borrower has timely received from the Noteholder customary representations and other documentation reasonably acceptable to the Borrower in connection therewith. The Borrower shall be responsible for the fees of its Transfer Agent and its legal counsel associated with such legend removal. Subject to receipt from the Noteholder by the Borrower and the Transfer Agent of customary representations and other documentation reasonably acceptable to the Borrower and the Transfer Agent in connection therewith, upon the earliest of such time as the Conversion Shares (i) have been sold under the Securities Act pursuant to an effective registration statement; (ii) have been sold pursuant to Rule 144, or (iii) are eligible for resale under Rule 144(b)(1) without the requirement for the Borrower to be in compliance with the current public information requirements under Rule 144(c)(1) (or any successor provision), the Borrower shall, in accordance with the provisions of this Section 12 and as soon as reasonably practicable following any request therefor from the Noteholder accompanied by such customary and reasonably acceptable documentation referred to above, (A) deliver to the Transfer Agent irrevocable instructions that the Transfer Agent shall make a new, unlegended entry for such book entry shares, and (B) cause its counsel to deliver to the Transfer Agent one or more opinions to the effect that the removal of such legends in such circumstances may be effected under the Securities Act if required by the Transfer Agent to effect the removal of the legend in accordance with the provisions of this Note. The Borrower agrees that following such time as such legend is no longer required under this Section 12, it will, no later than the earlier of (i) one (1) Trading Day and (ii) the number of Trading Days comprising the Standard Settlement Period (as defined below) following the delivery by the Noteholder to the Borrower or the Transfer Agent of a certificate or book-entry statement representing the Conversion Shares, as applicable, issued with a restrictive legend (such date, the "Legend Removal Date"), deliver or cause to be delivered to such Noteholder a certificate or book-entry statement representing such shares that is free from all restrictive and other legends. The Borrower may not make any notation on its records or give instructions to the Transfer Agent that enlarge the restrictions on transfer set forth in this Section 12. Certificates or book entry statements for Conversion Shares subject to legend removal hereunder shall be transmitted by the Transfer Agent to the Noteholder by crediting the account of the Noteholder's prime broker with the Depository Trust Company System as directed by such Noteholder. As used herein, "Standard Settlement Period" means the standard settlement period, expressed in a number of Trading Days, on the Borrower's primary Trading Market with respect to the Ordinary Shares as in effect on the date of delivery of a certificate or book-entry statement representing Conversion Shares issued with a restrictive legend. Notwithstanding anything provided in this Section 12 herein, the restrictive legends related to the Conversion Shares shall only be removed (i) in connection with a sale pursuant to and effective registration statement or (ii) in connection with and pursuant to Rule 144 if the Noteholder has held the Conversion Shares, for more than one (1) year.

13. Remedies.

13.1 Upon the occurrence of any Event of Default and at any time thereafter during the continuance of such Event of Default, the Noteholder may, at its option, by written notice to the Borrower (a) terminate its commitment to make any payments hereunder; and/or (b) declare the entire principal amount of this Note, *plus* all accrued and unpaid interest thereon and the Make-Whole Amount, if applicable, immediately due and payable; *provided, however*, that if an Event of Default described in 11.6 shall occur, the principal of and accrued interest on the Loan, including the Make-Whole Amount, if applicable, shall become immediately due and payable without any notice, declaration, or other act on the part of the Noteholder. The payment of the principal amount of this Note, *plus* all accrued and unpaid interest thereon and the Make-Whole Amount, if applicable, pursuant to this Section 12 shall be subject to a premium of 120% of the principal amount of this Note, *plus* all accrued and unpaid interest thereon and the Make-Whole Amount, if applicable (the "**Default Premium**").

13.2 Upon the occurrence and during the continuance of an Event of Default, the Noteholder shall have, in addition to the rights and remedies provided herein, or as provided by applicable Law (including, without limitation, levy of attachment, garnishment, and the rights and remedies set forth in the UCC of the jurisdiction applicable to the affected Collateral), all rights and remedies of a secured party under the UCC (regardless of whether the UCC is the law of the jurisdiction where the rights and remedies are asserted, and regardless of whether the UCC applies to the affected Collateral). Upon the occurrence and during the continuance of an Event of Default, the Noteholder may: (i) prevent withdrawals or other dispositions of funds in Deposit Accounts (including the US Bank Account); and (ii) exercise Control pursuant to any control agreement(s) governing any Deposit Account (including the US Bank Account).

14. Public Disclosure. The Borrower will disclose the material terms of this Note and the transactions contemplated hereby by not later than 9:00 a.m. on the Trading Day immediately following the date hereof, or such earlier time as may be required by law, by means of a Current Report on Form 8-K or Quarterly Report on Form 10-Q filed with the Commission. Upon the filing of such Form 8-K or Form 10-Q, applicable, the Borrower represents to the Noteholder that it shall have publicly disclosed all "material, non-public information" delivered to the Noteholder by the Borrower or any of its Subsidiaries, or any of their respective officers, directors, employees or agents at any time prior to the filing thereof.

15. Termination Fee. If the Subsequent Investment is not consummated as a result of the Borrower's sole election to terminate the Subsequent Investment, then the Borrower shall pay to the Noteholder, in cash by wire transfer of immediately available funds, a termination fee of $500,000 within thirty (30) calendar days following such termination (the "**Termination Fee**"); provided, however, that no Termination Fee shall be payable if the failure to close the Subsequent Investment is solely as a result of the Borrower's failure to obtain the requisite regulatory approvals or shareholder approvals required in connection with the Subsequent Investment; provided further, however, that the Borrower has used its reasonable best efforts to obtain such approval in accordance with applicable law and its organizational documents. The Noteholder shall reasonably cooperate with the Borrower to obtain any required regulatory approval.

16. Collateral.

16.1 Grant of Security Interest in the Collateral. To secure the prompt payment and performance in full when due, whether by lapse of time, acceleration, mandatory prepayment or otherwise, of the Secured Obligations, the Borrower hereby grants to the Noteholder, a continuing security interest in, and a right to set off against, any and all right, title and interest of the Borrower in and to all of the following, whether now owned or existing or owned, acquired or arising hereafter (collectively, the "**Collateral**"): (a) the U.S. Bank Account; (b) all cash, currency and cash equivalents held in the U.S. Bank Account; (c) all Money held in the U.S. Bank Account; (d) all books and records relating to any of the foregoing Collateral; and (b) all Proceeds and products of any and all of the foregoing. The Borrower and the Noteholder, hereby acknowledge and agree that the security interest created pursuant to this Note in the Collateral constitutes continuing collateral security for all of the Secured Obligations.

16.2 Appointment of Attorney in Fact; Authorization to File Financing Statements. The Borrower hereby irrevocably makes, constitutes, and appoints the Noteholder, a nominee of the Noteholder, or any other Person whom the Noteholder may so designate, as the Borrower's attorney in fact, with full power with respect to, and for the limited purpose of, preparing and filing (and, to the extent applicable, signing), in the name of the Borrower, any financing statements (including any renewal or continuation financing statements), any amendments and/or supplements to financing statements, and any notices and/or similar instruments that, in the Noteholder's reasonable discretion, would be necessary or appropriate in order to perfect, or to maintain the perfection of, the security interests granted pursuant to this Note, such power, being coupled with an interest, being and remaining irrevocable until such time as the Secured Obligations shall have been indefeasibly paid in full. Without limitation of the immediately foregoing sentence, the Borrower hereby: (a) authorizes the Noteholder (or any such nominee or other Person so designated) to prepare and file any such financing statements (including renewal and/or continuation financing statements), amendments thereof or supplements thereto, or notices or similar instruments as the Noteholder (or such nominee or other Person so designated) may, from time to time, deem necessary or appropriate in order to perfect and maintain the security interests granted pursuant to this Note in accordance with the UCC or other applicable Law, which such financing statements, amendments thereof or supplements thereto, or notices or similar instruments may describe the Collateral in the same manner as described in this Note or may contain an indication or description of Collateral that describes such property in any other manner as the Noteholder (or such nominee or other Person so designated) may determine, in its sole discretion, is necessary, advisable or prudent to ensure the perfection of the security interests in the Collateral granted pursuant to this Note in accordance with the UCC or other applicable Law; and (b) agrees that a carbon, photographic or other reproduction of this Note (or of any such financing statement or any amendment thereof or supplement thereto) shall be sufficient for filing (and may be filed) as a financing statement (or amendment thereof or supplement thereto) by the Noteholder (or any such nominee or other Person so designated), without notice thereof to the Borrower, wherever the Noteholder (or such nominee or other Person so designated) may, in its sole discretion, desire to file the same.

16.3 Notwithstanding any provision to the contrary contained herein or in any other documents relating to the Secured Obligations, the obligations of the Borrower under this Note shall be limited to an aggregate amount equal to the largest amount that would not render such obligations subject to avoidance under Section 548 of the Bankruptcy Code, or under any other applicable Debtor Relief Law (including, without limitation, any comparable provisions of any applicable state Law).

17. Miscellaneous.

17.1 Notices.

(a) All notices, requests, or other communications required or permitted to be delivered hereunder shall be made in writing and mailed by certified or registered mail, delivered by hand or overnight courier service, or sent by email as follows:

(i) If to the Borrower:

Lifeward Ltd.
200 Donald Lynch Blvd.
Marlborough, MA 01752
Email: almog.adar@golifeward.com

With a copy (which shall not constitute notice) to:

Goodwin Procter LLP
3025 John F Kennedy Blvd
Philadelphia, PA 19104
Email: JPorter@goodwinlaw.com

(ii) If to the Noteholder:

Oramed Ltd.
Mamilla 20
Jerusalem, Israel 9414904
Attn: Avi Gabay
Email: avi@oramed.com

With a copy (which shall not constitute notice) to:

Haynes and Boone, LLP
30 Rockefeller Plaza, 26th Floor
New York, NY 10112
Attention of: Rick A. Werner
Email: rick.werner@haynesboone.com

(b) Notices if (i) mailed by certified or registered mail or sent by hand or overnight courier service shall be deemed to have been given when received; and (ii) sent by e-mail during normal business hours in New York City, New York shall be deemed to have been given when sent (and if sent after normal business hours in New York City, New York shall be deemed to have been given at the opening of the recipient's business on the next business day).

17.2 Expenses. The Borrower shall reimburse the Noteholder on demand for all reasonable and documented out-of-pocket costs, expenses, and fees (including reasonable expenses and fees of its external counsel) incurred by the Noteholder in connection with the transactions contemplated hereby including the negotiation, documentation, and execution of this Note and the enforcement of the Noteholder's rights hereunder and thereunder.

17.3 Governing Law. This Note and any claim, controversy, dispute, or cause of action (whether in contract or tort or otherwise) based upon, arising out of, or relating to this Note and the transactions contemplated hereby shall be governed by the laws of the State of New York.

17.4 Submission to Jurisdiction.

(a) The Borrower hereby irrevocably and unconditionally (i) agrees that any legal action, suit, or proceeding arising out of or relating to this Note may be brought in the courts of the State of New York or of the United States of America for the Southern District of New York and (ii) submits to the jurisdiction of any such court in any such action, suit, or proceeding. Final judgment against the Borrower in any action, suit, or proceeding shall be conclusive and may be enforced in any other jurisdiction by suit on the judgment.

(b) Nothing in this 17.4 shall affect the right of the Noteholder to (i) commence legal proceedings or otherwise sue the Borrower in any other court having jurisdiction over the Borrower or (ii) serve process upon the Borrower in any manner authorized by the laws of any such jurisdiction.

17.5 Venue. The Borrower irrevocably and unconditionally waives, to the fullest extent permitted by applicable law, any objection that it may now or hereafter have to the laying of venue of any action or proceeding arising out of or relating to this Note in any court referred to in 17.4 and the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

17.6 Waiver of Jury Trial. THE BORROWER HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY RELATING TO THIS NOTE OR THE TRANSACTIONS CONTEMPLATED HEREBY, WHETHER BASED ON CONTRACT, TORT, OR ANY OTHER THEORY.

17.7 Integration. This Note constitute the entire contract between the Parties with respect to the subject matter hereof and supersede all previous agreements and understandings, oral or written, with respect thereto.

17.8 Successors and Assigns. This Note may not be assigned or transferred by the Noteholder to any Person without prior written consent of the Borrower. The Borrower may not assign or transfer this Note or any of its rights hereunder without the prior written consent of the Noteholder. This Note shall inure to the benefit of, and be binding upon, the Parties and their permitted assigns.

17.9 Waiver of Notice. The Borrower hereby waives demand for payment, presentment for payment, protest, notice of payment, notice of dishonor, notice of nonpayment, notice of acceleration of maturity, and diligence in taking any action to collect sums owing hereunder.

17.10 USA PATRIOT Act. The Noteholder hereby notifies the Borrower that pursuant to the requirements of the USA PATRIOT Act and 31 C.F.R. § 1010.230 (the "**Beneficial Ownership Regulation**"), it is required to obtain, verify, and record information that identifies the Borrower, which information includes the name and address of the Borrower and other information that will allow the Noteholder to identify the Borrower in accordance with the USA PATRIOT Act and the Beneficial Ownership Regulation, and the Borrower agrees to provide such information from time to time to the Noteholder.

17.11 Amendments and Waivers. No term of this Note may be waived, modified, or amended except by an instrument in writing signed by both of the Parties. Any waiver of the terms hereof shall be effective only in the specific instance and for the specific purpose given.

17.12 Headings. The headings of the various Sections and subsections herein are for reference only and shall not define, modify, expand, or limit any of the terms or provisions hereof.

17.13 No Waiver; Cumulative Remedies. No failure to exercise, and no delay in exercising on the part of the Noteholder, of any right, remedy, power, or privilege hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power, or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power, or privilege. The rights, remedies, powers, and privileges herein provided are cumulative and not exclusive of any rights, remedies, powers, and privileges provided by law.

17.14 Electronic Execution. The words "execution," "signed," "signature," and words of similar import in the Note shall be deemed to include electronic or digital signatures or electronic records, each of which shall be of the same effect, validity, and enforceability as manually executed signatures or a paper-based record-keeping system, as the case may be, to the extent and as provided for under applicable law, including the Electronic Signatures in Global and National Commerce Act of 2000 (15 U.S.C. §§ 7001 to 7031), the Uniform Electronic Transactions Act (UETA), or any state law based on the UETA, including the New York Electronic Signatures and Records Act (N.Y. State Tech. §§ 301 to 309).

17.15 Severability. If any term or provision of this Note is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other term or provision of this Note or invalidate or render unenforceable such term or provision in any other jurisdiction. Upon such determination that any term or other provision is invalid, illegal, or unenforceable, the Parties shall negotiate in good faith to modify this Note so as to affect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible.

17.16 Taxes. All payments to be made by the Borrower under this Note shall be made without any Tax Deduction (as defined below) unless a Tax Deduction is required by law. The Borrower shall promptly upon becoming aware that it must make a Tax Deduction (or that there is any change in the rate or the basis of a Tax Deduction) notify the Noteholder accordingly. If a Tax Deduction is required by law to be made by the Borrower, the amount of the payment due from the Borrower under this Note shall be increased to an amount which (after making any Tax Deduction) leaves an amount equal to the payment which would have been due under this Note if no Tax Deduction had been required. If the Borrower is required to make a Tax Deduction, it shall make that Tax Deduction and any payment required in connection with that Tax Deduction within the time allowed and in the minimum amount required by law. Within thirty (30) days of making either a Tax Deduction or any payment required in connection with that Tax Deduction, the Borrower shall deliver to the Noteholder evidence reasonably satisfactory to the Noteholder that the Tax Deduction has been made and that any appropriate payment has been paid to the relevant taxing authority. For greater certainty, the Borrower is obligated to indemnify the Noteholder pursuant to this Section 17.16 in the event that a Tax Deduction is required in respect of any payment to be made to the Noteholder under this Note and the Borrower and/or its Subsidiaries fail to comply with this Section 17.16. For purposes of this Section 17.16, "**Tax**" means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same) and "**Tax Deduction**" means any deduction or withholding for or on account of any Tax.

17.17 Indemnification. Subject to the provisions of this Section 17.17, the Borrower will indemnify and hold Noteholder and its directors, officers, shareholders, members, partners, employees and agents (and any other Persons with a functionally equivalent role of a Person holding such titles notwithstanding a lack of such title or any other title), each Person who controls such Noteholder (within the meaning of Section 15 of the Securities Act and Section 20 of the Exchange Act), and the directors, officers, shareholders, agents, members, partners or employees (and any other Persons with a functionally equivalent role of a Person holding such titles notwithstanding a lack of such title or any other title) of such controlling persons (each, a "**Noteholder Party**") harmless from any and all losses, liabilities, obligations, claims, contingencies, damages, costs, awards, orders, penalties and expenses, including all judgments, amounts paid in settlements, court costs, interest and attorneys' fees and costs of investigation that any such Noteholder Party may suffer or incur as a result of or relating to (i) any breach of any of the representations, warranties, covenants or agreements made by the Borrower in this Note or (ii) any action instituted against the Noteholder Parties in any capacity, or any of them or their respective Affiliates, by the Borrower, its employees or directors, or any stockholder or creditor of the Borrower or any third-party, arising out of or relating to any of the transactions contemplated hereby. For the avoidance of doubt, the indemnification provided herein is intended to and shall cover direct claims brought by the Borrower against the Noteholder Parties. If any action shall be brought against any Noteholder Party in respect of which indemnity may be sought pursuant to this Note, such Noteholder Party shall promptly notify the Borrower in writing, and, except with respect to direct claims brought by the Borrower, the Borrower shall have the right to assume the defense thereof with counsel of its own choosing reasonably acceptable to the Noteholder Party. Any Noteholder Party shall have the right to employ separate counsel in any such action and participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of such Noteholder Party except to the extent that (i) the employment thereof has been specifically authorized by the Borrower in writing, (ii) the Borrower has failed after a reasonable period of time to assume such defense and to employ counsel or (iii) in such action there is, in the reasonable opinion of counsel, a material conflict on any material issue between the position of the Borrower and the position of such Noteholder Party, in which case the Borrower shall be responsible for the reasonable fees and expenses of no more than one such separate counsel, which shall be the case with respect to any direct claims by the Borrower. The Borrower will not be liable to any Noteholder Party under this Note (y) for any settlement by a Noteholder Party effected without the Borrower's prior written consent, which shall not be unreasonably withheld or delayed; or (z) to the extent, but only to the extent that a loss, claim, damage or liability is finally judicially determined to be attributable to any Noteholder Party's breach of any of the representations, warranties, covenants or agreements made by such Noteholder Party in this Note. The indemnification required by this Section 17.17 shall be made by periodic payments of the amount thereof during the course of the investigation or defense, as and when bills are received or are incurred. The indemnity agreements contained herein shall be in addition to any cause of action or similar right of any Noteholder Party against the Borrower or others and any liabilities the Borrower may be subject to pursuant to law.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Borrower has executed this Note as of November 14, 2025.

Lifeward Ltd.

By: /s/ William Mark Grant
Name: William Mark Grant
Title: President and Chief Executive Officer

Acknowledged and Agreed:
Oramed Ltd.

By: /s/ Nadav Kidron
Name: Nadav Kidron
Title: President

Exhibit 10.32

THE SECURITIES REFERENCED HEREIN HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AND HAVE BEEN ACQUIRED FOR INVESTMENT AND NOT WITH A VIEW TO, OR IN CONNECTION WITH, THE SALE OR DISTRIBUTION THEREOF. NO SUCH SALE OR DISTRIBUTION MAY BE EFFECTED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT RELATED THERETO OR AN OPINION OF COUNSEL IN A FORM SATISFACTORY TO THE BORROWER THAT SUCH REGISTRATION IS NOT REQUIRED UNDER THE SECURITIES ACT OF 1933.

ANY TRANSFEREE OF THIS NOTE SHOULD CAREFULLY REVIEW THE TERMS OF THIS NOTE.

SECURED PROMISSORY NOTE DUE THE EARLIER OF THE TRIGGER DATE AND AUGUST 12, 2026

$525,000 **Issuance Date: February 12, 2026**

FOR VALUE RECEIVED, and subject to the terms and conditions set forth herein, Lifeward Ltd., an Israeli company (the "**Borrower**"), hereby unconditionally promises to pay to [Oramed Pharmaceuticals, Inc.] or its assigns (the "**Noteholder**," and together with the Borrower, the "**Parties**"), the principal sum of $525,000, subject to any increase in accordance with Section 18, and together with all amounts due and payable to the Noteholder as provided in this Promissory Note (the "**Note**").

1. Definitions; Interpretation.

1.1 Capitalized terms used herein shall have the meanings set forth in this

"**Accounts**" means all of the accounts, instruments, documents, chattel paper and general intangibles of Borrower, whether now existing or hereafter created or arising, and whether or not specifically assigned to the Noteholder, including, without limitation, all "accounts" as defined in Article 9 of the UCC.

"**Account Debtor**" means the Person obligated on an Account.

"**Additional Loan**" shall have the meaning provided for such term in Section 18.1.

"**Affiliate**" as to any Person, means any other Person that, directly or indirectly through one or more intermediaries, is in control of, is controlled by, or is under common control with, such Person. For purposes of this definition, "control" of a Person means the power, directly or indirectly, either to (a) vote 10% or more of the securities having ordinary voting power for the election of directors (or persons performing similar functions) of such Person or (b) direct or cause the direction of the management and policies of such Person, whether by contract or otherwise.

"**Anti-Corruption Laws**" means all laws, rules, and regulations of any jurisdiction applicable to the Borrower from time to time concerning or relating to bribery or corruption, including the United States Foreign Corrupt Practices Act of 1977.

"**Anti-Terrorism Laws**" means all laws, rules, and regulations of any jurisdiction related to money laundering or financing terrorism including the USA PATRIOT Act, The Currency and Foreign Transactions Reporting Act (31 U.S.C. §§ 5311-5330 and 12 U.S.C. §§ 1818(s), 1820(b) and 1951-1959) (also known as the "Bank Secrecy Act"), the Trading With the Enemy Act (50 U.S.C. § 1 et seq.) and Executive Order 13224 (effective September 24, 2001).

"**Beneficial Ownership Regulation**" has the meaning set forth Section 17.10.

"**Borrower**" has the meaning set forth in the introductory paragraph.

"**Business Day**" means a day other than a Saturday, Sunday, or other day on which commercial banks in New York City are authorized or required by law to close.

"**Change of Control**" means the occurrence of (a) an acquisition by an individual or legal entity or "group" (as described in Rule 13d-5(b)(1) promulgated under the Exchange Act) of effective control (whether through legal or beneficial ownership of capital stock of the Borrower, by contract or otherwise) of in excess of 50% of the voting securities of the Borrower, (b) any Person or two or more Persons acting in concert shall have acquired by contract or otherwise, or shall have entered into a contract or arrangement that, upon consummation thereof, will result in its or their acquisition of the power to exercise, directly or indirectly, control over the management or policies of the Borrower or control over the equity interests of such Person entitled to vote for members of the Borrower's board of directors ("**Board of Directors**") of the Borrower on a fully-diluted basis (and taking into account all such voting power that such Person or group has the right to acquire pursuant to any option right) representing 50% or more of the combined voting power of such equity interests, (c) the Borrower (and all of its Subsidiaries, taken as a whole) sells or transfers all or substantially all of its assets to another Person, or (d) a replacement at one time of more than one-half of the members of the Board of Directors which is not approved by a majority of those individuals who are members of the Board of Directors on the date hereof (or by those individuals who are serving as members of the Board of Directors on any date whose nomination to the Board of Directors was approved by a majority of the members of the Board of Directors who are members on the date hereof).

"**Collateral**" shall have the meaning provided for such term in Section 16.1.

"**Commission**" means the U.S. Securities and Exchange Commission.

"**Control**" shall mean the manner in which "*control*" is achieved under the UCC with respect to any Collateral for which the UCC specifies a method of achieving "*control*".

"**Companies Law**" means the Israel Companies Law, 5759-1999 and all regulations promulgated thereunder, as the same may be amended from time to time.

"**Debt**" of the Borrower, means all (a) indebtedness for borrowed money; (b) obligations for the deferred purchase price of property or services, except trade payables arising in the ordinary course of business; (c) obligations evidenced by notes, bonds, debentures, or other similar instruments; (d) obligations as lessee under capital leases; (e) obligations in respect of any interest rate swaps, currency exchange agreements, commodity swaps, caps, collar agreements, or similar arrangements entered into by the Borrower providing for protection against fluctuations in interest rates, currency exchange rates, or commodity prices, or the exchange of nominal interest obligations, either generally or under specific contingencies; (f) obligations under acceptance facilities and letters of credit; (g) guaranties, endorsements (other than for collection or deposit in the ordinary course of business), and other contingent obligations to purchase, to provide funds for payment, to supply funds to invest in any Person, or otherwise to assure a creditor against loss, in each case, in respect of indebtedness set out in clauses (a) through (f) of a Person other than the Borrower; (h) indebtedness set out in clauses (a) through (g) of any Person other than Borrower secured by any lien on any asset of the Borrower, whether or not such indebtedness has been assumed by the Borrower, and (i) indebtedness of any partnership, unlimited liability company, or unincorporated joint venture in which the Borrower is a general partner, member, or a joint venturer, respectively (unless such Debt is expressly made non-recourse to the Borrower).

"**Debtor Relief Laws**" shall mean the Bankruptcy Code of the United States of America, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief Laws of the United States or other applicable jurisdictions from time to time in effect.

"**Default**" means any of the events specified in 11 which constitute an Event of Default or which, upon the giving of notice, the lapse of time, or both, pursuant to 11, would, unless cured or waived, become an Event of Default.

"**Default Premium**" has the meaning set forth in Section 13.

"**Deposit Account**" has the meaning set forth in the UCC.

"**Event of Default**" has the meaning set forth in 11.

"**Exchange Act**" has the meaning set forth in Section 8.10.

"**GAAP**" has the meaning set forth in Section 8.10.

"**Governmental Authority**" means the government of the United States of America or any nation or any political subdivision thereof, whether state or local, and the government of the State of Israel and any agency, authority, instrumentality, regulatory body, court, central bank or other entity thereof exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank).

"**Investments**" means, as to any Person, any direct or indirect acquisition or investment by such Person, whether by means of (a) the purchase or other acquisition (including by merger) of Equity Interests of another Person, (b) a loan, advance or capital contribution to, guarantee or assumption of debt of, or purchase or other acquisition of any other debt or interest in, another Person, (c) the purchase or other acquisition (in one transaction or a series of transactions) of assets of another Person that constitutes a business unit or all or a substantial part of the business of, such Person, or (d) acquire intellectual property rights such as one or more patents.

"**Law**" as to any Person, means the certificate of incorporation and by-laws or other organizational or governing documents of such Person, and any law (including common law), statute, ordinance, treaty, rule, regulation, order, decree, judgment, writ, injunction, settlement agreement, requirement or determination of an arbitrator or a court or other Governmental Authority, in each case applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject.

"**Lien**" means any mortgage, pledge, hypothecation, encumbrance, lien (statutory or other), charge, or other security interest.

"**Loan**" the sum of (i) the initial aggregate principal amount of this Note in an amount equal to $500,000 and (ii) the aggregate principal amount of any Additional Loans made pursuant to the Section 18 hereof.

"**Material Adverse Effect**" means a material adverse effect on the business, assets, properties, liabilities (actual or contingent), operations, condition (financial or otherwise), or prospects of the Borrower.

"**Maturity Date**" means the earlier of (i) the date of the occurrence of the Triggering Event and (ii) the date that is six (6) month from the date hereof, provided that, if such date is not a Trading Day, the immediately following Trading Day thereafter.

"**Money**" has the meaning set forth in the UCC.

"**Note**" has the meaning set forth in the introductory paragraph.

"**Noteholder**" has the meaning set forth in the introductory paragraph.

"**November 2025 Note**" means that certain Secured Promissory Note dated as of November 14, 2025, in the original principal amount of $3,000,000 made by the Borrower in favor of the Noteholder.

"**OFAC**" means the U.S. Department of the Treasury's Office of Foreign Assets Control.

"**Oramed Purchase Agreement**" that certain securities purchase agreement, dated as of January 12, 2026, by and among the Borrower and the Noteholder.

"**Ordinary Shares**" means the ordinary shares of the Borrower, par value NIS 1.75 per share, and any other class of securities into which such securities may hereafter be reclassified or changed.

"**Ordinary Share Equivalents**" means any securities of the Borrower or its Subsidiaries which would entitle the holder thereof to acquire at any time Ordinary Shares, including, without limitation, any debt, preferred shares, right, option, warrant or other instrument that is at any time convertible into or exercisable or exchangeable for, or otherwise entitles the holder thereof to receive, Ordinary Shares.

"**Parties**" has the meaning set forth in the introductory paragraph.

"**Permitted Debt**" means Debt (a) existing or arising under this Note; (b) existing as of the date of this Note and disclosed to the Noteholder prior to the date hereof; (c) other Debt owing in the ordinary course of business not to exceed $200,000 in the aggregate, provided that in the case of (c) such Debt does not mature prior to the Maturity Date; (d) incurred pursuant to the November 2025 Note; and (e) Debt incurred in the ordinary course of business in respect of netting services, overdraft protections, automatic clearinghouse arrangements, and other cash management and similar arrangements.

"**Person**" means any individual, corporation, limited liability company, trust, joint venture, association, company, limited or general partnership, unincorporated organization, Governmental Authority, or other entity.

"**Proceeds**" has the meaning set forth in the UCC.

"**Receivables**" means all rights to payment, whether or not earned by performance, for goods or other property sold, leased, licensed, assigned or otherwise disposed of, or services rendered or to be rendered, including, without limitation all such rights constituting or evidenced by any account, chattel paper, instrument, general intangible or investment related property, together with all of the Borrower's rights, if any, in any goods or other property giving rise to such right to payment.

"**Receivables Records**" means (i) all original copies of all documents, instruments or other writings or electronic records or other records evidencing the Receivables, (ii) all books, correspondence, credit or other files, records, ledger sheets or cards, invoices, and other papers relating to Receivables, including, without limitation, all tapes, cards, computer tapes, computer discs, computer runs, record keeping systems and other papers and documents relating to the Receivables, whether in the possession or under the control of the Borrower or any computer bureau or agent from time to time acting for the Borrower or otherwise, (iii) all evidences of the filing of financing statements and the registration of other instruments in connection therewith, and amendments, supplements or other modifications thereto, notices to other creditors or secured parties, and certificates, acknowledgments, or other writings, including, without limitation, lien search reports, from filing or other registration officers, (iv) all credit information, reports and memoranda relating thereto and (v) all other written or non-written forms of information related in any way to the foregoing or any Receivable.

"**Sanctioned Country**" means, at any time, a country or territory which is itself the subject or target of any comprehensive or country-wide Sanctions.

"**Sanctioned Person**" means, at any time, (a) any Person listed in any Sanctions-related list of designated Persons maintained by a Sanctions Authority; (b) any Person operating, organized, or resident in a Sanctioned Country, (c) any Person controlled or 50% owned by any such Person or Persons described in the foregoing clauses (a) or (b), or (d) any Person that is the subject or target of any Sanctions.

"**Sanctions**" mean all economic or financial sanctions or trade embargoes imposed, administered, or enforced from time to time by a Sanctions Authority.

"**Sanctions Authority**" means OFAC, the U.S. Department of State, the United Nations Security Council, the European Union, any EU member state, His Majesty's Treasury of the United Kingdom, or other relevant sanctions authority.

"**SEC Reports**" has the meaning set forth in Section 8.10.

"**Securities Act**" has the meaning set forth in Section 8.10."**Secured Obligations**" shall mean, without duplication: (a) all obligations of the Borrower under this Note; (b) all obligations of the Borrower under the November 2025 Note; and (c) all costs and expenses incurred in connection with enforcement and collection of such obligations pursuant to the terms of this Note, the November 2025 Note and/or applicable Laws, including, without limitation, any reasonable fees, charges and disbursements of counsel.

"**Subsequent Investment**" means the additional financing of the Borrower consummated following the date hereof pursuant to the Oramed Purchase Agreement.

"**Subsidiary**" means, as to any Person, a corporation, partnership, exempted limited partnership, exempted company, limited liability company or other entity of which shares of stock or other ownership interests having ordinary voting power (other than stock or such other ownership interests having such power only by reason of the happening of a contingency) to elect a majority of the board of directors or other managers of such corporation, partnership, exempted limited partnership, exempted company, or other entity are at the time owned, or the management of which is otherwise controlled, directly or indirectly through one or more intermediaries, or both, by such Person.

"**Trading Day**" means a day on which the principal Trading Market is open for trading.

"**Trading Market**" means any of the following markets or exchanges on which the Ordinary Shares are listed or quoted for trading on the date in question: the NYSE American, the Nasdaq Capital Market, the Nasdaq Global Market, the Nasdaq Global Select Market, or the New York Stock Exchange (or any successors to any of the foregoing).

"**Triggering Event**" means the failure of the Borrower to obtain such approval as may be required by the applicable rules and regulations of the Nasdaq Stock Market (or any successor entity) or the Companies Law from the shareholders of the Borrower with respect to the transactions contemplated by (i) Oramed Purchase Agreement, and (ii) that certain share purchase agreement, dated as of January 12, 2026, by and among the Borrower, Oratech Pharma, Inc. and the Noteholder on or prior to the outside dates set forth in such agreements.

"**UCC**" means the Uniform Commercial Code as in effect from time to time in the state of New York except as such term may be used in connection with the perfection of the Collateral and then the applicable jurisdiction with respect to such affected Collateral shall apply.

"**USA PATRIOT Act**" means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (Title III of Pub. L. 107-56, signed into law October 26, 2001).

"**U.S. Bank Account**" means the Borrower's Deposit Account held at Silicon Valley Bank with account number ending 3301364277**.**

1.2 Interpretation. For purposes of this Note (a) the words "include," "includes," and "including" shall be deemed to be followed by the words "without limitation"; (b) the word "or" is not exclusive; and (c) the words "herein," "hereof," "hereby," "hereto," and "hereunder" refer to this Note as a whole. The definitions given for any defined terms in this Note shall apply equally to both the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine, and neuter forms. Unless the context otherwise requires, references herein to: (x) Schedules, Exhibits, and Sections mean the Schedules, Exhibits, and Sections of this Note; (y) an agreement, instrument, or other document means such agreement, instrument, or other document as amended, supplemented, and modified from time to time to the extent permitted by the provisions thereof; and (z) a statute means such statute as amended from time to time and includes any successor legislation thereto and any regulations promulgated thereunder. This Note shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting an instrument or causing any instrument to be drafted.

2. Prior Conditions to Funding. Borrower and Noteholder acknowledge that the issuance of this Note by the Noteholder constitutes evidence of satisfaction of prior agreement between the parties that the Borrower shall have delivered to the Noteholder a list of the Borrower's anticipated expenses through March 31, 2026, which list is hereby attached hereto as Exhibit A.

3. Payment Dates; Optional Prepayments.

3.1 Payment Dates. The Loan *plus* any accrued and unpaid interest thereon shall be payable by the Borrower on the Maturity Date.

3.2 Optional Prepayments. Except as otherwise provided herein, the Borrower may not prepay the Loan in whole or in part without the prior written consent of the Noteholder.

3.3 Mandatory Repayments.

(a) Mandatory Repayment Upon Subsequent Investment. If, following the date hereof, the parties consummate the Subsequent Investment, then the Borrower shall use the gross proceeds from such Subsequent Investment to prepay the then outstanding aggregate principal amount of the Loan, plus any accrued and unpaid interest thereon, unless Noteholder elects to have such amount set off pursuant to Section 6.4.

(b) Mandatory Redemption upon a Change of Control Transaction.

(i) At any time after the date hereof, to the extent that there occurs a Change of Control, the Noteholder shall have the right, by delivering written notice to the Borrower, to cause the Borrower to redeem all or any portion of the Loan then outstanding, *plus* all accrued and unpaid interest thereon (a "**Change of Control Redemption**"). The Loan subject to redemption pursuant to this Section 3.3(b) shall be redeemed by the Borrower in cash at a price equal to the aggregate principal amount of the Loan being redeemed, *plus* and all accrued and unpaid interest thereon.

(ii) With respect to any portion of the Loan which has been specified to be redeemed by the Borrower pursuant to the Change of Control Redemption and which has been redeemed in accordance with the provisions of this Section 3.3(b), (i) such portion of the Loan shall no longer be deemed outstanding and (ii) all rights with respect to such portion of the Loan shall cease and terminate.

(iii) In the event of the Borrower's redemption of any portion of the Loan under this Section 3.3(b), a Noteholder's damages would be uncertain and difficult to estimate because of the parties' inability to predict future interest rates and the uncertainty of the availability of a suitable substitute investment opportunity for such Noteholder. Accordingly, any redemption premium due under this Section 3.3(b) is intended by the parties to be, and shall be deemed, a reasonable estimate of such Noteholder's actual loss of its investment opportunity and not as a penalty.

3.4 No Reborrowing. No repaid or prepaid hereunder amount may be reborrowed.

4. [Reserved.]

5. Interest.

5.1 Interest. This Note shall initially bear interest at a rate of twenty-four percent (24%) per annum. Except as otherwise set forth in this Note, any interest payable on this Note shall be payable on the Maturity Date (the "**Interest Payment Date**") (if the Interest Payment Date is not a Business Day, then the payment shall be due on the next succeeding Business Day), in cash. Upon the occurrence and during the continuance of an Event of Default, the outstanding principal amount plus all accrued and unpaid interest thereon shall automatically upon the occurrence and during the continuance of such Event of Default, bear interest at a rate equal to twenty-seven percent (27%) of the amount payable (inclusive of the Default Premium) per annum until such date that the Event of Default is cured or this Note is paid in full ("**Default Interest**").

5.2 Payments of Default Interest. Default Interest shall be due and payable in cash on the demand of the Noteholder.

5.3 Computation of Interest. All computations of interest shall be made on the basis of 365 or 366 days, as the case may be, and the actual number of days elapsed.

5.4 Interest Rate Limitation. If at any time and for any reason whatsoever, the interest rate payable on this Note shall exceed the maximum rate of interest permitted to be charged by the Noteholder to the Borrower under applicable Law, such interest rate shall be reduced automatically to the maximum rate of interest permitted to be charged under applicable Law and that portion of each sum paid attributable to that portion of such interest rate that exceeds the maximum rate of interest permitted by applicable Law shall be deemed a voluntary prepayment of principal. To the extent it may lawfully do so, the Borrower agrees not to insist upon or plead or in any manner whatsoever claim, and will resist any and all efforts to be compelled to take the benefit or advantage of, usury laws wherever enacted, now or at any time hereafter in force, in connection with any claim, action or proceeding that may be brought by any Noteholder in order to enforce any right or remedy under this Note.

6. Payment Mechanics.

6.1 Manner of Payments. All payments of interest and principal shall be made in lawful money of the United States of America no later than 12:00 PM (local time in New York City, New York) on the date on which such payment is due by wire transfer of immediately available funds to the Noteholder's account at a bank specified by the Noteholder in writing to the Borrower from time to time.

6.2 Application of Payments. All payments made under this Note shall be applied *first* to the payment of any fees or charges outstanding pursuant to this Note, *second* to accrued interest (if any) and *third* to the payment of the principal amount outstanding under the Note.

6.3 Business Day Convention. Whenever any payment to be made hereunder shall be due on a day that is not a Business Day, such payment shall be made on the next succeeding Business Day and such extension will be taken into account in calculating the amount of interest payable under this Note.

6.4 Set-Off Provisions Against Oramed Note. By issuing this Note, the Company hereby acknowledges and agrees that, at the sole election of the Noteholder, the outstanding principal amount of this Loan shall reduce on a dollar-for-dollar basis the principal amount of the Initial Note (as defined in the Oramed Purchase Agreement) issuable to the Noteholder pursuant to the Oramed Purchase Agreement, which reduction shall, upon Noteholder’s election, be effected automatically, and without the need for any further action, agreement or notice by either party, and the Initial Note shall be deemed to reflect such reductions upon its issuance and this Note shall be deemed satisfied and repaid pursuant to Section 3.3(a) hereof upon such reduction.

6.5 Rescission of Payments. If at any time any payment made by the Borrower under this Note is rescinded or must otherwise be restored or returned upon the insolvency, bankruptcy, or reorganization of the Borrower or otherwise, the Borrower's obligation to make such payment shall be reinstated as though such payment had not been made.

7. Reserved.

8. Representations and Warranties. The Borrower hereby represents and warrants to the Noteholder on the date hereof as follows:

8.1 Existence; Power and Authority; Compliance with Laws. The Borrower (a) is an entity duly incorporated or otherwise organized and validly existing under the laws of the jurisdiction of its incorporation or organization, (b) has the requisite power and authority, and the legal right, to own, lease, and operate its properties and assets and to conduct its business as it is now being conducted, to execute and deliver this Note, and to perform its obligations hereunder and thereunder, and (c) is in compliance with all Laws except to the extent that the failure to comply therewith would not reasonably be expected to have a Material Adverse Effect.

8.2 Authorization; Execution and Delivery. The execution and delivery of this Note by the Borrower and the performance of its obligations hereunder and thereunder have been duly authorized by all necessary corporate action in accordance with all applicable Laws. The Borrower has duly executed and delivered this Note.

8.3 No Approvals. No consent or authorization of, filing with, notice to, or other act by, or in respect of, any Governmental Authority or any other Person is required in order for the Borrower to execute, deliver, or perform any of its obligations under this Note, other than (i) the filing of Form D with the Commission and such filings as are required to be made under applicable state securities laws, and (ii) notice to the Bank of Israel and the Israel Investment Authority.

8.4 No Violations. The execution and delivery of this Note and the consummation by the Borrower of the transactions contemplated hereby do not and will not (a) violate any Law applicable to the Borrower or by which any of its properties or assets may be bound; or (b) constitute a default under any material agreement or contract by which the Borrower may be bound, in each case of (a) and (b), that would reasonably be expected to result in a Material Adverse Effect.

8.5 Enforceability. Each of the Note is a valid, legal, and binding obligation of the Borrower, enforceable against the Borrower in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws affecting the enforcement of creditors' rights generally and by general equitable principles (whether enforcement is sought by proceedings in equity or at law).

8.6 No Litigation. No action, suit, litigation, investigation, or proceeding of, or before, any arbitrator or Governmental Authority is pending or, to the knowledge of the Borrower, threatened by or against the Borrower or any of its property or assets (a) with respect to the Note or any of the transactions contemplated hereby or (b) that would be expected to materially adversely affect the Borrower's financial condition or the ability of the Borrower to perform its obligations under the Note.

8.7 Anti-Terrorism Laws. The Borrower is, and to the knowledge of the Borrower, its directors, officers, employees, and agents are, in compliance in all material respects with Anti-Terrorism Laws.

8.8 Anti-Corruption Laws and Sanctions.

(a) The Borrower has implemented and maintains in effect policies and procedures reasonably designed to ensure compliance in all material respects by the Borrower and its directors, officers, employees, and agents with Anti-Corruption Laws and applicable Sanctions and the Borrower is, and to the knowledge of the Borrower, its directors, officers, employees, and agents are, in compliance with Anti-Corruption Laws and applicable Sanctions in all material respects.

(b) The Borrower is not, and to the knowledge of the Borrower, no director, officer, employee of the Borrower, or any agent of the Borrower that will act in any capacity in connection with or benefit from the Loan, is a Sanctioned Person.

(c) No use of proceeds of the Loan or other transaction contemplated by this Note will violate any Anti-Corruption Law or applicable Sanctions.

8.9 Collateral.

(a) The Borrower is the legal and beneficial owner of all of its property constituting Collateral and has the right to pledge, sell, assign, or transfer the same.

(b) This Note creates a valid security interest in favor of the Noteholder, in the Collateral, and, when properly perfected by filing, shall constitute a valid and perfected, first priority security interest in such Collateral, to the extent that such security interest can be perfected by filing under the UCC, in each case, free and clear of all Liens except for Liens permitted under Section 10.2. With respect to any Collateral consisting of a Deposit Account (including the U.S. Bank Account), upon execution and delivery by the Borrower, the depository bank, and the Noteholder of an agreement granting Control to the Noteholder over such Collateral, the Noteholder shall have a valid and perfected, first priority security interest in such Collateral, subject to Liens permitted by Section 10.2.

8.10 SEC Reports. The Borrower has filed all reports, schedules, forms, statements and other documents required to be filed by the Borrower under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") and the U.S. Exchange Act of 1934, as amended (the "**Exchange Act**"), including pursuant to Section 13(a) or 15(d) thereof (the foregoing materials filed prior to the date hereof, including the exhibits thereto and documents incorporated by reference therein, being collectively referred to herein as the "**SEC Reports**") on a timely basis or has qualified for a valid extension of such time of filing and has filed any such SEC Reports prior to the expiration of any such extension. As of their respective dates, the SEC Reports complied in all material respects with the requirements of the Securities Act and the Exchange Act, as applicable, and none of the SEC Reports, when filed, contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. The Borrower is not currently, and has never been, an issuer subject to paragraph (i) of Rule 144. The financial statements of the Borrower included in the SEC Reports comply in all material respects with applicable accounting requirements and the rules and regulations of the Commission with respect thereto as in effect at the time of filing. Such financial statements have been prepared in accordance with the United States generally accepted accounting principles applied on a consistent basis during the periods involved ("**GAAP**"), except as may be otherwise specified in such financial statements or the notes thereto and except that unaudited financial statements may not contain all footnotes required by GAAP, and fairly present in all material respects the financial position of the Borrower and its consolidated subsidiaries as of and for the dates thereof and the results of operations and cash flows for the periods then ended, subject, in the case of unaudited statements, to normal, immaterial, year-end audit adjustments. The Borrower is not aware of any reason why it will not be able to timely file its Annual Report on Form 10-K for the fiscal year ending December 31, 2025.

8.11 Material Developments. Since the date of the latest financial statements included within the SEC Reports, except as specifically disclosed in a subsequent SEC Report filed prior to the date hereof: (i) there has been no event, occurrence or development that has had or that would reasonably be expected to result in a Material Adverse Effect, (ii) neither the Borrower nor any Subsidiary has incurred any liabilities (contingent or otherwise) other than (A) trade payables and accrued expenses incurred in the ordinary course of business consistent with past practice, and (B) liabilities not required to be reflected in the Borrower's financial statements pursuant to GAAP or disclosed in filings made with the Commission, (iii) the Borrower has not altered its method of accounting, (iv) the Borrower has not declared or made any dividend or distribution of cash or other property to its shareholders or purchased, redeemed or made any agreements to purchase or redeem any shares of its share capital, and (v) the Borrower has not issued any equity securities to any officer, director or Affiliate, except pursuant to existing Borrower stock option plans. The Borrower does not have pending before the Commission any request for confidential treatment of information. To the knowledge of the Borrower, no event, liability, fact, circumstance, occurrence or development has occurred or exists or is reasonably expected to occur or exist with respect to the Borrower or its Subsidiaries or their respective businesses, properties, operations, assets or financial condition, that would be required to be disclosed by the Borrower under applicable securities laws at the time this representation is made or deemed made that has not been publicly disclosed at least 1 Business Day prior to the date that this representation is made.

8.12 Insurance. The Borrower is insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as are prudent and customary in the businesses in which the Borrower is engaged, including, but not limited to, directors and officers insurance coverage. The Borrower does not have any reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business without a significant increase in cost.

8.13 Acknowledgment Regarding Noteholder's Purchase of Securities. The Borrower further represents to the Noteholder that the Borrower's decision to enter into this Note has been based solely on the independent evaluation of the transactions contemplated hereby by the Borrower and its representatives.

8.14 Acknowledgment Regarding Noteholder's Trading Activity. It is understood and acknowledged by the Borrower (i) that the Noteholder has not been asked by the Borrower to agree, nor has any Noteholder agreed with the Borrower, to desist from effecting any transactions in or with respect to (including, without limitation, purchasing or selling, long and/or short) any securities of the Borrower, or "derivative" securities based on securities issued by the Borrower or to hold any of such securities for any specified term; (ii) the Noteholder, and counterparties in "derivative" transactions to which the Noteholder is a party, directly or indirectly, presently may have a "short" position in the Ordinary Shares which was established prior to the Noteholder's knowledge of the transactions contemplated hereby; and (iii) the Noteholder shall not be deemed to have any affiliation with or control over any arm's length counterparty in any "derivative" transaction. The Borrower further understands and acknowledges that following the public disclosure of the transactions contemplated hereby pursuant to a press release (x) the Noteholder may engage in hedging and/or trading activities at various times during the period that the Note is outstanding and (y) such hedging and/or trading activities, if any, can reduce the value of the existing shareholders' equity interest in the Borrower at and after the time the hedging and/or trading activities are being conducted. The Borrower acknowledges that such aforementioned hedging and/or trading activities do not constitute a breach of this Note.

8.15 Acknowledgment of Dilution. The Borrower acknowledges that its obligations under this Note, are unconditional and absolute and not subject to any right of set off, counterclaim, delay or reduction, regardless of the effect of any any claim the Borrower may have against the Noteholder.

8.16 Legal Advice. The Borrower has received advice from legal counsel of their choosing with respect to this Note and the transactions contemplated hereby.

8.17 Issuance of the Securities. This Note is duly authorized and, is duly and validly issued, fully paid and nonassessable, free and clear of all Liens imposed by the Borrower other than restrictions on transfer provided for herein. The Note constitutes the valid and binding obligations of the Borrower, enforceable against the Borrower in accordance with their terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization or similar laws affecting the rights of creditors generally and subject to general principles of equity.

8.18 Waiver. Borrower hereby waives any claim, whether in tort, contract or otherwise, that (i) this Note, and the transactions contemplated hereby are usurious, unconscionable, predatory, fraudulent, tortious or violate law and (ii) the Borrower did not receive reasonably equivalent value for its covenants, agreements, waivers, representations, warranties, releases and acknowledgements set forth in this Note.

9. Affirmative Covenants. Until all amounts outstanding under this Note have been paid in full, the Borrower shall and shall cause each of its Subsidiaries:

9.1 Maintenance of Existence. (a) Preserve, renew, and maintain in full force and effect its corporate or organizational existence and (b) take all reasonable action to maintain all rights, privileges, and franchises necessary or desirable in the normal conduct of its business, except, in each case, where the failure to do so would not reasonably be expected to have a Material Adverse Effect.

9.2 Compliance. (a) Comply with all Laws applicable to it and its business and its obligations under its material contracts and agreements, except where the failure to do so would not reasonably be expected to have a Material Adverse Effect and (b) maintain in effect and enforce policies and procedures reasonably designed to achieve compliance in all material respects by the Borrower and its directors, officers, employees and agents with Anti-Corruption Laws, Anti-Terrorism Laws, and applicable Sanctions.

9.3 Payment Obligations. Pay, discharge, or otherwise satisfy at or before maturity or before they become delinquent, as the case may be, all its material tax obligations of whatever nature, except where the amount or validity thereof is currently being contested in good faith by appropriate proceedings, and reserves in conformity with GAAP with respect thereto have been provided on its books.

9.4 Notice of Events of Default. As soon as possible and in any event within two (2) Business Days after it becomes aware that an Event of Default has occurred, notify the Noteholder in writing of the nature and extent of such Event of Default and the action, if any, it has taken or proposes to take with respect to such Event of Default.

9.5 Collateral.

(a) Execute and deliver all agreements, assignments, instruments and/or other documents as reasonably requested by the Noteholder for the purpose of obtaining and maintaining Control with respect to any Collateral consisting of Deposit Accounts.

(b) Execute and deliver to the Noteholder such agreements, assignments, or instruments (including, without limitation, affidavits, notices and reaffirmations of existing documents) as the Noteholder may reasonably request, and do all such other things as the Noteholder may reasonably deem necessary or appropriate to: (i) provide adequate assurance to the Noteholder regarding the proper filing, maintenance and perfection of the security interests created, or purported to be created, pursuant to this Note, including, without limitation, such instruments as the Noteholder may from time to time reasonably request, in order to perfect and maintain the security interests granted pursuant to this Note in accordance with the UCC or otherwise in compliance with the requirements of the applicable Law of the relevant jurisdiction; (ii) consummate the transactions contemplated by this Note; and (iii) otherwise protect, and ensure the Noteholder of, its rights and interests under this Note.

9.6 Further Assurances. Upon the request of the Noteholder, execute and deliver such further instruments and do or cause to be done such further acts as may be necessary or advisable to carry out the intent and purposes of this Note.

9.7 Annual Report. Continue to file all reports required by the Securities Act or the Exchange Act with the Commission (including any applicable financial statements) in a timely manner.

9.8 U.S. Bank Account.

(a) Immediately upon receipt from the Noteholder, the Borrower shall deposit all Proceeds from this Note into the U.S. Bank Account.

(b) From and after the date hereof, all cash received by the Borrower and its Affiliates in the course of operating their business, regardless of the source, shall be immediately deposited into the U.S. Bank Account.

(c) On or prior to the date that is seven (7) calendar days after the date hereof, the Borrower shall deliver to the Noteholder a control agreement with respect to the U.S. Bank Account in form and substance reasonably acceptable to the Noteholder.

10. Negative Covenants. Until all amounts outstanding under this Note have been paid in full, the Borrower shall not and shall not permit any Subsidiary to:

10.1 Indebtedness. Incur, create, or assume any Debt, other than Permitted Debt. Notwithstanding anything to the contrary herein or in the November 2025 Note, the Borrower and the Noteholder hereby agree that the obligations of the Borrower under this Note shall constitute "Permitted Debt" as defined in the November 2025 Note.

10.2 Liens. Incur, create, assume, or suffer to exist any Lien on any of its property or assets, whether now owned or hereafter acquired, except for (the following, "Permitted Liens"), (a) Liens for taxes not yet due or which are being contested in good faith by appropriate proceedings if adequate reserves with respect thereto are maintained on the books of the Borrower in conformity with GAAP; (b) non-consensual Liens arising by operation of law, arising in the ordinary course of business, and for amounts which are not overdue for a period of more than 30 days or that are being contested in good faith by appropriate proceedings; (c) Liens securing the obligations under this Note and any documents entered into in connection with this Note; (d) Liens arising from judgments, decrees or attachments in circumstances which do not constitute an Event of Default hereunder; (e) Liens on deposits under worker's compensation, unemployment insurance, social security and other similar laws and (f) Liens securing the obligations under the November 2025 Note. Notwithstanding anything to the contrary herein or in the November 2025 Note, the Borrower and the Noteholder hereby agree that the Liens securing the obligations under this Note shall constitute "Permitted Liens" as defined in the November 2025 Note.

10.3 Line of Business. Enter into any business, directly or indirectly, except for those businesses in which the Borrower is engaged on the date of this Note or that are reasonably related thereto.

10.4 Repurchase of Ordinary Shares. Repay, repurchase or offer to repay, repurchase or otherwise acquire more than a de minimis number of shares of its Ordinary Shares or Ordinary Share Equivalents.

10.5 Payment of other Debt. Repay, repurchase or offer to repay, repurchase or otherwise acquire any Debt, other than this Note in accordance with its terms, and other than regularly scheduled principal and interest payments of Permitted Debt as in effect as of the date hereof, provided that such payments shall not be permitted if, at such time, or after giving effect to such payment, any Event of Default exist or occur.

10.6 No Dividends. Pay cash dividends or distributions.

10.7 No Dispositions. Assign, sell, transfer, license, lease or otherwise dispose of any its assets other than (a) sales of inventory in the ordinary course of business, (b) to the extent constituting assignments, sales, transfers or dispositions, Permitted Liens and Investments not prohibited by the terms of this Note, (c) dispositions of worn-out, obsolete or surplus equipment at fair market value in the ordinary course of business and (d) consisting of Borrower's or its Subsidiaries' use or transfer of money or cash equivalents in a manner that is not prohibited by the terms of this Note.

10.8 Investments. Make or hold any Investments other than: (a) Investments existing on the date of this Note and that are disclosed in the SEC Reports (provided, for clarity, that neither the Borrower nor any Subsidiary shall increase the size of its Investment in any such Investment existing on the date of this Note other than in accordance with this Note), (b) Investments where the Noteholder is provided with a sufficient security interest as determined in the sole discretion of the Noteholder, (c) Investments consisting of the endorsement of negotiable instruments for deposit or collection or similar transactions in the ordinary course of Borrower and (d) other Investments that do not exceed $300,000 in the aggregate per calendar year.

10.9 Change of Control. Suffer or permit a Change of Control.

10.10 Subsidiary. Directly or indirectly, form or acquire a new subsidiary.

11. Events of Default. The occurrence and continuance of any of the following shall constitute an Event of Default hereunder:

11.1 Failure to Pay. The Borrower fails to pay (a) any principal amount of the Loan when due or (b) interest or any other amount owed when due pursuant to the Loan and such failure continues for two (2) days after written notice to the Borrower.

11.2 Breach of Representations and Warranties. Any representation or warranty made or deemed made by the Borrower to the Noteholder herein is incorrect in any material respect on the date as of which such representation or warranty was made or deemed made.

11.3 Breach of Covenants. The Borrower fails to observe or perform (a) any covenant, condition or agreement contained in Section 9 or Section 10, or (b) any other covenant, obligation, condition, or agreement contained in this Note, other than those specified in clause (a), and such default shall continue unremedied for a period of 15 days after the earlier of the date on which (x) the Borrower becomes aware of such failure or (y) written notice thereof shall have been given to the Borrower from Noteholder.

11.4 [Reserved.].

11.5 Cross-Defaults. The Borrower fails to pay when due any of its Debt having an aggregate principal amount in excess of $250,000 (other than Debt arising under this Note), or any interest or premium thereon, when due and such failure continues after the applicable grace period, if any, specified in the agreement or instrument relating to such Debt.

11.6 Bankruptcy.

(a) The Borrower commences any case, proceeding, or other action (i) under any existing or future Law relating to bankruptcy, insolvency, reorganization, or other relief of debtors, seeking to have an order for relief entered with respect to it, or seeking to adjudicate it as bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition, or other relief with respect to it or its debts or (ii) seeking appointment of a receiver, trustee, custodian, conservator, or other similar official for it or for all or any substantial part of its assets, or the Borrower makes a general assignment for the benefit of its creditors;

(b) There is commenced against the Borrower any case, proceeding, or other action of a nature referred to in 11.6(a) which (i) results in the entry of an order for relief or any such adjudication or appointment or (ii) remains undismissed, undischarged, or unbonded for a period of 45 days;

(c) There is commenced against the Borrower any case, proceeding, or other action seeking issuance of a warrant of attachment, execution, or similar process against all or any substantial part of its assets which results in the entry of an order for any such relief which has not been vacated, discharged, or stayed or bonded pending appeal within 45 days from the entry thereof;

(d) The Borrower takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in 11.6(a), 11.6(b), or 11.6(c) above; or

(e) The Borrower is generally not, or shall be unable to, or admits in writing its inability to, pay its debts as they become due.

11.7 Judgments. One or more judgments or decrees in an amount in excess of $500,000 shall be entered against the Borrower and all of such judgments or decrees shall not have been vacated, discharged, or stayed or bonded pending appeal within 30 days from the entry thereof.

11.8 MAE. There occurs a Material Adverse Effect.

11.9 Trading. The suspension (or threatened suspension) from trading or the failure (or threatened failure) of the Ordinary Shares to be trading or listed (as applicable) on a Trading Market for a period of five (5) consecutive Trading Days.

11.10 SEC Filings. The Borrower fails to maintain its registration under Section 12(b) of the Exchange Act or to timely file with the Commission any reports or other filings required to be filed under the Exchange Act or the Securities Act.

11.11 Collateral. The security interest granted to the Noteholder pursuant to Section 16 hereof, at any time after the execution and delivery of this Note and for any reason other than as expressly permitted hereunder or satisfaction in full of all the obligations under this Note, ceases to be in full force and effect or ceases to give the Noteholder any of the Liens purported to be created hereby; or the Borrower or any Subsidiary or any other Person contests in any manner the validity or enforceability of any of the Liens granted to the Noteholder pursuant to Section 16.

12. Reserved.

13. Remedies.

13.1 Upon the occurrence of any Event of Default and at any time thereafter during the continuance of such Event of Default, the Noteholder may, at its option, by written notice to the Borrower (a) terminate its commitment to make any payments hereunder; and/or (b) declare the entire principal amount of this Note, *plus* all accrued and unpaid interest thereon immediately due and payable; *provided, however*, that if an Event of Default described in 11.6 shall occur, the principal of and accrued interest on the Loan, shall become immediately due and payable without any notice, declaration, or other act on the part of the Noteholder. The payment of the principal amount of this Note, *plus* all accrued and unpaid interest thereon pursuant to this Section 13 shall be subject to a premium of 120% of the principal amount of this Note, *plus* all accrued and unpaid interest thereon (the "**Default Premium**").

13.2 Upon the occurrence and during the continuance of an Event of Default, the Noteholder shall have, in addition to the rights and remedies provided herein, or as provided by applicable Law (including, without limitation, levy of attachment, garnishment, and the rights and remedies set forth in the UCC of the jurisdiction applicable to the affected Collateral), all rights and remedies of a secured party under the UCC (regardless of whether the UCC is the law of the jurisdiction where the rights and remedies are asserted, and regardless of whether the UCC applies to the affected Collateral). Upon the occurrence and during the continuance of an Event of Default, the Noteholder may: (i) prevent withdrawals or other dispositions of funds in Deposit Accounts (including the U.S. Bank Account); and (ii) exercise Control pursuant to any control agreement(s) governing any Deposit Account (including the U.S. Bank Account).

14. Public Disclosure. The Borrower will disclose the material terms of this Note and the transactions contemplated hereby by not later than 9:00 a.m. on the Trading Day immediately following the date hereof, or such earlier time as may be required by law, by means of a Current Report on Form 8-K. Upon the filing of such Form 8-K, the Borrower represents to the Noteholder that it shall have publicly disclosed all "material, non-public information" delivered to the Noteholder by the Borrower or any of its Subsidiaries, or any of their respective officers, directors, employees or agents at any time prior to the filing thereof.

15. [Reserved.]

16. Collateral.

16.1 Grant of Security Interest in the Collateral. To secure the prompt payment and performance in full when due, whether by lapse of time, acceleration, mandatory prepayment or otherwise, of the Secured Obligations, the Borrower hereby grants to the Noteholder, a continuing security interest in, and a right to set off against, any and all right, title and interest of the Borrower in and to all of the following, whether now owned or existing or owned, acquired or arising hereafter (collectively, the "**Collateral**"): (a) the U.S. Bank Account; (b) all cash, currency and cash equivalents held in the U.S. Bank Account; (c) all Money held in the U.S. Bank Account; (d) all Accounts; (e) Receivables, (f) Receivable Records, and (g) all books and records relating to any of the foregoing Collateral; and (b) all Proceeds and products of any and all of the foregoing. The Borrower and the Noteholder, hereby acknowledge and agree that the security interest created pursuant to this Note in the Collateral constitutes continuing collateral security for all of the Secured Obligations. Notwithstanding anything to the contrary herein or in the November 2025 Note, the Borrower and the Noteholder hereby agree that the proceeds of any Collateral shall be applied to the Secured Obligations on a ratable basis.

16.2 Appointment of Attorney in Fact; Authorization to File Financing Statements. The Borrower hereby irrevocably makes, constitutes, and appoints the Noteholder, a nominee of the Noteholder, or any other Person whom the Noteholder may so designate, as the Borrower's attorney in fact, with full power with respect to, and for the limited purpose of, preparing and filing (and, to the extent applicable, signing), in the name of the Borrower, any financing statements (including any renewal or continuation financing statements), any amendments and/or supplements to financing statements, and any notices and/or similar instruments that, in the Noteholder's reasonable discretion, would be necessary or appropriate in order to perfect, or to maintain the perfection of, the security interests granted pursuant to this Note, such power, being coupled with an interest, being and remaining irrevocable until such time as the Secured Obligations shall have been indefeasibly paid in full. Without limitation of the immediately foregoing sentence, the Borrower hereby: (a) authorizes the Noteholder (or any such nominee or other Person so designated) to prepare and file any such financing statements (including renewal and/or continuation financing statements), amendments thereof or supplements thereto, or notices or similar instruments as the Noteholder (or such nominee or other Person so designated) may, from time to time, deem necessary or appropriate in order to perfect and maintain the security interests granted pursuant to this Note in accordance with the UCC or other applicable Law, which such financing statements, amendments thereof or supplements thereto, or notices or similar instruments may describe the Collateral in the same manner as described in this Note or may contain an indication or description of Collateral that describes such property in any other manner as the Noteholder (or such nominee or other Person so designated) may determine, in its sole discretion, is necessary, advisable or prudent to ensure the perfection of the security interests in the Collateral granted pursuant to this Note in accordance with the UCC or other applicable Law; and (b) agrees that a carbon, photographic or other reproduction of this Note (or of any such financing statement or any amendment thereof or supplement thereto) shall be sufficient for filing (and may be filed) as a financing statement (or amendment thereof or supplement thereto) by the Noteholder (or any such nominee or other Person so designated), without notice thereof to the Borrower, wherever the Noteholder (or such nominee or other Person so designated) may, in its sole discretion, desire to file the same.

16.3 Maximum Liability. Notwithstanding any provision to the contrary contained herein or in any other documents relating to the Secured Obligations, the obligations of the Borrower under this Note shall be limited to an aggregate amount equal to the largest amount that would not render such obligations subject to avoidance under Section 548 of the Bankruptcy Code, or under any other applicable Debtor Relief Law (including, without limitation, any comparable provisions of any applicable state Law).

17. Miscellaneous.

17.1 Notices.

(a) All notices, requests, or other communications required or permitted to be delivered hereunder shall be made in writing and mailed by certified or registered mail, delivered by hand or overnight courier service, or sent by email as follows:

(i) If to the Borrower:

Lifeward Ltd.
200 Donald Lynch Blvd.
Marlborough, MA 01752
Email: almog.adar@golifeward.com

With a copy (which shall not constitute notice) to:

Goodwin Procter LLP
3025 John F Kennedy Blvd
Philadelphia, PA 19104
Email: JPorter@goodwinlaw.com

(ii) If to the Noteholder:

Oramed Ltd.
Mamilla 20
Jerusalem, Israel 9414904
Attn: Avi Gabay
Email: avi@oramed.com

With a copy (which shall not constitute notice) to:

Haynes and Boone, LLP
30 Rockefeller Plaza, 26th Floor
New York, NY 10112
Attention of: Rick A. Werner
Email: rick.werner@haynesboone.com

(b) Notices if (i) mailed by certified or registered mail or sent by hand or overnight courier service shall be deemed to have been given when received; and (ii) sent by e-mail during normal business hours in New York City, New York shall be deemed to have been given when sent (and if sent after normal business hours in New York City, New York shall be deemed to have been given at the opening of the recipient's business on the next business day).

17.2 Expenses. The Borrower shall reimburse the Noteholder on demand for all reasonable and documented out-of-pocket costs, expenses, and fees (including reasonable expenses and fees of its external counsel) incurred by the Noteholder in connection with the transactions contemplated hereby including the negotiation, documentation, and execution of this Note and the enforcement of the Noteholder's rights hereunder and thereunder.

17.3 Governing Law. This Note and any claim, controversy, dispute, or cause of action (whether in contract or tort or otherwise) based upon, arising out of, or relating to this Note and the transactions contemplated hereby shall be governed by the laws of the State of New York.

17.4 Submission to Jurisdiction.

(a) The Borrower hereby irrevocably and unconditionally (i) agrees that any legal action, suit, or proceeding arising out of or relating to this Note may be brought in the courts of the State of New York or of the United States of America for the Southern District of New York and (ii) submits to the jurisdiction of any such court in any such action, suit, or proceeding. Final judgment against the Borrower in any action, suit, or proceeding shall be conclusive and may be enforced in any other jurisdiction by suit on the judgment.

(b) Nothing in this 17.4 shall affect the right of the Noteholder to (i) commence legal proceedings or otherwise sue the Borrower in any other court having jurisdiction over the Borrower or (ii) serve process upon the Borrower in any manner authorized by the laws of any such jurisdiction.

17.5 Venue. The Borrower irrevocably and unconditionally waives, to the fullest extent permitted by applicable law, any objection that it may now or hereafter have to the laying of venue of any action or proceeding arising out of or relating to this Note in any court referred to in 17.4 and the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

17.6 Waiver of Jury Trial. THE BORROWER HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY RELATING TO THIS NOTE OR THE TRANSACTIONS CONTEMPLATED HEREBY, WHETHER BASED ON CONTRACT, TORT, OR ANY OTHER THEORY.

17.7 Integration. This Note constitute the entire contract between the Parties with respect to the subject matter hereof and supersede all previous agreements and understandings, oral or written, with respect thereto.

17.8 Successors and Assigns. This Note may not be assigned or transferred by the Noteholder to any Person without prior written consent of the Borrower. The Borrower may not assign or transfer this Note or any of its rights hereunder without the prior written consent of the Noteholder. This Note shall inure to the benefit of, and be binding upon, the Parties and their permitted assigns.

17.9 Waiver of Notice. The Borrower hereby waives demand for payment, presentment for payment, protest, notice of payment, notice of dishonor, notice of nonpayment, notice of acceleration of maturity, and diligence in taking any action to collect sums owing hereunder.

17.10 USA PATRIOT Act. The Noteholder hereby notifies the Borrower that pursuant to the requirements of the USA PATRIOT Act and 31 C.F.R. § 1010.230 (the "**Beneficial Ownership Regulation**"), it is required to obtain, verify, and record information that identifies the Borrower, which information includes the name and address of the Borrower and other information that will allow the Noteholder to identify the Borrower in accordance with the USA PATRIOT Act and the Beneficial Ownership Regulation, and the Borrower agrees to provide such information from time to time to the Noteholder.

17.11 Amendments and Waivers. No term of this Note may be waived, modified, or amended except by an instrument in writing signed by both of the Parties. Any waiver of the terms hereof shall be effective only in the specific instance and for the specific purpose given.

17.12 Headings. The headings of the various Sections and subsections herein are for reference only and shall not define, modify, expand, or limit any of the terms or provisions hereof.

17.13 No Waiver; Cumulative Remedies. No failure to exercise, and no delay in exercising on the part of the Noteholder, of any right, remedy, power, or privilege hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power, or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power, or privilege. The rights, remedies, powers, and privileges herein provided are cumulative and not exclusive of any rights, remedies, powers, and privileges provided by law.

17.14 Electronic Execution. The words "execution," "signed," "signature," and words of similar import in the Note shall be deemed to include electronic or digital signatures or electronic records, each of which shall be of the same effect, validity, and enforceability as manually executed signatures or a paper-based record-keeping system, as the case may be, to the extent and as provided for under applicable law, including the Electronic Signatures in Global and National Commerce Act of 2000 (15 U.S.C. §§ 7001 to 7031), the Uniform Electronic Transactions Act (UETA), or any state law based on the UETA, including the New York Electronic Signatures and Records Act (N.Y. State Tech. §§ 301 to 309).

17.15 Severability. If any term or provision of this Note is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other term or provision of this Note or invalidate or render unenforceable such term or provision in any other jurisdiction. Upon such determination that any term or other provision is invalid, illegal, or unenforceable, the Parties shall negotiate in good faith to modify this Note so as to affect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible.

17.16 Taxes. All payments to be made by the Borrower under this Note shall be made without any Tax Deduction (as defined below) unless a Tax Deduction is required by law. The Borrower shall promptly upon becoming aware that it must make a Tax Deduction (or that there is any change in the rate or the basis of a Tax Deduction) notify the Noteholder accordingly. If a Tax Deduction is required by law to be made by the Borrower, the amount of the payment due from the Borrower under this Note shall be increased to an amount which (after making any Tax Deduction) leaves an amount equal to the payment which would have been due under this Note if no Tax Deduction had been required. If the Borrower is required to make a Tax Deduction, it shall make that Tax Deduction and any payment required in connection with that Tax Deduction within the time allowed and in the minimum amount required by law. Within thirty (30) days of making either a Tax Deduction or any payment required in connection with that Tax Deduction, the Borrower shall deliver to the Noteholder evidence reasonably satisfactory to the Noteholder that the Tax Deduction has been made and that any appropriate payment has been paid to the relevant taxing authority. For greater certainty, the Borrower is obligated to indemnify the Noteholder pursuant to this Section 17.16 in the event that a Tax Deduction is required in respect of any payment to be made to the Noteholder under this Note and the Borrower and/or its Subsidiaries fail to comply with this Section 17.16. For purposes of this Section 17.16, "**Tax**" means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same) and "**Tax Deduction**" means any deduction or withholding for or on account of any Tax.

17.17 Indemnification. Subject to the provisions of this Section 17.17, the Borrower will indemnify and hold Noteholder and its directors, officers, shareholders, members, partners, employees and agents (and any other Persons with a functionally equivalent role of a Person holding such titles notwithstanding a lack of such title or any other title), each Person who controls such Noteholder (within the meaning of Section 15 of the Securities Act and Section 20 of the Exchange Act), and the directors, officers, shareholders, agents, members, partners or employees (and any other Persons with a functionally equivalent role of a Person holding such titles notwithstanding a lack of such title or any other title) of such controlling persons (each, a "**Noteholder Party**") harmless from any and all losses, liabilities, obligations, claims, contingencies, damages, costs, awards, orders, penalties and expenses, including all judgments, amounts paid in settlements, court costs, interest and attorneys' fees and costs of investigation that any such Noteholder Party may suffer or incur as a result of or relating to (i) any breach of any of the representations, warranties, covenants or agreements made by the Borrower in this Note or (ii) any action instituted against the Noteholder Parties in any capacity, or any of them or their respective Affiliates, by the Borrower, its employees or directors, or any stockholder or creditor of the Borrower or any third-party, arising out of or relating to any of the transactions contemplated hereby. For the avoidance of doubt, the indemnification provided herein is intended to and shall cover direct claims brought by the Borrower against the Noteholder Parties. If any action shall be brought against any Noteholder Party in respect of which indemnity may be sought pursuant to this Note, such Noteholder Party shall promptly notify the Borrower in writing, and, except with respect to direct claims brought by the Borrower, the Borrower shall have the right to assume the defense thereof with counsel of its own choosing reasonably acceptable to the Noteholder Party. Any Noteholder Party shall have the right to employ separate counsel in any such action and participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of such Noteholder Party except to the extent that (i) the employment thereof has been specifically authorized by the Borrower in writing, (ii) the Borrower has failed after a reasonable period of time to assume such defense and to employ counsel or (iii) in such action there is, in the reasonable opinion of counsel, a material conflict on any material issue between the position of the Borrower and the position of such Noteholder Party, in which case the Borrower shall be responsible for the reasonable fees and expenses of no more than one such separate counsel, which shall be the case with respect to any direct claims by the Borrower. The Borrower will not be liable to any Noteholder Party under this Note (y) for any settlement by a Noteholder Party effected without the Borrower's prior written consent, which shall not be unreasonably withheld or delayed; or (z) to the extent, but only to the extent that a loss, claim, damage or liability is finally judicially determined to be attributable to any Noteholder Party's breach of any of the representations, warranties, covenants or agreements made by such Noteholder Party in this Note. The indemnification required by this Section 17.17 shall be made by periodic payments of the amount thereof during the course of the investigation or defense, as and when bills are received or are incurred. The indemnity agreements contained herein shall be in addition to any cause of action or similar right of any Noteholder Party against the Borrower or others and any liabilities the Borrower may be subject to pursuant to law.

18. Additional Loans.

18.1 Additional Loans. Subject to the terms and conditions set forth in this Note and provided that each requirement set forth in Section 18.3 has been satisfied in accordance therewith, the Noteholder may make one or more additional loans from time to time (each, an "**Additional Loan**") under this Note to the Borrower with the mutual consent of the Borrower by the date specified in each Additional Loan Notice (as defined herein). Upon the funding of the Additional Loan, the outstanding principal amount of this Note shall be increased by the principal amount of such Additional Loan. The principal amount of any Additional Loan shall be in the amount determined by the Noteholder from time to time, provided that the aggregate principal amount of all Additional Loans under this Section 18.1 shall not, collectively, exceed $975,000.

18.2 Additional Loan Mechanics. Prior to the funding of any Additional Loan, the Noteholder shall deliver a notice (which may be made by email) to the Borrower no later than three (3) Business Days following each applicable Additional Loan Meeting (as defined herein) which sets forth the amount of the Additional Loan and the proposed funding date (which shall be no earlier than four (4) Business Days after delivery of such notice) (each, an "Additional Loan Notice"). Following the receipt of each such Additional Loan Notice, the Borrower shall deliver a written acceptance or rejection (which may be by email) to the Noteholder no later than 12:00 p.m. EST on the Trading Day immediately following such Additional Loan Notice setting forth such acceptance or rejection, as applicable, and in the case of an acceptance, the wire instructions for the Borrower's account at a bank specified by the Borrower where the proceeds of the Additional Loan shall be deposited. Any such notice for the Additional Loan shall be irrevocable and binding on the Borrower and shall constitute the Borrower's consent for such Additional Loan. .

18.3 Conditions to Loan. In order to be eligible for the Additional Loan, the Borrower shall:

(a) Reporting. Prepare (i) weekly budgets, in a form reasonably satisfactory to the Noteholder detailing, among other things, the Borrower's projected cash flow and expenses and (ii) weekly reports comparing actual corporate expenses made during the applicable week against projected corporate expenses set forth on Exhibit A attached hereto.

(b) Meeting. Commencing on one week following the Issuance Date and continuing until all amounts outstanding under the Additional Loans have been repaid in full, hold a meeting (which may be conducted virtually) with the Noteholder (each, an "Additional Loan Meeting") at a mutually agreed time, once a week or upon the Noteholder's reasonable request, as the case may be, to discuss the Borrower's current cash flow, financial operations and any other such related matters as the Borrower may reasonably request.

18.4 Waiver. The Noteholder may in its sole discretion agree to waive any of the conditions set forth in this Section 18 for the funding of the Additional Loan.

18.5 Funding of Loan. Subject to the terms and conditions herein, the Noteholder shall send by wire transfer the amount of the Additional Loan to the Borrower pursuant to the wire instructions given by the Borrower in accordance with Section 18.2 hereof, whereupon the principal amount of this Note shall be increased by the amount so transferred.

18.6 Use of Proceeds. The Borrower shall use the proceeds of the Additional Loan solely for the expenses listed by the Borrower pursuant to Section 18.3(a); provided, that notwithstanding the forgoing the Borrower may use the proceeds to satisfy its corporate expenses as reasonably determined by the Borrower and as required to satisfy the obligations of Borrow pursuant to applicable law.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Borrower has executed this Note as of February 12, 2026.

Lifeward Ltd.

By: /s/ Almog Adar
Name: Almog Adar
Title: Chief Financial Officer

By: /s/ William Mark Grant
Name: William Mark Grant
Title: President and Chief Executive Officer

Acknowledged and Agreed:

Oramed Ltd.

By:/s/ Avi Gabay
Name: Avi Gabay
Title: Chief Financial Officer

By: /s/ Nadav Kidron
Name: Nadav Kidron
Title: Chief Executive Officer

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in the following Registration Statements:

(1) Registration Statements (Form S-3 Nos. 333-231305, 333-260382 and 333-287314) of Lifeward Ltd.,
(2) Registration Statements (Form S-1 Nos. 333-235931, 333-239733, 333-251454, 333-254147 and 333-284843) of Lifeward Ltd., and
(3) Registration Statements (Form S-8 Nos. 333-199688, 333-221357, 333-230485, 333-239258, 333-267284 and 333-289840) pertaining to the 2006 Stock Option Plan, 2012 Equity Incentive Plan, 2014 Incentive Compensation Plan and 2025 Incentive Compensation Plan of Lifeward Ltd.;

of our report dated March 18, 2026, with respect to the consolidated financial statements of Lifeward Ltd. included in this Annual Report (Form 10-K) of Lifeward Ltd. for the year ended December 31, 2025.

/s/ KOST FORER GABBAY & KASIERER
A Member of EY Global

March 18, 2026
Tel-Aviv

EXHIBIT 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER PURSUANT TO EXCHANGE ACT RULE 13A-14(A)/15D-14(A) AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Mark Grant, certify that:

1. I have reviewed this annual report on Form 10-K of Lifeward Ltd. (the "registrant");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Mark Grant

Mark Grant
Chief Executive Officer
(Principal Executive Officer)

Date: March 18, 2026

EXHIBIT 31.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER PURSUANT TO EXCHANGE ACT RULE 13A-14(A)/15D-14(A) AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Almog Adar, certify that:

1. I have reviewed this annual report on Form 10-K of Lifeward Ltd. (the "registrant");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Almog Adar

Almog Adar
Chief Financial Officer
(Principal Financial and Accounting Officer)

Date: March 18, 2026

EXHIBIT 32.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Lifeward Ltd. (the "Company") on Form 10-K for the period ended December 31, 2025, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Mark Grant, do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

- the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Mark Grant
Mark Grant
Chief Executive Officer
(Principal Executive Officer)

Date: March 18, 2026

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

EXHIBIT 32.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Lifeward Ltd. (the "Company") on Form 10-K for the period ended December 31, 2025, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Almog Adar, do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

- the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Almog Adar
Almog Adar
Chief Financial Officer
(Principal Financial and Accounting Officer)

Date: March 18, 2026

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.