



## Lifeward Reports Second Quarter 2024 Financial Results

August 15, 2024 12:00 PM EDT

*Record ReWalk revenue with 20 systems placed*

*Q2'24 revenue of \$6.7M up over 400% compared to \$1.3M in Q2'23*

*Medicare claims for submissions from prior quarters beginning to be paid*

MARLBOROUGH, Mass. and YOKNEAM ILLIT, Israel, Aug. 15, 2024 (GLOBE NEWSWIRE) -- ReWalk Robotics Ltd. (DBA Lifeward™), (Nasdaq: LFWD) ("Lifeward" or the "Company"), a global market leader delivering life-changing solutions to revolutionize what is possible in rehabilitation, recovery, and the pursuit of life's passions in the face of physical limitation or disability, today announced its financial results for the three months and six months ended June 30, 2024.

### Recent Highlights and Milestones for Lifeward

- The CMS Home Health Rule and Medicare Pricing achieved by Lifeward is now fully functional with widespread approvals and the beginning of payments from our 2023 and first-half 2024 submissions.
- With the experience of access for Medicare beneficiaries, physicians are now able to actively write prescriptions with confidence that on-label SCI individuals have access to this innovative walking and stair climbing technology.
- In June, Lifeward successfully launched the latest generation of Differential Air Pressure Anti-Gravity Technology with its new NEO product line. The NEO provides features that are aligned for independent clinics seeking to offer this advanced technology.
- In June, Lifeward completed its FDA submission for its 7th generation ReWalk design which will further enhance use of the system in all aspects of daily life and further establish Lifeward as the most experienced personal exoskeleton company in the world.

"We are succeeding with the basics of execution with building a Medicare processing pipeline and by successfully getting paid. In addition our integration of two companies has expanded our scale and positions us well for the coming quarters" said Larry Jasinski, Chief Executive Officer of Lifeward. "The ability to drive growth and to cut and leverage expenses are the meaningful output of these achievements."

### Second Quarter 2024 Financial Results

Revenue was \$6.7 million in the second quarter of 2024, compared to \$1.3 million during the second quarter of 2023, up \$5.4 million, or over 400%. Revenue from the sale of its historical products and services including ReWalk exoskeletons, MyoCycles, and ReStore exo-suits was \$3.1 million, up \$1.8 million, or 131% compared to the prior year. This performance was primarily driven by an increase in ReWalk system revenue from the expansion of access through Medicare coverage. Revenue from the sale of AlterG products and services was \$3.6 million, a sequential improvement of \$0.8 million vs. the first quarter of 2024. The Company expects continued sequential improvement in sales effectiveness through the rest of 2024 as further impact of the commercial integration activity takes hold.

Gross margin was 41.1% during the second quarter of 2024, compared to 43.1% in the second quarter of 2023. On a non-GAAP basis, which excludes the amortization of purchase price allocation adjustments and stock compensation expense listed in the attached non-GAAP reconciliation table, adjusted gross margin was 46.9% in the second quarter of 2024, compared to 43.3% in the second quarter of 2023, a 3.6 percentage point increase. This improvement is primarily attributable to higher volumes of ReWalk product sales which resulted in greater absorption of operations and overhead costs.

Total operating expenses in the second quarter of 2024 were \$7.2 million, compared to \$5.7 million in the second quarter of 2023. On a non-GAAP basis, which excludes the items listed in the attached non-GAAP reconciliation table, adjusted operating expenses were \$6.9 million in the second quarter of 2024, compared to \$4.5 million in the second quarter of 2023, a \$2.3 million increase. This increase is primarily due to the addition of headcount and outside spending from the acquisition of AlterG and investment in additional commercial resources.

Operating loss in the second quarter of 2024 was \$4.4 million, compared to \$5.2 million in the second quarter of 2023. On a non-GAAP basis, which excludes the items in the attached non-GAAP reconciliation table, adjusted operating loss was \$3.7 million in the second quarter of 2024, compared to a loss of \$3.9 million in the second quarter of 2023.

Net loss was \$4.3 million, or \$0.50 per share, for the second quarter of 2024, compared to a net loss of \$4.6 million, or \$0.55 per share, in the second quarter of 2023. On a non-GAAP basis, which excludes the items in the attached non-GAAP reconciliation table, adjusted net loss was \$3.6 million, or \$0.42 per share, in the second quarter of 2024, compared to \$3.4 million, or \$0.40 per share, during the second quarter of 2023.

## Liquidity

As of June 30, 2024, ReWalk had \$15.1 million in unrestricted cash and cash equivalents on its balance sheet with no debt. During the second quarter of 2024, cash used in operations was \$5.6 million, which was adversely affected by long lead times required by the Medicare Administrative Contractors to set up and commence initial claims payments. At the end of the second quarter of 2024, Lifeward had \$2.6 million of accounts receivable for Medicare claims that had been submitted in 2023 and the first half of 2024 which have begun to be paid subsequent to the end of the second quarter.

## Financial Guidance

Following the results of the second quarter of 2024, Lifeward continues to expect full year revenue of between \$28 million to \$32 million in 2024. Based on the expanded access to ReWalk systems from the recently established Medicare coverage and continued improvement of sales traction by the new commercial team, Lifeward expects sequential improvement in quarterly revenue through the rest of 2024.

## Conference Call

Lifeward management will host its conference call as follows:

|           |                               |
|-----------|-------------------------------|
| Date      | August 14, 2024               |
| Time      | 8:30 AM EDT                   |
| Telephone | U.S: 1-833-316-0561           |
|           | International: 1-412-317-0690 |
|           | Israel: 1-80-9212373          |
|           | Germany: 0800-6647560         |

|   |   |
|---|---|
| Access code                             | Please reference the "Lifeward Earnings Call"   |
| Webcast (live, listen-only and archive) | <a href="https://edge.media-server.com/mmc/p/i8mtrha9">https://edge.media-server.com/mmc/p/i8mtrha9</a> |

The archived webcast will be available via the following <https://edge.media-server.com/mmc/p/i8mtrha9> or through the "Investors" section on our website at [GoLifeward.com](http://GoLifeward.com).

## About Lifeward

Lifeward 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 mission at Lifeward is to relentlessly drive innovation to change the lives of individuals with physical limitations or disabilities. We are committed to delivering groundbreaking solutions that empower individuals to do what they love. The Lifeward portfolio features innovative products including the ReWalk Exoskeleton, the AlterG Anti-Gravity systems, the ReStore Exo-Suit, and the MyoCycle FES Systems.

Founded in 2001, Lifeward has operations in the United States, Israel, and Germany. For more information on the Lifeward mission and product portfolio, please visit [GoLifeward.com](http://GoLifeward.com).

ReWalk®, ReStore® and Alter G® are registered trademarks of ReWalk Robotics Ltd. (DBA Lifeward) and/or its affiliates.

## Forward-Looking Statements

In addition to historical information, this press release contains forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995, Section 27A of the U.S. Securities Act of 1933, and Section 21E of the U.S. Securities Exchange Act of 1934. Such forward-looking statements may include projections regarding the Company's future performance and other statements that are not statements of historical fact and, in some cases, may be identified by words like "anticipate," "assume," "believe," "continue," "could," "estimate," "expect," "intend," "may," "plan," "potential," "predict," "project," "future," "will," "should," "would," "seek" and similar terms or phrases. The forward-looking statements contained in this press release are based on management's current expectations, which are subject to uncertainty, risks and changes in circumstances that are difficult to predict and many of which are outside of the Company's control. Important factors that could cause the Company's actual results to differ materially from those indicated in the forward-looking statements include, among others: the Company's ability to realize the anticipated benefits of the acquisition of AlterG, including the possibility that the expected benefits of the acquisition will not be realized within the expected time period or at all; the effect of the AlterG acquisition on the ability of the Company to retain customers and key personnel and to maintain relationships with suppliers, distributors and other key business relations; potential litigation in connection with the AlterG acquisition; uncertainties associated with future clinical trials and the clinical development process, the product development process and FDA regulatory submission review and approval process; the Company's ability to have sufficient funds to meet certain future capital requirements, which could impair the Company's efforts to develop and commercialize existing and new products; the Company's ability to manage challenges and expenses associated with activist shareholder activities, including litigation; the Company's ability to maintain and grow its reputation and the market acceptance of its products; the Company's ability to achieve reimbursement from third-party payors, including CMS, for its products; the Company's limited operating history and its ability to leverage its sales, marketing and training infrastructure; the Company's expectations as to its clinical research program and clinical results; the Company's expectations regarding future growth, including its ability to increase sales in its existing geographic markets and expand to new markets; the Company's ability to obtain certain components of its products from third-party suppliers and its continued access to its product manufacturers; the Company's ability to improve its products and develop new products; the Company's compliance with medical device reporting regulations to report adverse events involving the Company's products, which could result in voluntary corrective actions or enforcement actions such as mandatory recalls, and the potential impact of such adverse events on the Company's ability to market and sell its products; the Company's ability to gain and maintain regulatory approvals; the Company's ability to maintain adequate protection of its intellectual property and to avoid violation of the intellectual property rights of others; the risk of a cybersecurity attack or breach of the Company's IT systems significantly disrupting its business operations; the Company's ability to use effectively the proceeds of its offerings of securities; and other factors discussed under the heading "Risk Factors" in the Company's annual report on Form 10-K, as amended, for the year ended December 31, 2023 filed with the SEC and other documents subsequently filed with or furnished to the SEC. Any forward-looking statement made in this press release speaks only as of the date hereof. Factors or events that could cause the Company's actual results to differ from the statements contained herein may emerge from time to time, and it is not possible for the Company to predict all of them. Except as required by law, the Company undertakes no obligation to publicly update any forward-looking statements, whether as a result of new information, future developments or otherwise.

## Non-GAAP Financial Measures

To supplement its consolidated financial statements, which are prepared and presented in accordance with U.S. Generally Accepted Accounting Principles ("GAAP"), the Company believes that the use of non-GAAP accounting measures, including non-GAAP net loss, is helpful to its investors. These measures, which the Company refers to as non-GAAP financial measures, are not prepared in accordance with GAAP.

Because of varying available valuation methodologies, subjective assumptions, and the variety of equity instruments that can impact a company's non-cash expenses, the Company believes that providing non-GAAP financial measures that exclude non-cash share-based compensation expense and acquisition costs allows for more meaningful comparisons between operating results from period to period. Each of the Company's non-GAAP financial measures is an important tool for financial and operational decision-making and for the Company's evaluation of its operating results over different periods of time. The non-GAAP financial data are not measures of the Company's financial performance under U.S. GAAP and should not be considered as alternatives to operating loss or net loss or any other performance measures derived in accordance with GAAP. Non-GAAP financial measures may not provide information that is directly comparable to that provided by other companies in ReWalk's industry, as other companies in the industry may calculate non-GAAP financial results differently, particularly related to non-recurring, unusual items. In addition, there are limitations in using non-GAAP financial measures because the non-GAAP financial measures are not prepared in accordance with GAAP, may be different from non-GAAP financial measures used by other companies and exclude expenses that may have a material impact on the Company's reported financial results. Further, share-based compensation expense has been, and will continue to be for the foreseeable future, a significant recurring expense in the Company's business and an important part of the compensation provided to its employees.

The presentation of non-GAAP financial information is not meant to be considered in isolation or as a substitute for the directly comparable financial measures prepared in accordance with GAAP. ReWalk urges investors to review the reconciliation of the Company's non-GAAP financial measures to the comparable GAAP financial measures included below, and not to rely on any single financial measure to evaluate the Company's business.

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**ReWalk Robotics Ltd. And subsidiaries**  
**Condensed Consolidated Statements of Operations**  
**(Unaudited)**  
**(In thousands, except share and per share data)**

|   | <u>Three Months Ended</u> |                   | <u>Six Months Ended</u> |                   |
|---|---------------------------|-------------------|-------------------------|-------------------|
|   | <u>June 30,</u>           |                   | <u>June 30,</u>         |                   |
|   | <u>2024</u>               | <u>2023</u>       | <u>2024</u>             | <u>2023</u>       |
| Revenue   | \$ 6,707                  | \$ 1,337          | \$ 11,990               | \$ 2,567          |
| Cost of revenues  | 3,950                     | 761               | 7,838                   | 1,420             |
| Gross profit  | 2,757                     | 576               | 4,152                   | 1,147             |
| Operating expenses:   |                           |                   |                         |                   |
| Research and development, net   | 1,205                     | 816               | 2,496                   | 1,568             |
| Sales and marketing   | 4,403                     | 2,504             | 9,417                   | 4,988             |
| General and administrative  | 1,592                     | 2,414             | 3,184                   | 4,124             |
| Total operating expenses  | 7,200                     | 5,734             | 15,097                  | 10,680            |
| Operating loss  | (4,443)                   | (5,158)           | (10,945)                | (9,533)           |
| Financial income, net   | 144                       | 558               | 376                     | 636               |
| Loss before income taxes  | (4,299)                   | (4,600)           | (10,569)                | (8,897)           |
| Taxes on income   | 5                         | 42                | 11                      | 66                |
| Net loss  | <u>\$ (4,304)</u>         | <u>\$ (4,642)</u> | <u>\$ (10,580)</u>      | <u>\$ (8,963)</u> |
| Net loss per ordinary share, basic and diluted  | <u>\$ (0.50)</u>          | <u>\$ (0.55)</u>  | <u>\$ (1.23)</u>        | <u>\$ (1.05)</u>  |
| Weighted average number of shares used in computing net loss per ordinary share basic and diluted (1) | 8,608,937                 | 8,502,201         | 8,599,520               | 8,502,184         |

(1) Reflects our one-for-seven reverse share split that became effective on March 15, 2024.

**ReWalk Robotics Ltd. And subsidiaries**  
**Condensed Consolidated Balance Sheets**  
**(In thousands)**

|        | <u>June 30,</u>    |  | <u>December 31,</u> |  |
|--------|--------------------|--|---------------------|--|
|        | <u>2024</u>        |  | <u>2023</u>         |  |
|        | <b>(Unaudited)</b> |  | <b>(Audited)</b>    |  |
| Assets |                    |  |                     |  |

|  |    |               |                  |
|--|----|---------------|------------------|
| Current assets                             |    |               |                  |
| Cash and cash equivalents                  | \$ | 15,131        | \$ 28,083        |
| Trade receivables, net                     |    | 5,269         | 3,120            |
| Prepaid expenses and other current assets  |    | 2,046         | 2,366            |
| Inventories                                |    | 7,193         | 5,653            |
| Total current assets                       |    | <u>29,639</u> | <u>39,222</u>    |
| Restricted cash and other long term assets |    | 430           | 784              |
| Operating lease right-of-use assets        |    | 1,257         | 1,861            |
| Property and equipment, net                |    | 1,257         | 1,262            |
| Intangible Assets                          |    | 10,862        | 12,525           |
| Goodwill                                   |    | 7,538         | 7,538            |
| Total assets                               | \$ | <u>50,983</u> | \$ <u>63,192</u> |
| Liabilities and equity                     |    |               |                  |
| Current liabilities                        |    |               |                  |
| Trade payables                             |    | 4,849         | 5,069            |
| Current maturities of operating leases     |    | 1,167         | 1,296            |
| Other current liabilities                  |    | 3,954         | 4,854            |
| Earnout                                    |    | -             | 576              |
| Total current liabilities                  |    | <u>9,970</u>  | <u>11,795</u>    |
| Non-current operating leases               |    | 123           | 607              |
| Earnout                                    |    | 2,800         | 2,716            |
| Other long-term liabilities                |    | 1,403         | 1,564            |
| Shareholders' equity                       |    | 36,687        | 46,510           |
| Total liabilities and equity               | \$ | <u>50,983</u> | \$ <u>63,192</u> |

**ReWalk Robotics Ltd. And subsidiaries**  
**Condensed Consolidated Statements of Cash Flows**  
(Unaudited)  
(In thousands)

|   | Six Months Ended |            |
|---|------------------|------------|
|   | June 30,         |            |
|   | 2024             | 2023       |
| Net cash used in operating activities   | \$ (13,290)      | \$ (8,739) |
| Net cash used in financing activities   | -                | (986)      |
| Effect of Exchange rate changes on Cash, Cash Equivalents and Restricted Cash | (15)             | 5          |
| Decrease in cash, cash equivalents, and restricted cash                       | (13,305)         | (9,720)    |
| Cash, cash equivalents, and restricted cash at beginning of period            | 28,792           | 68,555     |
| Cash, cash equivalents, and restricted cash at end of period                  | \$ 15,487        | \$ 58,835  |

**ReWalk Robotics Ltd. And subsidiaries**  
(Unaudited)  
(In thousand)

|  | Three Months Ended |          | Six Months Ended |          |
|--|--------------------|----------|------------------|----------|
|  | June 30,           |          | June 30,         |          |
|  | 2024               | 2023     | 2024             | 2023     |
| Revenues based on customer's location: |                    |          |                  |          |
| United States                          | 3,849              | 924      | 7,596            | 1,801    |
| Europe                                 | 2,308              | 411      | 3,477            | 735      |
| Asia - Pacific                         | 214                | 1        | 394              | 29       |
| Rest of the world                      | 336                | 1        | 523              | 2        |
| Total Revenues                         | \$ 6,707           | \$ 1,337 | \$ 11,990        | \$ 2,567 |

Three Months Ended

Six Months Ended

Dollars in thousands, except per share data

|                                    | June 30,   |            | June 30,    |            |
|------------------------------------|------------|------------|-------------|------------|
|                                    | 2024       | 2023       | 2024        | 2023       |
| <b>GAAP net loss</b>               | \$ (4,304) | \$ (4,642) | \$ (10,580) | \$ (8,963) |
| <i>Adjustments:</i>                |            |            |             |            |
| Amortization of intangible assets  | 832        | -          | 1,663       | -          |
| M&A transaction                    | -          | 894        | (467)       | 1,044      |
| Integration/Rebranding costs       | -          | -          | 236         | -          |
| Remeasurement of earnout liability | (488)      | -          | (492)       | -          |
| Stock-based compensation expenses  | 376        | 318        | 757         | 622        |
| <b>Non-GAAP net loss</b>           | \$ (3,584) | \$ (3,430) | \$ (8,883)  | \$ (7,297) |
| Shares used in net loss per share  | 8,608,937  | 8,502,201  | 8,599,520   | 8,502,184  |
| <b>Non-GAAP net loss per share</b> | \$ (0.42)  | \$ (0.40)  | \$ (1.03)   | \$ (0.86)  |

|                                    | Three Months Ended |              |               |              | Six Months Ended |              |               |              |
|------------------------------------|--------------------|--------------|---------------|--------------|------------------|--------------|---------------|--------------|
|                                    | June 30, 2024      |              | June 30, 2023 |              | June 30, 2024    |              | June 30, 2023 |              |
|                                    | \$                 | % of revenue | \$            | % of revenue | \$               | % of revenue | \$            | % of revenue |
| <i>Dollars in thousands</i>        |                    |              |               |              |                  |              |               |              |
| <b>GAAP operating loss</b>         | \$ (4,443)         | (66.2)%      | \$ (5,158)    | (385.8)%     | \$ (10,945)      | (91.3)%      | \$ (9,533)    | (371.4)%     |
| Amortization of intangible assets  | 832                | 12.4%        | -             | -            | 1,663            | 13.9%        | -             | -            |
| M&A transaction                    | -                  | -            | 894           | 66.9%        | (467)            | (3.9)%       | 1,044         | 40.7%        |
| Integration/Rebranding costs       | -                  | -            | -             | -            | 236              | 2.0%         | -             | -            |
| Remeasurement of earnout liability | (488)              | (7.3)%       | -             | -            | (492)            | (4.1)%       | -             | -            |
| Stock-based compensation expenses  | 376                | 5.6%         | 318           | 23.8%        | 757              | 6.3%         | 622           | 24.2%        |
| <b>Non-GAAP operating loss</b>     | \$ (3,723)         | (55.5)%      | \$ (3,946)    | (295.1)%     | \$ (9,248)       | (77.1)%      | \$ (7,867)    | (306.5)%     |

|                                   | Three Months Ended |              |               |              | Six Months Ended |              |               |              |
|-----------------------------------|--------------------|--------------|---------------|--------------|------------------|--------------|---------------|--------------|
|                                   | June 30, 2024      |              | June 30, 2023 |              | June 30, 2024    |              | June 30, 2023 |              |
|                                   | \$                 | % of revenue | \$            | % of revenue | \$               | % of revenue | \$            | % of revenue |
| <i>Dollars in thousands</i>       |                    |              |               |              |                  |              |               |              |
| <b>GAAP gross profit</b>          | \$ 2,757           | 41.1%        | \$ 576        | 43.1%        | \$ 4,152         | 34.6%        | \$ 1,147      | 44.7%        |
| <i>Adjustments:</i>               |                    |              |               |              |                  |              |               |              |
| Amortization of intangible assets | 383                | 5.7%         | -             | -            | 766              | 6.4%         | -             | -            |
| Stock-based compensation expenses | 5                  | 0.1%         | 3             | 0.2%         | 9                | 0.1%         | 1             | -            |
| <b>Non-GAAP gross profit</b>      | \$ 3,145           | 46.9%        | \$ 579        | 43.3%        | \$ 4,927         | 41.1%        | \$ 1,148      | 44.7%        |

|  | Three Months Ended |              |               |              | Six Months Ended |              |               |              |
|--|--------------------|--------------|---------------|--------------|------------------|--------------|---------------|--------------|
|  | June 30, 2024      |              | June 30, 2023 |              | June 30, 2024    |              | June 30, 2023 |              |
|  | \$                 | % of revenue | \$            | % of revenue | \$               | % of revenue | \$            | % of revenue |
| <i>Dollars in thousands</i>            |                    |              |               |              |                  |              |               |              |
| <b>GAAP research &amp; development</b> | \$ 1,205           | 18.0%        | \$ 816        | 61.0%        | \$ 2,496         | 20.8%        | \$ 1,568      | 61.1%        |
| <i>Adjustments:</i>                    |                    |              |               |              |                  |              |               |              |
| Stock-based compensation expenses      | (46)               | (0.7)%       | (34)          | (2.5)%       | (92)             | (0.8)%       | (66)          | (2.6)%       |

|  |                 |              |               |              |                 |              |                 |              |
|--|-----------------|--------------|---------------|--------------|-----------------|--------------|-----------------|--------------|
| <b>Non-GAAP research &amp; development</b> | <b>\$ 1,159</b> | <b>17.3%</b> | <b>\$ 782</b> | <b>58.5%</b> | <b>\$ 2,404</b> | <b>20.0%</b> | <b>\$ 1,502</b> | <b>58.5%</b> |
|--|-----------------|--------------|---------------|--------------|-----------------|--------------|-----------------|--------------|

|                                       | Three Months Ended |              |                 |               | Six Months Ended |              |                 |               |
|---------------------------------------|--------------------|--------------|-----------------|---------------|------------------|--------------|-----------------|---------------|
|                                       | June 30, 2024      |              | June 30, 2023   |               | June 30, 2024    |              | June 30, 2023   |               |
|                                       | \$                 | % of revenue | \$              | % of revenue  | \$               | % of revenue | \$              | % of revenue  |
| <i>Dollars in thousands</i>           |                    |              |                 |               |                  |              |                 |               |
| <b>GAAP sales &amp; marketing</b>     | <b>\$ 4,403</b>    | <b>65.6%</b> | <b>\$ 2,504</b> | <b>187.3%</b> | <b>\$ 9,417</b>  | <b>78.5%</b> | <b>\$ 4,988</b> | <b>194.3%</b> |
| <i>Adjustments:</i>                   |                    |              |                 |               |                  |              |                 |               |
| Amortization of intangible assets     | (383)              | (5.7)%       | -               | -             | (765)            | (6.4)%       | -               | -             |
| Integration/Rebranding costs          | -                  | -            | -               | -             | (193)            | (1.6)%       | -               | -             |
| Stock-based compensation expenses     | (107)              | (1.6)%       | (83)            | (6.2)%        | (218)            | (1.8)%       | (164)           | (6.4)%        |
| <b>Non-GAAP sales &amp; marketing</b> | <b>\$ 3,913</b>    | <b>58.3%</b> | <b>\$ 2,421</b> | <b>181.1%</b> | <b>\$ 8,241</b>  | <b>68.7%</b> | <b>\$ 4,824</b> | <b>187.9%</b> |

|  | Three Months Ended |              |                 |               | Six Months Ended |              |                 |               |
|--|--------------------|--------------|-----------------|---------------|------------------|--------------|-----------------|---------------|
|  | June 30, 2024      |              | June 30, 2023   |               | June 30, 2024    |              | June 30, 2023   |               |
|  | \$                 | % of revenue | \$              | % of revenue  | \$               | % of revenue | \$              | % of revenue  |
| <i>Dollars in thousands</i>                  |                    |              |                 |               |                  |              |                 |               |
| <b>GAAP general &amp; administrative</b>     | <b>\$ 1,592</b>    | <b>23.7%</b> | <b>\$ 2,414</b> | <b>180.6%</b> | <b>\$ 3,184</b>  | <b>26.6%</b> | <b>\$ 4,124</b> | <b>160.7%</b> |
| <i>Adjustments:</i>                          |                    |              |                 |               |                  |              |                 |               |
| M&A transaction                              | -                  | -            | (894)           | (66.9)%       | 467              | 3.9%         | (1,044)         | (40.7)%       |
| Amortization of intangible assets            | (66)               | (1.0)%       | -               | -             | (132)            | (1.1)%       | -               | -             |
| Integration/Rebranding costs                 | -                  | -            | -               | -             | (43)             | (0.4)%       | -               | -             |
| Remeasurement of earnout liability           | 488                | 7.3%         | -               | -             | 492              | 4.1%         | -               | -             |
| Stock-based compensation expenses            | (218)              | (3.3)%       | (198)           | (14.8)%       | (438)            | (3.7)%       | (391)           | (15.2)%       |
| <b>Non-GAAP general &amp; administrative</b> | <b>\$ 1,796</b>    | <b>26.7%</b> | <b>\$ 1,322</b> | <b>98.9%</b>  | <b>\$ 3,530</b>  | <b>29.4%</b> | <b>\$ 2,689</b> | <b>104.8%</b> |



Source: ReWalk Robotics Ltd.