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

FORM 10-Q

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

For the quarterly period ended September 30, 2021

or

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

For the transition period from_____to_____

Commission File Number: 001-36612

ReWalk Robotics 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.)
3 Hatnufa Street, Floor 6, Yokneam Ilit, Israel	2069203
(Address of principal executive offices)	(Zip Code)

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

Title of each class	Trading symbol	Name of exchange on which registered
Ordinary shares, par value NIS 0.25	RWLK	Nasdaq Capital Market

+972.4.959.0123
(Registrant's telephone number, including area code)

Not Applicable
(Former name, former address and former fiscal year, if changed since last report)

Indicate by 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 (§232.405 of this chapter) 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 an 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 is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes ☐ No ☒

As of November 10, 2021, the registrant had outstanding 62,455,859 ordinary shares, par value NIS 0.25 per share.

REWALK ROBOTICS LTD.

FORM 10-Q
FOR THE QUARTER ENDED SEPTEMBER 30, 2021

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General and Where You Can Find Other Information

As used in this quarterly report on Form 10-Q, the terms “ReWalk,” “we,” “us” and “our” refer to ReWalk Robotics Ltd. and its subsidiaries, unless the context clearly indicates otherwise. Our website is www.rewalk.com. Information contained, or that can be accessed through, our website does not constitute a part of this quarterly report on Form 10-Q and is not incorporated by reference herein. We have included our website address in this quarterly report on Form 10-Q solely for informational purposes. Information that we furnish to 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 with or furnished to the SEC. Our SEC filings, including exhibits filed or furnished therewith, are also available on the SEC’s website at http://www.sec.gov.

PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

REWALK ROBOTICS LTD. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands, except share and per share data)

	September 30, 2021	December 31, 2020
	(Unaudited)	
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 91,227	$ 20,350
Trade receivable, net	1,275	684
Prepaid expenses and other current assets	762	672
Inventories	3,066	3,542
Total current assets	96,330	25,248
LONG-TERM ASSETS		
Restricted cash and other long-term assets	1,085	1,033
Operating lease right-of-use assets	1,000	1,349
Property and equipment, net	303	437
Total long-term assets	2,388	2,819
Total assets	$ 98,718	$ 28,067

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

REWALK ROBOTICS LTD. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands, except share and per share data)

	September 30, 2021 (Unaudited)	December 31, 2020
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Current maturities of operating leases	$ 639	$ 660
Trade payables	1,954	2,268
Employees and payroll accruals	887	867
Deferred revenues	353	441
Other current liabilities	548	432
Total current liabilities	4,381	4,668
LONG-TERM LIABILITIES		
Deferred revenues	763	667
Non-current operating leases	535	923
Other long-term liabilities	46	35
Total long-term liabilities	1,344	1,625
Total liabilities	5,725	6,293
COMMITMENTS AND CONTINGENT LIABILITIES		
SHAREHOLDERS' EQUITY		
Share capital		
Ordinary shares of NIS 0.25 par value-Authorized: 120,000,000 and 60,000,000 shares at September 30, 2021 (unaudited) and December 31, 2020, respectively; Issued and outstanding: 62,448,795 and 25,332,225 shares at September 30, 2021 (unaudited) and December 31, 2020, respectively	4,658	1,827
Additional paid-in capital	278,658	201,392
Accumulated deficit	(190,323)	(181,445)
Total shareholders' equity	92,993	21,774
Total liabilities and shareholders' equity	$ 98,718	$ 28,067

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

REWALK ROBOTICS LTD. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)
(In thousands, except share and per share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
Revenues	$ 1,972	$ 747	$ 4,724	$ 3,175
Cost of revenues	832	355	2,150	1,388
Gross profit	1,140	392	2,574	1,787
Operating expenses:				
Research and development	638	756	2,243	2,695
Sales and marketing	1,821	1,507	5,105	4,541
General and administrative	1,343	1,198	4,050	3,774
Total operating expenses	3,802	3,461	11,398	11,010
Operating loss	(2,662)	(3,069)	(8,824)	(9,223)
Financial expenses, net	27	242	14	723
Loss before income taxes	(2,689)	(3,311)	(8,838)	(9,946)
Taxes on income (tax benefit)	(14)	25	40	85
Net loss	$ (2,675)	$ (3,336)	$ (8,878)	$ (10,031)
Net loss per ordinary share, basic and diluted	$ (0.06)	$ (0.18)	$ (0.21)	$ (0.71)
Weighted average number of shares used in computing net loss per ordinary share, basic and diluted	46,570,130	18,881,694	43,021,972	14,132,375

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

REWALK ROBOTICS LTD. AND SUBSIDIARIES
CONDENSED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Unaudited)
(In thousands, except share data)

	Ordinary Share		Additional paid-in capital	Accumulated deficit	Total shareholders' equity
	Number	Amount			
Balance as of July 1, 2020	14,190,685	993	186,070	(175,164)	11,899
Share-based compensation to employees and non-employees	—	—	232	—	232
Issuance of ordinary shares upon vesting of employees and non-employees RSUs	20,000	2	(2)	—	—
Issuance of ordinary shares in a "registered direct" offering, net of issuance expenses in the amount of $1,019 (1)	4,938,278	357	7,624	—	7,981
Exercise of warrants (1) (2)	10,000	—	13	—	13
Net loss	—	—	—	(3,336)	(3,336)
Balance as of September 30, 2020	19,158,963	1,352	193,937	(178,500)	16,789
Balance as of July 1, 2021	46,201,052	3,394	250,332	(187,648)	66,078
Share-based compensation to employees and non-employees	—	—	231	—	231
Issuance of ordinary shares upon vesting of employees and non-employees RSUs	234,225	18	(18)	—	—
Issuance of ordinary shares in a "registered direct" offering, net of issuance expenses in the amount of $3,228 (1)	15,403,014	1,199	26,918	—	28,117
Exercise of pre-funded warrants and warrants (1) (2)	610,504	47	1,195	—	1,242
Net loss	—	—	—	(2,675)	(2,675)
Balance as of September 30, 2021	62,448,795	4,658	278,658	(190,323)	92,993

*) Represents an amount lower than $1.

(1) See Note 7e to the condensed consolidated financial statements.

(2) See Note 7c to the condensed consolidated financial statements.

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

REWALK ROBOTICS LTD. AND SUBSIDIARIES
CONDENSED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Unaudited)
(In thousands, except share data)

	Ordinary Share		Additional paid-in capital	Accumulated deficit	Total shareholders' equity
	Number	Amount			
Balance as of December 31, 2019	7,319,560	504	178,745	(168,469)	10,780
Share-based compensation to employees and non-employees	—	—	544	—	544
Issuance of ordinary shares upon vesting of employees and non-employees RSUs	44,625	2	(2)	—	—
Issuance of ordinary shares in a "best effort" offering, net of issuance expenses in the amount of $1,056 (1)	4,053,172	290	3,720	—	4,010
Issuance of ordinary shares in a "registered direct" offering, net of issuance expenses in the amount of $1,019 (1)	4,938,278	357	7,624	—	7,981
Exercise of pre-funded warrants and warrants (1) (2)	2,803,328	199	3,306	—	3,505
Net loss	—	—	—	(10,031)	(10,031)
Balance as of September 30, 2020	19,158,963	1,352	193,937	(178,500)	16,789
Balance as of December 31, 2020	25,332,225	1,827	201,392	(181,445)	21,774
Share-based compensation to employees and non-employees	—	—	599	—	599
Issuance of ordinary shares upon vesting of employees and non-employees RSUs	366,796	29	(29)	—	—
Issuance of ordinary shares in a "best effort" offering, net of issuance expenses in the amount of $3,679 (1)	10,921,502	832	35,489	—	36,321
Issuance of ordinary shares in a "registered direct" offering, net of issuance expenses in the amount of $3,228 (1)	15,403,014	1,199	26,918	—	28,117
Exercise of pre-funded warrants and warrants (1) (2)	10,425,258	771	14,289	—	15,060
Net loss	—	—	—	(8,878)	(8,878)
Balance as of September 30, 2021	62,448,795	4,658	278,658	(190,323)	92,993

*) Represents an amount lower than $1.

(1) See Note 7e to the condensed consolidated financial statements.

(2) See Note 7c to the condensed consolidated financial statements.

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

REWALK ROBOTICS LTD. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(In thousands)

	Nine Months Ended September 30,	
	2021	**2020**
Cash flows used in operating activities:		
Net loss	$ (8,878)	$ (10,031)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation	210	215
Share-based compensation to employees and non-employees	599	544
Deferred taxes	(57)	(68)
Financial expenses related to long-term loans	—	59
Changes in assets and liabilities:		
Trade receivables, net	(591)	79
Prepaid expenses, operating lease right-of-use assets and other assets	320	33
Inventories	372	(634)
Trade payables	(624)	(633)
Employees and payroll accruals	20	17
Deferred revenues and advances from customers	8	227
Operating lease liabilities and other liabilities	(282)	61
Net cash used in operating activities	(8,903)	(10,131)
Cash flows used in investing activities:		
Purchase of property and equipment	(28)	(73)
Net cash used in investing activities	(28)	(73)
Cash flows from financing activities:		
Repayment of long-term loan	—	(3,982)
Proceeds from issuance of long-term debt	—	392
Issuance of ordinary shares in a “best efforts” offerings, net of issuance expenses paid in the amount of $1,056 (1)	—	4,010
Issuance of ordinary shares in a “registered direct” offerings, net of issuance expenses in the amount of $977 (1)	—	8,023
Issuance of ordinary shares in a private placement, net of issuance expenses paid in the amount of $3,679 (1)	36,321	—
Issuance of ordinary shares in a "registered direct" offerings, net of issuance expenses in the amount of $2,918 (1)	28,427	—
Exercise of pre-funded warrants and warrants (1) (2)	15,060	3,505
Net cash provided by financing activities	79,808	11,948
Increase in cash, cash equivalents, and restricted cash	70,877	1,744
Cash, cash equivalents, and restricted cash at beginning of period	21,054	16,992
Cash, cash equivalents, and restricted cash at end of period	$ 91,931	$ 18,736
Supplemental disclosures of non-cash flow information		
“Registered direct” offerings issuance cost not yet paid (1)	$ 310	$ 42
Classification of other current assets to property and equipment, net	$ 16	$ 65
Classification of inventory to property and equipment, net	$ 32	$ 50
Classification of inventory to other current assets	$ 72	$ —
Supplemental cash flow information:		
Cash and cash equivalents	$ 91,227	$ 18,050
Restricted cash included in other long-term assets	704	686
Total Cash, cash equivalents, and restricted cash	$ 91,931	$ 18,736

(1) See Note 7e to the condensed consolidated financial statements.

(2) See Note 7c to the condensed consolidated financial statements.

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

NOTE 1: GENERAL

a. ReWalk Robotics Ltd. ("RRL," and together with its subsidiaries, the "Company") was incorporated under the laws of the State of Israel on June 20, 2001 and commenced operations on the same date.

b. RRL has two wholly-owned subsidiaries: (i) ReWalk Robotics Inc. ("RRI") incorporated under the laws of the State of Delaware on February 15, 2012 and (ii) ReWalk Robotics GMBH ("RRG") incorporated under the laws of Germany on January 14, 2013.

The Company is designing, developing and commercializing robotic exoskeletons that allow individuals with mobility impairments or other medical conditions the ability to stand and walk once again. The Company has developed and is continuing to commercialize the ReWalk, an exoskeleton designed for individuals with paraplegia that uses its patented tilt-sensor technology and an on-board computer and motion sensors to drive motorized legs that power movement. The ReWalk system consists of a light wearable brace support suit which integrates motors at the joints, rechargeable batteries, an array of sensors and a computer-based control system to power knee and hip movement. There are currently two types of ReWalk products: ReWalk Personal and ReWalk Rehabilitation. ReWalk Personal is designed for everyday use by individuals at home and in their communities and is custom-fitted for each user. ReWalk Rehabilitation is designed for the clinical rehabilitation environment where it provides individuals access to valuable exercise and therapy. Additionally, the Company developed and, in June 2019, started to commercialize the ReStore following receipt of European Union CE mark and clearance from the United States Food and Drug Administration ("FDA"). The ReStore is a powered, lightweight soft exo-suit intended for use in the rehabilitation of individuals with lower limb disability due to stroke. The Company markets and sells its products directly to institutions and individuals in Germany and the United States and through third-party distributors in other markets. In its direct markets, the Company has established relationships with rehabilitation centers and the spinal cord injury community, and in its indirect markets, the Company's distributors maintain these relationships. RRI markets and sells products mainly in the United States. RRG sell the Company's products mainly in Germany and Europe.

During the second quarter of 2020, we finalized two separate agreements to distribute additional product lines in the U.S. market. The Company will be the exclusive distributor of the MediTouch Tutor movement biofeedback systems in the United States and will also have distribution rights for the MYOLYN MyoCycle FES cycles to U.S. rehabilitation clinics and personal sales through the U.S. Department of Veterans Affairs ("VA") hospitals. These new products will improve our product offering to clinics as well as patients within the VA as they both have similar clinician and patient profiles.

c. The worldwide spread of the novel coronavirus ("COVID-19") in March 2020 has resulted in a global economic slowdown and is expected to continue to disrupt general business operations until the disease is contained. This pandemic had a negative impact on the Company's sales and results of operations since 2020, and the Company expects that it will continue to negatively affect its sales and results of operations as long as the pandemic impacts our direct markets in Germany and the United States and disturbs our ability to trial new ReWalk Personal 6.0 patients, access clinics to demonstrate our rehab products such as ReStore and customers are unable to continue their in-clinic training. The Company is currently unable to predict the scale and duration of that impact due to the considerable uncertainty that still surrounds the length of time that the areas in which we operate will continue to be impacted by the measures designed to reduce and contain the spread of the virus taken on international, national and local levels. As of the date of issuance of these financial statements, the Company is not aware of any specific event or circumstance that would require an update to the Company's accounting estimates or judgments or revision of the carrying value of its assets or liabilities. This determination may change as new events occur and additional information is obtained. Actual results could differ from our estimates and judgments, and any such differences may be material to our financial statements.

d. In the nine months ended September 30, 2021, the Company incurred a consolidated net loss of $8.8 million and as of September 30, 2021, the Company has an accumulated deficit in the total amount of $190.3 million. The Company's cash and cash equivalents as of September 30, 2021, were $91.2 million and the Company's negative operating cash flow for the nine months ended September 30, 2021, was $8.9 million. The Company has sufficient funds to support its operations for more than 12 months following the issuance date of its condensed consolidated unaudited financial statements for the three and nine months ended September 30, 2021. The Company expects 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 achievement of a level of revenues adequate to support our cost structure. Until we achieve profitability or generate positive cash flows, we will continue to need to raise additional cash. 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.

NOTE 2: UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The accompanying unaudited interim condensed consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles ("U.S. GAAP") and standards of the Public Company Accounting Oversight Board for interim financial information. Accordingly, they do not include all the information and footnotes required by U.S. GAAP for complete financial statements. The results for the three and nine months periods ended September 30, 2021, as applicable, are not necessarily indicative of the results that may be expected for the year ending December 31, 2021.

These unaudited interim condensed consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements included in the Company's Annual Report on Form 10-K for the year ended December 31. 2020.

The significant accounting policies applied in the annual consolidated financial statements of the Company as of December 31, 2020, contained in the Company's Annual Report on Form 10-K filed with the Securities and Exchange Commission on February 18, 2021, have been applied consistently in these unaudited interim condensed consolidated financial statements.

NOTE 3: SIGNIFICANT ACCOUNTING POLICIES

a. 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 private individuals (who finance the purchases by themselves, through fundraising or reimbursement coverage from insurance companies), rehabilitation facilities and distributors.

Disaggregation of Revenues (in thousands)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
Units placed	$ 1,855	$ 522	$ 4,310	$ 2,583
Spare parts and warranties	117	225	414	592
Total Revenues	$ 1,972	$ 747	$ 4,724	$ 3,175

Units placed

The Company currently offers five products: (1) ReWalk Personal; (2) ReWalk Rehabilitation; (3) ReStore; (4) MyoCycle; and (5) MediTouch.

ReWalk Personal and ReWalk Rehabilitation are units for spinal cord injuries (“SCI Products”). SCI Products are currently designed for everyday use by paraplegic individuals at home and in their communities, and are custom fitted for each user, as well as for use by paraplegia patients in the clinical rehabilitation environment, where they provide individuals access to valuable exercise and therapy.

ReStore is a powered, lightweight soft exo-suit intended for use in the rehabilitation of individuals with lower limb disability due to stroke in the clinical rehabilitation environment.

The MyoCycle device uses Functional Electrical Stimulation (“FES”) technology to facilitate therapeutic exercise for persons with muscle weakness or paralysis caused by disorders like spinal cord injury, multiple sclerosis, and stroke.

The MediTouch Tutor movement biofeedback product line includes the Arm, Hand, 3D and Leg Tutor devices. These devices are used by physical and occupational therapists to evaluate functional tasks during rehabilitation of neurologic disorders and can also be used by patients remotely at home.

Pursuant to two separate distribution agreements entered into during the second quarter of 2020, the Company now markets both the MediTouch and MyoCyle products (together the “Distributed Products”) in the United States for use at home or in the clinic.

Units placed includes revenue from sales or rental of SCI Products, ReStore and the Distributed Products.

For units placed, the Company recognizes revenues when it transfers control and title has passed to the customer. Each unit placed is considered an independent, unbundled performance obligation. The Company generally does not grant a right of return for its products besides isolated cases where we than asses the likelihood of such event to occur based on our historical experience and future estimates. The Company also offers a rent-to-purchase model in which the Company recognizes revenue ratably according to the agreed rental monthly fee.

Spare parts and warranties

Spare parts are sold to private individuals, rehabilitation facilities and distributors. Revenue is recognized when the Company satisfies a performance obligation by transferring control over promised goods or services to the customer. Each part sold is considered an independent, unbundled performance obligation.

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.

In the beginning of 2018, the Company updated its service policy for SCI Products to include a five-year warranty compared to a period of two years that were included in the past for parts and services. The first two years are considered as assurance type warranty and the additional period is considered an extended service arrangement, which is a service type warranty. An assurance type warranty is not accounted for as separate performance obligations under the revenue model. A service type warranty is either sold with a unit or separately for units for which the warranty has expired. Revenue is then recognized ratably over the life of the warranty.

The ReStore device is offered with a two-year warranty which is considered as assurance type warranty.

The Distributed Products are offered with an assurance-type warranty that is covered by the vendor ranging from one year to ten years depending on the specific product and part.

Contract balances (in thousands)

	September 30, 2021	December 31, 2020
Trade receivable, net (1)	$ 1,275	$ 684
Deferred revenues and advance payments (1) (2)	$ 1,207	$ 1,108

(1) Balance presented net of unrecognized revenues that were not yet collected.

(2) $371 thousands of December 31, 2020 deferred revenues balance were recognized as revenues during the nine months ended September 30, 2021.

Deferred revenue is comprised mainly of unearned revenue related to service type warranty but also includes other offerings for which the Company has been paid in advance and earns revenue when the Company transfers control of the product or service.

The Company’s unfilled performance obligations as of September 30, 2021, and the estimated revenue expected to be recognized in the future related to the service type warranty amounts to $1,210 thousand, which is fulfilled over one to five years.

b. New Accounting Pronouncements

Recent Accounting Pronouncements Not Yet Adopted

i. Accounting for Convertible Instruments and Contracts in an Entity's Own Equity

In August 2020, the Financial Accounting Standards Board ("FASB") issued ASU No. 2020-06, Accounting for Convertible Instruments and Contracts in an Entity's Own Equity ("ASU 2020-06"), which simplifies the accounting for certain financial instruments with characteristics of liabilities and equity, including convertible instruments and contracts in an entity's own equity. Among other changes, ASU 2020-06 removes from U.S. GAAP the liability and equity separation model for convertible instruments with a cash conversion feature and a beneficial conversion feature, and as a result, after adoption, entities will no longer separately present in equity an embedded conversion feature for such debt. Similarly, the embedded conversion feature will no longer be amortized into income as interest expense over the life of the instrument. Instead, entities will account for a convertible debt instrument wholly as debt unless (1) a convertible instrument contains features that require bifurcation as a derivative under ASC Topic 815, Derivatives and Hedging, or (2) a convertible debt instrument was issued at a substantial premium. Additionally, ASU 2020-06 requires the application of the if-converted method to calculate the impact of convertible instruments on diluted earnings per share ("EPS"). ASU 2020-06 is effective for the company for fiscal years beginning after December 15, 2021, with early adoption permitted for fiscal years beginning after December 15, 2023 and can be adopted on either a fully retrospective or modified retrospective basis. The adoption of this standard is not expected to result in a material impact to the Company's financial statements.

ii. Financial Instruments

In June 2016, FASB issued ASU 2016-13, Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments. ASU 2016-13 amends the impairment model to utilize an expected loss methodology in place of the currently used incurred loss methodology, which will result in the more timely recognition of losses. Topic 326 will be effective on the Company beginning on January 1, 2023. The Company is currently evaluating the impact of this new standard on its financial statements.

c. Concentrations of Credit Risks:

Concentration of credit risk with respect to trade receivable is primarily limited to a customer to which the Company makes substantial sales.

	September 30, 2021	December 31, 2020
Customer A	17%	*)
Customer B	16%	*)
Customer C	*)	15 %
Customer D	*)	15%
Customer E	*)	15%
Customer F	*)	14%
Customer G	*)	12%
Customer H	*)	11%

*) Less than 10%

The Company's trade receivables are geographically diversified and derived primarily from sales to customers in various countries, mainly in the United States and Europe. Concentration of credit risk with respect to trade receivables is limited by credit limits, ongoing credit evaluation and account monitoring procedures. The Company performs ongoing credit evaluations of its distributors based upon a specific review of all significant outstanding invoices. The Company writes off receivables when they are deemed uncollectible and having exhausted all collection efforts. As of September 30, 2021, and December 31, 2020, trade receivables are presented net of allowance for doubtful accounts in the amount of $42 thousand and $102 thousand, respectively.

d. Warranty provision

The Company provided a two-year standard warranty for its products. As of 2018, our service policy for new devices sold includes five-year warranties. The Company determined that the first two years of warranty is an assurance-type warranty and 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, 2020	$ 140
Provision	193
Usage	(214)
Balance at September 30, 2021	$ 119

e. Basic and diluted net loss per ordinary share

Basic net loss per ordinary share is computed based on the weighted average number of ordinary shares outstanding during each year.

For the nine months ended September 30, 2021, the total number of ordinary shares related to the outstanding warrants and share option plans aggregated to 20,969,495, was excluded from the calculations of diluted loss per ordinary share since it would have an anti-dilutive effect.

NOTE 4: INVENTORIES

The components of inventories are as follows (in thousands):

	September 30, 2021	December 31, 2020
Finished products	$ 2,373	$ 2,764
Raw materials	693	778
	$ 3,066	$ 3,542

In the nine months ended September 30, 2021, and 2020, the Company wrote off inventory in the amount of $65 and $34 thousand, respectively. The write off inventory were recorded in cost of revenue.

NOTE 5: COMMITMENTS AND CONTINGENT LIABILITIES

a. Purchase commitments:

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 canceled without penalty. As of September 30, 2021, non-cancelable outstanding obligations amounted to approximately $1.4 million.

b. Operating lease commitment:

(i) The Company operates from leased facilities in Israel, the United States and Germany. These leases expire between 2021 and 2023. A portion of our 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) RRL and RRG lease cars for their employees under cancelable operating lease agreements expiring at various dates between 2021 and 2023. A subset of our car leases is considered variable. The variable lease payments for such car leases are based on actual mileage incurred at the stated contractual rate. RRL and RRG have an option to be released from these agreements, which may result in penalties in a maximum amount of approximately $23 thousand as of September 30, 2021.

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 condensed consolidated balance sheets as of September 30, 2021 are as follows (in thousands):

2021	$ 171
2022	665
2023	481
Total lease payments	1,317
Less: imputed interest	(143)
Present value of future lease payments	1,174
Less: current maturities of operating leases	(639)
Non-current operating leases	$ 535
Weighted-average remaining lease term (in years)	1.98
Weighted-average discount rate	12.6%

Lease expense under the Company's operating leases were $179 thousand and $178 thousand for the three months ended September 30, 2021 and 2020, respectively. For the nine months ended September 30, 2021 and 2020 the lease expense were $543 thousand and $553 thousand, respectively.

c. Royalties:

The Company's research and development efforts are financed, in part, through funding from the Israel Innovation Authority (the "IIA") and the Israel-U.S. Binational Industrial Research and Development Foundation ("BIRD"). Since the Company's inception through September 30, 2021, the Company received funding from the IIA and BIRD in the total amount of $1.97 million and $500 thousand, respectively. Out of the $1.97 million in funding from the IIA, a total amount of $1.57 million were royalty-bearing grants (as of September 30, 2021, the Company paid royalties to the IIA in the total amount of $99 thousand), while a total amount of $400 thousand was received in consideration of 209 convertible preferred A shares, which were converted after the Company's initial public offering in September 2014 into ordinary shares in a conversion ratio of 1 to 1. 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 LIBOR 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.

Additionally, the Exclusive License Agreement between the Company and Harvard University ("Harvard") requires the Company to pay Harvard royalties on net sales. See note 6 below for more information about the Collaboration Agreement and the License Agreement.

Royalties expenses in cost of revenue were $2 thousand for the three months ended September 30, 2021 and 2020, respectively. For the nine months ended September 30, 2021 and 2020, the royalties expenses were $8 thousand and $5 thousand, respectively.

As of September 30, 2021, 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 research and development 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.

d. Liens:

As part of the Company's other long-term assets and restricted cash, an amount of $704 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 condensed consolidated results of operation, liquidity or financial condition.

NOTE 6: RESEARCH COLLABORATION AGREEMENT AND LICENSE AGREEMENT

On May 16, 2016, the Company entered into a Research Collaboration Agreement and an Exclusive License Agreement with Harvard. The Research Collaboration Agreement was amended on May 1, 2017 and April 1, 2018 (as amended, the "Collaboration Agreement"), and the Exclusive License Agreement was amended on April 1, 2018 (as amended, the "License Agreement"), to extend the term of the Collaboration Agreement by one year to May 16, 2022 and reallocate the Company's quarterly installment payments to Harvard through such date, and to make certain technical changes. On April 30, 2020, the Company and Harvard amended the Collaboration Agreement, which included certain adjustments to the quarterly installments and extended the term an additional three quarters until February 16, 2023, when it will expire. For more information regarding the revision to Harvard Agreement, se see Note 10.

Under the Collaboration Agreement, Harvard and the Company have 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. The Company has committed to paying for the funding of this research in quarterly installments, subject to a minimum funding commitment under applicable circumstances.

Under the License Agreement, Harvard has granted the Company 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 under certain inventions conceived under the joint research collaboration. The License Agreement will continue in full force and effect until the expiration of the last-to-expire valid claim of the licensed patents.

The Company's total payment obligation under the Collaboration Agreement and the Harvard License Agreement was $7.2 million as of the initial date, some of which was subject to a minimum funding commitment under applicable circumstances as indicated above which were all completed as of September 30, 2021.

The Company has recorded expenses in the amount of $14 thousand and $175 thousand for the three months ended September 30, 2021, and 2020, respectively. For the nine months ended September 30, 2021, and 2020 the expense was $334 thousand and $599 thousand, respectively which are part of the total payment obligation indicated above, as research and development expenses related to the License Agreement and to the Collaboration Agreement. No withholding tax was deducted from the Company's payments to Harvard in respect of the Collaboration Agreement and the License Agreement since this is not taxable income in Israel in accordance with Section 170 of the Israel Income Tax Ordinance 1961-5721.

NOTE 7: SHAREHOLDERS' EQUITY

a. Share option plans:

As of September 30, 2021, and December 31, 2020, the Company had reserved 232,336 and 604,320 ordinary shares, respectively, for issuance to the Company's and its affiliates' respective employees, directors, officers and consultants pursuant to equity awards granted under the Company's 2014 Incentive Compensation Plan (the "2014 Plan").

Options to purchase ordinary shares generally vest over four years, with certain options to non-employee directors vesting quarterly over one year. Any option that is forfeited or canceled before expiration becomes available for future grants under the 2014 Plan.

There were no options granted during the nine months ended September 30, 2021, and 2020.

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.

A summary of employees and non-employees share options activity during the nine months ended September 30, 2021 is as follows:

	Number	Average exercise price	Average remaining contractual life (in years)	Aggregate intrinsic value (in thousands)
Options outstanding at the beginning of the period	69,606	$ 37.90	5.59	$ —
Granted	—	—	—	—
Exercised	—	—	—	—
Forfeited	(6,153)	36.24	—	—
Options outstanding at the end of the period	63,453	$ 38.10	4.68	$ —
Options exercisable at the end of the period	55,386	$ 41.53	4.33	$ —

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 that hold options with positive intrinsic value exercised their options on the last date of the exercise period. No options were exercised during the nine months ended September 30, 2021, and 2020.

A summary of employee and non-employees RSUs activity during the nine months ended September 30, 2021 is as follows:

	Number of shares underlying outstanding RSUs	Weighted average grant date fair value
Unvested RSUs at the beginning of the period	1,251,311	$ 1.69
Granted	721,216	1.69
Vested	(366,796)	1.75
Forfeited	(218,079)	1.50
Unvested RSUs at the end of the period	1,387,652	$ 1.61

The weighted average grant date fair value of RSUs granted during the nine months ended September 30, 2021 and 2020 were $1.69 and $1.44, respectively.

As of September 30, 2021, there were $2.1 million of total unrecognized compensation costs related to non-vested share-based compensation arrangements granted under the Company's 2014 Equity Incentive Plan. This cost is expected to be recognized over a period of approximately 2.98 years.

The number of options and RSUs outstanding as of September 30, 2021, is set forth below, with options separated by range of exercise price.

Range of exercise price	Options and RSUs outstanding as of September 30, 2021	Weighted average remaining contractual life (years) (1)	Options outstanding and exercisable as of September 30, 2021	Weighted average remaining contractual life (years) (1)
RSUs only	1,387,652	—	—	—
$5.37	12,425	7.49	7,765	7.49
$20.42 - $33.75	32,478	4.16	29,071	3.88
$37.14 - $38.75	9,244	2.16	9,244	2.16
$50 - $52.5	6,731	5.72	6,731	5.72
$182.5 - $524.25	2,575	4.10	2,575	4.10
	1,451,105	4.68	55,386	4.33

(1) Calculation of weighted average remaining contractual term does not include the RSUs that were granted, which have an indefinite contractual term.

b. Share-based awards to non-employee consultants:

As of September 30, 2021, there are no outstanding options or RSUs held by non-employee consultants.

c. Warrants to purchase ordinary shares:

The following table summarizes information about warrants outstanding and exercisable that classified as equity as of September 30, 2021:

Issuance date	Warrants outstanding (number)	Exercise price per warrant	Warrants outstanding and exercisable (number)	Contractual term
December 31, 2015 (1)	4,771	$ 7.500	4,771	See footnote (1)
November 1, 2016 (2)	97,496	$ 118.750	97,496	November 1, 2021
December 28, 2016 (3)	1,908	$ 7.500	1,908	See footnote (1)
November 20, 2018 (4)	126,839	$ 7.500	126,839	November 20, 2023
November 20, 2018 (5)	106,680	$ 9.375	106,680	November 15, 2023
February 25, 2019 (6)	45,600	$ 7.187	45,600	February 21, 2024
April 5, 2019 (7)	408,457	$ 5.140	408,457	October 7, 2024
April 5, 2019 (8)	49,015	$ 6.503	49,015	April 3, 2024
June 5, 2019, and June 6, 2019 (9)	1,464,665	$ 7.500	1,464,665	June 5, 2024
June 5, 2019 (10)	87,880	$ 9.375	87,880	June 5, 2024
June 12, 2019 (11)	416,667	$ 6.000	416,667	December 12, 2024
June 10, 2019 (12)	50,000	$ 7.500	50,000	June 10, 2024
February 10, 2020 (13)	28,400	$ 1.250	28,400	February 10, 2025
February 10, 2020 (14)	105,840	$ 1.5625	105,840	February 10, 2025
July 6, 2020 (15)	448,698	$ 1.76	448,698	July 2, 2025
July 6, 2020 (16)	296,297	$ 2.2781	296,297	July 2, 2025
December 3, 2020 (17)	586,760	$ 1.34	586,760	June 8, 2026
December 3, 2020 (18)	108,806	$ 1.7922	108,806	June 8, 2026
February 26, 2021 (19)	5,460,751	$ 3.6	5,460,751	August 26, 2026
February 26, 2021 (20)	655,290	$ 4.5781	655,290	August 26, 2026
September 29, 2021 (21)	8,006,759	$ 2.0	8,006,759	March 29, 2027
September 29, 2021 (22)	960,811	$ 2.5438	960,811	September 27, 2026
	19,518,390		19,518,390	

(1) Represents warrants for ordinary shares issuable upon an exercise price of $7.500 per share, which were granted on December 31, 2015 to Kreos Capital V (Expert) Fund Limited (“Kreos”) in connection with a loan made by Kreos to the Company and are currently exercisable (in whole or in part) until the earlier of (i) December 30, 2025 or (ii) immediately prior to the consummation of a merger, consolidation, or reorganization of the Company with or into, or the sale or license of all or substantially all the assets or shares of the Company to, any other entity or person, other than a wholly owned subsidiary of the Company, excluding any transaction in which the Company’s shareholders prior to the transaction will hold more than 50% of the voting and economic rights of the surviving entity after the transaction. None of these warrants had been exercised as of September 30, 2021.

(2) Represents warrants issued as part of the Company’s follow-on offering in November 2016. At any time, the Company’s board of directors may reduce the exercise price of the warrants to any amount and for any period of time it deems appropriate.

(3) Represents common warrants that were issued as part of the $8.000 million December 28, 2016 drawdown under the Loan Agreement between the Company and Kreos, pursuant to which Kreos extended a line of credit to the Company in the amount of $20 million, with interest payable monthly in arrears on any amounts drawn down at a rate of 10.75% per year from the applicable drawdown date through December 29, 2020, the date on which all principal was repaid. See footnote 1 for exercisability terms of the common warrants.

(4) Represents common warrants that were issued as part of the Company's follow-on public offering in November 2018.

(5) Represents common warrants that were issued to the underwriters as compensation for their role in the Company's follow-on public offering in November 2018.

(6) Represents warrants that were issued to the exclusive placement agent as compensation for its role in the Company's follow-on public offering in February 2019.

(7) Represents warrants that were issued to certain institutional purchasers in a private placement in the Company's registered direct offering of ordinary shares in April 2019.

(8) Represents warrants that were issued to the placement agent as compensation for its role in the Company's April 2019 registered direct offering.

(9) Represents warrants that were issued to certain institutional investors in a warrant exercise agreement on June 5, 2019, and June 6, 2019, respectively.

(10) Represents warrants that were issued to the placement agent as compensation for its role in the Company's June 2019 warrant exercise agreement and concurrent private placement of warrants.

(11) Represents warrants that were issued to certain institutional investors in a warrant exercise agreement in June 2019.

(12) Represents warrants that were issued to the placement agent as compensation for its role in the Company's June 2019 registered direct offering and concurrent private placement of warrants.

(13) (Represents warrants that were issued to certain institutional purchasers in a private placement in the Company's best efforts offering of ordinary shares in February 2020. During the nine months ended September 30, 2021, 3,740,100 warrants were exercised for total consideration of $4,675,125.

(14) Represents warrants that were issued to the placement agent as compensation for its role in the Company's February 2020 best efforts offering During the nine months ended September 30, 2021, 230,160 warrants were exercised for total consideration of $359,625.

(15) Represents warrants that were issued to certain institutional purchasers in a private placement in our registered direct offering of ordinary shares in July 2020. During the nine months ended September 30, 2021, 2,020,441 warrants were exercised for total consideration of $3,555,976.

(16) Represents warrants that were issued to the placement agent as compensation for its role in the Company's July 2020 registered direct offering.

(17) Represents warrants that were issued to certain institutional purchasers in a private placement in our private placement offering of ordinary shares in December 2020. During the nine months ended September 30, 2021, 3,598,072 warrants were exercised for total consideration of $4,821,416.

(18) Represents warrants that were issued to the placement agent as compensation for its role in the Company's December 2020 private placement. During the nine months ended September 30, 2021, 225,981 warrants were exercised for total consideration of $405,003.

(19) Represents warrants that were issued to certain institutional purchasers in a private placement in our private placement offering of ordinary shares in February 2021.

(20) Represents warrants that were issued to the placement agent as compensation for its role in the Company's February 2021 private placement.

(21) Represents warrants that were issued to certain institutional purchasers in a private placement in our registered direct offering of ordinary shares in September 2021.

(22) Represents warrants that were issued to the placement agent as compensation for its role in the Company's September 2021 registered direct offering.

d. Share-based compensation expense for employees and non-employees:

The Company recognized non-cash share-based compensation expense for employees and non-employees in the condensed consolidated statements of operations as follows (in thousands):

	Nine Months Ended September 30,	
	2021	**2020**
Cost of revenues	$ 7	$ 6
Research and development	34	105
Sales and marketing	120	113
General and administrative	438	320
Total	$ 599	$ 544

e. Equity raise:

1. Follow-on public offerings

On February 10, 2020, the Company closed a "best efforts" public offering whereby the Company issued an aggregate of 5,600,000 of common units and pre-funded units at a public offering price of $1.25 per common unit and $1.249 per pre-funded unit. As part of the public offering, the Company entered into a securities purchase agreement with certain institutional purchasers. Each common unit consisted of one ordinary share, par value NIS 0.25 per share, and one common warrant to purchase one ordinary share. Each of the 1,546,828 pre-funded unit consisted of one pre-funded warrant to purchase one ordinary share and one common warrant. Additionally, the Company issued warrants to purchase up to 336,000 ordinary shares, with an exercise price of $1.5625 per share, to representatives of H.C. Wainwright & Co. LLC ("H.C. Wainwright") as compensation for its role as the placement agent in the Company's February 2020 offering. During the three months ended March 31, 2020, all pre-funded warrants to purchase ordinary shares were exercised. During the three months ended September 30, 2020, 10,000 warrants to purchase ordinary shares were exercised. As of September 30, 2020, a total of 1,256,500 warrants to purchase ordinary shares were exercised.

On July 6, 2020, the Company entered into a purchase agreement with certain institutional investors for the issuance and sale of (i) 4,938,278 ordinary shares, par value NIS 0.25 per share, at a price of $1.8225 per ordinary share and (ii) warrants to purchase up to 2,469,139 ordinary shares with an exercise price of $1.76 per share, exercisable from July 6, 2020, until January 6, 2026. Additionally, the Company issued warrants to purchase up to 296,297 ordinary shares, with an exercise price of $2.2781 per share, exercisable from July 6, 2020, until July 2, 2025, to certain representatives of H.C. Wainwright as compensation for its role as the placement agent in its July 2020 registered direct offering.

On February 19, 2021, the Company entered into a purchase agreement with certain institutional and other accredited investors for the issuance and sale of 10,921,502 ordinary shares, par value NIS 0.25 per share at $3.6625 per ordinary share and warrants to purchase up to an aggregate of 5,460,751 ordinary shares with an exercise price of $3.6 per share, exercisable from February 19, 2021, until August 26, 2026. Additionally, the Company issued warrants to purchase up to 655,290 ordinary shares, with an exercise price of $4.578125 per share, exercisable from February 19, 2021, until August 26, 2026, to certain representatives of H.C. Wainwright as compensation for its role as the placement agent in our February 2021 private placement offering.

On September 27, 2021, the Company signed a purchase agreement with certain institutional investors for the issuance and sale of 15,403,014 ordinary shares, par value NIS 0.25 per share, pre-funded warrants to purchase up to an aggregate of 610,504 ordinary shares and ordinary warrants to purchase up to an aggregate of 8,006,759 ordinary shares at an exercise price of $2.00 per share. The Pre-Funded Warrants have an exercise price of $0.001 per Ordinary Share and are immediately exercisable and can be exercised at any time after their original issuance until such pre-funded warrants are exercised in full. Each ordinary shares was sold at an offering price of $2.035 and each pre-funded warrant was sold at an offering price of $2.034 (equal to the purchase price per ordinary share minus the exercise price of the pre-funded warrant). The offering of the ordinary shares, the pre-funded warrants and the ordinary shares that are issuable from time to time upon exercise of the pre-funded warrants was made pursuant to the Company's shelf registration statement on Form S-3 initially filed with the Securities and Exchange Commission ("SEC") on May 9, 2019, and declared effective by the SEC on May 23, 2019, 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 five and one-half years from the date of issuance. All of the pre-funded warrants were exercised in full on September 27, 2021, and the offering closed on September 29, 2021. Additionally, the Company issued warrants to purchase up to 960,811 ordinary shares, with an exercise price of $2.5438 per share, exercisable from September 27, 2021, until September 27, 2026, to certain representatives of H.C. Wainwright as compensation for its role as the placement agent in our September 2021 registered direct offering.

During the nine months ended September 30, 2021, we received a total of 9,814,754 outstanding warrants exercises with exercise prices ranging from $1.25 to $1.79 were exercised, for total gross proceeds of approximately $13.8 million.

NOTE 8: FINANCIAL EXPENSES, NET

The components of financial expenses, (net) were as follows (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
Foreign currency transactions and other	$ 22	$ (7)	$ (6)	$ (99)
Financial expenses related to loan agreement with Kreos	—	243	—	802
Bank commissions	5	6	20	20
	$ 27	$ 242	$ 14	$ 723

NOTE 9: GEOGRAPHIC INFORMATION AND MAJOR CUSTOMER AND PRODUCT DATA

Summary information about geographic areas:

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 in deciding how to allocate resources and in assessing performance. The Company manages its business on the basis of one reportable segment, and derives revenues from selling units and services (see Note 1 for a brief description of the Company's business). The following is a summary of revenues within geographic areas:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
Revenues based on customer's location:				
United States	$ 821	$ 325	$ 1,951	$ 1,172
Europe	1,148	413	2,711	1,990
Asia-Pacific	1	2	58	6
Latin America	—	6	—	6
Africa	2	1	4	1
Total revenues	$ 1,972	$ 747	$ 4,724	$ 3,175

	September 30, 2021	December 31, 2020
Long-lived assets by geographic region (*):		
Israel	$ 713	$ 953
United States	557	790
Germany	33	43
	$ 1,303	$ 1,786

(*) Long-lived assets are comprised of property and equipment, net, and operating lease right-of-use assets.

	Nine Months Ended September 30,	
	2021	2020
Major customer data as a percentage of total revenues:		
Customer A	12.1%	-

NOTE 10: SUBSEQUENT EVENTS

On October 14, 2021, the Company and Harvard further amended the Collaboration Agreement, to make certain adjustments to the quarterly installments and technical changes and establish that the term of the Collaboration Agreement will conclude on March 31, 2022. The Company and Harvard also agreed to meet in January 2022 to discuss the research progress and a potential extension of the Collaboration Agreement beyond March 31, 2022. For further details on the Collaboration Agreement, see Note 6 above.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of our financial condition and results of operation should be read in conjunction with the unaudited condensed consolidated financial statements and the related notes included elsewhere in this quarterly report on Form 10-Q and with our audited consolidated financial statements included in our annual report on Form 10-K for the year ended December 31, 2020 (the "2020 Form 10-K") as filed with the SEC on February 18, 2021. In addition to historical condensed financial information, the following discussion contains forward-looking statements that reflect our plans, estimates and beliefs. Our actual results could differ materially from those discussed in the forward-looking statements. For a discussion of factors that could cause or contribute to these differences, see "Special Note Regarding Forward-Looking Statements" below.

Special Note Regarding Forward-Looking Statements

In addition to historical information, this quarterly report contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the safe harbor provisions of the 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 like "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 this section of this quarterly report on Form 10-Q titled "Part I, Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations" and elsewhere in this quarterly report on Form 10-Q. These statements include, but are not limited to, statements regarding:

- our expectations regarding future growth, including our ability to increase sales in our existing geographic markets and expand to new markets;
- our ability to maintain and grow our reputation and the market acceptance of our products;
- our ability to achieve reimbursement from third-party payors or advance Centers for Medicare & Medicaid Services ("CMS") coverage for our products;
- the adverse effect that the COVID-19 pandemic has had and continues to have on our business and results of operations;
- 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 limited operating history and our ability to leverage our sales, marketing and training infrastructure;
- 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 expectations as to our clinical research program and clinical results;
- 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 ReWalk's ability to market and sell its products;
- our ability to gain and maintain regulatory approvals;
- our expectations as to the results of the FDA, potential regulatory developments with respect to our mandatory 522 post-market surveillance study;
- the risk of a cybersecurity attack or breach of 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 use effectively the proceeds of our offerings of securities;
- the risk of substantial dilution resulting from the periodic issuances of our ordinary shares;
- 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; and
- other factors discussed in "Part II. Item 1A. Risk Factors."

The preceding list is not intended to be an exhaustive list of all of our forward-looking statements. 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. In particular, you should consider the risks provided under "Part 1, Item 1A. Risk Factors" of our 2020 Form 10-K, and in other reports subsequently filed by us with, or furnished to, the SEC.

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.

Any forward-looking statement in this quarterly report speaks only as of the date hereof. Except as required by law, we undertake no obligation to update publicly any forward-looking statements, whether as a result of new information, future developments or otherwise.

Overview

We are an innovative medical device company that is designing, developing and commercializing robotic exoskeletons that allow individuals with mobility impairments or other medical conditions the ability to stand and walk once again. We have developed and are continuing to commercialize our ReWalk Personal and ReWalk Rehabilitation devices for individuals with spinal cord injury ("SCI Products"), which are exoskeletons designed for individuals with paraplegia that use our patented tilt-sensor technology and an on-board computer and motion sensors to drive motorized legs that power movement.

We have also developed our ReStore device, which we began commercializing in June 2019. ReStore is a powered, lightweight soft exo-suit intended for use in the rehabilitation of individuals with lower limb disability due to stroke. During the second quarter of 2020, we finalized and moved to implement two separate agreements to distribute additional product lines in the United States. We are the exclusive distributor of the MediTouch Tutor movement biofeedback systems in the United States and will also have distribution rights for the MYOLYN MyoCycle FES cycles to U.S. rehabilitation clinics and personal sales through the U.S. Department of Veterans Affairs ("VA") hospitals and other personal sales. These Distributed Products will improve our product offering to clinics as well as patients within the VA as they both have similar clinician and patient profile.

Our principal markets are the United States and Europe. In Europe, we have a direct sales operation in Germany and work with distribution partners in certain other major countries. We have offices in Marlborough, Massachusetts, Berlin, Germany and Yokneam, Israel, from where we operate our business.

We have in the past generated and expect to generate in the future revenues from a combination of third-party payors, self-payors (including private and government employers) and institutions. While a broad uniform policy of coverage and reimbursement by third-party commercial payors currently does not exist in the United States for electronic exoskeleton technologies such as the ReWalk Personal, we are pursuing various paths of reimbursement and support fundraising efforts by institutions and clinics, such as the VA policy that was issued in December 2015 for the evaluation, training, and procurement of ReWalk Personal exoskeleton systems for all qualifying veterans suffering from spinal cord injury across the United States.

As the Centers for Medicare and Medicaid Services ("CMS") reported in 2017 that it covers approximately 55% of the spinal cord injury population which are at least five years post their injury date we have been trying to develop a policy with CMS. In July 2020, a code was issued for ReWalk Personal 6.0 (effective October 1, 2020), which may later be followed by a coverage policy of CMS.

Additionally, to date, several private insurers in the United States and Europe have provided reimbursement for ReWalk in certain cases. In Germany, we continue to make progress toward achieving ReWalk coverage from the various government, private and worker's compensation payors. 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 their decision to list the ReWalk Personal 6.0 exoskeleton system in the German Medical Device Directory. This decision means that ReWalk will be 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 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. 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 6.0 device for their beneficiaries within their system.

Third Quarter 2021 and Subsequent Period Business Highlights

- Total revenue of $2.0 million reported for the third quarter of 2021
- Gross margin of approximately 58% in the third quarter of 2021
- Received FDA breakthrough device designation for ReBoot, a soft exoskeleton for stroke home and community use
- Strengthened cash position of $91.2 million, including a $32.5 million registered direct offering closed in September

Evolving COVID-19 Pandemic

The impact of the COVID-19 pandemic has resulted in, and will likely continue to result in, significant disruptions to the global economy and the capital markets, as well as our business. In an effort to halt the outbreak of COVID-19, a number of countries, including the United States and many countries in Europe, have placed significant restrictions on travel, and many businesses have announced extended closures. Despite the distribution of COVID-19 vaccines, it is unclear how long any total or partial shutdowns could last, and whether additional shutdowns will be necessary to halt potential future outbreaks especially as new variants such as the Delta variant are emerging.

The COVID-19 pandemic has affected our ability to engage with our SCI Products, ReStore and Distributed Products existing customers, conduct trials of new product candidates, deliver ordered units or repair existing systems and provide training of our products to new patients who have largely remained at home due to local movement restrictions and to rehabilitation centers, which have temporarily shifted priorities and responses to pandemic-related medical equipment. As a result, our sales and results of operations have been adversely impacted. We believe that these adverse impacts may continue as long as the pandemic status remains in our key markets within the United States and Germany, especially as long as our ability to conduct trials of new patients is limited or if our existing customers can't train with our SCI Products and as long as capital budgets for rehabilitation devices such as the ReStore remain reduced or on-hold. Additionally, some clinics, such as VA clinics, are enforcing in-clinic restrictions that effect our ability to demonstrate our devices to patients or start training for qualified potential customers. We continue to monitor our sales pipeline on a day-to-day basis in order to assess the quarterly effect of these limitations as some have short term effects and some affects our future pipeline development. While our sole manufacturer, Sanmina Corporation, has not shut down its facilities during the COVID-19 pandemic, our manufacturing has had limited impact due to supply chain delays and component shortages. Other adverse impacts on our production capacity as a result of government directives or health protocols can occur. Moreover, the current limitations on our sales activities has made it difficult to effectively forecast our future requirements for systems. For more information, see "Part II, Item 1A. Risk Factors."

In addition, our future results of operations and liquidity could be adversely impacted by delays in payments of outstanding receivable amounts beyond normal payment terms, supply chain disruptions and operational challenges faced by our customers. The occurrence of new outbreaks of COVID-19 could result in a widespread health crisis that could adversely affect the economies and financial markets of many countries, resulting in an economic downturn or a global recession that could cause significant volatility or decline in the trading price of our securities, affect our ability to execute strategic business activities, affect demand for our products and likely impact our operating results. These may further limit or restrict our ability to access capital on favorable terms, or at all, lead to consolidation that negatively impacts our business, weaken demand, increase competition, cause us to reduce our capital spend further, or otherwise disrupt our business.

During the pandemic, we have implemented remote working procedures in the United States, Germany and Israel and are establishing in-office measures to contain the spread of COVID-19 according to local regulations. With the vaccination of most of our employees we have gradually returned to work from our offices. We have also taken several cost reduction efforts that lasted throughout 2020 as needed. We will continue to monitor the environment and reinforce cost reduction measures as the market condition develops. Despite this current situation and the challenges it imposes, we have developed methods to continue to engage with our current and prospective customers through video conferencing, virtual training events, and online education demos to offer our support and showcase the value of our products.

Results of Operations for the Three and Nine Months Ended September 30, 2021 and September 30, 2020

Our operating results for the three and nine months ended September 30, 2021, as compared to the same periods in 2020, are presented below. The results set forth below are not necessarily indicative of the results to be expected in future periods.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
Revenues	$ 1,972	$ 747	$ 4,724	$ 3,175
Cost of revenues	832	355	2,150	1,388
Gross profit	1,140	392	2,574	1,787
Operating expenses:				
Research and development	638	756	2,243	2,695
Sales and marketing	1,821	1,507	5,105	4,541
General and administrative	1,343	1,198	4,050	3,774
Total operating expenses	3,802	3,461	11,398	11,010
Operating loss	(2,662)	(3,069)	(8,824)	(9,223)
Financial expenses, net	27	242	14	723
Loss before income taxes	(2,689)	(3,311)	(8,838)	(9,946)
Taxes on income (tax benefit)	(14)	25	40	85
Net loss	$ (2,675)	$ (3,336)	$ (8,878)	$ (10,031)
Net loss per ordinary share, basic and diluted	$ (0.06)	$ (0.18)	$ (0.21)	$ (0.71)
Weighted average number of shares used in computing net loss per ordinary share, basic and diluted	46,570,130	18,881,694	43,021,972	14,132,375

Three and Nine Months Ended September 30, 2021 Compared to Three and Nine Months Ended September 30, 2020

Revenues

Our revenues for the three and nine months ended September 30, 2021 and 2020 were as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
	(in thousands, except unit amounts)		(in thousands, except unit amounts)	
Personal unit revenues	$ 1,357	$ 698	$ 3,818	$ 3,079
Rehabilitation unit revenues	615	49	906	96
Revenues	$ 1,972	$ 747	$ 4,724	$ 3,175

Personal unit revenues consist of ReWalk Personal 6.0 and Distributed Products sale, rental, service and warranty revenue for home use.

Rehabilitation unit revenues consist of ReStore, Distributed Products and SCI Products sale, rental, service and warranty revenue to clinics, hospitals for treating patients with relevant medical conditions or medical academic centers.

Revenues increased by $1,225 thousand, or 164%, for the three months ended September 30, 2021 compared to the three months ended September 30, 2020. The increase was driven primarily by higher number of personal and rehabilitation units sold in Unites States including a multiple unit order to a physical therapy university as well as an increase in Germany as we have seen reduced COVID-19 restrictions.

Revenues increased by approximately $1,549 thousand, or 49%, for the nine months ended September 30, 2021 compared to the nine months ended September 30, 2020. The increase is due to higher number of personal and rehabilitation units sold in Europe and the Unites States.

In the future, we expect our growth to be driven by sales of our ReWalk Personal device to third-party payors as we continue to focus our resources on broader commercial coverage policies with third-party payors as well as sales of the ReStore and other products to rehabilitation clinics and for personal use.

Gross Profit

Our gross profit for the three and nine months ended September 30, 2021 and 2020 were as follows (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
Gross profit	$ 1,140	$ 392	$ 2,574	$ 1,787

Gross profit was 58% of revenue for the three months ended September 30, 2021 compared to 52% for the three months ended September 30, 2020. The increase in gross profit for the three months ended September 30, 2021, was mainly driven by higher number of units sold and in higher Average Selling Price (“ASP”) offset partially with sales mix.

Gross profit was 54% of revenue for the nine months ended September 30, 2021 compared to 56% for the nine months ended September 30, 2020. The decrease is mainly driven by change in sales mix and higher service-related expenses offset by increased ASP.

We expect our gross profit to improve, assuming we increase our sales volumes, which could also decrease the product manufacturing costs. Improvements may be partially offset by the lower margins we currently expect from ReStore and our Distributed Products as well as due to an increase in the cost of product parts, especially as long as COVID-19 pandemic is affecting the market.

Research and Development Expenses

Our research and development expenses, for the three and nine months ended September 30, 2021 and 2020 were as follows (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
Research and development expenses	$ 638	$ 756	$ 2,243	$ 2,695

Research and development expenses, decreased $118 thousand, or 16%, for the three months ended September 30, 2021 compared to the three months ended September 30, 2020. Research and development expenses, decreased $452 thousand, or 17%, for the nine months ended September 30, 2021 compared to the nine months ended September 30, 2020. The decrease is attributable mainly to decreased personnel and personnel related expenses and decreased consulting costs associated with the development and clinical study costs of our ReStore soft suit exoskeleton.

We intend to focus our future research and development expenses mainly on our current products maintenance as well as developing our “soft suit” exoskeleton for additional indications affecting the ability to walk or a home use design.

Sales and Marketing Expenses

Our sales and marketing expenses for the three and nine months ended September 30, 2021 and 2020 were as follows (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
Sales and marketing expenses	$ 1,821	$ 1,507	$ 5,105	$ 4,541

Sales and marketing expenses increased $314 thousand, or 21%, for the three months ended September 30, 2020 compared to the three months ended September 30, 2020. Sales and marketing expenses increased $564 thousand, or 12%, for the nine months ended September 30, 2021 compared to the nine months ended September 30, 2020. The increase in expenses for the three and nine months ended September 30, 2021 was driven by increased personnel and personnel related expenses including higher sales driven compensation costs.

In the near term our sales and marketing expenses are expected to be driven by our efforts to commercialize our current products and to increase reimbursement coverage of the ReWalk Personal device.

General and Administrative Expenses

Our general and administrative expenses for the three and nine months ended September 30, 2021 and 2020 were as follows (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
General and administrative expenses	$ 1,343	$ 1,198	$ 4,050	$ 3,774

General and administrative expenses increased $145 thousand, or 12%, for the three months ended September 30, 2021 compared to the three months ended September 30, 2020. General and administrative expenses increased $276 thousand, or 7%, for the nine months ended September 30, 2021 compared to the nine months ended September 30, 2020. The increase in the three and nine months ended June 30, 2020, was mainly driven by higher non-cash share-based payments as well as professional services expenses.

Financial Expenses, Net

Our financial expenses, net, for the three and nine months ended September 30, 2021 and 2020 were as follows (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
Financial expenses, net	$ 27	$ 242	$ 14	$ 723

Financial expenses, net, decreased $215 thousand, or 89%, for the three months ended September 30, 2021 compared to the three months ended September 30, 2020. Financial expenses, net, decreased $709 thousand, or 98%, for the nine months ended September 30, 2021 compared to the nine months ended September 30, 2020. The decrease is mainly due to lower interest expenses related to the Loan Agreement with Kreos, which was fully repaid in December 2020.

Income Taxes

Our income tax for the three and nine months ended September 30, 2021 and 2020 was as follows (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
Taxes on income (tax benefit)	$ (14)	$ 25	$ 40	$ 85

Taxes on income decreased $39 thousand for the three months ended September 30, 2021 compared to the three months ended September 30, 2020. Taxes on income decreased $45 thousand for the nine months ended September 30, 2021 compared to the nine months ended September 30, 2020. The decrease is mainly due to higher deferred income tax resulting from a decrease in deferred revenues.

Critical Accounting Policies and Estimates

Our condensed consolidated financial statements are prepared in accordance with U.S. GAAP. The preparation of our condensed financial statements requires us to make estimates, judgments and assumptions that can affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues 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. Materially different results can occur as circumstances change and additional information becomes known. Besides the estimates identified above that are considered critical, we make many other accounting estimates in preparing our condensed financial statements and related disclosures. See Note 2 to our audited consolidated financial statements included in our 2020 Form 10-K for a description of the significant accounting policies that we used to prepare our consolidated financial statements

There have been no material changes to our critical accounting policies or our critical judgments from the information provided in “Part II, Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations - Critical Accounting Policies” of our 2020 Form 10-K, except for the updates provided in Note 3 of our unaudited condensed consolidated financial statements set forth in “Part I, Item 1. Financial Statements” of this quarterly report on Form 10-Q.

Recent Accounting Pronouncements

See Note 3 to our unaudited condensed consolidated financial statements set forth in “Part I, Item 1. Financial Statements” of this quarterly report on Form 10-Q for information regarding new accounting pronouncements.

Liquidity and Capital Resources

Sources of Liquidity and Outlook

Since inception, we have funded our operations primarily through the sale of certain of our equity securities and convertible promissory notes to investors in private placements, the sale of our ordinary shares in public offerings and the incurrence of bank debt.

In the nine months ended September 30, 2021, we incurred a consolidated net loss of $8.8 million and as of September 30, 2021, we have an accumulated deficit in the total amount of $190.3 million. Our cash and cash equivalents as of September 30, 2021, were $91.2 million and our negative operating cash flow for the nine months ended September 30, 2021, was $8.9 million. We have sufficient funds to support its operations for more than 12 months following the issuance date of our condensed consolidated unaudited financial statements for the three and nine months ended September 30, 2021.

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 achievement of a level of revenues adequate to support our cost structure. Until we achieve profitability or generate positive cash flows, we will continue to need to raise additional cash. 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: (i) sales, marketing and reimbursement expenses related to market development activities of our ReStore and Personal 6.0 devices, broadening third-party payor and CMS coverage for our ReWalk Personal device and commercializing our new product lines added through distribution agreements; (ii)) research and development of our lightweight exo-suit technology for potential home personal health utilization for multiple indications and future generation designs for our spinal cord injury device; (iii) routine product updates; (iv) general corporate purposes, including working capital needs; and (v) potential acquisitions of business. We do not currently have any agreement or understanding with respect to an acquisition. 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 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.

Loan Agreement with Kreos and Related Warrant to Purchase Ordinary Shares

On December 30, 2015, we entered into the Loan Agreement with Kreos pursuant to which Kreos extended a line of credit to us in the amount of $20 million. On January 4, 2016, we drew down $12.0 million under the Loan Agreement. Under the terms of the Loan Agreement we were entitled to draw down up to an additional $8.0 million until December 31, 2016, if we raised $10.0 million or more in the issuance of shares of our capital stock (including debt convertible into shares of our capital stock) by December 31, 2016. On December 28, 2016, we drew down the remaining $8.0 million available under the Loan Agreement. Interest is payable monthly in arrears on any amounts drawn down at a rate of 10.75% per year from the applicable drawdown date through the date on which all principal is repaid. As of June 30, 2017, we raised more than $20 million in connection with the issuance of its share capital and therefore, in accordance with the terms of the Loan Agreement, the repayment period was extended from 24 months to 36 months. The principal was also reduced in connection with the issuance to Kreos on June 9, 2017 of a $3.0 million secured convertible promissory note (the “Kreos Convertible Note”). Pursuant to the Loan Agreement, we paid Kreos a transaction fee equal to 1.0% of the total available amount of the line of credit upon the execution of the agreement and we will be required to pay Kreos an “end of loan payment” equal to 1.0% of the amount of each tranche drawn down upon the expiration of each such tranche. Pursuant to the Loan Agreement, we granted Kreos a first priority security interest over all of our assets, including certain intellectual property and equity interests in its subsidiaries, subject to certain permitted security interests.

In connection with the $20.0 million drawdown under the Loan Agreement on January 4, 2016, we issued to Kreos a warrant (the "Kreos Warrant") to purchase up to 4,771 of our ordinary shares at an exercise price of $241 per share, which was increased to 6,679 ordinary shares on December 28, 2016. Pursuant to the terms of the warrant, the warrant is exercisable, in whole or in part, at any time prior to the earlier of (i) December 30, 2025, or (ii) immediately prior to the consummation of a merger, consolidation, or reorganization of us with or into, or the sale or license of all or substantially all our assets or shares to, any other entity or person, other than a wholly owned subsidiary of us, excluding any transaction in which our shareholders prior to the transaction will hold more than 50% of the voting and economic rights of the surviving entity after the transaction.

On June 9, 2017, we entered into a First Amendment to the Loan Agreement with Kreos, under which $3.0 million of the outstanding principal under the Loan Agreement became subject to repayment pursuant to the senior secured Kreos Convertible Note issued on June 9, 2017.

On November 20, 2018, we entered into a Second Amendment to the Loan Agreement with Kreos, in which we (i) repaid $3.6 million to Kreos, including prepayment costs and end of loan payments, (ii) terminated the Kreos Note, (iii) issued Kreos 192,000 units and 288,000 pre-funded units as part of an underwritten public offering at the public offering prices, and (iv) agreed with Kreos to revise the principal and the repayment schedule under the Kreos Loan. Additionally, we entered into a Warrant Amendment with Kreos, which amended the exercise price of the Kreos Warrants from $241 to $7.5 per share.

On June 5, 2019, and June 6, 2019, we entered into warrant exercise agreements with certain institutional investors of warrants to purchase our ordinary shares, pursuant to which Kreos agreed to exercise, in cash, the Kreos Warrant at the then-effective exercise price of $7.50 per share. Under the exercise agreements, we also agreed to issue to Kreos new warrants to purchase up to 480,000 ordinary shares at an exercise price of $7.50 per share with an exercise period of five years.

On December 29, 2020, we repaid in full the remaining loan principal amount under the Loan Agreement to Kreos including end of loan payments, thereby discharging all of our obligations to Kreos. Accordingly, as of December 31, 2020, the outstanding principal amount under the Kreos Loan Agreement was zero.

Paycheck Protection Program Loan Agreement

On April 21, 2020, RRI entered into a note agreement evidencing an unsecured loan in the amount of $392 thousand (the "PPP Note") under the Paycheck Protection Program ("PPP") as part of the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act") enacted on March 27, 2020. The PPP Note provides for an interest rate of 1.00% per year and matures two years after the date of initial disbursement. Beginning on the seventh month following the date of initial disbursement, RRI is required to make 18 monthly payments of principal and interest. The PPP Note may be used for payroll costs, costs related to certain group health care benefits and insurance premiums, rent payments, utility payments, mortgage interest payments and interest payments on any other debt obligation that were incurred before February 15, 2020. Under the terms of the CARES Act, PPP loan recipients could apply for and be granted forgiveness for all or a portion of loan granted under the PPP, with such forgiveness to be determined, subject to limitations, based on the use of the loan proceeds for payment of payroll costs and any payments of mortgage interest, rent, and utilities. The terms of any forgiveness may also be subject to further requirements in any regulations and guidelines the Small Business Administration may adopt.

On September 29, 2020, we submitted an application for loan forgiveness and on November 6, 2020 we received confirmation of the PPP Note forgiveness.

Equity Raises

Form S-3 Limitations

Beginning with the filing of our annual report on Form 10-K for the year ended December 31, 2016 on February 17, 2017, we were subject to limitations under the applicable rules of Form S-3, which constrained our ability to secure capital pursuant to our At The Market ("ATM") Offering Program or other public offerings pursuant to our effective registration statement on 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. As of February 16, 2021, since our public float reached at least $75 million in the preceding 60 days, these limitations will no longer apply to our primary offerings under Form S-3 until the filing of our annual report on Form 10-K in 2022, when we will re-assess our status under these rules. If our public float subsequently drops below $75 million as of the filing of that or a subsequent annual report on Form 10-K, or at the time we file a new Form S-3, we will become subject to these limitations again, until the date that our public float again reaches $75 million. 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 convertible securities, such as warrants. Our currently effective Form S-3 expires on May 23, 2022. We have registered up to $100 million of ordinary shares warrants and/or debt securities and certain other outstanding securities with registration rights on the Form S-3.

Equity Offerings and Subsequent Warrant Exercises

On November 20, 2018, we completed a follow-on underwritten public offering in which we issued and sold 728,019 units, each consisting of one ordinary share and one warrant to purchase one ordinary share. Each unit was sold to the public at a price of $7.5 per unit, additionally we issued and sold 1,050,373 pre-funded units, each unit was sold to the public at a price of $7.25 per unit. Each unit containing one pre-funded warrant with an exercise price of $0.25 per share and one warrant to purchase one ordinary share. The total gross proceeds received from the follow-on public offering, before deducting commissions, discounts, and expenses, were $13.1 million (including proceeds from the exercise of 90,691 pre- funded warrants at the closing of the offering). As of December 31, 2018, additional pre-funded warrants to purchase an aggregate 562,466 ordinary shares had been exercised, for additional proceeds of $140,617. During the nine months ended September 30, 2019, additional pre-funded warrants and warrants to purchase an aggregate 2,048,752 ordinary shares had been exercised, for additional proceeds of $12.4 million. As compensation for their role in the offering, we also issued to the underwriters warrants to purchase up to 106,680 ordinary shares, which are immediately exercisable starting on November 20, 2018, until November 15, 2023, at $9.375 per share.

On February 15, 2019, we entered into an exclusive placement agent Agreement with H.C. Wainwright, on a reasonable best-efforts basis, in connection with a public offering of 760,000 ordinary shares at a price of $5.75 per Share. The total gross proceeds received from the follow-on public offering, before deducting commissions, discounts, and expenses, were $4.37 million. We also issued to H.C. Wainwright and/or its designees warrants to purchase up to 45,600 ordinary shares, which are immediately exercisable starting on February 25, 2019, until February 21, 2024, at $7.1875 per share.

On April 3, 2019, we entered into an exclusive placement agent agreement with H.C. Wainwright in connection with a registered direct offering of our ordinary shares, and a concurrent private placement of warrants to purchase ordinary shares. The ordinary shares were offered pursuant to our effective registration statement on Form S-3. Also on April 3, 2019, we signed a purchase agreement with certain institutional investors for the issuance and sale of 816,914 ordinary shares at $5.2025 per ordinary share and warrants to purchase up to 408,457 ordinary shares at an exercise price of $5.14. The warrants issued to these purchasers were exercisable at any time and from time to time, in whole or in part, following the date of issuance and ending five and one-half years from the date of issuance, at an exercise price of $5.14. We also issued to H.C. Wainwright and/or its designees warrants to purchase up to 49,015 ordinary shares. The warrants issued to H.C. Wainwright will be 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 the execution of the purchase agreement, at a price per share equal to $6.503125. The gross proceeds from the offering, before deducting placement agent fees and offering expenses, were approximately $4.25 million.

On June 5, 2019, and June 6, 2019, we entered into warrant exercise agreements with certain institutional investors whereby we issued warrants to purchase up to 1,464,665 ordinary shares with an exercise price of $7.50 per share, exercisable from June 5, 2019, or June 6, 2019, until June 5, 2024, or June 6, 2024, respectively. Additionally, we issued warrants to purchase up to 87,880 ordinary shares, with an exercise price of $9.375 per share, exercisable from June 5, 2019, until June 5, 2024, to certain representatives of H.C. Wainwright as compensation for its role as the placement agent in our June 2019 warrant exercise agreement and concurrent private placement of warrants.

On June 12, 2019, we entered into a purchase agreement with certain institutional investors for the issuance and sale of 833,334 ordinary shares, at $6.00 per ordinary share and warrants to purchase up to 416,667 ordinary shares with an exercise price of $6.00 per share, exercisable from June 12, 2019, until December 12, 2024, in a private placement that took place concurrently with our registered direct offering of ordinary shares in June 2019. Additionally, we issued warrants to purchase up to 50,000 ordinary shares, with an exercise price of $7.50 per share, exercisable from June 12, 2019, until June 10, 2024, to certain representatives of H.C. Wainwright as compensation for its role as the placement agent in our June 2019 registered direct offering and concurrent private placement of warrants.

On February 10, 2020, we closed a “best efforts” public offering whereby we issued an aggregate of 5,600,000 of common units and pre-funded units at a public offering price of $1.25 per common unit and $1.249 per pre-funded unit. As part of the public offering, we entered into a securities purchase agreement with certain institutional purchasers. Each common unit consisted of one ordinary share, and one common warrant to purchase one ordinary share. Each pre-funded unit consisted of one pre-funded warrant to purchase one ordinary share and one common warrant. Additionally, we issued warrants to purchase up to 336,000 ordinary shares, with an exercise price of $1.5625 per share, to representatives of H.C. Wainwright as compensation for its role as the placement agent in oue February 2020 offering. As of December 31, 2020, all pre-funded warrants to purchase ordinary shares had been exercised and 1,831,500 common warrants to purchase ordinary shares had been exercised.

On July 6, 2020, we entered into a purchase agreement with certain institutional investors for the issuance and sale of 4,938,278 ordinary shares, at $1.8225 per ordinary share and warrants to purchase up to 2,469,139 ordinary shares with an exercise price of $1.76 per share, exercisable from July 6, 2020, until January 6, 2026. Additionally, we issued warrants to purchase up to 296,297 ordinary shares, with an exercise price of $2.2781 per share, exercisable from July 6, 2020, until July 2, 2025, to certain representatives of H.C. Wainwright as compensation for its role as the placement agent in our July 2020 registered direct offering.

On December 8, 2020, we entered into a private placement with certain institutional investors for the issuance and sale of 5,579,776 ordinary shares, at $1.43375 per ordinary and warrants to purchase up to 4,184,832 ordinary shares with exercise price of $1.34 per share, exercisable from December 8, 2020, until June 8, 2026. Additionally, we issued warrants to purchase up to 334,787 ordinary shares, with an exercise price of $1.7922 per share, exercisable from December 8, 2020, until June 8, 2026, to certain representatives of H.C. Wainwright as compensation for its role as the placement agent in our December 2020 private placement.

On February 19, 2021, we entered into a purchase agreement with certain institutional and other accredited investors for the issuance and sale of 10,921,502 ordinary shares, at $3.6625 per ordinary share and warrants to purchase up to an aggregate of 5,460,751 ordinary shares with an exercise price of $3.60 per share, exercisable from February 19, 2021, until August 26, 2026. Additionally, we issued warrants to purchase up to 655,290 ordinary shares, with an exercise price of $4.578125 per share, exercisable from February 19, 2021, until August 26, 2026, to certain representatives of H.C. Wainwright as compensation for its role as the placement agent in our February 2021 private placement offering.

Equity Offerings in the Third Quarter of 2021

On September 27, 2021, we signed a purchase agreement with certain institutional investors for the issuance and sale of 15,403,014 ordinary shares, pre-funded warrants to purchase up to an aggregate of 610,504 ordinary shares and ordinary warrants to purchase up to an aggregate of 8,006,759 ordinary shares at an exercise price of $2.00 per share. The pre-funded warrants have an exercise price of $0.001 per ordinary share and are immediately exercisable and can be exercised at any time after their original issuance until such pre-funded warrants are exercised in full. Each ordinary share was sold at an offering price of $2.035 and each pre-funded warrant was sold at an offering price of $2.034 (equal to the purchase price per ordinary share minus the exercise price of the pre-funded warrant). The offering of the ordinary shares, the pre-funded warrants 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 May 9, 2019, and declared effective by the SEC on May 23, 2019, 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 five and one-half years from the date of issuance. All of the pre-funded warrants were exercised in full on September 27, 2021, and the offering closed on September 29, 2021. Additionally, we issued warrants to purchase up to 960,811 ordinary shares, with an exercise price of $2.5438 per share, exercisable from September 27, 2021, until September 27, 2026, to certain representatives of H.C. Wainwright as compensation for its role as the placement agent in our September 2021 private placement offering.

ATM Offering Program

On May 10, 2016, we entered into an Equity Distribution Agreement with Piper Jaffray, pursuant to which we may offer and sell, from time to time, ordinary shares having an aggregate offering price of up to $25.0 million through Piper Jaffray acting as our agent. Subject to the terms and conditions of the Equity Distribution Agreement, Piper Jaffray will use its commercially reasonable efforts to sell on our behalf all of the ordinary shares requested to be sold by us, consistent with its normal trading and sales practices. Piper Jaffray may also act as principal in the sale of ordinary shares under the Equity Distribution Agreement. Such sales will be made under our effective registration statement on Form S-3 in what may be deemed "at-the-market" equity offerings as defined in Rule 415 promulgated under the Securities Act, directly on or through the Nasdaq Capital Market, to or through a market maker other than on an exchange or otherwise, in negotiated transactions at market prices prevailing at the time of sale or at prices related to such prevailing market prices, and/or any other method permitted by law, including in privately negotiated transactions.

Piper Jaffray is entitled to compensation at a fixed commission rate of 3% of the gross sales price per share sold through it as agent under the Equity Distribution Agreement. Where Piper Jaffray acts as principal in the sale of ordinary shares under the Equity Distribution Agreement, such rate of compensation will not apply, but in no event will the total compensation of Piper Jaffray, when combined with the reimbursement of Piper Jaffray for the out-of-pocket fees and disbursements of its legal counsel, exceed 8.0% of the gross proceeds received from the sale of the ordinary shares.

We may instruct Piper Jaffray not to sell ordinary shares if the sales cannot be effected at or above the price designated by us in any instruction. We or Piper Jaffray may suspend an offering of ordinary shares under the ATM Offering Program upon proper notice and subject to other conditions, as further described in the Equity Distribution Agreement. Additionally, the ATM Offering Program will terminate on the earlier of (i) the sale of all ordinary shares subject to the Equity Distribution Agreement, (ii) the date that is three years after a new registration statement on Form S-3 goes effective, (iii) our becoming ineligible to use Form S-3 and (iv) termination of the Equity Distribution Agreement by the parties. The Equity Distribution Agreement may be terminated by Piper Jaffray or us at any time on the close of business on the date of receipt of written notice, and by Piper Jaffray at any time in certain circumstances, including any suspension or limitation on the trading of our ordinary shares on the Nasdaq Capital Market, as further described in the Equity Distribution Agreement. We temporarily suspended use of the ATM Offering Program on February 20, 2019 to facilitate our February 2019 "best efforts" public offering. As of September 30, 2020, we had sold 302,092 ordinary shares under the ATM Offering Program for net proceeds to us of $14.5 million (after commissions, fees and expenses). Additionally, as of that date, we had paid Piper Jaffray compensation of $471 thousand and had incurred total expenses (including such commissions) of approximately $1.2 million in connection with the ATM Offering Program.

We intend to continue using the at-the-market offering or similar continuous offering programs opportunistically to raise additional funds, although we are currently subject to restrictions on using the ATM Offering Program with Piper Jaffray. Under our December 2020 purchase agreement with certain investors, we agreed, for a period of one year following December 3, 2020, not to: (i) issue or agree to issue equity or debt securities convertible into, or exercisable or exchangeable for, ordinary shares at a conversion price, exercise price or exchange price which floats with the trading price of the ordinary shares or which may be adjusted after issuance upon the occurrence of certain events or (ii) enter into any agreement, including an equity line of credit, whereby we may issue securities at a future-determined price, other than an at–the-market facility with the placement agent, H.C. Wainwright, beginning on February 1, 2021. Such limitations may inhibit our ability to access capital efficiently, or at all.

Timwell Private Placement

On March 6, 2018, we entered into an investment agreement with Timwell Corporation Limited, a Hong Kong corporation ("Timwell"), as amended on May 15, 2018 (the "Investment Agreement"), pursuant to which we agreed, in return for aggregate gross proceeds to us of $20 million, to issue to Timwell an aggregate of 640,000 of our ordinary shares, at a price per share of $1.25. The Investment Agreement contemplates issuances in three tranches, including $5 million for 160,000 shares in the first tranche, $10 million for 320,000 shares in the second tranche and $5 million for 160,000 shares in the third tranche.

The first tranche, consisting of $5 million for 160,000 shares, closed on May 15, 2018. The net aggregate proceeds after deducting commissions, fees and offering expenses in the amount of approximately $705 thousand were approximately $4.3 million.

The closings of the Second Tranche and Third Tranche were subject to specified closing conditions, including the formation of a joint venture, the signing of a license agreement and a supply agreement, and the successful production of certain ReWalk products. The Third Tranche Closing was to have occurred by December 31, 2018 and no later than April 1, 2019. We believe that Timwell committed various material breaches of the Investment Agreement, including failure to consummate its second and third investment tranches with us for a total of $15 million, failure to enter into a detailed joint venture with us, and failure to make payments for product-related commitments. Nevertheless, until March 2020 we continued to engage in a dialogue with Timwell (and its affiliate RealCan) on alternative pathways to allow us to commercialize our products in China through RealCan and its affiliates, and also provide for RealCan or an affiliate to invest in us.

In late March 2020, Timwell notified us that it would not invest the second and third tranches under the Investment Agreement. In response, in early April 2020, our Board of Directors also removed Timwell's designee, who was appointed pursuant to the Investment Agreement, from the Board of Directors, due to this breach pursuant to the terms of the Investment Agreement. We continue to view China as a market with key opportunities for products designed for stroke patients, and therefore we continue to evaluate potential relationships with other groups to penetrate the Chinese market.

Cash Flows for the Nine Months Ended September 30, 2021 and September 30, 2020 (in thousands):

	Nine Months Ended September 30,	
	2021	**2020**
Net cash used in operating activities	$ (8,903)	$ (10,131)
Net cash used in investing activities	(28)	(73)
Net cash provided by financing activities	79,808	11,948
Net cash flow	$ 70,877	$ 1,744

Net Cash Used in Operating Activities

Net cash used in operating activities decreased by $1.2 million or 12% due to improvement in working capital as well as no interest payments to Kreos as we repaid our debt under the Loan Agreement in full in December 2020.

Net Cash Provided by Financing Activities

Net cash provided by financing activities increased by $67.8 million for the nine months ended September 30, 2021 compared to the nine months ended September 30, 2020, primarily due to the higher proceeds received through our first and third quarter offering and warrants exercises, as well as the fact that we did not have any principal payments pursuant to the Loan Agreement with Kreos after repaying our debt in full in December 2020.

Obligations and Commercial Commitments

Set forth below is a summary of our contractual obligations as of September 30, 2021.

	Payments due by period (in dollars, in thousands)				
Contractual obligations	**Total**	**Less than 1 year**	**1-3 years**	**3-5 years**	**More than 5 years**
Purchase obligations (1)	$ 1,367	$ 1,367	$ —	$ —	$ —
Collaboration Agreement and License Agreement obligations (2)	425	425	—	—	—
Operating lease obligations (3)	1,484	678	806	—	—
Total	$ 3,276	$ 2,470	$ 806	$ —	$ —

(1) We depend on one contract manufacturer, Sanmina Corporation, for both the ReStore products and the SCI Products. We place our manufacturing orders with Sanmina pursuant to purchase orders or by providing forecasts for future requirements.

(2) Our Collaboration Agreement which was originally signed for a period of six years and at the end of September 30, 2021 has a remaining term of approx. 0.5 year, it requires us to pay in quarterly installments for the funding of our joint research collaboration with Harvard, subject to a minimum funding commitment under applicable circumstances. Our License Agreement consists of patent reimbursement expenses payments and of a license upfront fee payment. There are also several milestone payments contingent upon the achievement of certain product development and commercialization milestones and royalty payments on net sales from certain patents licensed to Harvard. These product development milestones have been met as of September 30, 2021. There are commercialization milestones which depend on us reaching certain sales amounts some or all of which may not occur.

(3) Our operating leases consist of leases for our facilities and motor vehicles.

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 3.22:$1.00, and the payments due under our operating lease obligation for our German subsidiary that are to be paid in euros at a rate of exchange of €1.15:$1:00, both of which were the applicable exchange rates as of September 30, 2021.

Off-Balance Sheet Arrangements

We had no off-balance sheet arrangements or guarantees of third-party obligations as of September 30, 2021.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

There have been no material changes to our market risk during the second quarter of 2021. For a discussion of our exposure to market risk, please see Part II, Item 7A, “Quantitative and Qualitative Disclosures About Market Risk” of our 2020 Form 10-K.

ITEM 4. 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 reports under the Exchange Act 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 disclosure.

As of the end of the period covered by this quarterly report on Form 10-Q, 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-15I 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.

Changes in Internal Control over Financial Reporting

During the quarter ended September 30, 2021 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.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

There have been no material changes to our legal proceedings as described in "Part I, Item 3. Legal Proceedings" of our 2020 Form 10-K, except as described in Note 5 in our condensed consolidated financial statements included in "Part I, Item 1" of this quarterly report on Form 10-Q.

ITEM 1A. RISK FACTORS

There have been no material changes to our risk factors from those disclosed in "Part I, Item 1A. Risk Factors" of our 2020 Form 10-K and in "Part IA. Risk Factors" in our Quarterly Report on Form 10-Q for the period ended March 31, 2021 and our Quarterly Report on Form 10-Q for the period ended June 30, 2021. except as noted below:

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.

The design, manufacture and marketing of our products involve certain inherent risks. Manufacturing or design defects, unanticipated use of ReWalk or ReStore, 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 our products is outsourced to Sanmina Corporation ("Sanmina"), our original equipment manufacturer, we may not be aware of manufacturing defects that could occur. Such adverse events could lead to recalls or safety alerts relating to our 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 Sanmina contains a limitation on Sanmina's liability, and therefore we could be required to incur the majority of related costs. Product defects or recalls could also result in negative publicity, damage to our reputation or, in some circumstances, delays in new product 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. In addition, our products incorporate sophisticated computer software. 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, ReWalk recently submitted medical device reports 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 remains ongoing in the United States. 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, additional regulatory filings, product recalls, increased service and warranty costs, product liability claims and loss of revenue relating to such 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 our products. 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.

A pandemic, epidemic or outbreak of an infectious disease, such as COVID-19, has adversely affected and may continue to materially and adversely impact our business, our operations and our financial results.

The impact of the COVID-19 pandemic has resulted in and will likely continue to result in significant disruptions to the global economy, as well as businesses and capital markets around the world. In an effort to halt the outbreak of COVID-19, a number of countries, including the United States and Germany where we have key operations, placed significant restrictions on travel, and many businesses announced extended closures. It is unclear how long total or partial shutdowns may last and whether additional shutdowns will be necessary to the extent future outbreaks occur.

The COVID-19 pandemic has had, and a continuing outbreak or future outbreaks may have, several adverse effects on our business, results of operations and financial condition, including:

Sales. The steps we have taken to safeguard employees and patients have curtailed direct sales activities, including our ability to train patients and rehabilitation centers on how to use our system, which has adversely impacted our sales and results of operation since 2020. The overall impact of the limitations on our sales efforts are currently hard to determine because, in addition to the short-term impacts, we are unable to interact and test our system with potential new patients at the same levels that we have before the COVID-19 outbreak. Our ReStore device for example has received FDA clearance in the third quarter of 2019 and had limited trial use and placements to date with the outbreak of COVID-19 and currently we do not have enough user experience to evaluate its potential market success. It may take an extended period after current restrictions end for us and with the distribution of vaccines in our main markets, that will allow us to engage with potential new clients. We continue to monitor our sales pipeline on a day-to-day basis in order to assess the quarterly effect of these limitations as some have short term effects and some affects our future pipeline development.

Repairs. We have been unable to repair existing systems with the result that we have had to ship temporary replacement systems in some cases. We cannot be certain when social distancing restrictions will be fully lifted and, once they are fully lifted, whether sales of our systems will offset the revenue that we have forgone earlier in the year. We also cannot be certain that social distancing restrictions or other measures will not be reinstated in the event of a future outbreak of COVID-19 or similar outbreak.

Production and Supply Chain. Our manufacturing was impacted mainly by parts shortage and supply chain delays. Other elements such as adverse impacts on our production capacity due to government directives, transportation issues, or health protocols that might impact our production facility. In addition, given the impact of current limitations on our sales activities, it has become hard for us to effectively forecast our future requirements for systems. Accordingly, there is a greater risk that we may overproduce or underproduce compared to sales.

Regulatory and clinical trials. Limitations on travel and business closures recommended by federal, state, and local governments, could, among other things, impact our ability to enroll patients in clinical trials, recruit clinical site investigators, and obtain timely approvals from local regulatory authorities for trials we might conduct. In our post-market study that we continue to conduct, we may face decreased ability to contact patients where a patient's COVID-19 status is unknown. Regulatory oversight and actions regarding our products have been and may continue to be disrupted or delayed in regions impacted by COVID-19, including the United States and Europe, which have been and may continue to impact review and approval timelines for products in development and/or changes to existing products that need regulatory review and approval.

Negative impacts on our suppliers and employees. COVID-19 may impact the health of our employees, directors, partners or customers, reduce the availability of our workforce or those of companies with which we do business, divert our attention toward succession planning, or create disruptions in our supply or distribution networks. The adverse effects of such events on us may include disruption to our operations, or demand for our products in the short and/or long term.

Our future results of operations and liquidity could be adversely impacted by delays in payments of outstanding receivable amounts beyond normal payment terms, supply chain disruptions and operational challenges faced by our customers. Continued outbreaks of COVID-19 could result in a widespread health crisis that could adversely affect the economies and financial markets of many countries, resulting in an economic downturn or a global recession that could affect demand for our products and likely impact our operating results. These may further limit or restrict our ability to access capital on favorable terms, or at all, lead to consolidation that negatively impacts our business, weaken demand, increase competition, cause us to reduce our capital spend further, or otherwise disrupt our business.

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 revenues.

In the ordinary course of our business, we may enter into collaborations, in-licensing arrangements, joint ventures, strategic alliances, business acquisitions or partnerships 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. 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 revenues 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. We also collaborate with Harvard University's Wyss Institute for Biologically Inspired Engineering 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. Our arrangements with MediTouch, Myolyn and Harvard, may not be as productive or successful as we hope.

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 may act in their self-interest, which may be adverse to our best interest, and they may breach their obligations to us. Any such disputes could 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.

Risks Related to Government Regulation

While we addressed the observations that the FDA cited in a 2015 warning letter related to our mandatory post-market surveillance study and initiated the study, we are currently experiencing enrollment issues that make our study progress inadequate and our modified protocol (intended to overcome the enrollment issues so that we may complete the study, as required) has not yet been approved by FDA. Going forward, if we cannot meet certain FDA requirements and enrollment criteria for the study or otherwise satisfy FDA requests promptly, or if our study produces unfavorable results, we could be subject to additional FDA warnings letters or more significant enforcement action, which could materially and adversely affect our commercial success.

We are conducting an ongoing mandatory FDA post-market surveillance study on our ReWalk Personal 6.0, which began in June 2016. Before we began the current study, the FDA sent us a warning letter on September 30, 2015 ("the September 2015 Warning Letter"), threatening potential regulatory action against us for violations of Section 522 of the U.S. Federal Food, Drug, and Cosmetic Act, based on our failure to initiate a post-market surveillance study by the September 28, 2015, deadline, our allegedly deficient protocol for that study and the lack of progress and communication regarding the study. Between June 2014 and our receipt of the September 2015 Warning Letter, we had responded late to certain of the FDA's requests related to our study protocol. In February 2016, the FDA sent us an additional information request (the "February 2016 Letter") requesting additional changes to our study protocol and asking that we amend the study within 30 days. The February 2016 Letter also discussed the FDA's request, as further discussed in later communications with the FDA, for a new premarket notification for our ReWalk device, or a special 510(k), linked to what the FDA viewed as changes to the labeling and the device, including to a computer included with the device. In late March 2016, following multiple discussions with the FDA, including an in-person meeting, the FDA confirmed that the agency would permit the continued marketing of the ReWalk device conditioned upon our timely submitting a special 510(k) and initiating our post-market surveillance study by June 1, 2016. The special 510(k) was timely submitted on April 8, 2016, and the FDA's substantial equivalence determination was received by us on July 22, 2016, granting us permission to continue marketing the ReWalk device.

Additionally, we submitted a protocol to the FDA for the post-market surveillance study that was approved by the FDA on May 5, 2016. We began the study on June 13, 2016, with Stanford University as the lead investigational site. In August 2016, the FDA sent us a letter stating that, based on its evaluation of our corrective and preventive actions in response to the September 2015 Warning Letter, it appeared we had adequately addressed the violations cited in the September 2015 Warning Letter. As part of our study, we provided the FDA with the required periodic reports on the study's progress, in a few cases with delay, and we intend to continue providing the FDA with periodic reports as required. Through these reports, we made the FDA aware that due to enrollment issues, we were unable to satisfy the target enrollment specified in the original study protocol. As of March 6, 2021, the study has been closed. Twelve subjects were enrolled in the study, three completed the study and one was using the device at the time the study was closed. This was substantially below the required number of patients included in our original study protocol.

In March 2021, the FDA accepted another protocol supplement to the original post-market study that we prepared to address our inability to obtain certain study information due to the COVID-19 pandemic. Our modification to the original protocol allowed us to close all study sites. The data from the original post-market study, along with the real world data, was submitted to FDA and is currently under review. However, despite the revised study protocol there can be no assurance that we will be able to satisfy the post-market study requirements. If we cannot meet FDA requirements for the post-market study or timely address requests from the FDA related to the study, or if the results of the study are not as favorable as we expect, the FDA may issue additional warning letters to us, impose limitations on the labeling of our device or require us to stop marketing the ReWalk Personal device in the United States. We derived 40% of our revenues in the year ended December 31, 2020, from sales of the ReWalk device in the United States and, if we are unable to market the ReWalk device in the United States, we expect that these sales would be adversely impacted, which could materially adversely affect our business and overall results of operations.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

There are no transactions that have not been previously included in a Current Report on Form 8-K.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

Not applicable.

ITEM 4. MINE SAFETY DISCLOSURES.

Not applicable.

ITEM 5. OTHER INFORMATION

Not applicable.

ITEM 6. EXHIBIT INDEX

Exhibit Number	Description
3.1	Third Amended and Restated Articles of Association of the Company (incorporated by reference to Exhibit 3.1 of the Company's Current Report on Form 8-K filed on April 1, 2019).
4.1	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).
4.2	Form of Placement Agent Agreement from July 2020 registered direct offering (incorporated by reference to Exhibit 4.2 of the Company's Current Report on Form 8-K filed on July 6, 2020).
4.3	Form of Ordinary Warrant (incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K filed on September 29, 2021).
4.4	Form of Placement Agent Warrant (incorporated by reference to Exhibit 4.2 of the Company's Current Report on Form 8-K filed on September 29, 2021).
4.5	Form of Pre-Funded Warrant (incorporated by reference to Exhibit 4.3 of the Company's Current Report on Form 8-K filed on September 29, 2021).
10.1	Form of Securities Purchase Agreement (incorporated by reference to Exhibit 10.1 of the Company's Current Report on Form 8-K filed on September 29, 2021).
10.2	Engagement letter, dated September 24, 2021, by and between Rewalk Robotics Ltd. And H.C. Wainwright & Co. LLC (incorporated by reference to Exhibit 10.1 of the Company's Current Report on Form 8-K filed on September 29, 2021).
10.3+	Employment Agreement, dated July 9, 2021, by and between the Company and Jeannine Lynch.
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 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002*.
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*.
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document

\+ Management contract or compensatory plan or arrangement.
* Furnished herewith.

SIGNATURES

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

ReWalk Robotics Ltd.

Date: November 10, 2021

By: /s/ Larry Jasinski
Larry Jasinski
Chief Executive Officer
(Principal Executive Officer)

Date: November 10, 2021

By: /s/ Ori Gon
Ori Gon
Chief Financial Officer
(Principal Financial and Accounting Officer)

Exhibit 10.3

EMPLOYMENT AGREEMENT

EMPLOYMENT AGREEMENT dated as of July 22, 2021, by and between ReWalk Robotics, Inc., a Delaware corporation (the "Company"), with offices at 200 Donald Lynch Boulevard, Marlboro, MA 01752 and Jeannine Lynch **(**the "Employee"**)** of San Francisco, CA.

WITNESSETH:

WHEREAS the Company desires to enter into employment with the Employee for the period provided in this Agreement, and the Employee is willing to accept such employment with the Company on a full-time basis, all in accordance with the terms and conditions set forth below.

NOW, THEREFORE, for and in consideration of the premise hereof and the mutual covenants contained herein, the parties hereto hereby covenant and agree as follows:

1. Employment.

(a) The Company hereby agrees to employ the Employee, and the Employee hereby agrees to accept such employment with the Company, beginning on August 31, 2021 and continuing for the period set forth in Section 2 hereof, all upon the terms and conditions hereinafter set forth.

(b) The Employee affirms and represents that as of the commencement of her employment by the Company on August 31, 2021 she will be under no obligation to any former employer or other party which is in any way inconsistent with, or which imposes any restriction upon, the Employee's acceptance of employment hereunder with the Company, the employment of the Employee by the Company, or the Employee's undertakings under this Agreement.

2. Term of Employment.

(a) Unless earlier terminated as provided in this Agreement, the term of the Employee's employment under this Agreement shall be for a period beginning on August 31, 2021 through August 31, 2022 (the "Initial Term").

(b) The term of the Employee's employment under this Agreement shall be automatically renewed for additional twelve month terms (the "Renewal Term") upon the expiration of the Initial Term or Additional Terms unless the Company or the Employee delivers to the other, at least ninety (90) days prior to the expiration of the Initial Term or Additional Terms, written notice specifying that the term of the Employee's employment will not be renewed at the end of the Initial or Additional Terms. If the contract is not renewed the severance terms of section 10(b) would take effect. The period from July__ , 2021 through July __, 2022 or, in the event that the Employee's employment hereunder is earlier terminated as provided herein or renewed as provided in this Section 2(b), such shorter or longer period, as the case may be, is hereinafter called the "Employment Term".

3. Duties. The Employee shall be employed as the Vice President of Market Access & Strategy and as an officer of the company, shall faithfully and competently perform such duties as inhere in such position and as are specified in the Bylaws of the Company and shall also perform and discharge such other executive employment duties and responsibilities as the CEO of the Company shall from time to time determine. The position shall report to the CEO. The Employee shall perform her duties principally at their home or executive offices of the Company, with such travel to such other locations from time to time as the CEO of the Company may reasonably prescribe and that is mutually agreed upon. Except as may otherwise be approved in advance by the CEO of the Company, and except during vacation periods and reasonable periods of absence due to sickness, personal injury or other disability or non-profit public service activities, the Employee shall devote her full time throughout the Employment Term to the services required of her hereunder; The Employee shall render her business services exclusively to the Company (which term includes any of its subsidiaries or affiliates). During the Employment Term, the Employee shall use her best efforts, judgment and energy to improve and advance the business and interests of the Company in a manner consistent with the duties of her position. Notwithstanding the foregoing, the Employee shall be entitled to participate as a director and investor in other business enterprises and to engage in activities related thereto so long as such participation and activities do not (i) involve a substantial amount of the Employee's time, (ii) impair the Employee's ability to perform her duties under this Agreement or (iii) violate the provisions of Section 12 of this Agreement.

4. Salary. As compensation for the complete and satisfactory performance by the Employee of the services to be performed by the Employee hereunder during the Employment Term, the Company shall pay the Employee a base salary at the annual rate of Three Hundred-Twenty-Thousand Dollars ($320,000.00) (said amount, together with any increases thereto as may be determined from time to time by the Compensation Committee of the Company in its sole discretion, being hereinafter referred to as "Salary"). Any Salary payable hereunder shall be paid in regular intervals (in the United States twice per month) in accordance with the Company's payroll practices from time to time in effect. Employee shall additionally be eligible to participate in annual merit increases beginning January 1, 2022.

5. Bonus. The Employee will be eligible to participate in the Company's bonus plan, with eligibility for an annual bonus of up to thirty-five percent (35%) of the Employee's then-base salary, assuming Company and individual objectives are met (the "Bonus"). Bonus percentage will be subject to specific objectives and accomplishments as are mutually agreed upon by the Board of Directors and the Employee. Payment of such bonuses will be subject to the approval of the Compensation Committee of the Board of Directors. Performance that exceeds the agreed upon objectives will allow for payment beyond the 35% target.

6. Equity Compensation. Pursuant to and subject to the terms of a stock option plan of the Company (the "SOP"), the Employee will be granted RSU’s (Restricted Stock Units). The initial shares that have been approved by the compensation committee are 125,000 shares. The company will consider additional equity awards on an annual basis as per the compensation policy approved by the shareholders.

7. Other Benefits. During the Employment Term, the Employee shall:

(i) be eligible to participate (on terms at least as favorable as other executive employees) in employee fringe benefits and pension and/or profit sharing plans that may be provided by the Company for its executive employees in accordance with the provisions of any such plans, as the same may be in effect from time to time;

(ii) be entitled to fully paid CIGNA or equivalent medical and dental coverage under the Company’s health care policy for its executive employees and dependents in accordance with the provisions of such Company’s health care policy, as the same may be in effect from time to time;

(iii) be entitled to the number of paid vacation days in each calendar year determined by the Company from time to time for its executive officers, provided that such number of paid vacation days in each calendar year shall not be less than twenty (20) work days (four (4) calendar weeks); the Employee shall also be entitled to all paid holidays given by the Company to its senior executive officers;

(iv) be entitled to sick leave, sick pay and disability benefits in accordance with any Company policy that may be applicable to senior executive employees from time to time; and

(v) be entitled to reimbursement for all reasonable and necessary out-of-pocket business expenses incurred by the Employee in the performance of her duties hereunder in accordance with the Company's normal policies from time to time in effect.

8. Confidential Information. The Employee hereby covenants, agrees and acknowledges as follows:

(a) The Employee has and will have access to and will participate in the development of or be acquainted with confidential or proprietary information and trade secrets related to the business of the Company and any other present or future subsidiaries or affiliates of the Company (collectively with the Company, the "Companies"), including but not limited to (i) inventions; designs; specifications; materials to be used in products and manufacturing processes; customer lists; claims histories, adjustments and settlements and related records and compilations of information; the identity, lists or descriptions of any new customers, referral sources or organizations; financial statements; cost reports or other financial information; contract proposals or bidding information; business plans; training and operations methods and manuals; personnel records; software programs; reports and correspondence; premium structures; and management systems, policies or procedures, including related forms and manuals; (ii) information pertaining to future developments such as future marketing or acquisition plans or ideas, and potential new business locations and (iii) all other tangible and intangible property, which are used in the business and operations of the Companies but not made public. The information and trade secrets relating to the business of the Companies described hereinabove in this paragraph (a) are hereinafter referred to collectively as the "Confidential Information", provided that the term Confidential Information shall not include any information (x) that is or becomes generally publicly available (other than as a result of violation of this Agreement by the Employee), (y) that the Employee receives on a non-confidential basis from a source (other than the Companies or their representatives) that is not known by her to be bound by an obligation of secrecy or confidentiality to any of the Companies or (z) that was in the possession of the Employee prior to disclosure by the Companies.

(b) The Employee shall not disclose, use or make known for her or another's benefit any Confidential information or use such Confidential information in any way except as is in the best interests of the Companies in the performance of the Employee's duties under this Agreement. The Employee may disclose Confidential Information when required by a third party and applicable law or judicial process, but only after providing immediate notice to the Company at any third party's request for such information, which notice shall include the Employee's intent with respect to such request.

(c) The Employee acknowledges and agrees that a remedy at law for any breach or threatened breach of the provisions of this Section 8 would be inadequate and, therefore, agrees that the Companies shall be entitled to injunctive relief in addition to any other available rights and remedies in case of any such breach or threatened breach; provided, however, that nothing contained herein shall be construed as prohibiting the Companies from pursuing any other rights and remedies available for any such breach or threatened breach.

(d) The Employee agrees that upon termination of her employment with the Company for any reason, the Employee shall forthwith return to the Company all Confidential Information in whatever form maintained (including, without limitation, computer discs and other electronic media).

(e) The obligations of the Employee under this Section 8 shall, except as otherwise provided herein, survive the termination of the Employment Term and the expiration or termination of this Agreement.

(f) Without limiting the generality of Section 13 hereof, the Employee hereby expressly agrees that the foregoing provisions of this Section 8 shall be binding upon the Employee's heirs, successors and legal representatives.

9. Termination.

(a) The Employee's employment hereunder shall be terminated upon the occurrence of any of the following:

(i) death of the Employee;

(ii) the Employee's inability to perform her duties on account of disability or incapacity for a period of one hundred eighty (180) or more days, whether or not consecutive, within any period of twelve (12) consecutive months;

(iii) the Company giving written notice, at any time, to the Employee that the Employee's employment is being terminated "for cause" (as defined below); or

(iv) the Company giving written notice, at any time, to the Employee that the Employee's employment is being terminated other than pursuant to clause (i), (ii) or (iii) above.

The following actions, failures and events by or affecting the Employee shall constitute "cause" for termination within the meaning of clause (iii) above: (A) an indictment for or conviction of the Employee of, or the entering of a plea of nolo contendere by the Employee with respect to, having committed a felony, (B) abuse of controlled substances or alcohol or acts of dishonesty or moral turpitude by the Employee that are detrimental to the Company, (C) acts or omissions by the Employee that the Employee knew were likely to damage the business of the Company, (D) negligence by the Employee in the performance of, or disregard by the Employee of, her material obligations under this Agreement or otherwise relating to her employment, which negligence or disregard continue un-remedied for a period of fifteen (15) days after written notice thereof to the Employee or (E) failure by the Employee to obey the reasonable and lawful orders and policies of the Board of Directors that are consistent with the provisions of this Agreement (provided that, in the case of an indictment described written notice of such proposed termination and a reasonable opportunity to discuss the matter with the CEO in clause (A) above, and in the case of clause (B), (C) or (E) above, the Employee shall have received of the Company, followed by a notice that the CEO of the Company adheres to its position.

(b) In the event that the Employee's employment is terminated pursuant to clause (iv) of Section 9(a) above, at any time during her employment, the Company shall pay to the Employee, as severance pay or liquidated damages or both, monthly payments at the rate per annum of her Salary and Bonus (and the replacement cost of her benefits as described in Section 7 above) 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.

(c) The employee shall be entitled to voluntary leave and receive severance as defined in Section 10 (b) if the company (i) moves the primary office outside the US, (ii) reduces her title or primary responsibilities, or moves her principal location of work.

(d) Notwithstanding anything to the contrary expressed or implied herein, except as required by applicable law and except as set forth in Section 9(b) above, the Company (and its affiliates) shall not be obligated to make any payments to the Employee or on her behalf of whatever kind or nature by reason of the Employee's cessation of employment (including, without limitation, by reason of termination of the Employee's employment by the Company's for "cause"), other than (i) such amounts, if any, of her Salary as shall have accrued and remained unpaid as of the date of said cessation and (ii) such other amounts, if any, which may be then otherwise payable to the Employee pursuant to the terms of the Company's benefits plans.

(e) No interest shall accrue on or be paid with respect to any portion of any payment hereunder.

10. Change of Control In the event the company is subject to a merger or acquisition where the employee is terminated in less than 12 months after the closing of the transaction, vesting of 100% of the outstanding equity will be accelerated.

11. Non-Assignability.

(a) Neither this Agreement nor any right or interest hereunder shall be assignable by the Employee or her beneficiaries or legal representatives without the Company's prior written consent; provided, however, that nothing in this Section 10(a) shall preclude the Employee from designating a beneficiary to receive any benefit payable hereunder upon her death or incapacity.

(b) Except as required by Jaw, no right to receive payments under this Agreement shall be subject to anticipation, commutation, alienation, sale, assignment, encumbrance, charge, pledge, or hypothecation or to exclusion, attachment, levy or similar process or to assignment by operation of law, and any attempt, voluntary or involuntary, to effect any such action shall be null, void and of no effect.

1 l. Inventions. Any and all inventions, innovations or improvements ("inventions") made, developed or created by the Employee (whether at the request or suggestion of the Company or otherwise, whether alone or in conjunction with others, and whether during regular hours of work or otherwise) during the Employment Term which may be directly or indirectly useful in, or relate to, the business of the Company shall be promptly and fully disclosed by the Employee to the Board of Directors of the Company and shall be the Company's exclusive property as against the Employee, and the Employee shall promptly deliver to an appropriate representative of the Company as designated by the Board of Directors all papers, drawings, models, data and other material relating to any inventions made, developed or created by her as aforesaid. The Employee shall, at the request of the Company and without any payment therefor, execute any documents necessary or advisable in the opinion of the Company's counsel to direct issuance of patents or copyrights to the Company with respect to such inventions as are to be the Company's exclusive property as against the Employee or to vest in the Company title to such inventions as against the Employee. The expense of securing any such patent or copyright shall be borne by the Company.

12. Restrictive Covenants.

(a) Competition. During the Employment Term and, in the event the Employee's employment is terminated by the Company pursuant to clause (iii) or (iv) of Section 9(a) above, during the twelve (12) month period following such termination (provided that, in the case of a termination pursuant to clause (iv) of said Section 9(a), any payments required pursuant to Section 9(b)hereof are made in full and in a timely fashion)), the Employee will not directly or indirectly (as a director, officer, executive employee, manager, consultant., independent contractor, advisor or otherwise) engage in competition with, or own any interest in, perform any services for, participate in or be connected with any business or organization which engages in competition with the Company within the meaning of Section 12(d), provided, however, that the provisions of this Section 12(a) shall not be deemed to prohibit the Employee's ownership of not more than two percent (2%) of the total shares of all classes of stock outstanding of any publicly held company in competition with the Company, or ownership, whether through direct or indirect stock holdings or otherwise, of one percent (1%) or more of any other business in competition with the Company. The geographic territory within which this Section 12(a) applies is all of the United States of America, Europe and Asia.

(b) Non-Solicitation. During the Employment Term and during the twelve (12) month period following the end of the Employment Term for any reason whatsoever (or, if later, the twelve (12) month period following termination of the Employee's employment with the Company), provided that payments, if any, required pursuant to Section 9(b)hereof are made in full and in a timely fashion, the Employee will not directly or indirectly induce or attempt to induce any employee of any of the Companies to leave the employ of the Company, or in any way interfere with the relationship between the Company and any employee thereof.

(c) Non-Interference. During the Employment Term and, in the event the Employee's employment is terminated by the Company pursuant to clause (iii) or (iv) of Section 9(a) above, during the twelve (12) month period following such termination (provided that, in the case of a termination pursuant to clause (iv) of said Section 9(a), any payments required pursuant to Section 9(b)hereof are made in full and in a timely fashion)), the Employee will not directly or indirectly hire, engage, send any work to, place orders with, or in any manner be associated with any supplier, contractor, subcontractor or other business relation of the Company if such action by her would have a material adverse effect on the business, assets or financial condition of the Company, or materially interfere with the relationship between any such person or entity and the Company.

(d) Certain Definitions. For purposes of this Section 10, a person or entity (including, without limitation, the Employee) shall be deemed to be a competitor of the Company, or a person or entity (including, without limitation, the Employee) shall be deemed to be engaging in competition with the Company, if such person or entity is engaged in a business involving robotic technologies designed to allow mobility of paralyzed or limited mobility patients.

(e) Certain Representations of the Employee. In connection with the foregoing provisions of this Section 12, the Employee represents that her experience, capabilities and circumstances are such that such provisions will not prevent her from earning a livelihood. The Employee further agrees that the limitations set forth in this Section 12 (including, without limitation, time and territorial limitations) are reasonable and properly required for the adequate protection of the current and future businesses of the Companies. It is understood and agreed that the covenants made by the Employee in this Section 12 (and. in Section 8shereof) shall survive the expiration or termination of this Agreement.

(f) Injunctive Relief. The Employee acknowledges and agrees that a remedy at law for any breach or threatened breach of the provisions of Section 12hereof would be inadequate and, therefore, agrees that the Company shall be entitled to injunctive relief in addition to any other available rights and remedies in cases of any such breach or threatened breach; provided, however, that nothing contained herein shall be construed as prohibiting the Company from pursuing any other rights and remedies available for any such breach or threatened breach.

13. Binding Effect. Without limiting or diminishing the effect of Section 8 or Section 12hereof, this Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, successors, legal representatives and assigns.

14. Notices. All notices which are required or may be given pursuant to the terms of this Agreement shall be in writing and shall be sufficient in all respects if given in writing and (i) delivered personally, (ii) mailed by certified or registered mail, return receipt requested and postage prepaid, (iii) sent via a nationally recognized overnight courier or (iv) sent via facsimile confirmed in writing to the recipient, if to the Company at the Company's principal place of business, and if to the Employee, at her home address most recently filed with the Company, or to such other address or addresses as either party shall have designated in writing to the other party hereto, provided, however, that any notice sent by certified or registered mail shall be deemed delivered on the date of delivery as evidenced by the return receipt.

15. Law Governing. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts.

16. Severability. The Employee agrees that in the event that any court of competent jurisdiction shall finally hold that any provision of Section 8 or 12shereof is void or constitutes an unreasonable restriction against the Employee, the provisions of such Section 8 or 12 shall not be rendered void but shall apply with respect to such extent as such court may judicially determine constitutes a reasonable restriction under the circumstances. If any part of this Agreement other than Section 8 or 12 is held by a court of competent jurisdiction to be invalid, illegible or incapable of being enforced in whole or in part by reason of any rule of law or public policy, such part shall be deemed to be severed from the remainder of this Agreement for the purpose only of the particular legal proceedings in question and all other covenants and provisions of this Agreement shall in every other respect continue in full force and effect and no covenant or provision shall be deemed dependent upon any other covenant or provision.

17. Waiver. Failure to insist upon strict compliance with any of the terms, covenants or condition hereof shall not be deemed a waiver of such term, covenant or condition, nor shall any waiver or relinquishment of any right or power hereunder at any one or more times be deemed a waiver or relinquishment of such right or power at any other time or times.

18. Entire Agreement; Modifications. This Agreement constitutes the entire and final expression of the agreement of the parties with respect to the subject matter hereof and supersedes all prior agreements, oral and written, between the parties hereto with respect to the subject matter hereof. This Agreement may be modified or amended only by an instrument in writing signed by both parties hereto.

19. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Company and the Employee have duly executed and delivered this Agreement as of the day and year first above written.

/s/ Jeannine Lynch	/s/ Larry Jasinski
Jeannine Lynch	Larry Jasinski
	Chief Executive Officer
	ReWalk Robotics, Inc.

EXHIBIT 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002

I, Larry Jasinski, certify that:

1. I have reviewed this quarterly report on Form 10-Q of ReWalk Robotics 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/ Larry Jasinski

Larry Jasinski
Chief Executive Officer
(Principal Executive Officer)
ReWalk Robotics Ltd.

Date: November 10, 2021

EXHIBIT 31.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002

I, Ori Gon, certify that:

1. I have reviewed this quarterly report on Form 10-Q of ReWalk Robotics 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/ Ori Gon
Ori Gon
Chief Financial Officer
(Principal Financial Officer)
ReWalk Robotics Ltd.

Date: November 10, 2021

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 Quarterly Report of ReWalk Robotics Ltd. (the "Company") on Form 10-Q for the quarterly period ended September 30, 2021, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Larry Jasinski, 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/ Larry Jasinski

Larry Jasinski
Chief Executive Officer
(Principal Executive Officer)
ReWalk Robotics Ltd.

Date: November 10, 2021

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 Quarterly Report of ReWalk Robotics Ltd. (the "Company") on Form 10-Q for the quarterly period ended September 30, 2021, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Ori Gon, 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/ Ori Gon
Ori Gon
Chief Financial Officer
(Principal Financial Officer)
ReWalk Robotics Ltd.

Date: November 10, 2021

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.